

**Minutes of a meeting of the
Joint Governance Committee
Adur District and Worthing Borough Councils**

Gordon Room, Worthing Town Hall

28 January 2020

Councillor Lionel Harman (Chairman)

Adur District Council:

Andy McGregor
Ann Bridges
Brian Coomber
Debs Stainforth

Worthing Borough Council:

Tim Wills
Mike Barrett
Steve Waight
Steve Wills
Rebecca Cooper
Bob Smytherman

Absent

Councillor Kevin Boram, Councillor David Balfe, Councillor Paul Mansfield and Councillor Barry Mear

Councillor Louise Murphy

JGC/47/19-20 Substitute Members

Councillor Kevin Jenkins substituted for Councillor Louise Murphy.

JGC/48/19-20 Declarations of Interest

Councillor Steve Wills declared a personal interest as a Non-Executive Director of Worthing Homes.

JGC/49/19-20 Minutes

The minutes of the Joint Governance Committee meeting held on 26 November 2019, were agreed as a correct record.

JGC/50/19-20 Public Question Time

There were no questions from the public.

JGC/51/19-20 Items Raised under Urgency Provisions

There were no urgent items raised.

Before the Committee was a report by the Acting Head of Internal Audit, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 6.

The report updated the Joint Governance Committee with:

- The current performance of the Internal Audit Section;
- Summary Information on the key issues raised in final audit reports issued since our last report to the Committee;
- The current status on the implementation of agreed audit recommendations; and
- Fraud work conducted by the Councils' Corporate Investigations Team.

A Member raised concerns regarding the number of outstanding priority 1 recommendations highlighted in Appendix 6 of the report and asked whether the timelines for implementation were realistic and whether the Councils were taking audit recommendations seriously.

Officers replied that Internal Audit was well regarded across the Councils and that Appendix 6 was somewhat skewed by the Leaseholder Service Charges report. It was noted that a programme was in place to improve this particular service.

A Member stated that paragraph 4.3 of the report highlighted the Follow-Up Protocol which required the implementation of 80% of all priority 2 and 3 recommendation and 100% of priority 1 recommendations.

The Acting Head of Internal Audit advised that it was managements' responsibility to implement priority 1, 2 and 3 recommendations. Internal Audit could (and did) chase outstanding recommendations but it was managements' responsibility to implement.

The Committee discussed how best to raise these issues with management. It was suggested that the concerns be referred to CLT for consideration as to how priority 1, 2 and 3 audit recommendations would be delivered with a response being brought to the next meeting of the Committee.

Resolved

That the Joint Governance Committee:

1. noted the contents of the report and requested a response from CLT to include clear deadlines for the implementation of audit recommendations, to be reported back to Committee at the March meeting;
2. stated that unless noticeable improvements were made, the Chairman of the Joint Governance Committee should invite Directors to attend the next meeting to explain the reasons for failing to implement recommendations.

JGC/53/19-20 Joint Treasury Management Strategy Statement and Annual Investment Strategy 2020/21 to 2022/23, Adur District Council and Worthing Borough Council

Before the Committee was a report by the Director for Digital & Resources, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 7.

The report sought Member approval and adoption of the contents of the Treasury Management Strategy Statement and Annual Investment Strategy for 2020/21 to 2022/23 for Adur and Worthing Councils, as required by regulations issued under the Local Government Act 2003.

A Member commented that the report had been written in a very technical way and it was difficult to understand the content. She suggested that a cogent summary be produced in future providing a summary of the key points. Officers advised that the report was set out as it was in order to meet the codes and requirements but would look at how a summary could be incorporated in future. In addition, Officers were reviewing the fundamental training for Members of the Committee and giving consideration as to how best to provide it.

The Committee welcomed the news that Adur and Worthing Councils intended to explore options for 'ethical' or 'green' investments with their treasury advisors.

It was noted that Deutsche Bank had been removed from the Specified Investments list.

Resolved

The Joint Governance Committee noted the report (including the Prudential Indicators and Limits, and MRP Statements) for 2020/21 to 2022/23.

JGC/54/19-20 Strategic Property Investment Fund - Annual Commercial Property Investment Strategy 2020/21

Before the Committee was a report by the Director for the Economy, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 8.

The report;

- updated and confirmed the Councils' robust Commercial Property Investment Strategy (CPIS) to support the Councils' strategic income generation objective;
- met the Councils' statutory obligation to prepare an annual investment strategy to be approved in advance of the relevant financial year by Full Council (or equivalent); and
- supported the Councils' medium term financial strategy seeking to renew and refresh the current investment strategy in relation to the investment funds providing details on:
 - Robust parameters to guide and support the development of an income generating property portfolio that seeks to manage and provide a financially resilient income stream for the Councils

- Update governance criteria to ensure diligent analysis and transparency to support the transparent decision making process

The Committee considered the fund structure and the distribution of purchases across the three categories (core, value added and opportunistic) which was weighted heavily towards lower risk assets. Officers advised that the majority of purchases had been in the core assets category.

In addition, the size of the investment funds held by Adur and Worthing Councils was considered by the Committee along with the associated risks.

Resolved

The Joint Governance Committee noted the contents of the report.

JGC/55/19-20 Risk & Opportunity Management Update

Before the Committee was a report by the Director for Digital & Resources, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 9.

This report updated Members on the management of the Councils' risks and Opportunities.

The Committee considered the balance of risks and opportunities identified and the Major Projects Delivery risk outlined on page 149 of the papers.

Members also discussed the Council Finances risk outlined on page 145 of the papers. Officers advised that the councils had set balanced budgets addressing both the challenge of falling income from Government and the budget pressures resulting from County Council pressures. It was noted that the fairer funding review had been delayed until 2021/22 and that the councils would be making representations once the details were known.

Resolved

That the Joint Governance Committee

- noted the progress in managing risks and opportunities; and
- agreed to receive a further progress report in May 2020.

JGC/56/19-20 Major Projects Delivery Corporate Risk

Before the Committee was a report by the Director for the Economy, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 10.

The report updated the Committee on the risks around major projects identified in the Corporate Risk register; assessed whether the risks were appropriately described; and outlined actions being undertaken by the Officer.

The Committee discussed the status of a number of major projects and the associated risks of failure to deliver. Officers confirmed that a risk matrix was used, as set out in the Councils Risk and Opportunities Management Strategy, and Major Projects was listed as a High (red) Risk.

Members raised concerns at the length of time that Major Projects had been identified as High Risk and considered what actions the committee could take. Officers advised that risks would be reassessed as developments progressed and that it was anticipated that risk would reduce over time.

Resolved

That the Joint Governance Committee noted the contents of the report and requested that Officers take on board the comments of the Committee.

JGC/57/19-20 Review of Polling Districts, Polling Places and Polling Stations

Before the Committee was a report by the Director for Digital & Resources, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 11.

The Committee noted that the (Acting) Returning Officer had completed a statutory review of polling districts, polling places and polling stations.

The purpose of the review was to assess the size of the electorate in each polling district as well as the suitability of the location and access of each polling place and the number of polling stations located at each polling place.

As a result of the review, four polling places had been changed in Adur and one in Worthing.

Members highlighted concerns in regards to the following polling station locations:

- St Richard's Church - no parking, no facilities for tellers and it is located next to a school;
- St Michael's Church Hall, South Street, Lancing - disabled access was poor and pathways leading to the hall were uneven and poorly lit.

Officers agreed to take Members comments away and give them due consideration as part of their ongoing review work.

The Committee highlighted the poor facilities for tellers at a number of polling stations and raised concerns about people standing outside for long periods in poor weather conditions. It was argued that tellers were an integral part of the process whose needs should be considered. Officers acknowledged that this was a sensitive issue, informing the Committee that finding suitable locations for polling stations was really difficult and that the main priority was finding locations that allowed residents to vote.

Resolved

The Joint Governance Committee noted the review proposals for polling places in Adur and Worthing and requested officers to follow up on the comments from the Committee.

JGC/58/19-20 Recruitment of Independent Persons and Allowances

Before the Committee was a report by the Director for Digital & Resources, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 12.

The Committee was asked to consider the Councils' recruitment process in respect of Independent Persons and any remuneration to be offered for the role.

Members welcomed the proposals.

Resolved

The Joint Governance Committee:

- noted the contents of the report and agreed that the Councils should appoint 3 Independent Persons;
- authorised the Monitoring Officer to commence a recruitment process in respect of any current vacancies and bring a report to a Sub-Committee of the Joint Governance Committee to enable the interview of suitable candidates;
- agreed that Independent Persons receive a remuneration of £100 per meeting of the Joint Governance Committee, or, its sub-committee.

JGC/59/19-20 Review of the Code of Conduct for Members

Before the Committee was a report by the Director for Digital & Resources, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 13.

The Committee was asked to consider proposed revisions to the Adur District Council and Worthing Borough Council Code of Conduct for Members.

Officers advised that there was a correlation between complaints received in relation to conduct and attendance at code of conduct training sessions. It was suggested that Members attend at least two training sessions in a term of office i.e. once every two years and it was agreed that the codes be amended to reflect this change.

A Member questioned whether the revised codes would be adopted by the Parish Councils. Officers advised that they were happy to give advice and share the code but each Parish Council would need to decide whether to adopt or not.

Resolved

The Joint Governance Committee noted the proposed revised Code of Conduct for Members attached to the report as Appendix 1 and recommended its adoption to both Adur District Council and Worthing Borough Council, as amended.

The meeting was declared closed by the Chairman at 8.21 pm, it having commenced at 6.30 pm

Chairman