

Rother District Council

Report to:	Audit and Standards Committee
Date:	26 July 2023
Title:	Local Code of Corporate Governance and Annual Governance Statement (AGS)
Report of:	Deputy Chief Executive (Interim)
Purpose of Report:	To consider and agree the Local Code of Corporate Governance, and the Annual Governance Statement (AGS), including reviewing the main governance issues affecting the Council during 2022/23.

Officer

Recommendation(s): It be **RESOLVED**: That:

- 1) the Local Code of Corporate Governance and improvement actions be approved;
 - 2) the Annual Governance Statement be approved; and
 - 3) the Statement be signed by the Leader of the Council and the Chief Executive.
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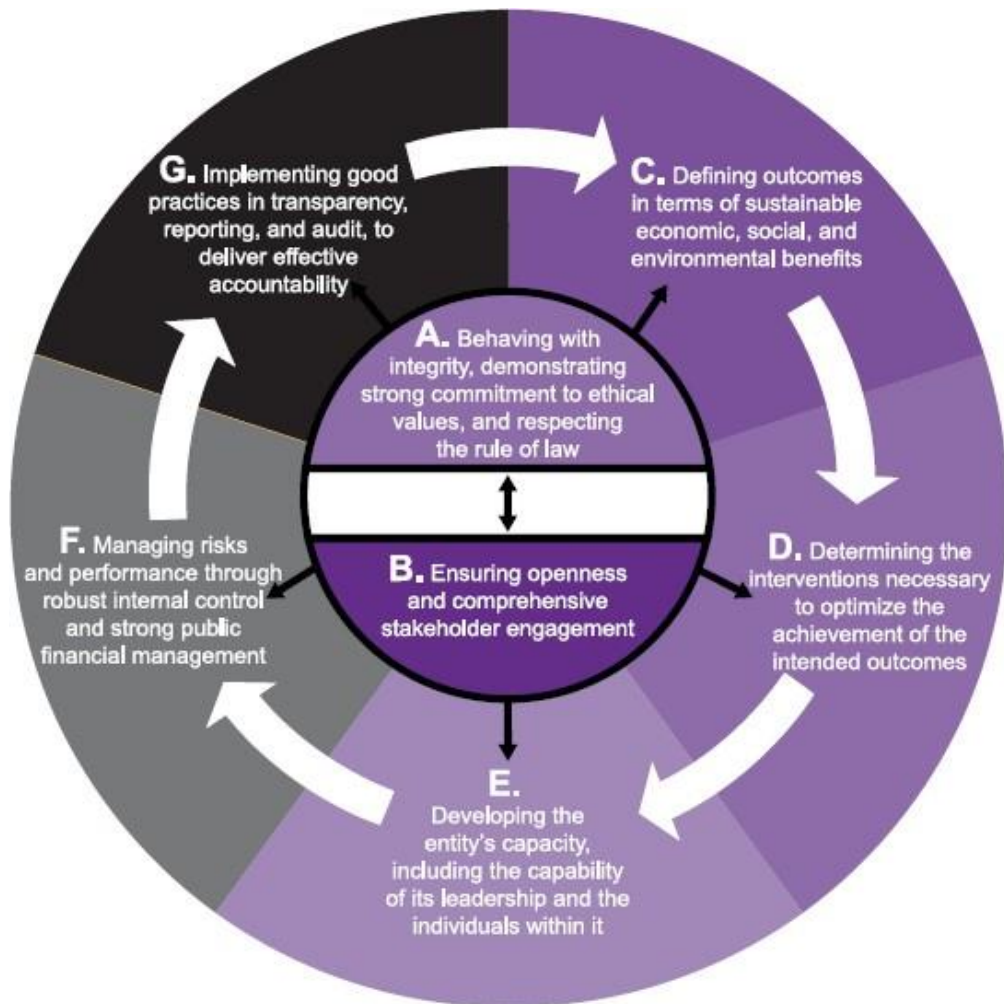
Introduction

1. Governance comprises of the systems, processes, cultures and values by which local government bodies are directed and controlled. Through these four elements, they are held accountable by and engage with their communities.
2. Good governance ensures that an organisation is doing the right things, in the right way, for the right people, and in a timely, open and accountable manner. There is a strong correlation between effective governance and effective service delivery, so in order to deliver the Council's ambitions strong governance arrangements are essential.
3. The Corporate Governance framework is made up of the systems and processes, culture and values by which an organisation is directed and controlled. For local authorities this includes how a Council relates to the community it serves.
4. The Local Code of Corporate Governance is a public statement of the ways in which the Council will achieve good corporate governance. This is based on the development of the '*Delivering Good Governance in Local Government: Framework*' (2016) produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) and focuses on the seven core principles and sub-principles of good governance.

5. The Annual Governance Statement (AGS) is prepared following a review of all the evidence available to the Council in seeking compliance with its Local Code.
6. Attached to this report are two documents for consideration by the Audit and Standards Committee (A&SC). These are;
 - The Local Code of Corporate Governance (Appendix A)
 - The Annual Governance Statement (AGS) (Appendix B)
7. Although the Council has previously adopted the Local Code of Corporate Governance, the full compliance assessment as contained within Appendix A has never been undertaken. It is therefore recommended that the Committee acknowledge the assessment and recommended improvement actions contained within it to further support, strengthen and develop the governance framework, local accountability and transparency.

The Local Code of Corporate Governance

8. The Local Code of Corporate Governance (the Local Code) is a public statement of how the Council seeks to achieve good corporate governance. It is best practice for each authority to adopt a Local Code of Corporate Governance, which demonstrates how the Council will achieve good governance.
9. The 2016/17 financial year saw the introduction of the Local Code and was based on the development of the new '*Delivering Good Governance in Local Government: Framework*' (CIPFA/Solace, 2016) ('the Framework'). The Local Code is included as part of this report for comment and consideration.
10. The main principle underpinning the emergence of the Framework continues to be that local government is developing and shaping its own approach to governance, taking account of the environment in which it now operates. The Framework is intended to assist authorities individually in reviewing and accounting for their own unique approach.
11. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision-making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.
12. The Framework follows the seven core principles and sub-principles of good governance, as identified by CIPFA/SOLACE, as shown overleaf with principles A and B permeating the implementation of principles C to G. The diagram also illustrates that good governance is dynamic, and that an entity should be committed to improving governance on a continuing basis through a process of evaluation and review. The updated Local Code can be found within Appendix A.



13. There are some key requirements that need to be met to demonstrate compliance with the core principles and these are listed along with 'evidences' and source documents. These evidences must be reviewed regularly to ensure that they are up to date and remain sufficiently current. Any gaps in compliance are identified and form an action plan, which then needs to be monitored throughout the year.

Annual Governance Statement (AGS)

14. Also attached is the draft AGS for 2022/23 (Appendix B) which should be read and considered in conjunction with Appendix A (the Local Code). This statement provides assurances as to the in-year operation of the risk and governance arrangements adopted by the Council. It is prepared after reviewing all the evidences available to the A&SC, the Council's Senior Leadership Team, Corporate Management Team, Audit Manager, external audit and the statutory officers of the Council.
15. The AGS sets out how the Council ensures that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for and used economically, effectively and efficiently in the delivery of its services.
16. It is recommended that the Council acknowledge the Local Code of Corporate

Governance assessment as contained within Appendix A, which supports this AGS. The Local Code is compliant with the recommendations of the CIPFA/SOLACE 'Delivering Good Governance in Local Government: Framework' as updated for 2016.

17. In line with CIPFA best practice, the review process has been expanded to include asking managers to consider and comment on any significant issues which have been caused as a result of the ongoing recovery from the COVID-19 pandemic, or if the impact has identified any areas of weakness in governance.
18. The AGS is signed by the Leader of the Council and the Chief Executive. The A&SC are asked to consider and approve the draft report as attached.

Review of Effectiveness

19. The Council is committed to a sound system of Governance that reflects:
 - openness, accountability and integrity
 - compliance with laws, policies and regulations
 - the identification and monitoring of all strategic and operational risks
20. The key document for the Council is the [Corporate Plan](#). The risks to its achievement are outlined in the comprehensive risk registers maintained by the Authority.
21. The review of the Governance arrangements is undertaken through several mechanisms, including the report from the Audit Manager and the Heads of Service/Director annual assurance statements as well as the various inspection regimes undertaken by the External Auditors, which feed into and support the overall review.

Conclusion

22. The arrangements set out within the updated Local Code of Corporate Governance and the AGS will allow the Council to move forward with its corporate planning processes and remain confident that it can address the issues of governance and risk.
23. Adoption of the Local Code will demonstrate the Council's compliance with best practice.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	External Consultation	No
Environmental	No	Access to Information	No
Risk Management	No	Exempt from publication	No

Chief Executive:	Lorna Ford
Report Contact Officer:	Duncan Ellis
e-mail address:	Duncan.Ellis@rother.gov.uk

Appendices:	A – Local Code of Corporate Governance B - Annual Governance Statement
Relevant Previous Minutes:	N/A
Background Papers:	N/A
Reference Documents:	N/A

Rother District Council Local Code of Corporate Governance 2022/23

Rother district covers some 200 square miles and is a predominantly rural district. The population of Rother has increased by 2.8%, from just under 90,600 in 2011 to around 93,100 in 2021. This compares to a 7.5% South East average and 6.6% nationally, with residents dispersed across the rural area, but with nearly half living in Bexhill-on-Sea. Although not a wealthy area relative to other more affluent parts of the South East, Rother is an attractive and safe place to live. It benefits from a blend of some of the most beautiful countryside and coastline in South East England and contains the historic market towns of Battle and Rye, the Victorian/Edwardian seaside town (and administrative centre) of Bexhill and many picturesque villages.

However, despite the district having several very positive attributes we also have some big challenges; increasing affordable housing supply and reducing reliance on temporary accommodation, responding to environmental change, supporting economic growth and decent jobs, tackling deprivation and ensuring the Council is fit to deliver the best possible services within current budget constraints.

Our Corporate Plan sets out our vision for the Council and its work over the period 2020 to 2027, a copy of which can be found [here](#). It reflects the essential needs and aspirations of our customers and communities and how we feel the Council can best use its resources to deliver services and outcomes that make a positive difference for everyone who lives in, works in or visits Rother. The Corporate Plan is a strategic document and details the Council's vision for the next seven years, putting residents at the heart of all we do, and providing the framework and context for the Council's service provision, project interventions and resource allocation (financial and staffing). The Plan identifies six key themes as follows:

- Increasing the supply of affordable homes across the district.
- Prosperity and economic development.
- Delivering more effective services.
- Empowering our people and strengthening our processes and resources.
- Protecting the natural environment and tackling climate change.
- Financial sustainability.

As a Local Authority, we are entrusted with public funds and aim to spend these wisely to improve outcomes in our district. Our Local Code of Corporate Governance is the framework of policies, procedures, behaviours and values which determine how we work to achieve our priorities, and is based upon the seven core principles of the International Framework: Good Governance in the Public Sector which are as follows:

- Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining outcomes in terms of sustainable economic, social and environmental benefits.

- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the entities capacity, including the capacity of its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

Good governance supports the Council through:

- Enabling the Council to achieve its objectives in an open and accountable way.
- Ensuring decisions are sound and lawful, upholding the Council's reputation and minimising the risk of financial loss.
- Ensuring decisions take into account local people's needs and priorities.
- Giving the public confidence in the work we do.
- Each year, the Council reviews its governance arrangements through the Annual Governance Statement, ensuring these arrangements are adequate and operating effectively. Where reviews identify any gaps in corporate governance, or areas for improvement, recommendations for improvements are made.

Rother District Council – Local Code of Corporate Governance (the Local Code)

Principle	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.	Ensuring openness and comprehensive stakeholder engagement.	Defining outcomes in terms of sustainable economic, social and environmental benefits.	Determining the interventions necessary to optimise the achievement of intended outcomes.	Developing the entity's capacity, including the capability of its leadership and the individuals within it.	Managing risks and performance through robust internal control and strong public financial management.	Implementing good practices in transparency, reporting and audit, to deliver effective accountability.
What we aim to achieve	We are accountable for the money entrusted to us. We can show decisions we take are appropriate and there are strong processes in place to encourage and enforce compliance with the Council's values and the law.	Local Government is accountable to its public. We use clear channels of communication to engage with our residents and stakeholders, understanding their needs. We manage expectations and model Service delivery to respond to demand.	We form clear, long term priorities in line with our long term ambitions. We balance the competing demands and priorities we face and allocate resources accordingly.	We have robust decision making processes to ensure defined outcomes can be achieved given the varying demands we face. We monitor our performance and delivery on an ongoing basis to ensure intended outcomes are achieved.	We work to develop our talent to maximize the potential of the resources we hold. We remain at the forefront of national developments to support our commitment to retaining viability.	We have robust management information procedures to ensure that outcomes are accurately reported and monitored. We welcome challenge to the way we operate, and actively learn in order to improve the way we deliver.	We pro-actively make information available to give Stakeholders confidence in our decision making. We have strong systems of oversight, including audit and scrutiny, to maintain accountability for our delivery.
The key tools we use to support our compliance	Codes of Conduct Constitution Financial Procedure Rules Procurement Procedure Rules Procurement Strategy Staff/Member induction/training Complaints System and Procedure Appraisal and development systems Anti-Fraud and Corruption Strategy Fraud Response Plan Anti-Bribery Policy Anti-Money Laundering Policy Whistleblowing Policy Register of Interests/Gifts	Publication of minutes and decision notices Complaints System and Procedure Consultation Exercises Quarterly performance reports FOI scheme Council website Corporate Plan Committee timetables Constitution Performance Management Framework Statutory provisions Member Bulletin Staff updates Intranet Customer Charter	Corporate Plan Annual Service Planning Budget and Capital Programme Medium Term Financial Strategy Risk Management Policy & Framework /Business Continuity Plans Programme Management approaches Equality Assessments Equality Objectives Monitoring of Key Performance Indicators (KPIs) Committee reports Housing Policy Environment Strategy Local Plan	Committee work Programmes/ timetables Consultation exercises Risk Assessments/ Framework Procurement Strategy Medium Term Financial Strategy Monitoring of Key Performance Indicators (KPIs) Budget framework Committee reports Annual Governance Statement	Service Reviews Scheme of Delegation Monitoring of Key Performance Indicators (KPIs) Peer Reviews Appraisal and development systems Flexible Working Policy Absence Management Policy Employee Code of Conduct Diversity & Equality Policy Job descriptions Benchmarking exercises New staff induction checklist	Risk Management Framework/Business Continuity Plans Service Plans Overview & Scrutiny Audit & Standards Committee Internal/external audit Budget Management procedures Treasury Management Strategy Investment Strategy Capital Strategy Debt Management Policy Health and Safety Policies Monitoring of Key Performance Indicators (KPIs) Data Protection Officer Privacy Policy Data Risk Assessments Corporate Risk Register Service Risk Registers	Internal/external audit External inspection of internal audit Corporate Governance Frameworks Customer Service Standards Annual Governance Statement Pay Policy Statement Transparency agenda Council website Financial Statements Overview & Scrutiny Committee Quarterly performance reports Local Code of Corporate Governance Audit protocols Medium Term Financial Strategy

Principles of Good Governance

Behaviours and actions that can demonstrate this

How we put this in practice

Source Documents

Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

Ensuring Members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.

The Council has approved Codes of Conduct which are included within induction packs supported by a sign off procedure. All officers are part of the Council's Monitoring of Key Performance Indicators (KPIs) and expected to perform in line with designated competencies appropriate to their role and job description. The authority's leadership style is underpinned by the Constitution, Policies, Protocols and Codes of Conduct. The Council has introduced and encourages public speaking at Planning Committees, and this is supported through provision of committee reports and decisions on our website, where we actively manage content to ensure easy access to information.

Constitution, Articles in Members Bulletin, Head of Paid Service update emails, Managers Forum, Corporate briefings held during the year to update staff about key issues and items, Appraisal and Development Scheme, Member/Officer Codes of Conduct, Member/Officer Protocol, Whistleblowing policy, Anti-Fraud and Corruption Strategy Fraud Response Plan Anti-Bribery and Anti-Money Laundering Policies, Freedom of Information (statement and publication scheme), Planning Protocol, Audit and Standards Committee, Officer Register of Gifts and Hospitality, Member / Officer Registers of Interests, Annual Governance Statement, Local Code of Corporate Governance.

	<p>Ensuring Members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles).</p>	<p>The Corporate Plan sets out our clear vision for the district, and our ambition. This is further supported by Council's Monitoring of Key Performance Indicators (KPIs). At the start of April 2023, the Audit and Standards Committee undertook a self-assessment to help identify future improvements. One area highlighted was the need for an Annual Report to Full Council to be produced to update on the Committee's work each year. ACTION</p>	<p>Corporate Plan, Monitoring of Key Performance Indicators (KPIs), Councillor Code of Conduct Member/Officer Codes of Conduct, Member/Officer Protocol, Whistleblowing Policy, Anti-Fraud and Corruption Strategy Fraud Response Plan Anti-Bribery and Anti-Money Laundering Policies, Member / Officer Register of Gifts and Hospitality, Monitoring of Key Performance Indicators (KPIs), Complaints procedure Corporate Plan,</p>
	<p>Leading by example and using these standard operating principles or values as a framework for decision making and other actions.</p>	<p>Our decision-making processes are embedded into the Council's Constitution, which is periodically reviewed and endorsed by Councillors. Members are required to make any 'Declarations of Interest' where appropriate. The Council's values are currently being reviewed and will be updated as part of the review and updating of the Corporate Plan following the elections in May 2023 to remind staff of the values and behaviours we expect from staff.</p>	<p>Constitution, Member/Officer Codes of Conduct, Whistleblowing policy, Anti-Fraud and Corruption Strategy Fraud Response Plan Anti-Bribery and Anti-Money Laundering Policies, Planning Protocol, Member/Officer Register of Gifts and Hospitality, Member/Officer Registers of Interests, Financial Procedure Rules, Procurement Procedure Rules, Diversity and Equality guidance, Member / Officer Induction and Training Audit and Standards Committee terms of reference.</p>

	<p>Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.</p>	<p>The Council has a number of documents which reinforce its commitment to best practice, including its Whistleblowing Policy, Anti-Fraud and Corruption Strategy, Fraud Response Plan, Anti-Bribery and Anti-Money Laundering Policies, Registers of Interests and Gifts and Hospitality and Complaints policies. These are all subject to periodic review. New staff are required to review the Council's key policies as part of the induction process and to sign to confirm this has been completed.</p>	<p>Member/Officer Codes of Conduct, Whistleblowing Policy, Anti-Fraud and Corruption Strategy, Fraud Response Plan, Anti-Bribery and Money Laundering Policies, Planning Protocol, Member / Officer Register of Gifts and Hospitality, Member / Officer Registers of Interests, Financial Procedure Rules, Procurement Procedure Rules, Equalities guidance, Member / Officer Induction and Training, Audit and Standards Committee terms of reference, Constitution.</p>
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	<p>Seeking to establish, monitor and maintain the organisation's ethical standards and performance.</p>	<p>The Nolan principles are embedded into the Codes of Conduct. Internal Audit provides assurance that policies built on ethical standards are being complied with. On-going monitoring of the application and effectiveness of the local standard regime is undertaken. From 2023 the Audit and Standards Committee will report to Council annually on ethical standards matters. A report is scheduled for the June meeting from the Monitoring Officer for onward submission to Council.</p>	<p>Staff and Member Briefings, Corporate Plan, Internal & External Audit Reports</p>
	<p>Underpinning personal behaviours with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.</p>	<p>New Members and staff are provided inductions, which emphasises areas such as Codes of Conduct and appropriate behaviours. Ongoing training is then provided, for example through Member training sessions.</p>	<p>Internal Audit Reports, Appraisal system, Constitution, Staff & Member training and development</p>

	<p>Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.</p>	<p>In addition to policies identified above, the Constitution includes specific rules and procedures with respect to procurement; financial governance, and Members sitting in a regulatory capacity. These are reviewed and updated on a regular basis.</p>	<p>Constitution, Member/Officer Codes of Conduct, Whistleblowing Policy, Anti-Fraud and Corruption Strategy, Fraud Response Plan, Anti-Bribery and Anti-Money Laundering Policies, Procurement Strategy.</p>
	<p>Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation.</p>	<p>As part of Council procurement exercises, service providers are required to provide statements confirming compliance with ethical standards and, for example, anti-money laundering statements. The Procurement Strategy also supports this.</p>	<p>Council's Website, Constitution, Anti-money Laundering Policy, Procurement Strategy, Individual Partnership / Service Level Agreements.</p>
	<p>Ensuring Members and staff demonstrate a strong commitment to the rule of law as well as adhering to relevant laws and regulations.</p>	<p>The Constitution is regularly updated to include new specific laws and regulations. Staff are required to hold relevant professional qualifications and comply with the law and codes of conduct. The Council has an appointed Monitoring Officer responsible for the maintenance of the Constitution and for guiding Members on the information contained therein. The Council has appropriate legal advice both on the specific requirements of legislation and the general responsibilities placed on local authorities by public law. Induction training for new staff includes review of the Council's policies, which include provisions from legislation.</p>	<p>Constitution, Committee Report Template requiring input from Monitoring Officer and S151 Officer (information quality for decision taking) / positive sign off, Legal advice to Licensing and Planning Committees, Statutory Provisions, Whistleblowing Policy, Anti-Fraud and Corruption Strategy, Fraud Response Plan, Anti-Bribery and Anti-Money Laundering Policies, Data Policy, GDPR guidance and training, IT Policy.</p>

	<p>Creating the conditions to ensure that the statutory officers, other key post holders and Members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.</p>	<p>Staff are provided with key legal changes where relevant in addition to the Council holding a number of subscriptions to services to ensure staff are provided with appropriate professional support. Members making regulatory decisions are provided with training ensure they are sufficiently aware of the legal requirements of their role. Licensing and Planning Committee Members must undertake mandatory training before they are allowed to make decisions.</p> <p>Areas for focus are highlighted as part of the appraisal process and provided as part of the corporate training plan.</p>	<p>Constitution, Monitoring Officer Provisions / Protocol, Report Template requiring input from Monitoring Officer and S151 Officer (information quality for decision taking) / positive sign off, Availability of legal advice to Licensing and Planning Committees.</p> <p>Appraisal framework</p> <p>Job descriptions, Committee Terms of Reference.</p>
	<p>Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders.</p>	<p>There are clear, defined decision-making processes within the Council to ensure that all appropriate options are considered prior to any decisions being made.</p>	<p>Monitoring Officer Provisions / Protocol, Report Template, Financial and Procurement Procedure rules, Complaints Procedures, Investigations, Records of Delegated Authority decisions, Planning protocol.</p>
	<p>Dealing with breaches of legal and regulatory provisions effectively.</p>	<p>The Monitoring Officer and Section 151 Officer are informed of all key decisions to be made and any such occurrences are reported as required.</p>	<p>Monitoring Officer Provisions / Protocol, Records of Delegated Authority decisions, Constitution, Standing Orders.</p>
	<p>Ensuring corruption and misuse of power are dealt with effectively.</p>	<p>The Council has a well-established Anti-Fraud and Corruption Strategy, Fraud Response Plan, Anti-Bribery and Anti-Money</p>	<p>Anti-Fraud and Corruption Strategy, Fraud Response Plan, Anti-Bribery and Anti-Money Laundering Policies,</p>

		Laundering Policies, Whistleblowing Policy, access to which is available on the Intranet.	Whistleblowing Policy, Constitution.
<p><i>Ensuring openness and comprehensive stakeholder engagement</i></p> <p>Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.</p>	<p>Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness.</p> <p>Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided.</p>	<p>The Council has a clear vision, demonstrated through its Corporate Plan. The website provides a large amount of information to the public, including a section dedicated to the requirements of the Transparency Code. The Council has an FOI policy in place.</p> <p>All committee reports are prepared using pre-agreed templates. If a Cabinet meeting must consider anything under Part 2 (private) business the press/public will be excluded for that item but the reasons for this need to be justified in line with legislation and is often based on commercial sensitivity. The intention to hold a Cabinet meeting in private also has to be advertised in accordance with regulations and the public given notice to object.</p>	<p>Constitution, Monitoring of Key Performance Indicators (KPIs), Customer Satisfaction Surveys, Councillor Call to Action, Council Tax online information, Council's Website including consultations page, FOI policy.</p> <p>Meeting minutes, Statutory Provisions, Council's Website, Forums and Partnerships, Direct communication with Parish & Town Councils</p>

Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear.

The committee schedule is prepared in advance of the year and is then subject to negotiation with key officers to ensure timely decisions can be made. All committee reports are subject to pre-approval procedures, including pre-meetings with key Members and consultation with portfolio holders to ensure relevant matters have been taken into account. Reports are based on agreed templates and must record key considerations and decisions. The Council livestreams all formal meetings now to aid transparency. The recordings are kept on the website for 6 months before being archived to YouTube. The Council website has a section called "Ask the Leader!" where the Leader of the Council will answer question posted online. The Council also has a public question time scheme which allows the public to put questions to the appropriate Member of Cabinet or Committee Chair at Full Council meetings. Anyone who works or lives in the Rother District can submit one written question to Full Council attended by all the elected Councillors. Ombudsman complaints are reported and monitored regularly by the Audit and Standards Committee.

Committee timetable, Council's Website, Constitution, Report template, Meeting minutes, Input from Monitoring Officer/S151 Officer.

	<p>Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action.</p>	<p>The Council adapts its consultation procedures according to the relevant decision being made with the public on planning decisions. Decisions are considered on a case-by-case basis and in line with legal requirements.</p>	<p>Planning protocols, Legal requirements, Consultation section on website, Direct communication with Parish & Town Councils, Local Development Framework.</p>
	<p>Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.</p>	<p>Engagement practices are adapted to the environment rather than operating to a pre-defined strategy. Where appropriate, particularly where major change occurs that is likely to have a significant impact on the public, communication plans are developed to tailor engagement and to plan for responding to particular circumstances. While the Council has a communications Forward Plan in place it does not have an overarching Communications Strategy to support our engagement initiatives. ACTION</p>	<p>Communications Forward Plan 2023, Consultation workshops, Local Development Framework consultation, Council's website.</p>
	<p>Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.</p>	<p>This is an inherent part of the Council's operation. Partnerships are developed to support service delivery and link to activities within the Corporate Plan and Service Plans. Partnerships are subject to periodic review to ensure they remain effective and deliver Council outcomes. There is no formal Partnership Framework or guidance in place for officers to support this process or to help assess the benefits of partnerships so consideration should be given to developing one. ACTION</p>	<p>Committee reports.</p>

	<p>Ensuring that partnerships are based on:</p> <ul style="list-style-type: none"> • trust • a shared commitment to change • a culture that promotes and accepts challenge among partners <p>and that the added value of partnership working is explicit.</p>	<p>Partnerships include a Service Level Agreement (SLA) where appropriate. Each Partnership will normally have a defined agreement (SLA etc), which will detail the nature of the working relationship and how it operates, including any governance arrangements. Managers are accountable for ensuring the successful operation and monitoring of partnerships. There are no SLAs in place for the Procurement Hub, Legal Services or Environmental Services so these should be progressed and finalised as soon as practicable. ACTION</p>	<p>Service Plans Self-Assessment Assurance Statements.</p>
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	<p>Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.</p>	<p>The Council has a clear Communications Forward Plan 2023 that is communicated and discussed every month with the Corporate Management Team (CMT) and this includes consultation events.</p>	<p>Communications Forward Plan 2023, Website - consultations page.</p>
	<p>Ensuring that communication methods are effective and that Members and officers are clear about their roles with regard to community engagement.</p>	<p>Communications come through various forms. Communication Plans are developed for more significant changes that will have an impact on the public. Members receive a monthly bulletin informing them of key events ongoing in the Council of which they need to be aware. Key messages to staff are delivered through All Staff Briefings, a monthly update from the Head of Paid Service and other information placed on the intranet.</p>	<p>Communications Forward Plan 2023, Members Bulletin, Staff updates, Website, Head of Paid Service briefings Intranet.</p>
	<p>Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs.</p>	<p>As above, engagement comes through a variety of forms and is covered by the Council's Communications Forward Plan 2023. Specific decisions will be subject to consultation – for example, the Local Plan Process has various forms of communication and engagement to ensure the public and wider stakeholders are fully consulted.</p>	<p>Communications Forward Plan 2023, Planning Local Plan Review process/protocols, Website consultations page.</p>

	<p>Implementing effective feedback mechanisms in order to demonstrate their views have been taken into account.</p>	<p>The Council welcomes customers to raise concerns any aspect of service provision. complaints are recorded on a corporate database. The outcomes from consultation activities are published on the Council website. There are no procedures in place to capture and share positive feedback and compliments and this should be considered alongside the complaints process. The Council does not have a Customer and Digital Strategy so this should be developed to further support the Council's overall governance and transparency arrangements. and to help direct and prioritise our resources to digitally enable Council services. ACTION</p>	<p>Communications Forward Plan 2023, Customer Complaints process how Website consultation pages.</p>
	<p>Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity.</p>	<p>This seeks to primarily address how the council can deal with competing demands in a community. The primary competing demand for the Council is the decreasing level of resources versus demands and expectations from customers for a high level of service.</p>	<p>Communications Forward Plan 2023. Diversity & Equality guidance. Equality Impact Assessments (EQIA's).</p>

	<p>Taking account of the interests of future generations of tax payers and service users.</p>	<p>This is considered on a case-by-case basis and balancing the various needs within the Council.</p>	<p>Committee reports, Budget setting process, Equality Impact Assessments (EQIA's).</p>
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<p><i>Defining outcomes in terms of sustainable economic, social, and environmental benefits</i> The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.</p>	<p>Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions.</p>	<p>The Council's Corporate Plan clearly identifies the organisation's vision and purpose. It also identifies specific objectives and is reported upon regularly throughout the year as part of the Council's Monitoring of Key Performance Indicators (KPIs). The Service Planning process is directly linked to the Corporate Plan and sets out specific activities to achieve outcomes in the Plan. Each activity is linked to defined Corporate Plan objectives which then cascades into individual performance and Service Plan objectives.</p>	<p>Corporate Plan, Service Plans, Performance and Risk monitoring, Appraisal framework.</p>
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	<p>Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer.</p>	<p>The Corporate Plan, quarterly Performance reports and Service Plans identify specified performance measures to evaluate how the organisation will deliver its priorities and benefit its local environment and this is reported on regularly throughout the year.</p>	<p>Corporate Plan, Delivery Plan, Service Plans, Performance and Risk monitoring, quarterly performance reports</p>
	<p>Delivering defined outcomes on a sustainable basis within the resources that will be available.</p>	<p>The Service Plans feed into the budget setting process which identifies the level of cost and resources required to deliver the activity. There are frequent updates to committees in terms of budget monitoring and also performance against the targets and objectives contained within the Corporate Plan to demonstrate how the Council is delivering against its objectives.</p>	<p>Corporate Plan, Delivery Plan, Service Plans, Performance and Risk monitoring, Budget monitoring protocols and reports, Committee reports, Medium Term Financial Strategy.</p>

	<p>Identifying and managing risks to the achievement of outcomes.</p>	<p>The Council has an agreed Risk Management Framework, and has embedded reporting of risk to Audit and Standards Committee and the Senior Leadership Team (SLT)</p> <p>alongside its performance and financial reporting to ensure these are reviewed on an ongoing basis. Individual Service Plans and key decisions are subject to risk assessment at the time to ensure that issues have been raised and mitigation plans developed.</p>	<p>Risk Management Framework, SLT/CMT/ Committee reports and minutes, Performance and risk monitoring, Risk registers for major projects</p>
	<p>Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available.</p>	<p>The Corporate Plan and Service Plans define established performance measures to monitor how services are provided and the outcomes achieved. Service Planning helps to determine how resources should be allocated to defined activities, as well as the core 'business as usual' service delivery. The Communications Forward Plan 2023 help to set expectations to service users on their potential user experience.</p>	<p>Corporate Plan, Delivery Plan, Service Plans, Performance and Risk monitoring, Communications Forward Plan 2023, Budget process, Medium Term Financial Strategy.</p>

	<p>Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision.</p>	<p>The Council takes into account a wide range of factors when considering the impact of policies and plans when making decisions about service delivery. For example, the Council's standard report template requires managers to complete an assessment which considers the wider implications of any policy or plan, such as environmental considerations.</p>	<p>Medium Term Financial Strategy, Budget framework, Capital Strategy, Diversity and Equality guidance, Committee report templates.</p>
	<p>Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints.</p>	<p>All decision making should be linked to the Council's longer-term Corporate Plan and Medium Term Financial Strategy. The Service Planning process helps to support this in that all activities should be identified in the Service Plan and any additional activities would have to be subject to appropriate consideration, taking into account the ability to deliver already identified priorities. This can be evidenced through decisions taken at Cabinet.</p>	<p>Corporate Plan, Medium Term Financial Strategy, Budget setting process, Annual Outturn report, Service Plans, Committee reports.</p>
	<p>Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs.</p>	<p>Decisions made have to necessarily balance the public interest and achievement of outcomes, as can be evidenced through various committee reports.</p>	<p>Corporate Plan, Communications Forward Plan 2023, Committee reports and minutes, Annual Governance Statement.</p>

	Ensuring fair access to services.	The Council evaluates equality impacts as appropriate within its decision making, ensuring due regard is given to enabling groups to access services.	Diversity and Equality guidance, Equality Impact Assessments (EQIA's), Statutory guidance.
<p><i>Determining the interventions necessary to optimise the achievement of the intended outcomes</i></p> <p>Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.</p>	Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore, ensuring best value is achieved however services are provided.	This can be evidenced through papers presented to Cabinet and to the Council's Overview & Scrutiny Committee which helps to ensure this is put into practice by engaging with Members at the earliest possible stage in the development of plans and strategies, enabling their input into the potential options and ensuring these have been considered before key decisions are made.	Committee reports and minutes, report template.
	Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts.	This is covered within the Council's Communications Forward Plan 2023 and can be further evidenced through the consultation processes involved with the update of the Local Plan. The Council's Medium Term Financial Strategy also enables the Council to prioritise competing demands with limited resources.	Communications Forward Plan 2023, Medium Term Financial Strategy, Local Plan protocols, Council website consultations page.

	<p>Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets.</p>	<p>The annual committee programme is developed in advance of the calendar year. Pre-committee meetings discuss forthcoming reports with key officers and Members to ensure these are programmed, with each committee having its own specified work programme. There are clear programmes in place for the business planning and financial planning cycle, which are complementary to each other.</p>	<p>Committee timetables and work plans, Committee reports, Budget setting framework, Corporate Plan process, Service Plan process.</p>
	<p>Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered.</p>	<p>This is a necessary part of our planning and can be evidenced through the ongoing work on the development of the new Local Plan.</p>	<p>Communications Forward Plan 2023, Council website consultations page, Local Plan protocols.</p>
	<p>Considering monitoring risks facing each partner when working collaboratively including shared risks.</p>	<p>This is a necessary part of planning for partnership working. Each partnership has associated protocols or agreements (SLA's) to outline how it will operate, which would be subject to agreement with each partner to ensure their risks and challenges have been taken into account.</p>	<p>Various SLAs Risk Management Framework.</p>

	<p>Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to monitoring, changing circumstances.</p>	<p>Change procedures, poor performance and termination is embedded into agreements and contracts to ensure that the Council is not locked into arrangements which are not effective. Performance targets for individuals and partnerships are reviewed regularly and incorporated within Service Plans.</p>	<p>Performance and Risk contract key performance indicators (KPIs).</p>
	<p>Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured.</p>	<p>This is firmly embedded into the Service Planning process each year, and then as part of quarterly reporting, key performance indicators are subject to review to ensure to introduce new / amendments to the indicators, and ensure they remain SMART.</p>	<p>Delivery Plan, Service Plans, Quarterly performance reports.</p>
	<p>Ensuring capacity exists to generate the information required to review service quality regularly.</p>	<p>The Council has a Corporate Policy & Projects Manager who works with officers and Members to monitor and track performance cascading down from the Corporate Plan, and into the Service Plans. There are quarterly performance reports to Committee to monitor performance, highlighting any corrective action that might be required where appropriate.</p>	<p>Corporate Plan, Service Plans, Quarterly and monthly reports. Performance and Risk monitoring, Continuous reporting to the public on the Council website.</p>
	<p>Preparing budgets in accordance with organisational objectives, strategies and the Medium Term Financial Strategy.</p>	<p>The Budget and Team Planning process is fully integrated, with priorities cascading down from the Corporate Plan and into Service Plans. Managers develop their budgets and resource requirements with the finance team to ensure these objectives are deliverable.</p>	<p>Corporate Plan, Service Plans, Budget setting process Committee reports, Medium Term Financial Strategy.</p>

	<p>Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy.</p>	<p>The Service Planning and budget cycles are fully integrated and informed by the production of the Medium Term Financial Strategy, which sets out how the Council will address the future funding challenges.</p>	<p>Corporate Plan, Service Plans, Budget setting process, Committee reports, Medium Term Financial Strategy.</p>
	<p>Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints.</p>	<p>The Medium Term Financial Strategy is updated ahead of the Service Planning and budget setting process to ensure it remains deliverable. Budgets and Service Plans are then based on this work to take account of any potential issues as required.</p>	<p>Service Plans, Budget setting process, Committee reports, Medium Term Financial Strategy.</p>
	<p>Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.</p>	<p>As above, the budget and Service Planning process comprehensively links service demands and activities to the projected cost of service delivery.</p>	<p>Service Plans, Budget setting process, Committee reports, Medium Term Financial Strategy.</p>
	<p>Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage.</p>	<p>This is covered within the Council's Medium Term Financial Strategy which considers issues ongoing service delivery costs and issues in the context of the ever changing external environment to ensure resources are optimised and that efficiency plans are developed where appropriate.</p>	<p>Service Plans, Budget setting process, Committee reports, Medium Term Financial Strategy.</p>
	<p>Ensuring the achievement of 'social value' through service planning and commissioning. The Public Services (Social Value) Act 2012 states that this is "the additional benefit to the community...over and above the direct purchasing of goods, services and outcomes".</p>	<p>The Council has committed, through its Procurement Strategy to supporting social value. There is also a dedicated portfolio holder assigned to this area.</p>	<p>Procurement Strategy, Community Asset Transfer Policy, Diversity and Equality guidance.</p>

Developing the entity's capacity, including the capability of its leadership and the individuals within it

Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfill its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness.

All changes in staffing are subject to robust procedures to ensure that resources are right for the relevant service.

The Council has a number of other policy and supporting documents including: the Property Investment Strategy and Assets of Community Value procedure and guidance. All of these policies and guidance documents combine to help ensure that property assets are effectively utilised while supporting the Council's developing financial sustainability and growth agenda which is a key theme within the Council's Corporate Plan.

The Council should develop an up-to-date Asset Management Plan to further support decision making around assets. ACTION.

Property Investment Strategy, Assets of Community Value procedure and guidance, Corporate Plan.

	<p>Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently.</p>	<p>The Council participates in peer reviews to support further improvements.</p>	<p>LGA Peer review, Overview and Scrutiny Improvement review.</p>
	<p>Recognising the benefits of partnerships and collaborative working where added value can be Achieved.</p>	<p>Partnership agreements are subject to a robust review to ensure they deliver against Council priorities. Services are required to identify within business planning processes the financial resources required to deliver through partnership means as opposed to internal service delivery.</p>	<p>Service Plans, Budget protocols.</p>
	<p>Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.</p>	<p>There are numerous Organisational Development plans, strategies and policies in place to help support the Council's staff such as the Flexible Working Policy, which supports staff to work in a more agile way. The Appraisal process is fully integrated into the Council's planning processes. The Council does not however have an overarching Workforce Plan and this is an issue which has been raised by the external auditors so consideration should be given as to how best to deliver one. ACTION</p>	<p>Appraisal and Development scheme, Flexible Working Policy, Employee Code of Conduct.</p>

	<p>Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained.</p>	<p>The Corporate Plan has been agreed and adopted.</p> <p>The Chief Executive has regular meetings with the Leader, along with meetings every other week with the local MPs.</p> <p>The Member and Officer Protocol was re-written in 2022 as part of the update of the Constitution and is now far more comprehensive.</p>	<p>Job descriptions, Member and Officer protocols,</p> <p>Member training,</p> <p>Corporate Plan.</p>
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	<p>Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body.</p>	<p>The Council has a Scheme of Delegation which is periodically reviewed to ensure it remains current. Constitution, Financial and Procurement Procedure Rules are also periodically reviewed. This process is undertaken by the Constitution Review Steering Group.</p> <p>While the Council does have in place a Scheme of Delegation this needs urgent review and updating following the implementation of the new officer structure. ACTION</p>	<p>Constitution, Constitution Review Steering Group.</p>
	<p>Ensuring the Leader and the Chief Executive have clearly defined and distinctive leadership roles within a structure whereby the Chief Executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by Members and each provides a check and a balance for each other's authority.</p>	<p>As outlined above, the relationship between the Chief Executive and Leader are clear as regards their respective roles and responsibilities are clearly defined.</p>	<p>Job descriptions, Member and Officer Protocols.</p>

	<p>Developing the capabilities of Members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:</p> <p>ensuring Members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.</p> <p>ensuring Members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis.</p> <p>ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external.</p>	<p>A robust performance programme is in place to encourage open and honest communication with staff, enable effective performance management discussions and identify future development needs. This is fully supported by the Appraisal Framework process which is fully embedded within the Council's processes. Training requirements flowing from the appraisal process feed into the corporate training needs assessment undertaken by the Human Resources (HR) team. An extensive Member Training and Development function is in place, led by the Member Development Task Group. Members are provided with an extensive induction programme following the all-out elections every 4 years and role specific training. All Councillors are required to complete a Training Needs Analysis to identify training needs. Ongoing training is held on a knowledge and competency basis, enabling Members to develop their skills at all levels. An annual Member training programme is produced to support their development.</p>	<p>Appraisal framework, Corporate Training programme, Service specific training requirements, Training update courses/briefings, Staff/Member induction protocols, Briefings for Members. Member Development Task Group – reports and minutes (meetings 3 times per year)</p>
	<p>Ensuring that there are structures in place to encourage public participation.</p>	<p>The Council welcomes members of the public to engage in decision making, with meetings being held in public where possible and consultations undertaken on relevant decisions.</p>	<p>Committee minutes, Website consultations pages, E democracy channels.</p>

	<p>Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections.</p>	<p>The Council periodically has peer reviews to assess effectiveness and improvement opportunities.</p> <p>An annual staff survey is conducted by HR which includes feedback on leadership.</p> <p>Feedback is welcomed and considered to ensure that it can be implemented.</p>	<p>LGA Peer review, Staff survey, Appraisal framework, O&S improvement review.</p>
	<p>Holding staff to account through regular performance reviews which take account of training or development needs.</p>	<p>The Council has a clearly defined performance management framework and appraisal system.</p> <p>Objectives and training needs are discussed and established for staff at all levels.</p>	<p>Appraisal framework.</p>
	<p>Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.</p>	<p>The Council places strong emphasis on employee health and wellbeing.</p> <p>There is a section dedicated to both mental health and wellbeing on the Council's intranet which staff and Members can access.</p>	<p>Employee Assistance Programme available to staff and Members, various Organisational Development policies and strategies, Intranet.</p>

Managing risks and performance through robust internal control and strong public financial management Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.

Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making.

The Council has an agreed Risk Management Framework and risk is managed by the Corporate Management Team (CMT) along with the Audit & Standards Committee. The Committee report templates which must be used for all Committee reports include a specific section on risk and staff and managers are encouraged to raise risks, and how these should be managed / mitigated as part of key decision making processes. At an operational level, staff are encouraged to take personal accountability for risks. Risk reviews are held in each service annually as part of the Service Planning process with significant risks assessed for inclusion in the Corporate Risk Register. While the Council has a Business Continuity Framework, Business Continuity Plans are not in place for all key service areas. A corporate review of Business Continuity should be undertaken, with all plans updated as required during 2023/24. **ACTION** The Council has established its risk appetite following a survey of CMT and Members.

Audit & Standards reports/minutes, Committee report template, Health and Safety Policy, Risk assessments, Business Continuity Framework, Business Continuity Plans, SLT/CMT reports/ minutes Performance and Risk monitoring.

<p>A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.</p>	<p>Implementing robust and integrated risk management arrangements and ensuring that they are working effectively.</p>	<p>The Risk Management Framework has been agreed through the relevant decision-making processes and is subject to regular review and updating. On a six-monthly basis, key risks are formally evaluated and monitored by the Audit and Standards Committee, having first been reviewed by CMT. However, services are expected to maintain a watching brief on all operational level risks on a daily basis. In addition, Risk reviews are held in each service as part of the Service Planning process, with significant risks assessed for inclusion in the Corporate Risk Register. Health and Safety risks are also monitored as part of this process.</p>	<p>Audit & Standards Committee reports/minutes, Health and Safety Policy, Risk assessments, Business Continuity Framework, Business Continuity Plans, SLT/CMT reports/ minutes Corporate Risk Register, Performance and Risk monitoring, Service Planning risk template, Risk registers for major projects.</p>
<p>It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.</p>	<p>Ensuring that responsibilities for managing individual risks are clearly allocated.</p>	<p>Each risk within the Corporate Risk Register has been formally allocated to individual responsible owners. Service risks are owned by the relevant service manager. Major project risks are managed by the relevant project manager.</p>	<p>Corporate Risk Register, Service Risk Registers, Performance and Risk monitoring, Risk registers for major projects.</p>

	<p>Monitoring service delivery effectively including planning, specification, execution and independent post implementation review.</p>	<p>The Corporate Plan and Service Planning process identifies and drives performance measures for services, and these are also informed through discussion with Overview and Scrutiny Committee. Services are subject to periodic review to ensure delivery remains efficient and effective. The Corporate Programme Board considers and monitors key corporate projects in terms of key project aims, targets/benefits, milestones, progress, risks, financial position etc. There is however a need to introduce a more robust Performance Management Framework, particularly in relation to key corporate projects in terms of assessing and establishing them, gateway reviews, ongoing monitoring and governance and undertaking a formal review at the end of projects to consider 'lessons learnt' that can be fed back into future projects. ACTION</p>	<p>Corporate Plan, Quarterly performance reports to Overview & Scrutiny, Service Plans, Project Management Framework, Performance and Risk monitoring.</p>
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	<p>Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook.</p>	<p>Six-monthly reporting of risks at a strategic level highlights core risk factors that may influence the Council's ability to deliver objectives over the longer term. Significant decisions are subject to robust challenge and clear processes to ensure that all relevant factors have been considered.</p>	<p>SLT, Audit & Standards Committee reports/minutes, Committee report template, Budget planning process, Performance and Risk monitoring.</p>
	<p>Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible.</p>	<p>The Council's Overview and Scrutiny Committee operates to scrutinise, challenge and debate policies and objectives. The Committee also has its own work programme and will often review previous initiatives to ensure that decisions have been implemented as intended and clear benefits have resulted.</p>	<p>Overview and Scrutiny Committee reports and minutes, Overview and Scrutiny Committee terms of reference, Member training.</p>
	<p>Providing Members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.</p>	<p>Quarterly reports are presented to Cabinet containing updates on finance, performance and risks for the Council's agreed plans.</p>	<p>Cabinet reports and minutes, Committee timetable.</p>
	<p>Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements)</p>	<p>The quarterly budget reports evaluate budgetary positions, seeking approval to significant variances and highlighting major changes to agreed programmes. The final quarter reports then seek to align to financial reporting with the outturn position.</p>	<p>Budget reports, Outturn report, Financial Statements, Financial Procedure Rules.</p>

	Aligning the risk management strategy and policies on internal control with achieving the objectives	The Risk Management Framework seeks to establish how organisational risk is managed. Risks form the basis of internal control evaluation through the annual audit programme and will be subject to ongoing evaluation through each programmed internal audit.	Risk Management Framework, Internal Audit Plan, Audit reports, External review of effectiveness by external audit Annual Governance Statement, Internal Audit Annual Report and Opinion, Local Code of Corporate Governance.
	Evaluating and monitoring the authority's risk management and internal control on a regular basis.	Corporate Risks are subject to six-monthly reviews, and the Risk Management framework is periodically reviewed to ensure it remains current. The internal audit programme is subject to an annual review and formal review, with planning over the longer term, balancing the Council's priorities and risks. The Audit & Standards Committee undertake annual self-assessments of their performance, regular updates on progress towards the audit plan and implementation of recommendations are provided to the Committee on a quarterly basis along with an Annual Report and Opinion. The internal audit team is also subject to five-yearly external quality assessments.	Audit & Standards Committee Review of Internal Audit (self-assessment), Risk Management Framework, Internal Audit Plan, Audit reports, External review of effectiveness, Audit Manager annual audit opinion Annual Governance Statement, Internal Audit Annual Report and Opinion, Local Code of Corporate Governance.
	Ensuring effective counter fraud and anti-corruption arrangements are in place.	The Council takes part in national initiatives to reduce the potential for fraud and to identify fraud that may have occurred.	Anti-Fraud and Corruption Strategy, Fraud Response Plan, Anti-Bribery and Anti-Money Laundering Policies, Whistleblowing Policy, National Fraud Initiative.

	<p>Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor.</p>	<p>The internal audit team has five-yearly external quality assessments to ensure it is delivering in accordance with best practice. Internal Audit plans are developed, and the Internal Audit Service is resourced according to these plans.</p>	<p>External review of effectiveness, Annual Governance Statement, Internal Audit Annual Report and Opinion, Audit Manager annual audit opinion, Local Code of Corporate Governance.</p>
	<p>Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment that its recommendations are listened to and acted upon.</p>	<p>The Council has elected to develop the Audit & Standards Committee to have oversight of internal control and risk while taking responsibility for good governance practice. The Committee has strong oversight and is empowered to hold the organisation to account.</p>	<p>Audit & Standards Committee terms of reference, reports and minutes, Member training, Audit & Standards Committee self-assessment.</p>
	<p>Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data.</p>	<p>The Council has a Data Policy and is also Public Sector Network Code of Connection Compliant (PSN), to ensure the most sensitive data it holds is held securely. This is further supported by the Council's suite of IT Policies which all staff and Members are required to read and then sign an Acceptable Use Policy. The Council has a Data Protection Officer (DPO) to ensure compliance with the General Data Protection Regulations (GDPR) requirements. Whilst it is not a statutory requirement, it is best practice to also have an officer designated as a Senior Information Risk Officer (SIRO) so consideration should be given as to the value such a role could play in strengthening the Council's information security arrangements. ACTION</p>	<p>IT Policies, PSN compliance, Internal audit. Privacy Policy and Privacy Notices on the Council website</p>

	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.	Information sharing is subject to defined information sharing protocols.	Data Policy, IT Policies, PSN compliance.
	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.	The Council does not have formal data validation programmes, however data validity and quality are evaluated through both internal and external audit assessment. While the Council has undertaken some service reviews and benchmarking, these aspects should be considered more corporately to provide additional management information in relation to decision making and performance. ACTION	Data Policy, Audit reports (internal and external).
Implementing good practices in transparency, reporting, and audit to deliver effective accountability.	Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance.	This is embedded into the Medium Term Financial Strategy, which has been developed alongside the Service Plans and budget planning processes. Financial reporting is strongly linked to performance and risk reporting to ensure it correlates to service delivery.	Medium Term Financial Strategy, Service Plans, Budget monitoring reports and protocol.
	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls.	Management accounts are produced on a monthly basis for service analysis, and to ensure budgets remain on track to those established within business planning. Significant variances are reported to key decision making. The main accounting systems are regularly reconciled to ensure the data contained therein is accurate and robust.	Budget monitoring reports and protocol.

<p>Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.</p>	<p>Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate.</p> <p>Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.</p>	<p>Report templates have been designed to help highlight key information quickly and easily. Reports undertake review processes to ensure they remain succinct and effective in imparting their messages. All reports are available for the public to review from the Council directly or on the Council's website with contact details for key officers prominently placed.</p>	<p>Council website, Quarterly performance reports, Performance and Risk monitoring, Committee template, Committee reports.</p>
<p>Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.</p>	<p>Reporting at least annually on performance, value for money and the stewardship of its resources.</p>	<p>The Council's statement of accounts includes a "narrative" report which outlines how the Council has delivered against its objectives and financial targets during the year. The report makes extensive use of charts and tables to aid users to quickly understanding the information. As part of the audit process the external auditor (Grant Thornton) is also required to give a view on Value for Money (VfM). The Annual Governance Statement provides a key oversight of the Council's governance arrangements and how these can be developed.</p>	<p>Statement of accounts, Annual Governance Statement, Quarterly Performance Reports, External audit annual VfM opinion, Continuous performance reporting to the public through the Council's website.</p>
	<p>Ensuring Members and senior management own the results.</p>	<p>On a quarterly basis, Cabinet receives performance and finance reports outlining how the Council has performed against corporate objectives. Significant areas of concern are highlighted with recommendations for corrective action where appropriate. All actions and targets in the Corporate Plan and Service Plans have an identified lead officer.</p>	<p>Performance reports/framework, Quarterly performance Report, Budget monitoring reports, Minutes highlighting appropriate approvals, Outturn report, Performance and Risk monitoring.</p>

	<p>Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement).</p>	<p>The CIPFA Code of Corporate Governance principles have been assessed, and this will be subject to evaluation by both SLT and the Audit & Standards Committee. Necessary actions will then be reviewed and incorporated into the Annual Governance Framework as required.</p>	<p>Annual Governance Statement, Local Code of Corporate Governance, Audit & Standards Committee minutes, SLT reports/ minutes.</p>
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	<p>Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.</p>	<p>The Council operates the following shared service arrangements:</p> <ul style="list-style-type: none"> • East Sussex Procurement Hub (Wealden/Hastings) • Legal Services (Wealden) • Environmental Health Services (Wealden) • Building Control (Wealden) • Unit 4 Business World (Hastings) <p>This framework is equally applied to those arrangements.</p>	<p>Annual Governance Statement, Local Code of Corporate Governance, SLAs (see above improvement action required).</p>
	<p>Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations.</p>	<p>The Council's financial statements are prepared in accordance with best practice to help support comparison with similar organisations. The target date for the Council's 2022/23 draft accounts to be available to the public online is 31 May 2023 as per the requirements of the national guidelines.</p>	<p>Statement of accounts, Outturn Report.</p>
	<p>Ensuring that recommendations for corrective action made by external audit are acted upon.</p> <p>Ensuring an effective internal audit service with direct access to Members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon.</p>	<p>Recommendations made by external and internal auditors are reported to the Audit & Standards Committee as part of the Statement of Accounts approval process. The Internal Audit Manager has access to report directly to the Committee with outcomes from their work and any key concerns they may have. SLT receives updates on outstanding recommendations every 6 months. There is a need to ensure that outstanding.</p>	<p>Statement of accounts, External audit opinion, GRAC reports/minutes, Internal Audit Opinion.</p>

		recommendations are cleared as soon as practically possible. ACTION	
	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.	Peer challenge is undertaken periodically to evaluate how the Council is performing. Regulators will undertake periodic inspections and the outcomes of their reports escalated as appropriate.	LGA Peer Review, Regulatory Review.

	<p>Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.</p>	<p>The Annual Governance Statement includes a section on the “Review of Effectiveness” which includes consideration of governance arrangements for service delivery through third parties.</p>	<p>Annual Governance Statement, Rother Self-assessment Assurance Statement.</p>
	<p>Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met.</p>	<p>Partnerships are subject to relevant agreements to ensure the nature of the partnership and reporting frameworks / objectives are clear. See ACTION above relating to establishing further guidance here and a Partnership Framework.</p>	<p>Communications Forward Plan 2023, Terms of Reference, Service Level Agreements (SLAs).</p>

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Annual Governance Statement 2022/23

1. SCOPE OF RESPONSIBILITY

- 1.1. Rother District Council (RDC) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for and used economically, efficiently, effectively and equitably. RDC also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2. In discharging this requirement, RDC is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 1.3. RDC has approved and adopted a Local Code of Corporate Governance, although this has been reviewed and updated for the 2022/23 financial year based on the '*Delivering Good Governance in Local Government: Framework*' (CIPFA/Solace, 2016) ('the Framework') which was introduced in 2016/17. A copy of the Council's Local Code can be accessed on our website. This statement demonstrates how RDC has complied with the Framework and supports the requirement of the Accounts and Audit (England) Regulations 2015 in relation to the approval (Part 2 regulation 6) and publication (Part 3 regulation 10) of an Annual Governance Statement (AGS). The statement is prepared in accordance with proper practices in relation to internal control and is reviewed annually or more frequently as required. In addition, RDC's framework for delivering good corporate governance is embedded within its Constitution, policies and procedures.

2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

- 2.1. The governance framework comprises the systems, processes, culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to appropriate, cost-effective service delivery.
- 2.2. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and impact should those risks be realised and to manage those risks efficiently, effectively and economically.
- 2.3. The governance framework has been in place at RDC for the year ended 31 March 2023 and up to the date of approval of the statement of accounts.

3. THE GOVERNANCE FRAMEWORK – THE SEVEN CORE PRINCIPLES

3.1. The Council's governance framework is derived from the following core principles as per the CIPFA/SOLACE 2016 Framework which is based upon the 7 core principles of the International Framework for Corporate Governance in the Public Sector as follows:

A - Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law;

B - Ensuring openness and comprehensive stakeholder engagement;

C - Defining outcomes in terms of sustainable economic, social and environmental benefits;

D - Determining the interventions necessary to optimise the achievement of the intended outcomes;

E - Developing the entity's capacity, including the capability of its leadership and the individuals within it;

F - Managing risks and performance through robust internal control and strong public financial management and;

G - Implementing good practices in transparency, reporting and audit to deliver effective accountability.

3.2. The Local Code of Corporate Governance highlights how good governance supports the Council and demonstrates what we aim to achieve by following the seven core principles, along with the tools we use to support our compliance. It goes further to identify the behaviours and actions that can demonstrate our compliance with the code, how we put this into practice and the source documents, policies, procedures and frameworks that enable us to evidence compliance.

3.3. ***Vision and Priorities*** - Our Vision is '**To put residents at the heart of all we do**'.

To help us deliver this vision we have produced our [Corporate Plan 2020 - 2027](#) that reflects the priorities and high-level outcomes for the Rother area over a seven-year period.

3.4. ***Quality of Services*** - The Council monitors both performance and the delivery of objectives and key performance indicators (KPIs), with quarterly performance reviews being considered by Cabinet and the Overview and Scrutiny Committee. We publish information about our performance and carry out satisfaction surveys so that everyone can see the progress we are making.

3.5. ***Constitution and Responsibilities*** - A comprehensive document setting out the [Council's Constitution](#) exists which sets out the clearly defined structure for the Council's organisational and decision-making arrangements based upon a Cabinet/Executive model. In essence the different roles can be summarised as follows:

- Council decides upon certain policies and other specialist functions that cannot be delegated elsewhere including the setting of the

- council tax;
- Cabinet is allocated authority by Council to approve policies not reserved for consideration by Council, deliver policies and to take most significant executive decisions;
- Cabinet follows a [Work Programme](#) which is updated on a monthly basis and provides details of forthcoming decisions for up to four months ahead;
- All executive decisions are recorded in a [Decision List](#), with formal minutes being available for public inspection;
- The work of the Cabinet and the Council as a whole is supported by the Overview and Scrutiny Committee and its task and finish groups;
- The Scrutiny Committee has developed its own work programme for the review of Council services in addition to scrutinising the work of the Cabinet. It can 'call-in' a decision which has been made by the Executive but not yet implemented;
- The Audit and Standards Committee is well established and is responsible for the review of the work of the Internal and External Audit functions and provides independent assurance of the effectiveness of governance arrangements, risk management and financial management processes. It also has the responsibility for the approval of the Statements of Accounts;
- Separate committees exist for Planning and Licensing;
- Delegation arrangements to committees, the Executive and officers are set out in detail within the Constitution; and
- Regular meetings take place between relevant senior officers and Members of the Council to discuss and propose policy.

The Constitution also includes sections on procedure rules, financial regulations and conduct of meetings. The Constitution is reviewed periodically with interim updates made as and when appropriate.

- 3.6. **Codes of Conduct** - The Council has various Codes of Conduct applying to both Members ([here](#)) and officers as well as a protocol for Councillor/officer relationships. These have enabled the authority to develop an inclusive culture over the years, whereby Members and officers work together to deliver the Council's vision and quality services to its residents. The Codes include reference to the need to declare any interests that may conflict with the individual's role at the Council and such registers for Councillors and officers are maintained by the Council.
- 3.7. **Complaints** - The Council has in place a [Whistle-blowing Policy](#) (which was revised during the year) as well as a [complaints procedure](#) that ensures that any referrals are fully investigated, properly resolved and learning applied to service delivery. Systems and procedures have been enhanced to ensure that complaints/service requests are the cornerstone of the Council's management approach.
- 3.8. **Policies, Procedures, Laws and Regulations** - The Council's statutory officers are the Chief Executive (Head of Paid Service), the Monitoring Officer (Deputy Chief Executive) and the Section 151 Officer (Chief Finance Officer). They are responsible for ensuring the Council acts within the law and in accordance with established policies and procedures. The Section 151 Officer is specifically responsible for the proper discharge of financial arrangements and must advise the Council where any proposal might be unlawful or where expenditure is likely to exceed resources. There is also a requirement to ensure the authority's financial management arrangements conform to the governance requirements as set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) statement on the Role of the Chief Financial Officer (2010). Service Managers are responsible for ensuring legislation and policy relating to service delivery and health and safety are implemented in practice.
- 3.9. **Development and training needs** – RDC is a learning organisation, both in terms of Members and officers and continues to deliver a programme to develop the skills of its workforce. RDC is committed to investing in staff development and ensures that staff are valued and given the

opportunities to develop and achieve their full potential. Training and Development is at the core of the appraisal system and our most recent Staff Survey was conducted during December 2022 to listen and act on feedback. RDC continues to deliver a training and development programme to provide Members with the support and skills necessary to assist them in carrying out their duties as evidence through the Member induction programme following the recent May 2023 elections.

- 3.10. **Risk Management** – The Council's [Risk Management Framework](#) shows how the Council manages risk in an active way in terms of service delivery, reporting the Corporate Risk Register to the Audit and Standards Committee every 6 months. Lower-level operational risks are also monitored and considered through the Council's Service Planning process. The more significant capital schemes also have their own requirements in relation to risk and risk logs. The Council is in the process of reviewing Business Continuity Plans (BCPs) to ensure that they are consistent and regularly reviewed and updated to address key operational risks. Zurich are supporting this process and it is anticipated that developing a corporate BCP which is regularly updated will negate the need for all of the departmental BCPs. All committee reports contain a mandatory risk section to ensure that Members can consider the risks and opportunities of any recommendations or options, so that the consideration of risk forms an integral part of all decision making.
- 3.11. **Communication** – The Council believes public understanding of its work, achievements and services, coupled with consultation with residents is key to maintaining high satisfaction levels. This is achieved through continuous communications and consultation activity and upholding the Council's values of transparency and openness. RDC regularly publishes information on its website and via a variety of social media channels, working with the local media to provide information to ensure residents are kept informed. This is further supported by the Council's ['My Alerts'](#) which provides a weekly email update for residents and businesses and now has approximately 27,000 customers as at May 2023.
- 3.12. **Partnerships** – The Council is involved with a variety of partnerships that have developed over the years, this does however need to be supported by a Partnership Governance Framework and Partnership Register to help ensure that we maintain a consistent approach when entering into any new partnerships.
- 3.13. **Transparency** – As a Council we want to be publicly accountable and present our work with openness and transparency, we present a range of information on our ['Transparency Data'](#) pages on the website, ranging from contract and purchasing information to car park data.
- 3.14. If there are any areas outlined above which require strengthening, these are highlighted within the Annual Governance Statement as part of the Action Plan within Section 5.

4. REVIEW OF EFFECTIVENESS

- 4.1. RDC annually reviews the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by managers within the Council who have responsibility for the development and maintenance of the governance environment, the work of the internal auditors and from comments made by the external auditors and other inspection agencies.
- 4.2. Reviews have taken place both during the year and at year end, and cover the following:

- 4.2.1. Cabinet is responsible for considering overall financial and performance management and receives comprehensive reports on a quarterly basis. It is also responsible for key decisions and for initiating corrective action where appropriate while the Audit and Standards Committee (A&SC) consider corporate risk and internal control issues.
- 4.2.2. The Monitoring Officer has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. It is a 'living document' and is subject to amendment and updating on a regular basis.
- 4.2.3. The Council has an Overview and Scrutiny Committee that can establish 'task and finish' groups, to look at particular issues in depth, taking evidence from internal and external sources, before making recommendations to the Cabinet. Scrutiny can "call-in" decisions of the Cabinet, which are yet to be implemented, to enable it to consider whether the decision is appropriate. In addition, the Overview and Scrutiny Committee can exercise its scrutiny role in respect of any Cabinet function, regardless of service area or functional responsibility, and will conduct regular performance monitoring of all services, with particular attention to areas identified as under-performing.
- 4.2.4. The Local Government and Public Involvement in Health Act 2007 include powers to enable Councillors to champion local issues where problems have arisen in their ward. The Council has embedded the "Councillor Call for Action" which allows Councillors to ask for discussion at Overview and Scrutiny Committee on issues where other methods of resolution by the District Member have been exhausted.
- 4.2.5. The development of the procurement function across the public sector has led to the establishment of several framework agreements for purchasing where the detailed work on price and quantity with suppliers has already been carried out. Contracts for supply are only established when goods, works or services are called off under the agreement.
- 4.2.6. The Council has in place a [Procurement Strategy](#) and works in partnership as part of the [East Sussex Procurement Hub](#) with Wealden and Hastings.
- 4.2.7. The Standards and Conduct provisions of the Localism Act 2011 came into force on 1st July 2012. The authority has appointed an Independent Person pursuant to the Act and has incorporated the standards element into the Audit and Standards Committee. The Council has also appointed an Independent Person in respect of the Audit Committee function in line with best practice.
- 4.2.8. The Council also has in place an [anti-fraud and corruption framework](#) which provides a suite of policies and procedures to help raise awareness of fraud and corruption issues and to promote their prevention, detection and investigation. These documents are known collectively as the Anti-Fraud and Corruption Framework.
- 4.2.9. The A&SC met six times during the year to provide independent assurance to the Council in relation to the effectiveness of the risk management framework, internal control and standards environment. The Committee received regular reports on, internal control and governance matters in accordance with its agreed work programme. The Committee undertook a self-assessment for the first time in March 2023 and a report, including improvement recommendations, will be provided to the new committee in July 2023 for their consideration.

- 4.2.10. The Annual Internal Audit Plan was considered and approved by the A&SC at the March 2022 meeting ahead of the forthcoming financial year. The 2022/23 Internal Audit Plan approved included a total of 532 days, encompassing 22 internal audit reviews, plus provisions for counter fraud work to provide adequate coverage over the Governance, Risk Management and Control framework informing the annual audit opinion.
- 4.2.11. During the 2022/23 financial year there were 22 planned internal audit assignments (23 in 2021/22) of which 16 were completed (21 in 2021/22) and a positive audit opinion was given by the Audit Manager for the year overall.
- 4.2.12. An annual review of the effectiveness of the internal audit function is undertaken and this is reported to the A&SC prior to 31 March each year so that the Committee can place reliance on the findings of internal audit when considering the AGS. In summary, no new issues were highlighted as part of the March 2023 assessment demonstrating the Internal Audit Service continues to achieve a good level of compliance with the Standards. The Audit Manager concluded that there was a high level of effectiveness overall and this conclusion was supported by both the Section 151 Officer and Monitoring Officer.
- 4.2.13. The Accounts and Audit Regulations 2015 require that “a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”. The conclusions of the internal audit enable an opinion on the overall adequacy and effectiveness of the Council’s framework of governance, risk management and control to be provided. In addition, Internal Audit can undertake fraud investigation and proactive fraud detection work which includes reviewing the control environment in areas where fraud or irregularity has occurred. All significant weaknesses in the control environment identified by Internal Audit are reported to senior management and the Audit and Standards Committee (A&SC). No audits completed during the 2022/23 financial year received a good assurance rating (the highest level of assurance that can be achieved), although 10 out of 15 audits were given a substantial assurance which represents 67% of the audits completed. However, five of the audits received limited assurance, namely:
- :
- Procurement
 - Capital Programme
 - Property Investment
 - Community Infrastructure Levy
 - Public Conveniences Cleaning Contract
- 4.2.14. The Audit Manager also carries out regular reviews of the status of implementation of Internal Audit recommendations. There are 7 historical recommendations overdue at the year end, 2 relating to 2018/19 and 5 for 2021/22.
- 4.2.15. Internal audit only met or exceeded two (out of five) of its performance indicators for the year which was as a result of resourcing issues (both with the team and in client departments) and a higher than usual volume of audits with control audits.
- 4.2.16. The External Auditor’s Annual Audit Letter for 2021/22 was considered by (A&SC) at its meeting of 20th March 2023, with a management response prepared in respect of the recommendations made.

- 4.2.17. A&SC and SLT/CMT monitor and continually review corporate risks and ensure that actions are being taken to effectively manage the Council's highest risks.
 - 4.2.18. The Council continues to review its treasury management arrangements in line with best practice and in response to regular updates and advice from the Council's Treasury advisors, Link Group, who also provide training to both officers and Members on treasury management related issues.
 - 4.2.19. Key officers complete an annual Self-Assessment Assurance Statement which identifies non-compliance in a number of areas including procedures, risk and control, financial management and procurement. Any significant areas of non-compliance will either be taken account of in Service Plans or if corporate included in the AGS action plan.
- 4.3. The year-end review of the governance and the control environment arrangements by SLT included:
- 4.3.1. Obtaining assurances from the Chief Executive and Assistant Directors that key elements of the control framework were in place during the year in their departments.
 - 4.3.2. The statement itself was considered and signed off by SLT and is supported by them as an accurate reflection of the governance arrangements in place for the year.
 - 4.3.3. Obtaining assurances from other senior management, including the Monitoring Officer, that internal control and corporate governance arrangements were operating effectively within their areas of responsibility throughout the year.
 - 4.3.4. Reviewing any high-level audit recommendations that remained outstanding at the year end and taking appropriate action if necessary.
 - 4.3.5. Reviewing external inspection reports received by the Council during the year, the opinion of the Audit Manager in his annual report to management and an evaluation of management information in key areas to identify any indications that the control environment may not be sound.
 - 4.3.6. Reviewing and updating the Council's Local Code of Corporate Governance, to include a detailed review in terms of the CIPFA best practice framework.
- 4.4. The A&SC received assurances from the Audi Manager that standards of internal control, corporate governance arrangements and systems of risk management were operating to an adequate standard in most cases, with a positive assurance being concluded.

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- 4.5. The A&SC review the effectiveness of the governance framework as part of an annual review of the Local Code of Corporate Governance, and an improvement plan to address weaknesses and ensure continuous improvement of the system is in place.

5. GOVERNANCE ISSUES

- 5.1. **Managers' Self-Assessment Assurance Statements** – these have been introduced for the first time this year and support best practice. They are completed by the Chief Executive, Deputy Chief Executive Directors and Heads of Service/Managers across the Council relating to their service areas. The Statements cover key areas of responsibility including identifying and managing risk, Business Continuity, control systems and identification of weaknesses and whistleblowing.
- 5.2. Following a review of the Statements supplied, the AGS is drafted in consultation with CMT before being considered by the SLT. Once approved by SLT the statement is approved by A&SC before being signed off by the Chief Executive and the Leader of the Council.
- 5.3. **Self-Assessment Assurance Statements for 2022/23** – Officers are required to confirm they have met a number of conditions, with evidence and action required recorded where appropriate if there have been any issues. Officers are also required to note any issues they feel represent a significant control risk or governance issue and which need improving which then feeds into the improvement recommendations.
- 5.4. Following the review of the Statements and the draft Annual Governance Statement for 2022/23, the following have been identified in terms of emerging themes for the organisation.
1. **Business Continuity** – several officers highlighted the need to review and update their Business Continuity Plans and to have a more consistent approach to development of these plans corporately.
 2. **HR/Payroll system** – the payroll system does not include user friendly human resources functionality and as such is limiting the ability of the organisation to develop these aspects and to facilitate self-service. The payroll system itself often has glitches and causes errors which, while they are identified, cause resourcing issues in terms of having to rectify and correct issues.
- 5.5. Crucially, the responses have highlighted that there are no significant governance issues and governance arrangements are mainly consistent across the Council. Where partial responses have been provided, managers have already identified actions that are being progressed to address these areas and the implementation progress will be monitored during 2023/24.
- 5.6. There have not been any alleged or proven frauds during the 2022/23 financial year.
- 5.7. Completion of the more detailed Local Code of Corporate Governance assessment in line with CIPFA best practice has highlighted a number of areas for further development and improvement. The following Action Plan has been developed to help address any control or governance issues identified as part of the Local Code and AGS process.

Issue	Action/Outcome	Officer(s)	Target Date
Not all service areas have an up-to-date Business Continuity Plan and there is not a consistent corporate approach to their development	Zurich Municipal have been engaged to support a more corporate approach to development and delivery of Business Continuity Plans and this work will be progressing over the summer. It is anticipated that an updated organisation wide BCP will remove the need for departmental plans	SLT/CMT	31 December 2023
System errors with the payroll system waste resources addressing and fixing issues and the system does not include user friendly human resources functionality and as such is limiting the ability of the organisation to develop these aspects and to facilitate self-service	Consideration should be given to acquiring a dedicated payroll/HR system to better support the Council's workforce development plans	Human Resources Manager	31 December 2023 (initial business case and options appraisal)
Coast protection is a discretionary service area but would benefit from having a policy in place to determine when and where investment in coast protection assets should be undertaken	To develop a Coast Protection Policy for Rother	Head of Neighborhood Services	September 2024
At the start of April 2023, the Audit and Standards Committee undertook a self-assessment to help identify future improvements. One area highlighted was the need for an Annual Report to Full Council to be produced to update on the Committee's work each year	The A&SC to produce an annual report to Full Council	A&SC	September 2023
While the Council has a communications Forward Plan in place it does not have an overarching Communications Strategy to support our engagement initiatives	Develop a Communications Strategy to help support the Council's wider engagement and communication with residents and partners	Marketing Communications Account Manager	September 2024
There is no formal Partnership Framework or guidance in place for officers to support this process or to help assess the benefits of partnerships so consideration should be given to developing one	Develop a Partnership Framework and guidance to help officers assess partnership benefits and ensure adequate governance arrangements are in place	Corporate Policy & Projects Manager	December 2024
There are no procedures in place to capture and share positive feedback and compliments and this should be considered alongside the complaints process	Consider a system to capture and share compliments and positive feedback to sit alongside the complaints process	Head of Service – Digital and Customer Service	July 2024
The Council does not have a Customer and Digital Strategy so this should be developed to further support the Council's	Develop a Customer and Digital Strategy to act as a road map and provide strategic	Head of Service – Digital and	December 2024

overall governance and transparency arrangements and to help direct and prioritise our resources to digitally enable Council services	direction in relation to our customer and digital service aspirations	Customer Service	
The Council should develop an up-to-date Asset Management Plan to further support decision making around assets	Develop an Asset Management Plan to support strategic asset decision making	Economic Development Manager	March 2025
The Council does not have an overarching Workforce Plan and this is an issue which has been raised by the external auditors so consideration should be given as to how best to deliver one	Develop a People Plan to provide insight into current and future workforce requirements and development	Human Resources Manager	December 2024
While the Council does have in place a Scheme of Delegation this needs urgent review and updating following the implementation of the new officer structure	The Scheme of Delegation should be updated to reflect the new officer structure	Democratic Services Manager	December 2023
There is a need to introduce a more robust Performance Management Framework, particularly in relation to key corporate projects in terms of assessing and establishing them, gateway reviews, ongoing monitoring and governance and undertaking a formal review at the end of projects to consider 'lessons learnt' that can be fed back into future projects	The Council should develop a robust Performance Management Framework to ensure there are adequate governance processes in place to assess, monitor and review corporate projects and benefit realisation	Corporate Policy & Projects Manager / Corporate Programme & Improvement Manager	March 2024
Whilst it is not a statutory requirement, it is best practice to also have an officer designated as a Senior Information Risk Officer (SIRO) so consideration should be given as to the value such a role could play in strengthening the Council's information security arrangements	SLT should consider the benefits of allocating the SIRO role to an officer	SLT	September 2023
While the Council has undertaken some service reviews and benchmarking, these aspects should be considered more corporately to provide additional management information in relation to decision making and performance	CMT should consider the benefits benchmarking and service reviews could bring to service improvements and efficiency	CMT	March 2024
There is a need to ensure that outstanding internal audit recommendations are cleared as soon as practically possible	SLT should reinforce the importance of timely completion of internal audit improvement actions to CMT	CMT	September 2023

6. CERTIFICATION

- 6.1. To the best of our knowledge, the governance arrangements, as defined above, have been effectively operating during the year except for those areas identified above. We propose over the coming year to take steps to address the above matters to enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified during the review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Leader of the Council

Cllr Doug Oliver

Date

Chief Executive (Interim)

Lorna Ford

Date