

## **Chichester District Council**

### **Draft - Annual Governance Statement 2018-2019**

#### **1. Scope of responsibility**

Chichester District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. Chichester District Council 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.

In discharging this overall responsibility, Chichester District Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which include arrangements for the management of risk.

Chichester District Council approved and adopted a Local Code of Corporate Governance (March 2017), this is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA), and Society of Local Authority Chief Executives (SOLACE) framework for Delivering Good Governance in Local Government: Framework (2016). This Annual Governance Statement (AGS) sets out how the Council complied with the Code and also meets the requirements of the Accounts and Audit (England) Regulations 2015 which requires every Council to agree and publish an AGS. The statutory requirements across the United Kingdom for local authorities is to conduct a review at least once each financial year of the effectiveness of its system of internal control, and to include a statement reporting on this review with its Statement of Accounts.

#### **2. The Purpose of the Governance Assurance Framework**

The governance assurance framework comprises the systems, processes, culture and values by which the authority is directed and controlled, and the activities through which it accounts to, engages with and leads the community. It also enables the authority to monitor the achievements of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate cost effective services.

The system of internal control is designed to manage risk to a reasonable level; it cannot eliminate risk completely and therefore provides reasonable and not absolute assurance of effectiveness. It is based on an on-going 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 they be realised and to manage them efficiently, effectively and economically.

#### **3. The Principles of Good Governance**

The CIPFA/SOLACE framework was published in 2016 to ensure that it remained "fit for purpose".

The new Delivering Good Governance in Local Government Framework applies to the Annual Governance Statement prepared for the year ended 31 March 2019 and up to the date of the approval of the Annual Report and Statement of Accounts for the financial year 2018-19. The framework sets out seven core principles (A to G) of good governance, these are listed below:

**A      Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of Law**

A new Management structure came into effect from the 1<sup>st</sup> April 2018. One Executive Director/Deputy Chief Executive and five Directors previously Heads of Service, have been appointed and are supported by Divisional Managers.

All Council staff have gone through a pay review that commenced in 2017 which culminated in a report being taken to Cabinet in January 2019. The results of the review take effect from the 1<sup>st</sup> April 2019.

The culture of the organisation is founded upon good organisational performance, external recognition, staff morale and good employee attitude to internal controls. The refreshed Workforce Development Plan 2019-2022 sets the Council's vision for providing good quality relevant services to the community, and having the right skilled staff to deliver the services. The Constitution incorporates a Members' and Employees' Code of Conduct and a protocol on Members/staff relations. Members' misconduct allegations are considered by an assessment sub-committee under the umbrella of the Standards Committee which also investigates allegations of misconduct by Parish Councillors. The Council's Monitoring Officer will review the case together with an independent person and a decision will be made as to whether there is a case to answer. If a decision is made that there is a case to answer it would be referred to a hearing sub-committee. The committee on standards in public has recently issued its Local Government Ethical Standards Review which makes a number of recommendations to the Government setting out various changes to the regime on conduct including adding further powers to the Monitoring Officer and additional sanctions generally to address misconduct. These will be reported to Members as legislation to enact the recommendations comes into force.

There is a complaints procedure in place for the Council to receive and investigate any complaints made about service delivery and against its Members or staff, details of which are available on the Council's website. There is also a Members' Register of Interests to ensure that any conflicts of interests are open and transparent.

Results of complaints investigated together with the report on all complaints dealt with by the Local Government Ombudsman are reported annually to the Corporate Governance and Audit Committee. A review of the complaints procedure has been undertaken which will include an unreasonable behaviour, persistent complaints procedure and policy which have been suggested by the Ombudsman. This was agreed by the Corporate Governance & Audit Committee in October 2018.

The Council takes fraud, corruption and maladministration very seriously. The culture of the Council sets the foundation for the prevention of fraud and corruption by creating an environment that is based upon openness and honesty in all council activities, and has the following policies in place, which aim to prevent or deal with such occurrences:-

- The Anti-Fraud and Corruption Policy updated in April 2018.
- The Whistleblowing Policy updated in April 2018. There were no Whistleblowing cases in 2018-19.

- HR Policies regarding discipline of staff – During 2018-19 there were 2 dismissals.

The Council's Anti-Fraud and Corruption Policy has been reviewed and updated to take account of the revised senior management structure. Any amendments are subject to the approval of the Corporate Governance and Audit Committee.

Investigations are undertaken by the Corporate Investigations Officer where fraud is suspected in relation to Council Tax Reduction, Single Person Discount and Non Domestic Rates plus other areas under his remit. The Investigations Team has identified potential savings to the Council of £531,217 for the 12 month period ending March 2019.

The Council ensures that external providers act with integrity and compliance with ethical standards as they have to comply with an Anti-Bribery statement and the Ethical Statement Policy that is contained in the relevant contract or invitation to tender.

## **B Ensuring openness and comprehensive stakeholder engagement**

The Council's committee meetings are held in public and are recorded; these recordings are suspended when the item requires the meeting to go into Part 2. The press and public are only excluded when the report is presented as a Part 2 item in accordance with the applicable paragraph(s) within Part 1 of Schedule 12A to the Local Government Act 1972. In addition audio recordings are also held on the Council's website.

The Council's vision and strategy is included in the Corporate Plan see;  
<http://www.chichester.gov.uk/corporateplan>.

The new Corporate Plan was approved by Council on 23 January 2018, to take effect from the 1<sup>st</sup> April 2018 and runs until the 31<sup>st</sup> March 2021.

The priorities set out in the new plan are largely unchanged from the previous version. They continue to represent the challenges and opportunities facing the District Council over the new plan period.

The annual performance report on the Council's Corporate Plan is reviewed by the Overview and Scrutiny Committee mid-year and then the Annual Report of the Corporate Plan goes to Cabinet and Council for approval. The Statement of Accounts, expenditure over £500 and the Senior Staff Pay Policy is available on the Council's website as part of the disclosures required under the transparency agenda which also includes procurement information and how quickly we pay our suppliers.

On-line consultation methods continue to be used, webhost software enables surveys to be designed, produced and analysed electronically. These surveys are accessed via the Council's website.

The Council now have an ePanel which anyone can sign up to: members get notification of any new surveys or consultation events via email. The Council send notification letters in the post to those who do not have internet access or cannot use the website for any reason. The Council's social media accounts give further opportunities for the public to comment informally on other issues.

A review of Community Forums followed by a consultation with stakeholders has taken place and the results have been analysed. Potentially these meetings may well be delivered in a different way subject to Cabinet approval.

The Council continues with its work on youth engagement. Community wardens main areas of activity are encouraging and increasing community involvement, dealing with environmental issues (e.g. graffiti, litter, abandoned cars, dog fouling etc.) within the area by working with appropriate agencies including the Police, Police Community Support Officers (PCSOs) and local communities to reduce crime, anti-social behaviour and fear of crime in the area, including providing intelligence and evidence to the Police and acting as a professional witness. With a reduction in the police numbers in the City Centre the Community Wardens now provide a Monday – Friday daytime presence.

## **C Defining the outcomes in terms of Sustainable Economic, Social and Environmental benefits**

Although the multi-agency Sustainable Community Strategy (SCS) for Chichester District 2009-2026 is no longer a statutory document, the Council continues to be informed by the priorities identified in it. These priorities are developed further through the Corporate Plan which sets out the Council's contribution to this partnership document. The Council measures its key priorities by a range of performance indicators which are set out within the Corporate Plan and monitored through Pentana, the Council's performance monitoring software. Reports on the progress of these performance indicators are available on the Council's website. In addition the SCS sets the vision for working in partnership with other local and national organisations supported by the Local Strategic Partnership (LSP) – Chichester in Partnership, including the publication of a consultation exercise undertaken with partners and stakeholders on behalf of the LSP.

Cabinet agreed the key financial principles of the 5 year financial strategy, which included continuing to review the Council's costs in order to find further savings. As part of the budget process a Task and Finish Group meets once to discuss the forthcoming budget, reviewing what is happening in the current year any impact for the new financial year and any changes in priorities or service demands.

The Council publishes its Annual Statement of Accounts in accordance with the CIPFA guidelines and International Financial Reporting Standards. As uncertainty continues to surround the current economic and financial climate and in particular public sector spending plans, it is clear that central funding cuts of local councils will continue. The Council is therefore committed to delivering its own services more effectively in the light of these planned reductions. The Financial Strategy model is regularly updated to take account of any changes in assumptions. Service Managers have completed an initial impact assessment across the Council to understand the impact of a no deal Brexit on its services and the community.

The Council continues to track national events, quantifying local impact and taking early action to manage the impact. The objective is to put the Council in the best possible position to deal with the financial and other challenges it faces whilst still protecting the most vulnerable members of the community. It is important that the issues and the scale of the financial position are understood and the Council is committed to finding solutions and options. A five year Financial Strategy and Plan was approved by Cabinet and Council in December 2017. The Plan details the challenges facing the Council to provide services that meet community needs with a significantly reduced overall level of resource. It is reviewed annually and monitored during the year as necessary. The Council has an approved deficit reduction programme set in 2016, which was underpinned by the key financial principles in the Financial Strategy, which offers guidelines for making financial decisions over the next few years, and assists the Council in seeking to achieve a balanced budget or the time to consider the action required.

The Local Plan was adopted in July 2015, (this is at present being reviewed in accordance with the Council's commitment to a 5 year review) and provides greater certainty about growth and development within the plan area. It is now a new requirement that the Council produces a Brownfield Land Register which can be viewed on the Council's website. Following consultation the Council adopted a Masterplan for the Southern Gateway area of Chichester as part of the approved Vision for Chichester City Centre. The Council are also involved in other visions for Town centres across the district such as; Midhurst, Petworth and Selsey.

For the year 2018 the Council delivered the 2013-2018 Housing Strategy. However, a new strategy has been developed for 2019-2024. The strategy sets out the housing priorities for the district. The strategy reflects the Council's corporate priorities and complements the Economic Strategy and the Local Plan. The strategy will show how the Council use their resources to best meet the housing needs of local people within the district.

Some of the key outcomes delivered and mentioned in the Annual Report during 2018/19 are as follows:

- A Senior Private Rented Sector Officer was employed to help the Council increase access to the private rented housing market.
- Recruitment to the Rough Sleepers Outreach Worker post, a role created to verify and engage with rough sleepers to support and aid individuals to consider an alternative to living on the streets.
- West Sussex Districts and Boroughs were successfully awarded funding for one year to create 10 new posts to work county wide to deliver outreach to tackle rough sleeping and provide accommodation based support.
- Delivery of the Homelessness Reduction Act (HRA) in its first year. The service has seen an increase in the number of frontline officers and administrative support in order to deliver the provisions of HRA.
- A further 3 new properties and 19 existing properties renewed their accreditation status this year through the council's Landlord Accreditation Scheme, bringing the total number of accredited properties in the district to 430.
- 10 households received assistance to improve their properties through the Chichester Warm Home initiative and Home Repairs Assistance fund.
- The Discretionary Disabled Facilities Grant Policy continues to be operated allowing officers to provide a range of funding options including fast-track assistance for those needing adaptations in order to return home from hospital, financial top-up for those requiring extensive work to make their homes suitable, and funding to assist disabled people make their homes safer, with the aim of preventing hospital admission. The Disabled Facilities Grant funding allocation has provided 180 home adaptations at a cost of £1.5 million for 2018/19.
- The extension of mandatory (Housing in Multiple Occupations) HMO licensing was introduced on the 1<sup>st</sup> October 2018 resulting in 141 new applications. A new Licensing Assistant has been employed to assist with the verifications of applications, which has ensured applications have been dealt with in an efficient manner.
- The Council is now supporting 8 community led housing groups and has provided £75,500 grant towards supporting the groups develop their business plans and schemes. One group has broken ground and are expecting to complete the alms houses for older people this year.
- 125 of these affordable homes were provided on market sites and 46 were enabled by the Council working with our registered provider partners.
- £788k of investment was secured by our registered provider partners from Homes England to deliver the additional affordable units this year.

- The Council invested £536k from commuted sums received in lieu of affordable housing to deliver the additional affordable units this year and a further £441k commuted sums was received.
- The Council undertook an options appraisal to look at how best to utilise 22 Freeland Close, Chichester to provide temporary accommodation for homeless households.

A new service for 2018/19 will be 'Social Prescribing' which will be managed by the Wellbeing Team and will be funded by the District Council and partners. Some of the notable successes during 2018/19 are as follows:

- Supported 1,034 clients with advice and information to make positive lifestyle changes.
- Whilst the majority of clients to the service are self-referrals, the service has received 232 referrals from GP's.
- The Wellbeing Weight loss programme has supported 166 people to lose weight and learn about a healthy diet.
- Have supported 35 families with children to learn about a healthy lifestyle and gain confidence in being more active.
- Have worked with 13 local businesses to improve the health and wellbeing of their staff.
- 167 working aged adults have been supported to increase their activity levels.
- 137 older people have attended the WellBalanced falls prevention workshop.
- 64 households in the Chichester district have received support for the wellbeing Home project.
- 140 clients have attended the Pre-diabetes programme.

In the Estates Services, Building Services and Economic Development 2018/19 Annual Report some of the key outcomes delivered are as follows:

- Completion of development of 6 industrial units at Plot 21 Terminus Road and subsequent lettings.
- Undertaking an options appraisal of the Council's property and land ownership at Bracklesham Bay and at the Old Bakery, Petworth
- Progression of regeneration scheme for St James industrial Estate, Chichester
- Completion of development arrangements for a new Lidl store at the Barnfield development scheme in conjunction with the Council's development partner
- Disposal of 2 The Gardens, Chichester
- Continuance of refurbishment at Avenue De Chartres multi storey car park
- Delivery of key projects in the asset replacement programme (ARP) and successful implementation of the planned repair and maintenance (R&M) programme
- Review of the Council's Contractor's list used for the compliance vetting of contractors
- Completion of high priority fire safety works at CDC owned and managed operational and non-operational buildings
- Directly assisted 475 businesses on a diverse range of issues including funding, planning, start-up support and help finding suitable premises
- Recruitment of an Inward Investment & Growth Officer
- Grants in a total sum of £60,267 awarded to 34 small and independent businesses and a further £18,477 is allocated to 10 businesses that have projects in progress. These projects are contributing to the protection of 245 jobs in the District and the potential of creating 81 new jobs.

- Successfully launched the Retail Mentoring Programme, providing a programme of specialist focussed retail training to support independent high street retailers in Chichester City and rural towns / retail centres.
- Securing £5m LEP funding to support the delivery of Southern Gateway masterplan.

## **D Determining the interventions necessary to optimise the achievement of the intended outcomes**

The Council has responsibility to review the effectiveness of its governance framework. The review of the effectiveness is undertaken by the work of the Corporate Management Team (which is the Strategic Leadership Team (SLT) and Divisional Managers) who have responsibility for the development and maintenance of the governance environment. The Internal Audit & Corporate Investigations Manager's annual report and comments made by the External Auditor also adds to the effectiveness of the governance framework at the Council.

The Council adopted a Constitution to ensure it is efficient, transparent and accountable to local people. Some of these processes are required by law; others are based on decisions made by the Council. It is the responsibility of the Council's Monitoring Officer to review the Constitution as and when required to ensure that it continues to operate effectively.

The Council was made up of 48 Members during 2018/19 four of these take up the roles of Leader and Deputy Leader of the Council, Chairman and Deputy Chairman. The Leader and Deputy Leader plus five Cabinet Members are appointed with specific areas of responsibility. A review has been undertaken by the Local Government Boundary Commission to reduce the number of Councillors from 48 to 36. This came into force at the Elections in May 2019.

The performance of key projects by exception is undertaken by SLT and Cabinet Members. Financial Monitoring is also undertaken throughout the year and will be reported to Members, and where necessary action can be taken where appropriate.

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

A comprehensive induction and training programme exists for officers and Members. The training programme incorporates dealing with and understanding new and current legislation, understanding Members' role as a Ward Member and developing their personal skills. Training programmes for staff, are incorporated into staff appraisals and development programmes. Training for the new Divisional Managers was completed in 2018 using both internal and external providers.

A workforce development scheme has been introduced to support talented individuals in their career progression and to encourage the employment and development of apprentices. These initiatives are designed to encourage retention of staff and to address succession planning. From the 1<sup>st</sup> April 2017 the Council contributed to the Government Apprenticeship Levy and has sought to utilise this resource to support the workforce development schemes and development of its staff.

Members' attendance at meetings is recorded on the modern.gov system. In the event of continual non-attendance the matter would be passed to the leader of the political group concerned for action to be taken. Performance issues relating to staff are dealt with by Managers. An officer's employee specification includes competencies, which are assessed

as part of their annual appraisal. As part of the pay review a new job profile was created for all roles of the council.

The Council's Constitution clearly defines the roles and responsibilities of the Chief Executive, Chief and Senior Officers, Members and Committees and outlines procedural standards, the scheme of delegation and a Protocol on Member/Officer relations. In light of the management restructure a review of the Constitution was undertaken under delegated powers by the monitoring officer, the outcome of this review is reported to CG&AC. The Leader, Cabinet Members and the Committee Chairmen and deputies receive verbal briefings from the Senior Officers on a regular basis and all Members receive pre-council briefings and the opportunity to participate in workshops for high profile initiatives such as the Local Plan. Members receive monthly bulletins through the Council's intranet site, to keep them informed of any new developments.

The Chief Executive is the Head of Paid Service, the Director of Corporate Services is the assigned Section 151 Officer; overall financial responsibilities for this role are detailed within the Constitution and the Divisional Manager Democratic Services is the Monitoring Officer.

The Partnership Guidance to assist staff when setting up a partnership has been updated; a presentation was given to members of CMT on the changes to the guidance. There are currently 10 strategic level partnerships that the Council is involved with.

## **F Managing risks and performance through robust internal control and strong public financial management**

All cabinet reports are authorised by the relevant Director and reviewed by the Chief Executive, the Director of Corporate Services and the Monitoring Officer, before they are presented to the Cabinet. The Monitoring Officer will also attend Cabinet if required to answer any specific questions raised by Members.

The Council's Risk Registers are reviewed regularly, quarterly by Corporate Management Team (CMT) and presented to the Strategic Risk Group bi-annually. The group comprises the Senior Leadership Team (SLT), 3 Members from Cabinet and 3 Members from the Corporate Governance and Audit Committee. Job profiles of Senior Officers reflect their "Risk Management Responsibilities" and Internal Audit's Annual Audit Plan is drawn up using a risk-based approach, commenting on risk management in the area under review in their report. On a bi-annual basis the Council's Risk Registers including any new and emerging risks are presented to the Corporate Governance and Audit Committee. The highest strategic risks are as follows:

- Southern Gateway Regeneration
- Local Plan
- Impact of welfare reform, including Universal Credit (UC), on working claimants across the district.
- Financial Resilience
- Business Continuity
- Cyber Risk Attack across ICT Estate
- Brexit
- Changing use of the High Street in City and Rural Towns

Major projects incorporate a full risk assessment within the Project Initiation Document (PID) prior to being approved. The risk assessment is kept under regular review with the cabinet member concerned and via project team meetings as the project progresses.



The Health & Safety Manager has continued to work with services to ensure that there is an adequate business continuity plan in place. The Council use a system called Resilience Direct. This is a storage solution which is used to store key documents should the Council's system go down. Service functions are categorised as critical (systems up and running in 3 days) or non-critical (over 3 days). The Health & Safety Manager will continue to test the robustness of these plans.

The Council currently operates a shared service with Arun for the provision of its Emergency Planning service. The Emergency Planning Officer is shared between Arun and Chichester with one member of the Housing and Environment Service assisting.

## **G     Implementing good practices in transparency reporting, and audit to deliver effective accountability**

The Council's Overview & Scrutiny Committee has the power to make reports and recommendations to the Council's Executive Committee (Cabinet) on issues which affect the area. The Committee can require Members and Officers to attend meetings and for partner authorities to provide information. The Committee also reviews and scrutinises decisions made by the Council's Cabinet. The Council also takes part in county wide joint scrutiny reviews on issues affecting the wider area and has a representative on the West Sussex County Council Health and Social Care Select Committee to allow the authority to contribute to health related reviews.

In addition to the responsibilities outlined within the statement, the Corporate Governance and Audit Committee also had responsibilities for:

- Control and monitoring arrangements for risk.
- Review and determination of the Internal Audit priorities based on the governance issues and the risks assessments made.
- Review progress / effectiveness and probity of corporate governance within the authority.
- Report to full Council on significant issues or any concerns raised.
- Review and make recommendations to Cabinet and the Council on the Council's financial regulations and contract standing orders.
- Consider reports from the Director of Corporate Services on the Council's financial control system, the Council's insurance policies and self-insurance arrangements.
- Monitor the operation of the Members Allowance scheme; approve annually the final accounts of the Council and as required to monitor the efficiency of the Council's services.

The Corporate Governance & Audit Committee meet four times during the year, to consider regular reports from Internal Audit on system reviews, reports from the Director of Corporate Services and Financial Services Divisional Manager in addition to Annual Audit and inspection letters from the nominated External Auditor (Ernst & Young).

The Standards Committee is made up of seven District Members plus three co-opted (non-voting) Parish Members. There are two sub committees: the Assessment Sub-Committee and Hearing Sub-Committee, made up of three District Members of the Standards Committee. If a complaint is made against a Parish Councillor, one of the co-opted Parish Members also needs to attend in a purely advisory (non-voting) capacity. At each sub-committee one of the Chichester District Council's two independent persons will attend in a purely advisory (non-voting) capacity.

The overall responsibility of Internal Audit is to continually review the adequacy of the Council's internal controls and report where necessary, any recommendations to management. Internal Audit reviews are designed to assess the effectiveness of the internal controls on which the Council relies for managing risk. A report is prepared annually by Internal Audit on the effectiveness of the section and the opinion of the Internal Audit & Corporate Investigations Manager is contained within the Annual Audit report. Internal Audit produces a four year plan which includes the resources of the section and the number of audits to be undertaken during each year.

The Council publishes on their website and submits to government data relating to the gender pay gap in order to comply with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

#### **4. Effectiveness of Governance Arrangements**

The Council's governance framework includes decision-making processes that are set out in the Council's Constitution; this is continually being reviewed together with the rules.

Procedures are in place for maintaining and reviewing the effectiveness of the Council's governance arrangements throughout the year, these include the following:

- **Elected Members** – Make decisions in accordance with the Constitution and in accordance with the aims and objectives of the Council.
- **Overview and Scrutiny Committee** – Has the ability to scrutinise decisions made and maintains an overview of Council activities.
- **Standards Committee** – Meet to consider any complaints against Councillors and to review policies and procedures for maintaining high ethical standards.
- **Internal Audit Section** - Has a four year audit plan which is flexible and enables internal audit to respond to changing risks and priorities of the organisation.
- **Corporate Governance & Audit Committee** – Discuss the findings of audit reports and any other issues that relate to governance and risk management.
- **Corporate Management Team** – Review and update governance arrangements, identify and review new and emerging risks and review existing risks.
- **Strategic Risk Group** – Regularly reviews, updates and reports on the Risk Registers.
- **Internal Audit Annual Report & Opinion** – This will be presented to the Corporate Governance & Audit Committee on the 25<sup>th</sup> July 2019 in conjunction with this document which contains an assurance statement regarding internal control.
- **Divisional Manager - Democratic Services (Monitoring Officer)** - Ensures that the Council's operations are carried out lawfully.

#### **5. Significant Governance Issues**

No significant issues reported in 2018/2019.

#### **6. Risks Identified**

Seven high risks that the Council identified during 2018-19 are detailed below:

Risk	Mitigating Action	Responsibility	Target date
Southern Gateway	<p>Law Courts – Homes England (HE) hand over. Close liaison with HE with contingency built into the Masterplan. Use of EPH Committee Rooms completed. CDC has agreed 43 Fridays per annum as a pop up Court. Courts completely closed on 21 December 2018. On-going discussions with County Council. WSCC land not transferring to HE.</p> <p>Memorandum of understanding (MOU) and Collaboration Agreement (CA) signed.</p> <p>Growth Deal approved and Growth Board meeting held on the 4<sup>th</sup> January 2019, and on-going liaison with other partners.</p> <p>Relocation of Royal Mail and Stagecoach - Suitable sites identified but St James site released and remaining site purchased.</p> <p>Identifying potential abnormal costs as early as possible by undertaking key studies in advance e.g. flooding, contamination and drainage.</p> <p>Relocation funding from key partners – Timely re-application to Local Enterprise Partnership (LEP) / Homes England (HE) and exploring alternative funding routes as necessary.</p> <p>Contract T&amp;C's for consultants employed to ensure delivery of service. Availability of consultancy advice – Use tried and tested framework agreements to source; test knowledge via tendering process.</p> <p>Management of External Consultants, Contract T&amp;C's for consultants employed to ensure delivery of service.</p> <p>Demand on market sector changes – Regular updating of viability advice for the Masterplan as the project's implementation proceeds.</p> <p>Road space configuration – WSCC Highways input to project team to ensure solution(s) are acceptable.</p> <p>Community or Public Real uses for site – Steering group input and regular re-appraisal of the schemes as it progresses.</p>	Executive Director & Deputy Chief Executive/ Director of Growth & Place/ Divisional Manager	Situation On-going

Risk	Mitigating Action	Responsibility	Target date
Local Plan	<p>Use of CPO if required for land acquisitions for Masterplan assembly, where unable to agree terms to complete acquisitions.</p> <p>Use of consultancy support to ensure CPO grounds well founded, including independent valuations.</p> <p>Statutory Local Development Plan Scheme agreed by the Council. Detailed project plan for evidence base and plan production prepared. Additional posts have been created in the team, and recruitment incentive payment and premia payments. A detailed project plan has been prepared for evidence base. Provision of information, debate and discussion through Member briefings, Development Plan and Infrastructure Panel and formal democratic decision making process through Cabinet and Council. Public consultation to ensure that the views of the community are taken into account in the plan-making process. Initial public consultation has taken place on issues and options. Public consultation on the Local Plan Review; preferred approach is now under way. There will be further public consultation on the plan and prior to examination. This will enable the Council to take onto account the views of all interested parties on the contents of the plan and outstanding matter can be resolved through public examination into the soundness of the plan to be conducted by a planning inspector appointed by the Secretary of State.</p> <p>The current status will reflect the stage of consultation reached.</p>	Director Planning & Environment / Divisional Manager Planning Policy	30 June 2019
Impact of Universal Credit (UC) on working claimants across the district.	<p>Revenues &amp; Benefits and Housing are taking steps to mitigate the effects and are planning to implement the following: Support vulnerable claimants, UC claims, hold multi agency events to raise awareness prepare claimants for the transition, assist claimants with their online UC claims.</p> <p>Deliver pre and post tenancy workshops on money management. Some mitigation has been put in place for example by contracting to CAB for debt advice and</p>	Director of Housing & Communities / Divisional Manager – Housing / Divisional Manager – Revenues & Benefits	31 March 2020

Risk	Mitigating Action	Responsibility	Target date
	<p>recruitment of Tenancy Sustainment Officers and a Welfare Officer. The Housing Advice Team have nominated a UC lead who will be responsible for coordinating advice to UC claimants that present seeking housing services assistance. There is an intention to create a Register Provider eviction protocol so that the Council is warned in advance where there is a risk of homelessness this will include tenants in receipt of UC in arrears and where possession proceedings have been instigated.</p> <p>The Council have purchased 22 Freeland Close as temporary accommodation, and are considering options to redevelop the site and increase the number of units. Internal staff training on-going as changes are disseminated from DWP.</p>		
Financial Resilience	<p>A five year model is in place which is reviewed by SLT and Cabinet. Monitor income volatility in relation to New Homes Bonus (NHB) and localisation of both Council Tax Reduction (CTR) and business rates. Monitor income performance and review with SLT. Service Managers to assess fee setting for services and react when/if income reductions occur, and putting money in place to achieve better returns. Reconciliation of income, monthly reconciliations by services, non-compliant service. Support given by Financial Services when setting up new income streams.</p> <p>Approval limits and routes for additional funding are detailed in the Council's Constitution and Financial Regulations. Quarterly monitoring of major variances by SLT. All key decisions should relate back to the Corporate Plan, and ensure that the revenue and capital programme remain balanced. Continue to review the Council's costs in order to find further savings.</p> <p>To match Council Tax increases to a realistic and affordable base budget. The decision to pool our business rates should be reviewed annually after receipt of the government draft settlement. The Section 151 Officer will continue to review the risks and opportunities that</p>	Director Corporate Services / Divisional Manager – Financial Services	31 March 2020

Risk	Mitigating Action	Responsibility	Target date
	will emanate from the 100% localisation of business rates. Ensure that a sufficient level of reserves are maintained so that the Council can remain flexible and is able to respond to a changing local government environment. Generate better returns with the Treasury Management Strategy and the investment Protocol and the Council's view of the of risk and increased diversity.		
Business Continuity	The Business Impact Assessment (B.I.A) is refreshed annually with SLT. Critical services have Business Continuity (BC) plans covering the first 3 days of a business interruption. The BC plans are tested every couple of years. BC plans and associated documents are stored on the council's x drive and off site on external site (Resilience Direct). Non critical services also have plans for over 3 days business interruptions. Health checks take place of plans in all service areas and effective back up of data. Training and repeated messaging to embed BC culture into the organisation.	Director of Corporate Services / Divisional Manager – Financial Services / Health & Safety Manager	31 March 2020
Cyber Risk Attack across ICT Estate	Software in place to scan and block SPAM and suspicious email. Software also blocks and quarantines suspicious activity i.e. a link with an email. Education of users, training new users through ICT essentials, intranet and all staff emails for up to date advice on current threats PSN connection is used for secure transfer of data to other government departments, Access control, users of the network only have access to what they need to do their role within CDC. Software encryption of devices at rest. If a Laptop was lost or stolen no data on the Laptop could be accessed and the Laptop cannot be used to access the network. VPN systems provides a connection to the CDC network for remote users as if they were in the building. Secure containers for mobile devices i.e. phones and iPads, allows connection to network as if in the Building. If device was lost or stolen the ability to remote wipe so no data could be accessed. Patching of windows client	Director of Corporate Services / Divisional Manager	31 March 2020

Risk	Mitigating Action	Responsibility	Target date
	<p>machines and servers centrally controlled. Database servers are patched in accordance with a quarterly schedule or as soon as possible if patch addresses critical security issues. From September a monthly Change Board process will be introduced to enable future controlled management of patching across all platforms. Software centrally deployed by Citrix to control versions and updates and ensure they are the same for all users. Physical access door controllers and CCTV allows physical access to building and specific sections with a swipe card. There are steel shutters on windows and doors. In addition we monitor sensitive parts of our estate e.g. room with CCTV. Future encrypted backups to be developed. Good security for tape storage with WSCC. On-going work to automatically encrypt and upload Business Continuity Plan (BCP) documentation to cloud storage. Change control includes updates, patch new applications.</p> <p>External contractors need to access system will be given a temporary token by the service desk. Improved management of this will be achieved through the introduction of a new change control process.</p>		
Brexit	<p>Whilst the total impact of a no deal Brexit is still not fully understood, the government has started increasing its preparations and funding made available for the event of the scenario. Whilst the Council is likely to still be able to perform most of its key functions effectively the impact on the local community and businesses will require the Council to react to provide support accordingly. Service Managers have completed an initial impact assessment which has been undertaken across the Council to understand the possible impact on the authority directly as well as community impacts. Contingency plans are being developed by services to deal with short term disruption such as the potential for fuel shortages, disruption to supply chains etc. Developments continue to be monitored regularly by SLT and plans will be adapted as more information</p>	Director of Corporate Services / Divisional Manager – Business Support	30 May 2019

Risk	Mitigating Action	Responsibility	Target date
	becomes available. The government have announced a small amount of funding for Councils to develop their plans and preparedness.		
Changing use of the High Street in City and Rural Towns	<p>The Vision projects have a wider objective than just considering the change of use in the high street, but both short and medium actions will help to address the concerns.</p> <p>The Southern Gateway Regeneration Project will have an impact on Chichester and the City Centre. The objectives of the scheme are linked to the Vision for the City.</p> <p>Economic Development team support to local businesses and the Chichester Business Improvement District (BID) to aid the sustainability of Chichester City centre</p>	Director of Growth & Place / Divisional Manager	31 March 2022

The process of preparing the Annual Governance Statement has in itself added value to the Corporate Governance and Internal Control framework of the Council.

## 7. Certification

It is therefore our opinion that Corporate Governance, along with supporting controls and procedures, remains very strong within the Council.

T Dignum  
Leader of the Council

D Shepherd  
Chief Executive