# **Annual Governance Statement 2023/2024**

**What is the Annual Governance Statement?**

Legislation requires local Authorities to prepare and publish the Annual Governance Statement, in order to report publicly on the effectiveness of the Council’s governance arrangements. The statement provides an overview of the current governance framework and a summary of the review of the effectiveness of Chichester District Council’s governance framework for 2023/2024 (which coincides with the annual statement of accounts). The statement communicates significant governance issues that have been identified during the review and sets out how the authority will secure continuous improvement in these areas during the coming year.

**What do we mean by Governance?**

By governance, we mean the arrangements that are put in place to ensure the intended outcomes for local people are defined and achieved. It comprises the systems and processes, culture and values, by which local government bodies are directed and controlled. Good governance is about making sure the Council does the right things, in the right way for the right people, in a timely inclusive, open honest and accountable manner.

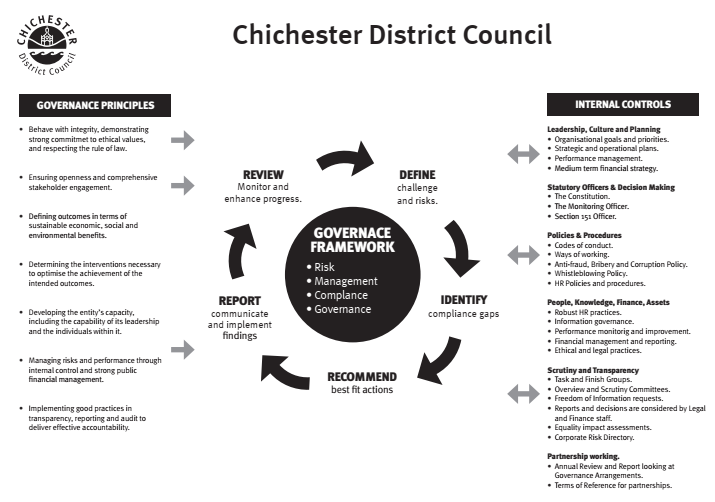
**Scope of Responsibility**

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. It 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 exercise of its functions, which includes arrangements for the management of risk.

**About the Council**

Chichester District Council comprises 36 Councillors who represent 21 wards across the district. The District Council operates under a Leader and a Cabinet structure with Cabinet Members responsible for individual portfolios.

The Council employs around 559 full and part-time members of staff and provides a range of services to residents. The Head of Paid Services, The Monitoring Officer, The Section 151 Officer and the Electoral Registration and Returning Officer make up the statutory roles within the Council.



**CIPFA/SOLACE Good governance principles and the local code of governance**

In 2016 CIPFA/SOLACE issued revised best practice guidance for ‘Delivering Good Governance in Local Government’. The framework sets out seven principles that should underpin the governance of each Local Authority. The following sections look at how the Council is held to account for these seven principles.

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

**The Constitution**

The constitution sets out how the Council operates; the roles and responsibilities of members, officers and the scrutiny and review functions; how decisions are made; and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people.

**Head of Paid Services**

The role of the Chief Executive, also known as the Head of Paid Services is appointed in accordance with Section 4 of the Local Government and Housing Act 1989 to ensure that all the authority’s functions are properly co-ordinated as well as organising staff and appointing appropriate management.

**The Monitoring Officer**

The Monitoring Officer is a statutory function and ensures that the Council, its officers, and its elected members, maintain the highest standards of conduct in all they do. The Monitoring Officer is assisted by the Principal Solicitor when required. The Monitoring Officer ensures that the Council is compliant with law and regulations, as well as internal policies and procedures. He is also responsible for matters relating to the conduct of Councillors and Officers, and for monitoring and reviewing the operation of the Council’s Constitution. The Monitoring Officer for Chichester District Council is Nicholas Bennett, the Divisional Manager Legal & Democratic Services.

**Section 151 Officer**

Whilst all council members and officershave a general financial responsibility Section 151 of the Local Government Finance Act 1972 specifies that one officer in particular must be responsible for the financial administration of the organisation and that this officer must be Consultative Committee of Accountancy Bodies (CCAB) qualified. The Section 151 Officer for Chichester is John Ward, the Director of Corporate Services.

**Codes of Conduct**

When joining the Council, members and officers are provided with a contract outlining the terms and conditions of their appointment. All staff must sign a code of conduct and declare any financial interests, gifts and hospitality on a public register. Additionally, members are expected to declare any interests at the start of every meeting that they attend in accordance with Standing Orders. Members and officers are required to comply with the approved policies.

**Anti-Fraud & Corruption Policy**

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. The Council’s Anti-Fraud and Corruption Policy was last updated in October 2022.

**Whistleblowing Policy**

The Council is committed to high standards of openness and probity and accountability in all its practices. The policy encourages employees and others to raise serious concerns within the Council rather than ignoring a problem or raising the matters externally. The Policy was last updated in February 2022. Any disclosures should be made in writing to the Council’s Monitoring Officer.

**Corporate Governance & Audit Committee**

The Corporate Governance & Audit Committee has responsibility for reviewing reports that deal with issues that are key to good governance and undertakes the function of an Audit Committee. The committee has an agreed set of terms of reference which sets out their roles and responsibilities of its members. The committee normally meets four times a year and is made up of 8 members from 3 political parties.

1. **Ensuring openness and comprehensive stakeholder engagement**

**Engagement and Communication**

It is recognised that people need information about what decisions are being taken locally, and how public money is being spent in order to hold the Council to account for the services they provide.

**Consultations**

The council carries out a range of consultations each year with residents and businesses to encourage them to provide their views. Consultations are carried out in a variety of ways, depending on the subject area, including online and paper surveys, as well as face to face events. People can also sign up to the council’s Let’s Talk Panel, which means that they will be notified by email or letter when a consultation starts.

**Complaints / Compliments**

There is a complaints / compliments procedure in place for the Council to receive and investigate complaints made about service delivery and against its members or staff. Details of which can be found on the Council’s website. 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.

**Partnership Working**

There are 11 strategic level partnerships that the council is involved with to deliver improved outcomes for the residents of the District Council. Some of the partnerships do not have exit strategies in place. This is because we do not lead or manage these partnerships and we are limited in what governance can be put in place, but officers are satisfied with how the partnerships are being run. All Council run partnerships have robust governance in place.

1. **Defining outcomes in terms of sustainable, social and environmental benefits**

The Council introduced in late 2022 the Supporting You team, four specialist trained advisors working alongside services across the council to help people access a wide range of assistance, including financial help with bills, help with housing, and health and wellbeing support. The team has been created in direct response to the cost-of-living crisis.

The Council measures its key priorities by a range of performance indicators which are set out within the Corporate Plan and monitored through Ideagen, the Council’s performance monitoring software. Reports on the progress of these performance indicators are available on the Council’s website.

Corporate Governance & Audit Committee (CG&AC), Cabinet and then Council agreed the Financial Strategy including the key financial principles along with an update of the 5-year financial strategy model, including the latest information on the Council’s costs to assess any potential funding gaps early in the medium term. Thus, enabling a measured approach to the situation to find either further savings or income generation opportunities to address the potential funding gap. As part of the budget process a Task and Finish Group meets once a year to discuss the forthcoming budget, reviewing what is happening in the current year for any ongoing impact or opportunities in the new financial year, and any changes in priorities or service demands.

The Council publishes its Annual Statement of Accounts in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) guidelines and International Financial Reporting Standards (IFRS). There have been delays with publishing the accounts which was caused by the Councils External Auditors EY late auditing of the accounts. 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 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.

The Financial Strategy and the 5-year Financial Model have been updated for cost pressure, income reductions, and any known service changes including any decisions agreed by the Council since setting the 2023-2024 budget. It also reflects an anticipated reduction in Government funding from 2026/2027 due to the expected Funding Review and the potential resetting of the Baseline for Business Rates. The timing of both major changes to local government funding is currently unknown. The Council’s reliance on fees and charges to help balance the revenue budget continues to come under pressure because of the uncertainty in the local and national economy.

Whilst the 5-year Financial Model anticipates that the Council is able to set a balanced budget for 2024-2025 with an estimated surplus. There are some significant risks associated with some of key assumptions made, which could be detrimental to the forecasts. The situation will continue to be updated as greater clarity and information is gained during the budget process for the development of the 2025-2026 budget.

The model currently indicates that there is an underlying shortfall of approximately £1.626m to £3.137m during the period of 2026-2027 through to 2028-2029. The funding gap is mainly due to the anticipated changes in Government funding which the council will still need to address.

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

The Council is responsible for reviewing 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 performance of key projects by exception is undertaken by SLT and Cabinet Members. Financial Monitoring is also undertaken throughout the year and is reported to Members quarterly, and as part of the transparency agenda is available on the Council’s website, and where necessary action can be taken where appropriate.

1. **Developing the entity’s capacity, including the capability of its leadership and the individuals within it.**

The Council’s Chief Executive (head of paid service) is responsible and accountable to the authority for all aspects of operational management.

**Recruitment and Induction**

The Council operates a thorough interview and selection process to ensure that Officers are only appointed if they have the right level of skills and experience to effectively fulfil their role. If working with vulnerable adults, they will be subject to an enhanced DBS check prior to appointment. New officers once appointed must attend an induction with HR which cover things such as Staff Handbook, Safeguarding and Health & Safety to name but a few.

District Councillors are elected on a 4-year term with the last election taking place in May 2023.

A comprehensive Member induction programme to ensure new and returning Members are well equipped for their roles as Councillors was developed by a working group led by the Director of Corporate Services and was implemented in 2023.

**Training & Development**

Officers are required to complete a few mandatory e-learning courses including health & safety equalities and diversity and information governance. Compulsory training is provided for members who sit on committees. Other training is available to Councillors through Democratic Services.

Specific Training / Workshops are arranged annually for members of Corporate Governance & Audit Committee to understand the Treasury Management function and strategy. This is delivered mainly by the Council’s Treasury advisor, Arlingclose.

**Staff survey**

A full staff survey was carried out in 2023. This was the first full staff survey that had been carried out since 2017, in the interim period there had been a number of smaller, more specific surveys that had been focused on managing through Covid and the resulting changes in working practices. Overall, the results were very encouraging, with a response rate of over 60% for staff based at the Council’s main offices. The responses showed a good level of satisfaction across the board with results improved in all like for like questions when compared the last full survey. The results were considered by the management team who agreed a plan for further areas of improvement, the results were then presented to the Joint Employee Consultative Panel as well as to all staff briefings.

**F. Managing Risks and performance through robust internal control and strong financial management.**

**Risk Management**

The Council has a Risk Management Strategy and Policy. The Strategic Risk Group (SRG) reviews the strategic risks and updates risk registers annually and the high scoring organisational risk register bi-annually. The Group’s membership is drawn equally from the Cabinet and the Corporate Governance & Audit Committee. The outcomes of the reviews are reported to the Corporate Governance & Audit Committee. The SRG meet twice a year. The Strategic Leadership Team review the register every six months to discuss new and emerging risks.

**Performance Management**

Projects and performance indicators are set out each year in Service Plans. This process is led by Divisional Managers, with sign off by Directors, Cabinet and Portfolio holders. All content from Service Plans is loaded onto performance management software Ideagen, from where it can be monitored and reported on. The Service Planning process allows for review of current projects and performance indicators as well as identification of new ones. Key corporate projects are discussed informally by SLT and Cabinet on a monthly basis.

Divisional Managers all have access to reports for their section from Ideagen, these show current progress on projects and current performance on performance indicators.

In addition, reports on certain key performance indicators are generated quarterly from Ideagen and published on the Council’s website (<http://www.chichester.gov.uk/corporateplan>).

A half- yearly progress report on key projects relevant to the Corporate Plan is also reported from Ideagen and taken to Overview and Scrutiny Committee (OSC), generally in November.

The Corporate Improvement Team also puts together the Council’s Annual Report – an overview of work on key projects and performance on performance indicators looking back over the previous year and some key items identified for next year. This is reported to Cabinet, annually in July and is informed by content from Ideagen, supplemented by information from Services.

**Financial Management**

The S151 Officer is responsible for the delivery of good financial management. This Officer is responsible for ensuring that:

* That public money is safeguarded at all times.
* Budgets are robust and agreed in advance.
* Value for money is provided by services.
* That the finance function is fit for purpose.
* The key financial assumptions and financial risks that the Council face are identified.

The S151 Officer advises on financial matters to both Cabinet and full Council and is involved in ensuring that the authority’s strategic objectives are delivered in line with long term financial goals. The S151 Officer together with finance staff ensure that new policies or service proposals are accompanied by a full financial appraisal and are fully funded.

The S151 officer has a statutory duty to report any unlawful financial activity or failure to set or keep to a balanced budget. He also has a number of statutory powers in order to allow this role to be carried out, such as the right to insist that the council makes sufficient financial provision for the cost of Internal Audit.

The council’s financial management arrangements conform to the government’s requirements of the CIPFA Statement on “The role of the chief financial officer in Local Government (2010)”. The Director of Corporate Services (Chief Financial Officer and S151) works with the Chief Executive and CMT helping to develop and implement strategy and deliver the strategic objectives.

The Director of Corporate Services has an input into all major decisions and advises on financial matters to the Cabinet.

**Data Management**

Following the introduction of General Data Protection Regulations, the council has tested compliance against these regulations. The council has a designated data protection officer (Assistant Lawyer – Barrister – Graham Thrussell) and clear and established processes for ensuring data is handled appropriately. There is regular reporting to the Corporate Governance & Audit Committee on matters of information governance.

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

**Transparency**

The Council and its decisions are open to the residents of the district, service users, partners and its staff. The Council has several formal committees these can covers the right of councillors and public to ask questions, also a committee to look at councillor’s conduct. Committee Reports can be accessed using the modern gov software on the Council’s Website, also committee meetings are recorded and can be replayed if required.

Transparency can be found in processes that govern how the Council operates and also the formal roles that are held by officers and Councillors.

The Freedom of Information Act (FOI) gives anyone the right to ask information held by a public authority, which includes Chichester District Council, subject only to the need to preserve confidentially in those specific circumstances where it is proper and appropriate to do so.

All reports that require a decision are considered by the relevant department with expertise in the particular function, also the Director of Corporate Services and the Divisional Manager for Legal and Democratic Services (monitoring officer) before they are published to the relevant committee. Equality impact assessments are carried out on all major services, functions, projects and policies in order to understand whether they impact on people who are protected under the Equality Act 2010 in order to influence decision making. An annual Equality Report is produced in July of each year.

**Effective Scrutiny**

The Council operates a number of Task and Finish groups which are established by the Overview and Scrutiny Committee which gives each Group its Terms of Reference. Topics which are chosen to be scrutinised are looked at in depth by a cross-party panel of Councillors. They assess how the Council is performing in that particular area and whether improvements can be made, and where a service is being scrutinised whether they are providing the best possible, cost-effective service for people of the district. Cabinet can establish task and finish groups that report to it.

**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 Councilors and to review policies and procedures for maintaining high ethical standards.
* **Internal Audit** **Section** - Has an audit plan which is flexible and enables internal audit to respond to changing risks and priorities of the organisation.
* **Corporate Governance & Audit Committee** – Reviews, monitors and scrutinises governance arrangements and finances of the Council, and also discusses 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 21st October 2024 in conjunction with this document which contains an assurance statement regarding internal control.
* **Divisional Manager – Legal and Democratic Services (Monitoring Officer)** - Ensures that the Council’s operations are carried out lawfully.

**Conclusion**

Whilst the impact of the War in Ukraine and the rising cost of living has proved challenging for the Council our opinion that Corporate Governance, along with supporting controls and procedures, remain very strong within the Council.

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| **Ref** | **Governance Issues** | **Source** | **Action taken** | **Responsible Officer** | **Timescale** |
| 1 | Southern Gateway Regeneration | Risk Management | Rising Inflation will start to have an impact on the project and updated valuations will need to be provided. C2C have agreed an extension to the funding agreement until March 2026 and the outputs to be delivered by March 2027. WSCC have completed the demolition of the school building and the feasibility study has been completed we are awaiting an announcement from Stagecoach – Design for the relocation site have been produced and pre app advice has been obtained. The traffic consultant has designed the re-provision of the bus stops and Stagecoach have agreed to the sites. Traffic safety audits and modelling have been completed. - The Police are marketing the site directly and have selected Bellway homes. Court Site – The site is currently not available for acquisition; this has had a significant impact on the phasing and viability of the project. | Director of Growth & Place | On-going |
| 2 | Financial Resilience | Risk  Management | The Council's 2024-25 Financial Strategy and 5-year model was approved by Council in November 2023, since the model was updated considering the situation in year, including any ongoing effects over the medium term. The Financial Strategy showed that there was an underlying deficit mainly due to the expected reset in the Business Rates Retention Scheme (BRRS) and a major funding review by government. The expected deficit is expected at £3m and possibly more as a result of the major waste reforms to be implemented by March 2026 which are not expected to be fully funded by Government. These changes highlight the background of uncertainties when trying to complete any strategic financial planning and the lack of clarity from government and only receiving one year funding streams. The Council has set up a cross-party Budget Review Group to address the funding gap as it will be necessary to carry out service reviews, income generation schemes that may change current council policy. As a result of past efficiency drives the easy wins have been achieved. The Council has set it 2024-25 budget with a surplus of £609k. Whilst a surplus of the region was expected in the 5-year Financial Strategy, this has been the case as the Council have had to bring in the New Homes Bonus to fund the budget. This approach is contrary to past policy but has been a necessary change because of the treatment of this grant in the financial settlement by Government. The forecasts will need to be updated for preparation of strategic financial planning for 2025-26 when the Council is also expecting a surplus budget, however, with the uncertainties in national politics and a general election expected in 2024. The Budget Review Group will need to address the forecast funding gap in the next 12 to 18 months to ensure that it can set a balanced budget from 2026-27 onwards.  There were some significant overspends in 2023-2024 the main one being Bed & Breakfast accommodation however, this has been partially offset by a Homeless Prevention grant top up. | Director of Corporate Services | On-going |
| 3 | Business Continuity | Risk Management | There are different threats that can create a business continuity incident - this assessment considers the key threats but has to summarise our overall level of risk. Whilst the internal controls are good for business continuity management, the risk score remains fairly high as the likelihood of a business interruption caused by fragility around the Ukraine conflict and the impacts that has had on energy and fuel. Impacts from Covid and seasonal flu seem to be very low, even at CCS where crews need to work physically closely with each other. The risk of a potential cyber-attack is probable. This is because CDC, like many large organisations, continually identifies and deals with attempted attacks on our IT systems. We have good mitigation against cyber-attacks; however there remains a risk due to the frequency of attempted attacks and the changing nature of cyber threats. Physical mitigation controls against intentional or accidental damage or loss of critical IT equipment within EPH are good and would be ‘unlikely’, and therefore less of a risk. Should the IT servers located within EPH fail for any reason then the majority of the council’s IT systems can be reinstated within a matter of hours using the disaster recovery server room based at CCS. The threat of not being able to operate council services from EPH due to a fire, for example, is no longer deemed significant from a business continuity point of view as resilience is good in terms of staff being able to carry out their work from home. The CCS site also provides a location for office-based activities to be relocated to. The Novium and a reciprocal mutual aid arrangement with WSCC provides a location for face-to-face council business to be conducted, if necessary. The BIA (Business Impact Assessment) continues to be refreshed annually by SLT – the last review took place in February 2024. BC plans continue to be refreshed on a 6-monthly basis – the last review was completed in October 2023. | Director of Planning & Environment | On-going |
| 4 | Cyber Risk Attack Across ICT Estate | Risk Management | This past year we have completed the roll out of Microsoft 365 (for both staff and members) which has introduced enhanced security through the introduction of In Tune and multi factor authentication. We have completed testing and commissioned our new corporate Disaster Recovery Server facility and have had a successful annual IT Health Check. Historically linked to maintaining access to the Public Sector Network (PSN), this annual evaluation is commissioned to cover our entire network.  Based on these outcomes the impact risk score remains at 2, with the likelihood risk score also remaining at 3 (due to the continuing impact of the Eastern European conflict between Russia and Ukraine. The MI5 Security Service threat level is currently at SUBSTANTIAL (an attack is likely) and The National Cyber Security Centre (NCSC) continue to issue weekly advice notices across the Public Sector. Although they maintain that they are not aware of any specific cyber threats to the UK, they are urging organisations to prepare for the long haul. We remain vigilant, are actively monitoring their weekly communications, and taking appropriate action when necessary. | Director of Corporate Services | On-going |
| 5 | Local Plan | Risk Management | The Council resolved at its meeting on 24 January 2023 to publish the Pre-Submission Local Plan for consultation and then submit it for examination. The consultation closed on 17 March 2023. Some 2500 representations were received to the plan and following careful consideration of the comments received, a schedule of proposed modifications was prepared to address the matters raised. In accordance with the Council resolution, the Plan was submitted to the Planning Inspectorate for formal examination on 3 May 2024. The examination is anticipated to take place in Autumn 2024 and following a successful examination, adoption is likely to take place in Spring 2025. The expected timescale for progression of the Local Plan to adoption reflects the programme set out in the Local Development Scheme (LDS) which was updated and agreed by Council in March 2024. Notwithstanding this, it remains the position that for at least a year the Council will not have an up-to-date local plan for housing delivery. The Council can currently evidence a 4.19-year housing land supply, i.e., below the 5-year land supply required by government. However, in December 2023, much anticipated changes to national planning guidance (NPPF) were published that include transitional arrangements for Councils to only have to demonstrate a 4-year housing land supply (for a period of 2 years) where plans are at an advanced stage of preparation. This will (temporarily) have the effect of giving the Council greater control over the planning application decision making process, while the plan progresses through examination. However, further changes to the NPPF that require authorities to give significant weight to the benefit of provision of housing, in addition to the need to continue to bolster the council’s 5 year housing land supply, means that applications for new housing outside of a plan led approach will still need to be carefully weighed against any harm arising, and permission granted if that harm does not outweigh the significant benefit of further housing delivery. | Director of Planning & Environment | On-going |
| 6 | Health & Safety | Risk Management | The consequences of a serious accident or incident at work have the potential to be ‘major’, i.e., death or serious injury of a member of staff, contractor or member of the public. Therefore, the severity of impact in the risk score is always going to be high. However, the Council operates an effective, and well established, H&S management system with good controls in place to reduce the likelihood of such an incident. Despite having good systems and procedures in place, CCS remains the highest risk operation within the Council due to the nature of the work and consequently accounts for the large majority of accidents, incidents and near misses within CDC.  H&S compliance of CDC’s biggest service contractor, Everyone Active, is monitored through a programme of H&S audits carried out by the Safety & Resilience team on an annual basis. | Director of Planning & Environment | On-going |
| 7 | Potential Increase in Homelessness Service Demand due to Increased Cost of Living and Ukraine Sponsorship programme Impact | Risk Management | The Local Authority Housing Fund has delivered 21 properties in total in response to the Ukrainian resettlement scheme. We are awaiting further details on a further scheme in Spring 2024. | Director of Housing & Communities | On-going |
| 8 | Skills, Capability, Capacity | Risk Management | Increased use of premia payments (market supplements) for those areas with long term established recruitment issues and the use of the relocation package has aided recruitment for those service areas. Premia payments are subject to review every 2 years (next review to be done late 2024 for implementation in April 2025), which is in line with the procedure governing these as agreed with the Staff Side / Unison. However, whilst recruitment difficulties have improved, services continue to work with HR to ensure that appropriate resources and incentives are in place; these include recruitment payments, flexible use of staff across the service, improved advertising of jobs and marketing of the Council as an employer, using head-hunters and temporary (agency) staff, where required. It should be noted that this risk is linked to the national issue of shortage of labour in some sectors and our ability to control or mitigate this is limited. Workforce Development Plan recently reviewed and considered by JECP, it includes a with a greater focus on the need to grow and develop our own staff. In 2023 completed a full comprehensive staff survey and the results were analysed and considered by JECP and reported back to all staff. | Director of Corporate Services | On-going |
| 9 | Climate Emergency Detailed Action Plan | Risk Management | The Council approved the Climate Emergency Detailed Action Plan in January 2021. The progress of the plan is reported bi-annually to Environment Panel and annually to Full Council. The 4th update to Full Council occurred on 23 January 2024.  The action plan now contains 66 actions related to either the internal or the district wide target. The status of which is summarised below.  **Status**  **Number of actions**  On-going 40  Waiting for input from others 4  May not be initiated/completed on time 1  Not initiated/completed on time or not expected to be 1  Completed 17  Not due to be started yet 2  Closed – unable to complete 1  **Total number of actions in plan** 66  **District wide target**  In the 1st year of the target, 2020, an 8.7% reduction was achieved. This figure is based on data published annually for all local authorities by the Government. Each year the Government improves its methods for estimating emissions and then uses the new methods to re-calculate previously published figure. This reduction was updated to a 10.6% reduction when the Government issued the latest data in June 2023. This reduction was likely due to the impact of Covid on road transport emissions and illustrates the scale of change to achieve the target. The latest data for 2021 showed an increase of just under 1%. The employment of additional staff will ramp up council activities to reduce emissions, but the district target will not be met without a transformative scale of action.  **Council internal target**  There were reductions of 12% and 4% in the first and second years respectively (Oct 2019-Sep 2020 and Oct 2020-Sep2021). Covid is likely to have been a key factor. In Oct 2021-Sep 2022 emissions increased by 2%. For the period October 2022-September 2023, the emission figures are being estimated. This is taking longer than previous years due to issues in receiving data from our energy suppliers. St James industrial estate re-opened in this period which adds to the emission figures even though it has been designed to reduce emissions. However, it was hoped that there would be a net reduction of 6-7% due to energy efficiency work on Westward House, use of two electric refuse vehicles, completion of Westgate project. Provisional figures suggest significant savings at Westward House - an all-electric building - and a reduction in electricity use at Westgate but countering that is a 7% increase in the emission factor for grid electricity. Added to that, gas consumption at Westgate has increased. The heating equipment is still being optimised. The trial electric refuse vehicles have yielded mixed results. In summary, there could be an increase in the single figures.  For the period October 2023-September 2024, more units at St James industrial estate will have become occupied but a reduction of around 5% could be achieved if the Westgate project and the electric refuse vehicles perform consistently well. Gas use at the Novium should be reduced due to consistent operation of the biomass boiler.  For October 2024-September 2025 achievement of the target rested largely on the council entering into a contract for electricity from a planned new solar farm in the district. A thorough investigation of this option led to the decision not to enter into a contract. There will be emission reductions due to CDC vehicles (other than refuse collection vehicles) being replaced by electric vehicles, but these will not be sufficient to meet the 10% target.  Mitigating actions: Achieving a year-on-year reduction requires a continuous pipeline of projects which has not been established.  Fleet: Although results of the electric refuse vehicle trial have been mixed, other vehicles are gradually switching to electric as per council policy and additional charging infrastructure is being installed. However, this entails increased asset replacement budgets which will need to be approved by the Council. Hydrotreated Vegetable Oil is an alternative option to electrification but will increase revenue costs and there have been concerns about its environmental sustainability. This option is kept under periodic review to see if environmental sustainability concerns can be allayed.  Buildings: Installing more PV on council buildings is a cost-effective option, although the carbon savings will not be large. Bigger carbon savings are achieved by replacing gas, but new gas boilers have recently been installed at EPH. Electric heating could be installed at Bourne and Grange leisure centres, but the payback is exceptionally long. Solar car ports could be installed on council car parks. They make most financial sense when combined with using electricity on site e.g., EV charge-points or if the council sold the electricity to a licensed supplier and then bought it back for its own use (a Power Purchase Agreement). Investigation of other low carbon energy options will continue to be pursued. | Director of Planning & Environment | On-going |
| 10 | Crouchlands Lagoon 3 | Risk Management | **Planning Enforcement**  Following the failure of the landowner to comply with the requirements of the Planning Enforcement Notice by 21 May 2021, officers prepared a case for prosecution of the landowner for non-compliance. The case was heard in January 2024. The defendant was found guilty, however, an appeal against the conviction has been lodged with the court. Direct action to remediate the site is an option open to the Council but will only need to be considered once the outcome of the appeal is known. Due to the responsibilities of other parties (owner, other partner agencies) and the likely complexity and cost of remediation (estimated to be between £1-2m), this option will require full consideration through the Council's normal governance process.  **Emergency Planning**  The findings of the November 2023 multi-agency site visit were that there had been no significant change at the site from either the bund or the cover and that the risk from the lagoon had not altered and remained low. No factors that may increase the risk from the lagoon as detailed above are currently occurring. However, a number of localised leaks were reported by the community to the Environment Agency (EA) who are investigating/monitoring. The EA are in contact with the landowner to ensure the rainwater is pumped off the cover, as this appears to be causing the leaks. It is not believed the leaks are affecting the integrity of the bund/cover, but the frequency of inspections is being reviewed.  The multi-agency Incident Plan has been reviewed with a draft copy being circulated to the various agencies for final comment. | Director of Planning & Environment | On-going |
| 11 | Managing Selsey’s Aging Sea Defenses | Risk Management | With age there is an increasing residual risk of a failure of the defences, and the impacts could quickly become significant. This is managed through risk-based inspections and monitoring of the coastline by the Council’s engineers, Coastal Partners, with the objective of ensuring any failures (minor or major) or issues are identified early. There is a focus on not missing opportunities to undertake swift minor repairs which have the potential to avoid more significant failures (repairs). However, this is not always possible in the winter months. For more significant failures, where properties are at risk in the short term, the Council may endeavour to seek funding for emergency works. There can be no guarantee of an outcome that avoids losses in all cases, and no guarantee of emergency works funding and CDC and residents should be prepared for this scenario.  Following a feasibility study, a business case has been submitted to the EA for options appraisal and detailed design for a new defence scheme at Selsey. To date, we have no indication as to whether this business case will be successful, either wholly or partially.  Given the on-going work on the new defence scheme, the Position Statement will be reviewed annually to consider any changes. | Director of Planning & Environment | On-going |
| 12 | Westward House | Internal Audit | A series of actions have been agreed in response to this audit. | Divisional Manager  Revenues Benefits & Housing | On-going reporting through and audit follow up report |
| 13 | Debt Recovery | Internal Audit | A series of actions have been agreed in response to this audit | Across all Council Services | On-going reporting through and audit follow up report |
| 14 | Data Retention | Internal Audit | A series of actions have been agreed in response to this audit | Across all Council Services | On-going reporting through and audit follow up report |
| 15 | Creditors | Internal audit | A series of actions have been agreed in response to this audit | Divisional Manager Financial Services | On-going reporting through and audit follow up report |
| 16 | Building Control | Internal Audit | A series of actions have been agreed in response to this audit | Divisional Manager Environment & Health Protection | On-going reporting through and audit follow up report |

Leader of the Council Chief Executive