

# Crawley Borough Council

## Report to Governance Committee

9 September 2024

### Draft Annual Governance Statement 2023/24

Report of the Head of Governance, People & Performance – **LDS/224**

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#### **1. Purpose**

- 1.1. It is a requirement of the Accounts and Audit (England) Regulations 2015 that all local authorities produce an Annual Governance Statement (AGS).
- 1.2. It is a function of the Governance Committee to monitor and review the Corporate Governance of the Council. This report sets out the latest draft of the Annual Governance Statement 2023/24.

#### **2. Recommendations**

- 2.1. That the Governance Committee considers the latest draft of the Annual Governance Statement 2023/24 and provides any comments for incorporation into the final version, which is to be approved by the Audit Committee on the 26 November 2024.

#### **3. Reasons for the Recommendations**

- 3.1. To take into consideration any comments made by the Governance Committee on the draft Annual Governance Statement 2023/24.

#### **4. Background**

- 4.1. The Council is responsible for making sure 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 and efficiently. The Council also have a duty under the Local Government Act 1999 to put in place proper arrangements for:
  - the continuous improvement of its functions
  - the governance of its affairs, which include arrangements for the management of risk.
- 4.2. The objective of the Annual Governance Statement is for the Council to summarise the extent to which it has complied with its own code of governance and met Regulation 6 of the Accounts and Audit Regulations 2015 and the Accounts and Audit (Coronavirus) (Amendment) Regulations 2021.

4.3 The Chartered Institute of Public Finance and Accountancy (CIPFA), in conjunction with the Society of Local Authority Chief Executives (SOLACE), has produced a framework for delivering good governance in local government. The framework guidance “Delivering Good Governance in Local Government Framework 2016” is used as a guide in compiling the AGS.

## **5. Draft Annual Governance Statement 2023/24**

5.1 The draft Annual Governance Statement 2023/24 has not reported any significant risks or actions. The Chief Internal Auditor’s (Head of SIAP) annual report and opinion [FIN/665](#) was presented to Audit Committee on the 9 July 2024. It confirmed that the framework of governance, risk management and management control are **reasonable**.

5.2 During the review of governance arrangements, any areas that may present some challenges during 2024/25 have been identified under the “Governance Challenges” section of the Annual Governance Statement and will be monitored by the Corporate Management Team. Progress will be reported in the Annual Governance Statement 24/25.

5.3 The latest draft of the Annual Governance Statement 2023/24 is attached at Appendix A.

## **6. Background papers**

6.1 None

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**Crawley Borough Council**  
**Annual Governance Statement 2023/24**

### **Scope of Responsibility**

Crawley Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It must also ensure that public money is safeguarded, properly accounted for, and is used economically, efficiently and effectively.

The 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 these responsibilities, Crawley Borough Council is responsible for ensuring arrangements are in place for the governance of its affairs and the effective exercise of its functions, including arrangements for the management of risk.

The Council has approved and adopted a [Code of Corporate Governance](#) which is consistent with the principles of, and reflects the requirements outlined in, the 2016 CIPFA/SOLACE Framework, 'Delivering Good Governance in Local Government'. This statement explains how the Council has complied with the Code and meets the requirements of the Accounts and Audit Regulations (2015) in relation to the publication of a statement of internal control.

The Annual Governance Statement in respect of the 1 April 2023 to the 31 March 2024 will be considered by Governance Committee on the 10 September 2024. The final version will be presented to the Audit Committee on the 26 November 2024. This is subject to the Statement of Accounts being presented to the Audit Committee at a date later in the year.

### **The purpose of the Governance Framework**

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

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 and can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is an ongoing process designed to:

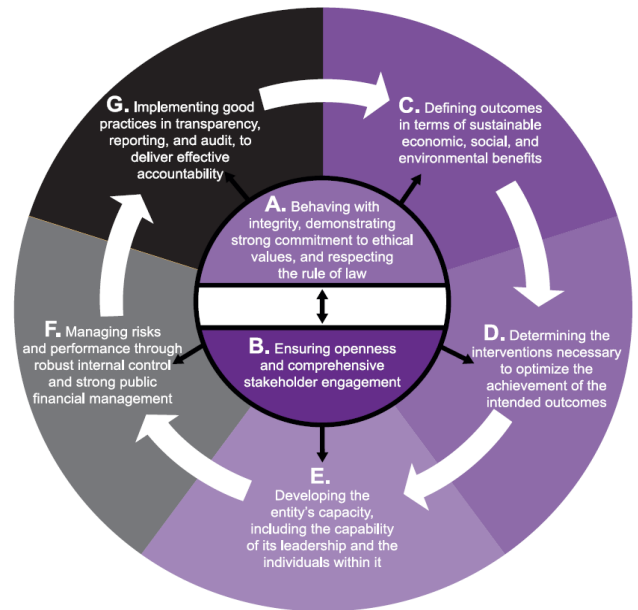
- Identify and prioritise the risks to the achievement of Crawley Borough Council's policies, aims and objectives,
- Evaluate the likelihood of those risks being realised and the impact should they be realised,
- Manage them efficiently, effectively, and economically.

The Leader of the Council (Cllr Jones) and the Chief Executive (Natalie Brahma-Pearl until September 2023 and then Ian Duke) recognise the importance of having robust rules, systems and information available to guide the Council when managing and delivering services to the communities of Crawley.

The governance framework has been in place at Crawley Borough Council from the 1 April 2023 until the 31 March 2024 and up to the date of the approval of the Annual Report and Statement of Accounts for the financial year 2023/24.

### The Principles of Good Governance

The CIPFA/SOLACE Delivering Good Governance publication (2016) defines the various principles of good governance in the public sector. The document sets out seven core principles that underpin the governance framework.



The following table sets out the Councils review of compliance and supporting evidence against these principles:

Principles of Good Governance	Review of Compliance & Supporting Evidence
<p><b>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the law.</b></p>	<ul style="list-style-type: none"> <li>• The Council’s <a href="#">Constitution</a> last updated on the 3 January 2024 sets out how the Council operates. It’s divided into 3 sections: Decision Making, Procedure Rules and Codes &amp; Protocols. The Decision-Making section includes details of the Council’s decision-making mechanisms and a <a href="#">scheme of delegation</a> setting out who is responsible for taking which decision.</li> <li>• Codes of Conduct for Members and <a href="#">officers</a> are in place. The <a href="#">Councillor Code of Conduct</a> is based on the Seven Principles of Public Life (also known as the Nolan Principles).</li> <li>• The Council’s <a href="#">Code of Corporate Governance</a> is consistent with the principles of and reflects the requirements in the CIPFA / SOLACE Framework, ‘Delivering Good Governance in Local Government’. This statement explains how the Council has complied with the Code and also meets the requirements of the Accounts and Audit (England) Regulations 2015. The Head of Governance, People &amp; Performance keeps this under review.</li> <li>• The Council has three <a href="#">statutory roles</a> in place to fulfil the duties within the governance framework. Head of Paid Service (Chief Executive), Monitoring Officer (Head of Governance People &amp; Performance), Section 151 Officer (Head of Corporate Finance).</li> <li>• On joining the Council, officers are provided with a contract outlining the terms and conditions of their appointment which they sign.</li> <li>• Newly elected Councillors attend an induction which includes information on roles and responsibilities; political management and decision- making; the Code of Conduct, declaration and registration of interests, financial management and processes; information governance; and Data Protection.</li> <li>• Councillors declare any interests at the start of every formal Council meeting they attend in accordance with Standing Orders and are included in the minutes of the meeting. The Council maintains a register of member’s interest. There is a requirement to update this within 28 days of any interest changing. The register for each member is available on the website <a href="#">Your Councillors - Crawley Borough Council</a></li> </ul>

Principles of Good Governance	Review of Compliance & Supporting Evidence
	<ul style="list-style-type: none"> <li data-bbox="600 244 2157 352">• The <a href="#">Governance Committee</a> is responsible for regularly reviewing the Constitution and ensuring that it is both up to date and fit for purpose. Significant changes to the Constitution are considered by the Governance Committee before being put before the Full Council for adoption.</li> <li data-bbox="600 400 2157 509">• The Council's <a href="#">Whistleblowing Policy</a> is up to date and sets out the options and associated procedures for Council staff to raise concerns about potentially illegal, unethical or immoral practice and summarises expectations around handling such matters.</li> <li data-bbox="600 557 2157 628">• The Council has an <a href="#">Anti-Fraud and Corruption Policy</a>, <a href="#">Anti Bribery Policy</a> and <a href="#">Anti Money Laundering Policy</a> and continue to be working effectively.</li> <li data-bbox="600 676 2157 785">• The Council has a Fraud and Investigations Team which acts to minimise the risk of fraud, bribery, corruption and dishonesty and recommends procedures for dealing with actual or expected fraud. The Team also prosecutes, where appropriate, and is involved in fraud training and awareness.</li> <li data-bbox="600 833 2157 1139">• The Council's <a href="#">Complaint's Policy</a> sets out the complaints handling process and signposts customers to the relevant Ombudsman (Local Government &amp; Social Care and Housing Ombudsman) if they remain dissatisfied. Both Ombudsmen produced new Codes based on unified principles in February 2024. The Housing Ombudsman Code is statutory from the 1 April 2024. The council revised its Policy to ensure compliance with the changes, effective from the 1 April 2024 and is on the Council's website. The council completed its <a href="#">annual self-assessment</a> against the Housing Ombudsman Code in June 2024, which identifies areas where we do and do not comply with the Code. Area's where we don't currently comply include an explanation of the action that will be taken to make further improvements. This is published on the council's website.</li> <li data-bbox="600 1187 2157 1370">• Complaints data is reported to the Corporate Management Team (CMT) on a quarterly basis and includes data on volumes received and reasons for those that are late. Lessons learned for upheld, and part upheld complaints is also reported to CMT to ensure continuous improvement in service delivery. Data on Ombudsman complaints and outcomes are also included. Data is reported at a service level monthly to ensure action is taken to address any areas of concern.</li> </ul>

Principles of Good Governance	Review of Compliance & Supporting Evidence
	<ul style="list-style-type: none"> <li data-bbox="600 244 2157 512">• The Local Government &amp; Social Care Ombudsman produce an annual summary of complaint statistics that focus on three key areas that help to assess the Council’s commitment to putting things right when they go wrong. These are also used to compare performance with other councils and are published on their <a href="#">website</a>. This summary is shared with the Chief Executive, Leader and chair of the Overview &amp; Scrutiny Committee. The Council received no upheld decisions for the period ending the 31 March 2024, which is very positive compared with an average of 63% in similar authorities. The <a href="#">annual review letter 2023/24</a> is available on the council’s complaint’s webpage.</li> <li data-bbox="600 555 2157 667">• The Council operates a shared Procurement Service with Horsham, Mid Sussex and Mole Valley Councils, with Crawley acting as the lead Authority. The Council’s procurement processes, and key policies, contracts register, and charters are published on the website. <a href="#">Procurement   Crawley GOV</a></li> <li data-bbox="600 710 2157 821">• The Council has a <a href="#">Modern Day Slavery and Human Trafficking Statement</a> which is reviewed annually. The Leader has delegated authority to approve minor amendments and approve subsequent annual statements for publication. The latest version was approved in August 2023.</li> <li data-bbox="600 865 2157 944">• The Council has a <a href="#">Social Value Charter</a> which sets out the Council’s Living Wage Policy and sustainable procurement.</li> <li data-bbox="600 987 2157 1067">• The Council also provide six monthly updates to Cabinet on key procurements over £500,000 and a forward programme of key procurements. The last update went to <a href="#">Cabinet</a> on the 29 November 2023.</li> <li data-bbox="600 1110 2157 1222">• The council maintains a register of officer interests for any officers in a position where they are involved in procurement, or where they exercise decision making or advisory roles to decision makers concerned with expenditure and procurement.</li> <li data-bbox="600 1265 2157 1345">• Annual Plan, Develop and Review (PDR) discussions take place and are linked to the Council’s <a href="#">values and behaviours</a>.</li> </ul>

Principles of Good Governance	Review of Compliance & Supporting Evidence
<p><b>Principle B: Ensuring openness and comprehensive stakeholder engagement</b></p>	<ul style="list-style-type: none"> <li>• The Council and its decisions are open and accessible to the community, service users, partners, and its staff. All reports requiring a decision are considered by appropriately qualified Legal and Finance staff before they are progressed to the relevant Committee or group. All reports and details of decisions made can be found on the Council's <a href="#">website</a>.</li> <li>• The Cabinet publishes <a href="#">forthcoming decisions</a> that will be made over the next one to four months. This includes a short description of the decision to be made; who will make it; when the decision will be taken; details of the planned consultation with local people and other stakeholders; and contact details for further information (including reports and background papers).</li> <li>• Most committee meetings are webcasted and available on the Council's YouTube channel. However, some committees / panels and reports may not be streamed as they contain exempt information in line with the Council's constitution.</li> <li>• Equality considerations are embedded in decision-making and applied to everything the Council does. Equality Impact assessments are carried out when there is significant change to major Council services, functions, projects and policies in order to better understand whether the change will impact people who are protected under the Equality Act 2010.</li> <li>• The Council's <a href="#">Equality, Diversity &amp; Inclusion Statement 2022 – 2026</a>, is up to date and sets out the Council's equality, diversity and inclusion priorities. The <a href="#">Equality, Diversity &amp; Inclusion Action Plan</a> for 2024/25 has been reviewed and is on the Council's website.</li> <li>• The Council's Data Team responds to Freedom of Information (FOI) and Environmental Information Requests (EIR) in a timely and impartial manner and in line with legislation. The Council also proactively publishes information on its website as part of the <a href="#">Publication Scheme</a>.</li> <li>• The Council's Data Team responds to Subject Access Requests (SARs) in a timely and impartial manner and in line with legislation.</li> </ul>



Principles of Good Governance	Review of Compliance & Supporting Evidence
	<ul style="list-style-type: none"> <li data-bbox="600 240 2168 312">• The Council has a key role in a number of local partnerships, working for the benefit of residents and the community. These include: <ul style="list-style-type: none"> <li data-bbox="701 360 2168 544">○ Community Safety Partnership – the Safer Crawley Partnership is a statutory partnership whose purpose and function is to reduce crime, disorder and anti-social behaviour in the local area. Key partners include the council, Sussex Police, Probation, West Sussex County Council, Health and numerous non-statutory and community sector partners. The Council is also an active contributor to county-level work on community safety including Prevent.</li> <li data-bbox="701 592 2168 855">○ Health &amp; Wellbeing – the Council is a district and borough representative on the West Sussex Health &amp; Wellbeing Board. It also sits on the West Sussex Community Oversight Group of the Integrated Care System. The Local Community Network Partners is where local partners work together to share plans, resources and priorities to take action to tackle local, evidenced based, health inequalities. The Council is also contracted to deliver Public Health programmes through Crawley Wellbeing. It also takes part in a wider range of partnership activity to support wellbeing for those individuals and communities in greatest need.</li> <li data-bbox="701 903 2168 1214">○ Economic / Regeneration Partnerships – The Council partakes in a number of key partnerships in this area of work. The key borough level partnerships in terms of funding and activity are the Crawley Growth Board with West Sussex County Council, and the Crawley Town Deal Board overseeing the key DLUHC levelling up funds to deliver borough wide strategies. The Council also participates in national, sub-regional and County-wide partnership initiatives, including Coast to Capital LEP (currently transitioning to county-level arrangements), Greater Brighton Economic Board, and Gatwick Diamond Initiative, The Council is also part of issue-based arrangements bringing partners together including Sussex North Water Neutrality Board and those around the Gatwick Airport DCO process.</li> <li data-bbox="701 1262 2168 1366">○ The Council is also a statutory member of the Local Safeguarding Children Board, Safer West Sussex Partnership, West Sussex Prevent Board, West Sussex Corporate Parenting Panel, the West Sussex Adult Safeguarding Board and the West Sussex Children’s Improvement Board. The Chief Executive continues</li> </ul> </li> </ul>

Principles of Good Governance	Review of Compliance & Supporting Evidence
	<p style="text-align: center;">to Chair the West Sussex Strategic Housing Partnership.</p> <ul style="list-style-type: none"> <li>• Public consultation is undertaken on new policies and development applications. The Council has a <a href="#">Statement of Community Involvement</a> in place which sets out what consultation will take place when the Council is developing and reviewing its planning policy documents and determining planning applications.</li> <li>• Consultation responses are analysed and considered as part of the Council’s decision-making process. Details are published on our website <a href="#">Consultation   Crawley GOV</a> Key consultations carried out in 2023/24 were: <ul style="list-style-type: none"> <li>○ Housing development consultations for Lansbury Road, Shackleton Road, Bristol Close and Deerswood Court,</li> <li>○ Anti-social behaviour policy review, Licensing policy review,</li> <li>○ Station Gateway regeneration consultation, and</li> <li>○ Public spaces protection order for council-owned car parks.</li> </ul> </li> <li>• Engagement and consultation is enabled via social media (Facebook, X (Twitter) and Instagram), <a href="#">petitions</a>, public consultation, neighbourhood forums and <a href="#">Crawley Question Time</a>. <a href="#">Crawley Live</a> is sent to every household to keep residents informed every quarter.</li> <li>• Crawley Homes also undertake proactive engagement, such as estate days when staff undertake door knocking with tenants and residents. Surveys are also used to seek feedback and in March 2024 a <a href="#">Tenant Satisfaction Measures Survey</a> was carried out, with tenants and leaseholders being invited to participate.</li> </ul>
<p><b>Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits.</b></p>	<ul style="list-style-type: none"> <li>• The <a href="#">Corporate Plan Priorities 2023-27</a> sets out the strategic direction of the Council and consists of six key headline priority objectives: Delivering value for money and modernising the way we work, delivering affordable homes for Crawley and addressing homelessness, enabling a sustainable economic recovery and improving job opportunities, reconnecting communities, providing high quality leisure and culture facilities and supporting health and wellbeing services and protecting the environment.</li> </ul>

Principles of Good Governance	Review of Compliance & Supporting Evidence
	<ul style="list-style-type: none"> <li data-bbox="600 240 2168 472">• The <a href="#">Transformation Plan 2023-2026</a> was updated in October 2023 and is the third iteration. The latest plan includes several projects under six workstreams: Our services to customers, supporting our communities, our assets, our people, commercialisation and service redesign. The Transformation Board, chaired by the Head of Digital and Transformation and includes the Corporate Management Team, HR &amp; OD Manager and the IT and Transformation Programme Manager monitor progress against the Transformation Plan actions. The board meets monthly.</li> <li data-bbox="600 520 2168 751">• Public consultation on the <a href="#">Local Plan – Crawley 2030</a> took place in May – June 2023 after the requirements of Water Neutrality were addressed. The Local Plan was submitted to the Planning Inspector on the 31 July 2023. Examination of the Plan was carried out in two parts, held during November 2023 and January 2024. The council published Main Modifications to the Local Plan, arising from the Inspectors’ letter, for a formal six-week public consultation between February and March 2024. It is anticipated the council will be asked to adopt the Crawley Borough Local Plan 2023-2040 at the meeting of the Full Council held in either summer or autumn 2024.</li> <li data-bbox="600 799 2168 903">• The <a href="#">Homelessness and Rough Sleeping Strategy 2019-2024</a> sets out five priority areas for addressing homelessness in Crawley. This Strategy will be reviewed and updated in 2025. Housing need and the Council’s policies to address this are contained within the Local Plan Housing policies.</li> <li data-bbox="600 951 2168 1054">• The Council’s <a href="#">Housing Allocations Scheme</a> sets out the general policies relating to the allocation of social housing and the procedures and processes used by officers to implement those policies. The scheme has been developed with regard to the council’s statutory duties.</li> <li data-bbox="600 1102 2168 1206">• The Council’s <a href="#">Tenancy Policy</a> updated in 2023 aims to support sustainability in our local communities through the use of secure lifetime tenancies and proactive tenancy management. It also sets out our approach to the use of social and affordable rents.</li> <li data-bbox="600 1254 2168 1374">• The Council’s <a href="#">‘One Town’ Economic Recovery Plan 2022-2037</a> provides a clear vision for Crawley’s socio-economic prosperity. The key priorities are a diverse and resilient economy, green transformation, town centre renewal, skills for the future and connected Crawley. These priorities are being delivered via the Town Centre</li> </ul>

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	<p data-bbox="647 240 2128 272">Regeneration Programme, Crawley Growth Programme, Towns Fund and Employment and Skills Programme.</p> <ul style="list-style-type: none"> <li data-bbox="600 320 2159 469"> <p data-bbox="600 320 2159 469">• The Council declared a Climate Emergency in July 2019. In November 2021, the Cabinet agreed the Council’s <a href="#">Climate Emergency Action Plan</a> which includes short, medium and long term actions. Details of current activities are available on the Council website. <a href="#">Climate emergency   Crawley GOV</a>. Significant achievements in the last year include the following:</p> <ul style="list-style-type: none"> <li data-bbox="714 517 2159 587">○ Completion of Phase 1 of the district heat network and progress in designing phase 2, which will bring low carbon heat to public buildings in Crawley’s town centre.</li> <li data-bbox="714 596 2159 699">○ Crawley Homes were successful in bidding for £7m from the government’s Social Housing Decarbonisation Fund to improve building insulation across the estate and reduce fuel bills and carbon emissions.</li> <li data-bbox="714 708 2159 820">○ Energy surveys have been conducted in council buildings to identify how we can improve energy efficiency and reduce the cost of heating. We will prepare grant applications for ‘heat decarbonisation’ to be submitted in 2024/25.</li> <li data-bbox="714 829 2159 938">○ The transition to cloud computing and delivery of new IT equipment has reduced the energy consumption in our buildings. Hybrid working has reduced emissions from staff commuting and reduced energy usage in the office.</li> </ul> </li> <li data-bbox="600 991 2159 1219"> <p data-bbox="600 991 2159 1219">• The Council offers a range of grants and funding support. Our <a href="#">Community Grants</a> support voluntary action in Crawley. We aid local non-profit voluntary and community organisations with setting up or running projects, services and events that benefit Crawley residents and visitors. Our Strategic Grants programme provides grants for one or more years, ranging from £5,000 to £50,000 for successful applications. Registered charities, community interest companies, voluntary organisations and community groups that meet the eligibility criteria can apply for funding.</p> </li> <li data-bbox="600 1267 2159 1375"> <p data-bbox="600 1267 2159 1375">• The Council was successful in receiving funding from the Department for Levelling Up and Housing and Communities (DLUHC) for Shared Prosperity Funding (SPF) to decrease the gap in healthy life expectancy between those in the most and least deprived areas in Crawley. The <a href="#">Shared Prosperity Fund</a> grants will be</p> </li> </ul>

Principles of Good Governance	Review of Compliance & Supporting Evidence
	<p>awarded to projects and initiatives that are focused on improving the quality of life and opportunities for residents in Broadfield, West Green and Bewbush.</p> <ul style="list-style-type: none"> <li>• Access Crawley work with vulnerable residents with long term debt creating bespoke pathways. The team predominately assist residents who require help claiming benefits in particular Council Tax Reduction or Single Person Discount. They also sign post to external organisations for financial help and assistance with food. The <a href="#">Help with Money Worries</a> page on the Council website was created to signpost residents to help.</li> </ul>
<p><b>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes.</b></p>	<ul style="list-style-type: none"> <li>• The Annual Statement of Accounts is published in accordance with CIPFA guidelines. The annual Budget is approved by the Full Council and is monitored and reported upon regularly. The Narrative Report which forms part of the Statement has a series of financial measures.</li> <li>• Quarterly monitoring of finance is reported to Cabinet, other financial measures are reported to CMT on a quarterly basis together with other non-financial performance measures.</li> <li>• The Corporate Performance Dashboard is reported to CMT on a quarterly basis. The report tracks performance across a range of key services and the Corporate Plan priorities. It ensures a timely response can be applied to service improvement and against service plans and strategies. This report is also discussed at departmental management team meetings to celebrate success and focus on improvement.</li> <li>• The Corporate Performance Dashboard report also includes updates from the Office for Local Government (Oflog). Where relevant we've expanded the dashboard to include key measures included in the Data Explorer that Oflog are using to provide insight about local government performance.</li> <li>• Legal, Financial and HR implications are considered as part of every decision and evidenced within committee reports.</li> <li>• Cabinet reports are considered by the <a href="#">Overview and Scrutiny Commission</a> who provide challenge and enable the voice and concerns of the public and its communities to be heard.</li> </ul>

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	<ul style="list-style-type: none"> <li>• Internal Audit produces an annual audit report and assurance opinion. External audit also comments on the governance framework.</li> <li>• Project documentation (Business Case/ Project Initiation Document) for large projects include an options appraisal, contribution to corporate priorities, associated costs and project risks. Key stakeholders (Finance, HR, Legal and Procurement) are consulted in their development.</li> <li>• <a href="#">Social Value</a> is assessed as part of the procurement process.</li> </ul>
<p><b>Principle E: Developing the Council’s capability, including the capability of its leadership and the individuals within it.</b></p>	<ul style="list-style-type: none"> <li>• The Council’s <a href="#">Constitution</a> clearly defines the <a href="#">roles and responsibilities</a> of the Chief Executive, Chief and Senior Officers, Councillors and Committees and outlines procedural standards, the Scheme of Delegation and protocol on Council/Officer relations.</li> <li>• The Monitoring Officer is responsible for legal compliance, Conduct and Compliance and working with departments to advise on legal issues across the Council.</li> <li>• The Head of Corporate Finance has overall financial responsibility within the Council. <a href="#">Financial and Budget Procedure Rules</a> ensure that compliance takes place. The Accounts comply with financial regulations and the CIPFA Financial Management (FM) Code.</li> <li>• The Head of Corporate Finance (s151 Officer) and the Chief Accountant undertake the Financial Management Code of Practice Compliance Assessment. The outcome is reviewed by CMT.</li> <li>• Human Resource policies and procedures are in place to facilitate the recruitment and retention of capable staff. The sickness absence, capability, grievance, and fairness at work policies are being updated and will be accompanied by toolkits to help managers and staff in 24/25.</li> </ul>

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	<ul style="list-style-type: none"> <li data-bbox="600 244 2157 352">• The Council operates a robust interview and selection process to ensure that staff are only appointed if they have the right level of skills and experience to effectively fulfil their role. The Council has shared <a href="#">values and behaviours</a> that reflect the special nature of the Council.</li> <li data-bbox="600 403 2157 512">• All new staff attend corporate induction sessions and undertake an e-learning induction package. Suitable training is available to support all staff to carry out their roles to the best of their ability. Personal development is also discussed at annual PDR discussions.</li> <li data-bbox="600 563 2157 624">• Performance issues relating to staff are dealt with by the relevant Manager / Head of Service in line with the Council’s Capability Procedure.</li> <li data-bbox="600 675 2157 815">• Organisational capacity has been identified as a strategic risk and the HR &amp; Organisational Development Team is leading on a People Programme to deliver critical change initiatives. The People Board chaired by the Head of Governance, People &amp; Performance and represented by staff members from different areas of the council is in place to support the work of the HR &amp; OD Team.</li> <li data-bbox="600 866 2157 927">• Mental Health First Aiders, counselling service and health and safety policies are in place to maintain the health and wellbeing of staff.</li> <li data-bbox="600 978 2157 1086">• Newly elected Councillors are required to attend an induction which includes information on roles and responsibilities; political management and decision- making; the Code of Conduct, declaration and registration of interests, financial management and processes; information governance; and Data Protection.</li> <li data-bbox="600 1137 2157 1326">• Councillors’ attendance at meetings is recorded via the Modern.Gov system. In the event of continual non-attendance for 4 months the matter will be passed to the Leader of the political group concerned for action to be taken. Should a Councillor fail to attend any formal meetings of the Council, for a period of 6 months, they relinquish being a Councillor. Each Group may seek approval from the Full Council to extend the 6-month non-attendance period, in exceptional circumstances.</li> </ul>

Principles of Good Governance	Review of Compliance & Supporting Evidence
	<ul style="list-style-type: none"> <li>• Service Plans are in place to ensure delivery of key outcomes and priorities and identify operational risks.</li> </ul>
<p><b>Principle F: Managing risks and performance through robust internal control and strong public financial management.</b></p>	<ul style="list-style-type: none"> <li>• The <a href="#">Risk Management Strategy</a> sets out the roles and responsibilities for risk management arrangements in the Council. The strategic risk register is a live document owned by CMT and is regularly updated. The Audit Committee also review this on a quarterly basis. The last update for 2023/24 went to the <a href="#">12 March 2024 Audit Committee</a>.</li> <li>• The Council has effective scrutiny provided by the <a href="#">Overview and Scrutiny Commission</a>. This Commission supports the work of the Cabinet and the Council as a whole. It allows citizens to have a greater say in Council matters by holding public inquiries into matters of local concern. The Commission also monitors the decisions of the Cabinet, enabling it to consider whether a decision is appropriate.</li> <li>• The <a href="#">Audit Committee</a> provides independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes. By overseeing both internal and external audit the Committee makes an important contribution to ensuring that effective assurance arrangements are in place</li> <li>• The <a href="#">Governance Committee</a> deals with Constitutional matters, the Conduct of Councillors, Political Management Arrangements, and Corporate Governance, Councillors’ Allowances, Elections and all non-Executive functions not specifically delegated to another Committee or Sub-Committee of the Council. This Committee specifically monitors and reviews the Corporate Governance of the Council including giving consideration of the Authority’s Annual Governance Statement.</li> <li>• The Council continues to improve performance management within the organisation and service quality and best use of resources is ensured via: <ul style="list-style-type: none"> <li>○ Strong Project Governance and Decision Making</li> <li>○ Transformation Board</li> <li>○ ICT Board</li> </ul> </li> </ul>



Principles of Good Governance	Review of Compliance & Supporting Evidence
	<ul style="list-style-type: none"> <li>○ Corporate Projects Assurance Group</li> <li>○ Portfolio Briefings</li> <li>○ Quarterly reporting to CMT</li> <li>○ Quarterly monitoring of complaints by CMT</li> </ul> <ul style="list-style-type: none"> <li>● The Corporate Projects Assurance (CPAG) is chaired by the Chief Executive and includes the Deputy Chief Executive, Head of Corporate Finance (s151 Officer), Head of Governance, People &amp; Performance (Monitoring Officer), Procurement Manager and Corporate Performance Manager. Its purpose is to monitor and manage strategic and significant risks and ensure improvement plans are adequate and managed effectively. It supports the framework of corporate controls to manage risks across the Council. The Group meets monthly.</li> <li>● The Information Governance Board has oversight of data related resources and processes within the Council. Information Management has been a significant focus of the Board to ensure GDPR compliance. This includes preparing for the Council’s move to SharePoint and the migration of data files and folders, putting in more controls regarding retention. This will continue to be a key area of work in the coming year as more services move to SharePoint. This Board has also overseen significant work in the arena of cyber security, including training and testing to ensure that the Council’s network is as secure from attack as it possibly can be.</li> <li>● The Head of Governance People &amp; Performance (Monitoring Officer) is the council’s Data Protection Officer.</li> <li>● The Council updated its <a href="#">RIPA Policy</a> in March 2024 and was approved by the Audit Committee on the 12 March 2024. The changes were mainly to update key named personnel due to staff changes at the Council and significant changes related to communications data. The procedures accord with GDPR, human rights and other relevant legislation. The Council’s Monitoring Officer is the Senior Responsible Officer to maintain oversight of the RIPA arrangements, procedures, and operations.</li> <li>● The Council continues to manage its Cyber risk effectively, having made significant investments over recent years in both the technical resilience of the organisation through its infrastructure and software, as well as embarking on a comprehensive ‘train, test and retrain’ approach to cyber awareness and education for all staff</li> </ul>

Principles of Good Governance	Review of Compliance & Supporting Evidence
	<p>and members. The Council’s Information Security Officer and wider team keep abreast of developments through specialist centres of advice and excellence like the National Cyber Security Centre (NCSC) and other such bodies. The Council also maintains compliance with all the security standards and accreditations, such as PSN (Public Service Network) Accreditation, which is an annual penetration test of all its systems and network, including physical access to buildings and equipment.</p> <ul style="list-style-type: none"> <li>• The Corporate Health &amp; Safety Advisor primarily focuses on monitoring and advising on the Council’s legal and legislative requirements where Health and Safety is concerned. Significant progress has been made on revising and updating Health and Safety policies. Corporate Risk assessments are in place and up to date. Health and Safety updates are reported to CMT on a quarterly basis.</li> <li>• The Head of Corporate Finance (s151 Officer) is responsible for leading the promotion and delivery of good financial management so that public money is safeguarded at all times, ensuring that budgets are agreed in advance and are robust, that value for money is provided by Council services, and that the finance function is fit for purpose. They provide advice on financial matters to both the Cabinet and the Full Council and is actively involved in ensuring that the Authority's strategic objectives are delivered sustainably in line with long term financial goals. The Head of Corporate Finance, together with the Finance team, ensure that new policies or service proposals are costed, financially appraised, fully financed and identifies the key assumptions and financial risks that face the Council.</li> <li>• Financial reports comparing budget to actual and projections to end of year are available in real time to all key officers, with access/drilldown facilities appropriate to role and responsibilities. The Leader of the Council and the Cabinet also receive quarterly Budget Monitoring Reports. The Council declared a housing emergency due to the cost pressures in the Homelessness service (temporary accommodation). This is also a strategic risk for the Council.</li> <li>• All Member financial seminars took place on the 8 November 2023 and the 8 February 2024 to keep Councillors updated on the financial situation. These have focused on the current cost pressures the Council is facing.</li> </ul>

Principles of Good Governance	Review of Compliance & Supporting Evidence
	<ul style="list-style-type: none"> <li>The Council’s <a href="#">Corporate Debt Policy</a> sets out our approach to income collection and debt recovery and is overseen by the Corporate Debt Group, which is chaired by the Head of Corporate Finance (s151 Officer). The Council uses “Lateral” software to enable it to have a shared view of debt across the Council. This system identifies people that are vulnerable and points them to get debt advice to help avoid them getting into further debt.</li> </ul>
<p><b>Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability.</b></p>	<ul style="list-style-type: none"> <li>Internal Audit is provided by the Southern Internal Audit Partnership (SIAP) and fully conform with all requirements of the Public Sector Internal Audit Standards (PSIAS). The Council maintained a fully compliant internal audit service in 2023/24. SIAP produced an <a href="#">Internal Audit Charter 23/24</a> which formally defines the internal audit activity’s purpose, authority, and responsibility. This was approved by the Audit Committee on the <a href="#">20 March 2023</a> and is updated annually.</li> <li>Internal Audit Progress reports are presented to the <a href="#">Audit Committee</a> on a quarterly basis. These provide an update on “live” audit reports, progress against the Annual Audit Plan and any significant issues that might impact the annual audit opinion.</li> <li>The Chief Internal Auditor (Head of SIAP) provides an independent and objective annual opinion on the effectiveness of internal control, risk management, and governance each year and is in accordance with the PSIAS. Report <a href="#">FIN/665</a> was presented to the Audit Committee on the 9 July 2024 where the <a href="#">Annual Audit Report and Opinion</a> was considered.</li> <li>External Audit (Ernst &amp; Young) produce an annual report which brings together all of the auditors work over the year. It provides a commentary on value for money (VFM) arrangements and provides recommendations arising from the audit and progress against follow up recommendations. The <a href="#">annual report</a> for the year ended 31 March 2022 was presented at the <a href="#">12 March 2024 Audit Committee</a>. The <a href="#">Value for Money interim report</a> for the year ended March 2023 was also presented to this Audit Committee.</li> <li>The Annual Statement of Accounts is published in accordance with CIPFA guidelines. The annual Budget is approved by the Full Council and is monitored and reported upon regularly. The Narrative Report which forms</li> </ul>

<b>Principles of Good Governance</b>	<b>Review of Compliance &amp; Supporting Evidence</b>
	<p>part of the Statement has a series of financial measures. The council publishes full audited accounts each year on the website <a href="#">Statement of accounts   Crawley GOV</a></p> <ul style="list-style-type: none"><li>• The Accounts and Audit Regulations (2015) require the Council to conduct a review, at least once a year, on the effectiveness of its system of internal control which is set out in the Annual Governance Statement (AGS). This is submitted alongside the published Statement of Accounts. The AGS 23/24 will be considered by the Governance Committee on the 10 September 2024 before its endorsement at the 26 November 2024 Audit Committee.</li></ul>

## Review of Effectiveness

The Council has a legal responsibility for conducting an annual review of the effectiveness of its governance framework including the system of internal control. After conducting this review, the Council has assurance that its governance arrangements and systems of control are robust and reflect the principles of the Code of Corporate Governance.

The following processes have been applied throughout the year in maintaining and reviewing the effectiveness of the governance framework:

### Corporate Management Team

Undertook a self-assessment of these governance arrangements, and all declared they had adhered to the governance and decision-making arrangements in place for 2023/24.

### Statutory Officers

The Chief Executive (Head of Paid Service), Head of Governance People & Performance (Monitoring Officer) and Head of Corporate Finance (s151 Officer) hold monthly Statutory Officer meetings to ensure governance arrangements are sound.

### Scrutiny and challenge by Council and its Committees

#### The Cabinet

Responsible for most council services and recommends the budgets and key policy proposals to full Council for agreement.

#### Governance Committee

Provides Full Council with advice and a steer on Constitutional issues including Standards matters, the Code of Conduct for Councillors, the Council's Political and Management Arrangements, Corporate Governance, Elections (including Ward Boundary Reviews), Councillors' Allowances and all non-Executive functions.

#### Audit Committee

Approves the Council's Annual Accounts, oversees Internal and External Audit activity and oversees the effectiveness of the Council's governance, risk management and internal control arrangements.

#### Overview & Scrutiny Commission

Provides "critical friend" challenge and holds to account the Executive decision makers (i.e., The Leader the Cabinet, Cabinet Members & Senior Officers)

## External Audit Annual Report

External Audit (Ernst & Young) undertook their audit of the 2021/22 audit work in accordance with the Audit Plan issued in February 2023. This complied with the National Audit Offices (NAO) 2020 Code of Audit Practice. The report was presented at [Audit Committee on the 12 March 2024](#).

The main conclusions from their report included:

- Financial statements were unqualified and gave a true and fair view of the financial position of the Council as of March 2022 and of its expenditure and income for the year.
- Confirmation that the Head of Corporate Finance's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
- Financial information in the narrative statement and published with the financial statements was consistent with audited accounts.
- There were no matters to report by exception on the Council's value for money (VFM) arrangements.
- The annual governance statement was consistent with their understanding of the Council.
- There was no reason to use their auditor powers.

## Internal Audit Annual Report and Opinion

The Chief Internal Auditor (Head of SIAP) is required to provide an independent opinion on the overall adequacy of the effectiveness of the Council's governance, risk and control framework. Their Annual Report and Opinion is considered, and any significant issues incorporated as a result. Report [FIN/665](#) was presented to the Audit Committee on the 9 July 2024 where the [Annual Audit Report and Opinion](#) was considered.

The opinion states that sufficient assurance work has been carried out to allow the Chief Internal Auditor to form a reasonable conclusion on the adequacy and effectiveness of the internal control environment. In their opinion frameworks of governance, risk management and management control are **reasonable** and audit testing has demonstrated controls to be working in practice. Where weaknesses have been identified through internal audit review, SIAP have worked with management to agree appropriate corrective actions and a timescale for improvement.

In general, internal audit work found there to be a sound control environment in place across the majority of review areas included in the 2023/24 Audit Plan that were working effectively to support the delivery of corporate objectives. There were five areas identified through their work that received limited assurance. These were Contract Management, Electrical Safety Checks (Housing Stock), Procurement, Community Services (Regulatory Compliance and Main Accounting). Management actions have been identified in these areas along with agreed timescales for improvement. Progress on this is reported to the Audit Committee on a quarterly basis.

## Governance Challenges

Progress on the governance improvement areas identified during the 22/23 review:

Issue	Progress	Status
Continue to implement the actions identified in the Health and Safety Audit	Managers have suitable and sufficient risk assessments in place and staff are aware of these. Policy updates will remain ongoing and updated as and when required.	Complete
Implement the actions identified in the Health & Safety - Driver Safety Checks Audit	Driver competency assessors have been identified and training has been put in place. Ongoing checks will be monitored as part of the annual appraisal process.	Complete
Implement the actions identified in the Taxi & Private Hire Licensing – New Driver Applications Audit	The council updated all fees and charges which were agreed by Full Council and are published on the Council’s website. The new applicant process is available on the website along with a flow chart and explanatory notes to help explain the process.	Complete

The review of governance arrangements has identified the main areas the Council will focus on during 24/25 to address the challenges identified:

No.	Title	Issue / Action	Responsible officer(s)	Monitored by
1	Council’s financial resilience	<p>The Budget monitoring report showed a worsening financial position. In year mitigations of (£1.5m) have been identified, however, further sources of funding will be required to maintain the General fund above the £3m recommended balance.</p> <p>Cost pressures include the above budget pay settlement, and other inflationary pressures, Housing Benefit and the Town Hall/District Heat Network. However, the greatest cost pressure is in the</p>	Head of Corporate Finance	Cabinet and CMT

No.	Title	Issue / Action	Responsible officer(s)	Monitored by
		<p>Homelessness service (temporary accommodation) with additional cost pressure of £3.6m.</p> <p>The council declared a housing emergency in February 2024 and will continue to lobby Government for increased financial support.</p> <p>These cost pressures are anticipated to continue in the budget for 2024/25. The budget strategy accepts that the situation is not sustainable in the medium term and sets out actions over the next 12 to 18 months to correct the situation.</p> <p>The cost of living is also having an impact and arrears are increasing, e.g. outstanding rent. More intelligence is needed both on rent and council tax arrears and data gathering is a feature of the cost-of-living transformation item, which will help to develop understanding.</p> <p>These issues are also strategic risks which are monitored regularly by CMT and the Audit Committee.</p> <p>The budget is closely monitored, and we will continue to mitigate risks the best we can. All member finance seminars will continue in 24/25 to keep everyone informed.</p>		



No.	Title	Issue / Action	Responsible officer(s)	Monitored by
2	Regulator of Social Housing	<p>New approach to regulation, including consumer standards and risk-based inspections.</p> <p>Updates to the Social Housing Regulation Bill to introduce ‘Awaab’s Law’, which will require landlords to fix reported health hazards within specified timeframes.</p> <p>Growth in posts was agreed by Cabinet on the 10 January 2024, to reflect the change in demand arising from the standards set by the Regulator of Social Housing and Housing Ombudsman.</p> <p>These issues are also strategic risks which are monitored regularly by CMT and the Audit Committee.</p>	Head of Crawley Homes	CMT
3	Oflog (Office for Local Government)	<p>The purpose of Oflog is to help make local government even better. It will increase understanding about the performance of local authorities, warn when authorities are at risk of serious failure, and support local government to improve itself.</p> <p>Oflog has identified key metrics within their Data Explorer and the council has included these within the Corporate Performance Dashboard to monitor performance.</p> <p>Oflog’s development will be an iterative process and its functions will develop over time to fulfil its long-term vision.</p> <p>The council will keep this under review and updates will continue to be included in the quarterly performance reports to CMT.</p>	Head of Governance, People & Performance, Corporate Performance Manager	CMT

No.	Title	Issue / Action	Responsible officer(s)	Monitored by
4	Ombudsman complaints recommendations	<p>A recommendation from the Housing Ombudsman following the determination of a complaint was for the council to put in place a Repairs Policy. Crawley Homes have prioritised putting a Repairs Policy in place. This is currently in draft and a consultation event with residents regarding the draft policy took place on the 21 May 2024. The policy also includes the principles set out in the draft legislation.</p> <p>The Policy &amp; Engagement Manager is in post to support the development of Crawley Homes policies.</p>	Head of Crawley Homes, Policy & Engagement Manager	CMT

## **Conclusion**

To the best of our knowledge, the governance arrangements as defined above, have been operating effectively during the year and remain fit for purpose.

Signed on behalf of Crawley Borough Council:

Councillor Michael Jones

Leader of the Council

Date:

Ian Duke

Chief Executive

Date: