

Annual Governance Statement

FOREWORD

This Annual Governance Statement reflects the governance arrangements within the Council for the period 1st April 2019 to 31st March 2020 and takes into account the effects of COVID-19 on the operations at the Council during that period.

Due to the longer timescale for the preparation of the Statement of Accounts, we are finalising this Annual Governance Statement as at 5th June 2020, which is approximately one month later than usual. Whilst the Statement reflects arrangements up to 31st March 2020, we have used this longer timescale as an opportunity to consider our governance arrangements for the year in question. This has enabled us to consider the Council's responses to COVID-19 since 31st March 2020 to reflect on these and confirm that governance arrangements were, and remained, robust.

Crawley Borough Council's Response to COVID-19 to 31st March 2020

The Council overall has responded swiftly and decisively to the COVID-19 crisis as follows:

- Regular, and daily COVID-19 meetings convened from 6th March 2020 – in attendance:
 - Corporate Management Team
 - Communications representative
 - HR Manager
 - Emergency Planning Officer
 - Facilities Manager
 - Service Improvement and Development Manager
 - Leader of the Council

- The Leader of the Council hosts weekly Facebook Live question and answer sessions
- The Chief Executive hosts weekly Q&A sessions with all council staff

- All Service areas engaged in the response; examples are:
 - Creation of a support network
 - Mapping of vulnerable people
 - Implementation of a Help Hub by 27th March 2020 to provide virtual and physical support (food, medicine and welfare checks)
 - Food distribution for shielded people arrangements in place for East Sussex, West Sussex and Brighton & Hove LA
 - Creation of Crawley Borough Council Helpline
 - Staff redeployment
 - Additional mobile phones obtained and laptops ready for Councillors
 - MS Teams available throughout the Council, including Council public meetings
 - Wellbeing Team redeployed to support work of the Council
 - Working closely with West Sussex County Council, Gatwick Airport and Manor Royal Business District

- Business Ratepayers written to with information on grant claim process by 26th March 2020
- Benefits Team additional support to deal with increase in claims
- Infrastructure in place by 24th March 2020 to process small business grants - redeployment of Corporate Finance staff in Council Tax, Business Rates, Benefits team and Economic development
- Rough sleepers provided with temporary accommodation by 25th March 2020

Examples of the how good governance was maintained during the Council's response to COVID-19 – to 31st March 2020

- All COVID-19 meetings, held daily or as required were formally convened, had an Agenda, and a record of actions to be undertaken, with outcomes reported at the next, or future meetings. These meetings were minuted. This demonstrates strong governance and transparency.
- Decision Logs maintained for all Service areas – these are sent to all Members of the Council via Member Bulletins.
- Governance arrangements were confirmed where the Chief Executive can make Urgency Decisions in liaison with Leaders and the Mayor.
- Future committee meeting dates were agreed and scheduled for the year, by 26th March 2020.
- Legislative changes were considered in respect of holding public meetings and decision making and one virtual Council was held. This will continue for the

SCOPE OF RESPONSIBILITY

The Leader of the Council (Cllr Peter Lamb) and the Chief Executive (Natalie Brahma-Pearl) both 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.

Each year the Council is required to produce an Annual Governance Statement (AGS) which describes how its corporate governance arrangements have been working over the year.

It is intended that this AGS in respect of 2019/2020 will be considered by the Audit Committee at its meeting on 22nd July 2020. This is subject to the Statement of Accounts potentially being presented to the Audit Committee at a later date in the year.

Crawley Borough Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, 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.

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

The Council has approved and adopted a Code of Corporate Governance which is consistent with the principles 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 also meets the requirements of Accounts and Audit (England) Regulations 2015, which requires all relevant bodies to prepare an annual governance statement. This has been updated as part of the rewriting of the Constitution, and is due for publication in April 2020.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate 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 of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Crawley Borough Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Crawley Borough Council for the year ended 31 March 2020 and will continue to be developed in coming years.

THE GOVERNANCE FRAMEWORK

The Principles of Good Governance

The CIPFA/SOLACE framework was reviewed in 2015 to ensure that it remained "fit for purpose" and a revised edition was published in 2016. The new Delivering Good Governance in Local Government Framework applies to the Annual Governance Statement prepared for the year ended 31 March 2020 and up to the date of the approval of the Annual Report and Statement of Accounts for the financial year 2019/2020. The key elements of the systems and processes that comprise the Council's governance arrangements are as follows.

BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

The Constitution

Crawley Borough Council last updated its Constitution in February 2020, for publication in April 2020, and this sets out how the Council operates, how decisions are made and the procedures to be followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the law, while others are a matter for the Council to choose.

The Constitution is divided into 15 articles which set out the basic rules governing the Council's business. More detailed procedures and codes of practice are provided in separate rules and protocols within the Constitution. This includes the roles and responsibilities of Councillors, 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.

The Governance Committee is responsible for regularly reviewing the Constitution and ensuring that it is both up to date and fit for purpose. It regularly receives updates advising of Constitutional changes. The Committee previously approved the establishment of a Constitutional Review Working Group to undertake a comprehensive review of the document and the revised Constitution was adopted in the 2019/2020 municipal year.

Head of Paid Service

The Head of Paid Service is responsible for the strategic management of the authority as a whole. They are required to report to and provide information for the Cabinet, the Council, the Overview and Scrutiny Commission and other Committees. They are responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation

The Monitoring Officer

The Monitoring Officer is a statutory function and ensures that the Council, its officers, and its elected Councillors, maintain the highest standards of conduct in all they do. The Monitoring Officer ensures that the Council is compliant with laws and regulations, as well as internal policies and procedures. They are also responsible for matters relating to the conduct of Councillors and Officers, and for monitoring and reviewing the operation and maintenance of the Council's Constitution.

The Monitoring Officer also ensures the lawfulness and fairness of decision making within the Council and after consulting with the Head of Paid Service and the Chief Finance Officer, will report to the Full Council (or to the Cabinet in relation to a Cabinet function) if they consider that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

Deputy Monitoring Officer

A Deputy Monitoring Officer has been appointed to act in the absence of the Monitoring Officer.

Section 151 Officer

Whilst all Council Councillors and Officers have a general financial responsibility, the Section 151 of the Local Government Act 1972 specifies that one Officer in particular must be responsible for the financial administration of the organisation and that this Officer must be CCAB qualified. This is typically the highest ranking qualified finance officer and in this Council is also the Head of Corporate Finance.

Deputy Section 151 Officer

A Deputy Section 151 Officer has been appointed to act in the absence of the Section 151 Officer.

Codes of Conduct

Codes of Conduct exist for both staff and Councillors.

All Councillors must adhere to a Code of Conduct to ensure that they maintain the high ethical standards the public expect from them. If a complainant reveals that a potential breach of this Code has taken place the Council may refer the allegations for investigation or decide to take other action.

On joining the Council, Officers are provided with a contract outlining the terms and conditions of their appointment. All staff must declare any financial interests, gifts or hospitality on a public register, as set out in the Constitution. Additionally, Councillors are expected to declare any interests at the start of every meeting that they attend in accordance with Standing Orders. Councillors and officers are required to comply with approved policies.

Whistleblowing

The Council is committed to achieving the highest possible standards of openness and accountability in all of its practices. The Council's Whistleblowing policy was revised in February 2018 and it 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 the matter.

Anti-fraud, bribery and corruption

The Council is committed to protecting any funds and property to which it has been entrusted and expects the highest standards of conduct from Councillors and Officers regarding the administration of financial affairs. The Anti-Fraud and Corruption Policy was updated in February 2018 and is on the **intranet/website** for staff, Councillors and **the public** to see.

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.

ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Transparency

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 with expertise in the particular function area before they are progressed to the relevant Committee or group. This Council wants to ensure that equality considerations are embedded in the decision-making and applied to everything the Council does. To meet this responsibility, 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 on people who are protected under the Equality Act 2010 in order to genuinely influence decision making.

All reports and details of decisions made can be found on the Council's website at:
<http://democracy.crawley.gov.uk/ieDocHome.aspx?bcr=1>

Freedom of Information/Environmental Information requests

The Freedom of Information (FOI) Act 2000 and Environmental Information Regulations (EIR) 2004 give anyone the right to ask for any information held by a public authority, which includes this Council. This is subject only to the need to preserve confidentiality and in the application of certain exemptions and exceptions which may be engaged where it is proper and appropriate to do so. We respond to such requests in a timely and impartial manner and in line with the legislation, proactively publish information on our Website.

Subject Access Requests

Section 7 of the Data Protection Act provides for individuals to obtain a copy of information that an organisation holds about them upon making a written request.

Engagement and communication

Crawley Borough Council recognises that stakeholders require information about the decisions that are being taken locally, and how public money is being spent in order to hold the council to account for the services they provide.

Please see below under Public Consultation for details of public communications and engagement.

The Council held its annual Question Time on 12th March 2020, which gave residents the opportunity to ask questions about topics important to them.

Consultations

The council keeps a Forward Plan of planned consultations and future decisions. Internally, a consultation toolkit has been developed to guide council staff through the consultation process. The agreed process ensures that engagement activity is relevant, accessible, transparent and responsive. To increase awareness, consultations are proactively promoted

ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Complaints

Crawley Borough Council is committed to delivering a high quality service and aims to achieve the highest possible standards but recognises that despite its best intentions and hard work, things can go wrong. When there is service failure or users are unhappy about the way a matter has been handled, the Council openly wants to hear about such experiences and operates a two stage complaints system. Stage 1 is where the complaint is dealt with locally by the relevant service area. If the complainant continues to remain dissatisfied with the Stage 1 response, a request can be made to a further review, conducted by a senior officer, normally Head of Service as a Stage 2 complaint. Following this if the matter is still not resolved satisfactorily then the complainant is asked to take the matter up with the Local Government and Social Care Ombudsman. We also use our complaints information to improve service delivery and undertake root cause analysis where appropriate, in order to ensure on-going continuous improvement.

The Housing Ombudsman deals with any complaints that relate to the housing managed service.

DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL, AND ENVIRONMENTAL BENEFITS

Corporate Priorities

The Corporate Priorities of the Council for the period 2018-2022 are as follows:

- Delivering value for Money and modernising the way we work
- Delivering affordable homes for Crawley and reducing homelessness
- Improving job opportunities and developing the local Economy
- Creating stronger communities

- Providing high quality leisure and culture facilities and supporting health and wellbeing services
- Protecting the environment

The Council continues to improve performance management within the organisation and service quality and best use of resources is ensured via:

- Transformation and Projects
- Portfolio Briefings
- Corporate Project Assurance Group
- Quarterly monitoring of complaints by CMT
- ICT Board

The Council has a ***‘dashboard of measures’ to track performance across a range of key service and ensure that a more timely response can be applied to service improvement*** and also against service plans and strategies. This is encapsulated within the Performance Management Framework.

The Council recognises that to drive improvement it needs to closely monitor and review its performance. The Council routinely monitors its spend against budgets, and its departments have agreed purpose and collect data to measure their performance.

Financial Controls

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.

Local Plan

The Local Plan – Crawley 2030 - was adopted in December 2015 and now forms the Council’s development plan under which development control decisions will be taken. The Local Plan is supported by a number of companion planning documents and considerations including Supplementary Planning Documents, Development Briefs, Article 4 Directions and the Community Infrastructure Levy Charging Schedule and associated CIL Infrastructure (Regulation 123) List. The Council’s planning policies seek to balance the economic, social and environmental needs of residents, businesses and visitors, ensuring that Crawley continues to be a great place to live, to work and to visit. Review of the Crawley Local Plan commenced in 2019.

Implementation of the Local Plan and the success of the Council’s planning policies is measured and reported through the Authority’s Monitoring Report which is published annually.

Transformation

The Council has revised the Transformation Plan 2018/2022. The purpose of the new plan is to enable the delivery of value for money services by “getting it right first time and delivering what matters to our customers”.

Our Transformation Plan consists of seven pillars:-

1. Delivering a New Town Hall;
2. Delivering Digital Transformation of services to meet customer demand, for more accessible services online and encouraging greater flexibility as to how the work is delivered;
3. Values and Behaviours to change the Council’s culture and be clear about our expected values and behaviours.

4. Service Redesign from the customer or user perspective, streamlining processes.
5. Commercialisation and Income Generation to create a culture of commercialisation.
6. Reducing Bureaucracy by streamlining the decision making processes and other statutory processes.

Housing Strategy

Housing need and the Council's policies to address this are contained within the Local Plan Housing policies.

Following the introduction of the Homelessness Reduction Act, the Council's Homelessness Review and Homelessness Strategy (2019 – 2024) was approved by Full Council on 16th December 2019.

The council has identified five priorities for addressing homelessness within Crawley:

- Preventing and relieving homelessness
- Tackling rough sleeping
- Meeting the needs of vulnerable people
- Accessing suitable and affordable accommodation
- Preventing repeat homelessness.

Local Partnerships

The Council has a key role in a number of local partnerships, working for the benefits of residents and the community to improve the quality of life, including:

- Safer Crawley Partnership - formed in 1998 in response to the Crime and Disorder Act 1998.
- Crawley Wellbeing - a free, friendly and impartial service from your local authority, run in partnership with West Sussex County Council and the local NHS.
- Economic Partnerships, LEAG, Crawley Growth Programme.
- We are also statutory members of the Local Safeguarding Children Board, the Adult Safeguarding Board and the West Sussex Health & Wellbeing Board.
- Strategic Housing - the Council both leads and participates in a range of groups providing a multi-agency response to tackling street homelessness and providing improved outcomes for care leavers, ex-offenders and people with supported housing needs.

The Council also participates in national, sub-regional and County-wide partnership initiatives, including:

- Coast to Capital LEP
- Greater Brighton Economic Board
- Gatwick Diamond Initiative

DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES

Effectiveness of Governance Framework

The Council has responsibility for reviewing the effectiveness of its governance framework and this is undertaken by work of CMT in their development and maintenance of the governance environment. The Audit and Risk Manager produces

an annual report and specifically comment's on the governance framework, as does the External Auditor. Areas identified for improvement are acted upon by CMT.

Financial Measures

Crawley Borough Council publishes its Annual Statement of Accounts in accordance with CIPFA guidelines and the annual Budget is approved by Full Council and monitored and reported upon regularly.

Consultations

To be effective this policy aims to inspire and support a genuine two-way dialogue with all sections of the community and other stakeholders. There are a number of ways people can get involved and connect with the council. Local people have the option to engage in a dialogue through: social media sites (including Facebook and twitter), petition schemes, neighbourhood forums, council meetings (open to the public), their local Councillor and through the citizens panel.

Internally, a Statement of Community Involvement has been developed to guide council staff through the consultation process. The agreed process ensures that engagement activity is relevant, accessible, transparent and responsive. To increase awareness and participation, consultations are proactively promoted via publications (printed and digital), press releases, social media, email, town notice boards and the council's website. A council publication, *Crawley Live*, is published quarterly and mailed to every household in Crawley to keep residents informed. Various methods are used (depending on the scope of the consultation) to seek people's views, including questionnaires, public events and exhibitions, focus groups, satisfaction surveys and feedback forms. A list of current consultations and consultation events is available on the council's website at www.crawley.gov.uk/consultation

Public Consultation

Where appropriate the council has carried out public consultations. There were a number carried out during 2019/2020, which included the Local Plan 2035 consultation, community safety survey, Taxi vehicle emissions consultation, Crawley youth survey, neighbourhood playstreets consultation, the local housing allocations and homelessness survey, and the walking and cycling strategic investment survey. All information gathered from public consultations is analysed and considered as part of the council's decision-making process.

DEVELOPING THE COUNCIL'S CAPABILITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

Recruitment, Training and Development

Human Resources policies and procedures are in place to facilitate the recruitment and retention of capable staff. The Council operates a robust interview and selection process to ensure that staff are only appointed if they have the right levels of skills and experience to effectively fulfil their role. 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. 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.

Councillor's 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 meeting 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.

Performance issues relating to staff are dealt with by the Manager / Head of Service.

Legal Compliance

The Council's Constitution clearly defines the roles and responsibilities of the Chief Executive, Chief and Senior Officers, Councillors and Committees and outlines procedural standards, scheme of delegation and protocol on Council/Officer relations.

The Monitoring Officer, who is the Head of Legal & Democratic Services Manager is responsible for legal compliance, Conduct and Compliance and working with departments to advise on legal issues across the Council.

Financial Compliance

The Head of Corporate Finance is the designated S151 Officer and has overall financial responsibility within the Council, as outlined in the Constitution.

MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

Effective scrutiny

The Council operates an Overview and Scrutiny Commission which has its own terms of reference, as outlined in the Council's Constitution. 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. These lead to reports and recommendations which advise the Cabinet and the Council as a whole on its policies, budget and service delivery. The Overview and Scrutiny Commission also monitors the decisions of the Cabinet. This enables them to consider whether the decision is appropriate. They may recommend that the Cabinet reconsider or amend the decision. They may also be consulted by the Cabinet or the Council on forthcoming decisions and the development of policy.

Financial management

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 our services, and that the finance function is fit for purpose. They provide advice on financial matters to both the Cabinet Executive and 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 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.

Risk management

All significant (strategic) risks are discussed regularly by CMT and are reported to the Audit Committee on a quarterly basis. These include the new Town Hall, District heat Network, LEP Infrastructure – Crawley Growth Programme, Three Bridges Railway Station, Public Health and COVID-19, and the challenges of delivering a balanced budget.

Operational risks are managed at departmental level.

IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY REPORTING AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

Internal Audit

The Audit and Risk Manager (Head of Internal Audit) is a qualified member of the Chartered Institute of Internal Auditors and they have full access to CMT and the Audit Committee. The audit team is properly resourced and the Council is in compliance with the CIPFA statement on the Role of the Head of Internal Audit (2010) and Public Sector Internal Audit Standards.

The Audit and Risk Manager provides an independent and objective annual opinion on the effectiveness of internal control, risk management, and governance each year. This is carried out by the Internal Audit team in accordance with the Public Sector Internal Audit Standards. The Audit and Risk Manager reports to the Audit Committee on a quarterly basis.

Overview and Scrutiny Commission – see above

Audit Committee

The role of the Audit Committee is to review and assess the adequacy of the Council's internal audit and risk management arrangements. This Committee meets quarterly and receives the reports from the Audit and Risk Manager, including their progress reports and Annual Report. This committee considers and comments upon the Internal Audit Plan, ensures the Audit and Risk section is properly resourced and reviews the effectiveness of the Council's risk management arrangements.

Governance Committee

The Governance Committee will deal with Constitutional matters, the Conduct of Councillors, Political Management Arrangements, 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.

Annual accounts

The Council publishes full audited accounts each year which are published on the website at <http://www.crawley.gov.uk/pw/sitesearch/index.htm?q=accounts%23>

REVIEW OF EFFECTIVENESS

Crawley Borough Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the CMT, who have responsibility for the development and maintenance of the governance environment, the Audit and Risk Manager's Annual Report, and also by comments made by relevant stakeholders, the external auditors and other review agencies and inspectorates.

SIGNIFICANT GOVERNANCE ISSUES

There are no significant governance issues to report.

Signatures:

..... Date:

Leader of the Council

..... Date:

Chief Executive