

West Sussex County Council Annual Governance Statement 2024/25

Executive Summary

The Annual Governance Statement (AGS) explains the processes and systems for the County Council's discharge of its responsibilities so as to give assurance for their effectiveness. It covers the period 1 April 2024 to 31 March 2025.

A summary of assurance is given for each of the seven principles on which the Statement is based. At the end of the narrative for each principle are the actions to address issues to further strengthen the Council's governance.

The Purpose of the Governance Assurance Framework

1. The County Council must ensure it functions in accordance with the law and proper standards and that public money is safeguarded, correctly accounted for and used economically and efficiently. It must show how it can offer assurance as to the proper governance of its affairs (including as pensions administrator), the effective exercise of its responsibilities and the sound management of risk.
2. The Council has a [Code of Governance](#) aligned with the principles of the Chartered Institute of Public Financing & Accounting (CIPFA) Framework: Delivering Good Governance in Local Government. It also meets the requirements of the Accounts and Audit Regulations 2015. The Code of Governance was agreed by the Governance Committee in February 2022.
3. The governance framework comprises the rules, procedures, systems and processes by which the Council is managed and controlled. The quality of the framework and how well it is used underpin trust in public services. This Annual Statement shows how the Council gives assurance to members, partners, stakeholders and residents that its governance arrangements are robust.

Financial Management Code

4. The County Council is required to comply with the Financial Management (FM) Code which CIPFA published in 2019. The Code provides guidance for good and sustainable financial management in local authorities and provides a framework for assurance that authorities are managing resources effectively. The FM Code is based on a series of principles. It does not prescribe the financial management process local authorities should adopt but it recommends that the authority demonstrates that it satisfies the principles of good financial management relevant to its size, responsibilities, and circumstances. An Internal Audit review was carried out in 2024/25 to assess the Council's compliance with the FM Code. Internal Audit reviewed the Council's own assessment to ensure the standards within the FM Code can be substantiated and supported by appropriate evidence. The outcome of the review was there was substantial assurance and the governance framework for implementing the FM Code is well established within the Council. An annual self-assessment has been undertaken as at March 2025 and shows that the Council complies with all the principles of the Code, as set out in Annexe 2.

West Sussex Pension Fund

5. West Sussex County Council is the Administering Authority responsible for managing and administering the West Sussex Local Government Pension Scheme (LGPS) on behalf of its stakeholders: the scheme members and employers participating in the

Scheme. Responsibility for the discharge of the Administering Authority responsibilities for the West Sussex LGPS sits with the Pensions Committee and as such the Pensions Committee is responsible for exercising the powers and duties of the County Council in its capacity as Administering Authority. As part of their responsibilities the Pension Committee considers key scheme governance, funding and administration issues and as such the Pension Committee receives the necessary assurance that proper systems are in place and that there is a mechanism for ensuring that they are effective and any corrective action taken. These arrangements are codified in the Governance Compliance Statement and the Pension Committee's assessment against the Pension Regulator's General Code of Practice.

The Governance Assurance Framework Principles

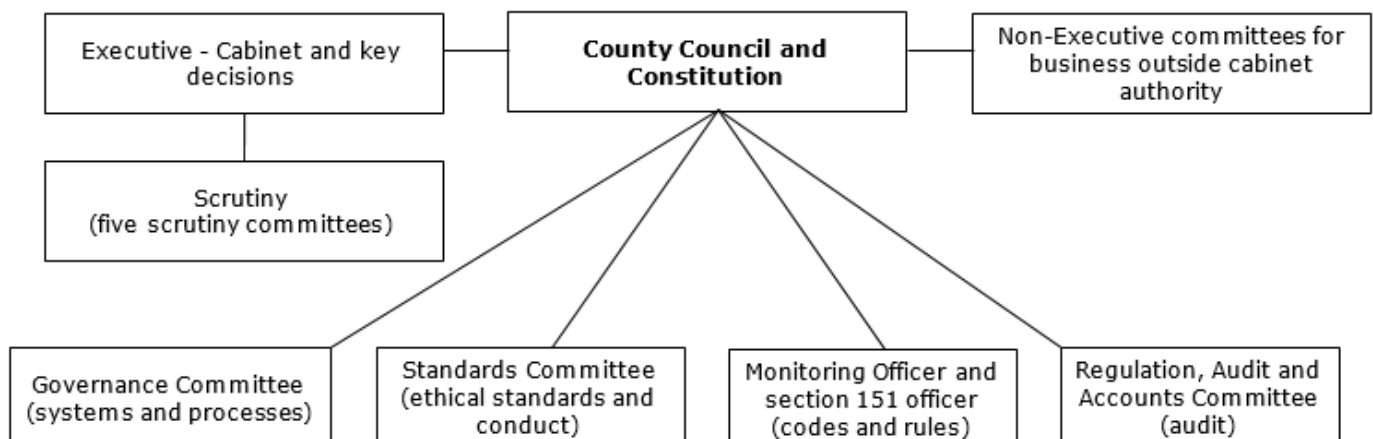
6. The seven principles of Corporate Governance adopted by the Council are set out below. Assurance for how they are met is provided in the text below each principle. Further work to be done is highlighted and set out in the appendix.

Principle	Description of Principle
A	Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
B	Ensuring openness and comprehensive stakeholder engagement
C	Defining outcomes in terms of sustainable economic, social and environmental benefits
D	Determining the interventions necessary to optimize the achievement of the intended outcomes
E	Developing the entity's capacity including the capability of its leadership and the individuals within it.
F	Managing risks and performance through robust internal control and strong public financial management
G	Implementing good practices in transparency, reporting and audit to deliver effective accountability.

The County Council's Governance Framework

7. The framework covers the allocation of functions, the rules for how they are carried out and the mechanisms for tracking that this happens correctly. The relationship of responsibilities is shown here:

The Governance Framework at West Sussex County Council



Notable Challenges in 2024/25

8. The County Council has continued to deliver its services during a period of significant change – including a change of national Government and world events which have continued to have a significant impact on supplies and service costs and other factors. The Council has had to manage a range of significant service pressures, within both adults' and children's services and community support demands arising from the impact of the cost of living for residents. The recruitment and retention of staff has been challenging in some services and remains a significant risk for the County Council, albeit significant action is being taken to mitigate this. The Council has been proactive in responding to the need for assistance for refugees and drawing on County resources as well as government funding in a complex and ever-changing set of expectations.
9. The County Council has engaged with the Government on its plans for devolution and the establishment of a Mayoral Combined Authority in Sussex. The Leader of the Council has also engaged with the Government and other local council leaders on the Government's plan to reorganise local government, with an aim of establishing unitary councils nationwide by 2028. The pooling of local government pension funds is also likely to see significant change as the County Council is part of the ACCESS pool, which is expected to be merged with another pool.
10. The County Council's business management system (SAP) needs to be replaced and a decision was taken in May 2024 to commence the implementation of the Oracle Fusion solution, with a stronger focus on business change to align business processes and ways of working to the new technology, strengthened and more carefully resourced programme management and governance supported by a new set of suppliers with a robust procurement and commercial strategy. This has built on learning from previous years and has been in line with advice from the Council's external auditors. The Performance and Finance Scrutiny Committee receives regular monitoring reports on the progress of the implementation of Oracle Fusion as part of improving the governance arrangements of the programme. The Finance and Procurement modules are due to go live at the end of 2025 and HR and Payroll modules are due to go live in April 2026.
11. External audit of the Council's accounts in 2023/24 was delayed as part of national challenges for the local government external audit sector. The accounts were approved by the Regulation, Audit and Accounts Committee in February 2025. It is anticipated that the 2024/25 external audit will be delivered to an earlier timescale, with audited accounts due to be considered by the Committee in November 2025 and the Committee continues to monitor the situation.

A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law – Assured.

The County Council has high standards for sound governance as set out in law, government guidance and the courts. It promotes a culture of compliance.

The Council's codes of conduct set out expectations and requirements for behaving with integrity for both members and officers. Action was taken to provide assurance that they continue to be implemented fully and correctly.

12. The **Governance Committee** oversees the democratic arrangements of the County Council and reviews and advises the County Council on the Constitution. The 'Responsibility for Functions' section (including the Scheme of Delegation) and

Standing Orders require members and officers to ensure that all decisions are compliant with internal policies and procedures as well as with law and regulation. These give authority and certainty to the allocation of responsibilities in the Constitution and define the constraints on the exercise of authority.

13. Part 5 of the Constitution contains the Code of Conduct for members. A parallel code for officers sits in the suite of Human Resources policies. The Council has also adopted policies relating to responsibilities for ethical behaviour including equality and sustainability. Decision-making is supported by advice from specialist officers and internal guidance, financial regulations and standing orders that ensure compliance with these policies.
14. The Code of Conduct includes the Member Officer Relations Protocol, which sets out the standards of conduct for councillors and officers working together. A revised Protocol was approved by the County Council on 13 December 2024 on the recommendation of the Standards Committee. Revisions aimed to use clearer and simpler language and included core principles to promote good working relationships. Awareness training on the Protocol was provided to the officer Corporate Management Team (executive Directors, assistant directors and heads of service) in October 2024 as part of the review process.
15. The statutory roles of the Chief Financial Officer (s.151 officer) and Monitoring Officer are set out in the Constitution and in the scheme of delegation and are held by the Executive Director of Finance & Support Services and the Executive Director of Law & Assurance respectively. These officers provide oversight of propriety, lawfulness, ethical conduct and financial prudence. They have a direct reporting line to the Chief Executive and are involved in all major decision-making as part of the Executive Leadership Team (ELT) and as well as being signatories to all key and other significant decisions. These statutory officers also maintain regular liaison over issues relevant to good governance and financial controls. They also sit on or chair the relevant governance boards which oversee significant areas of the Council's governance of operational matters.
16. The **codes of conduct** define the standards of behaviour for members and officers. All members undertake training from the Monitoring Officer on the code of conduct and this was carried out successfully following the county council election in May 2021. A revised Code of Conduct was approved by the County Council on 16 December 2022, on the recommendation of the Standards Committee, which brought the Council's Code into line with a model code produced by the Local Government Association.
17. Member conduct is monitored by the Standards Committee, which has a remit to deal with complaints of breaches of the member Code of Conduct. All members complete the register of interests and receive quarterly reminders on interest declarations. It is a standing item on all formal meeting agendas for both officers and members. The register is published and regularly updated.
18. The Council has a **whistleblowing policy** as a route for challenges to processes or actions within the Council where complainants need confidentiality. The use and effectiveness of the policy is overseen by the Standards Committee. Action has been taken to ensure its visibility for staff and to provide advice and guidance to officers responsible for dealing with referrals under the policy. This has included independent assurance and benchmarking for the Council's arrangements. This has relevance for the Council's commitment to a fair, open and responsive internal culture. A revised policy is planned for submission to the Standards Committee in June 2025.

19. Officer interests, including gifts and hospitality, are recorded. Mechanisms for recording officer interests, gifts and hospitality are in place. It requires regular action by executive directors to update the records to enable publication and this is not consistent across the organisation. Action is taken each year as part of the AGS work to reinforce the importance of this process. The County Council expects to see an improvement in reporting and publication during 2025/26 and this will remain in the Action Plan monitoring.
20. The Council's Standing Orders on Contracts and Procurement and the Financial Regulations and Procedures provide rules for lawful and sound processes for contract and spending decisions. These are managed by the Monitoring Officer and Chief Financial Officer in consultation with the Regulation, Audit and Accounts Committee and supported by a group of officer subject matter experts sitting as the Procurement Board on behalf of ELT. This provides a single process for procurement planning, compliance with due process and consistency of best practice. Financial Regulations were fully refreshed by the Council in March 2024 with a further amendment in October 2024 to clarify pensions delegations. Standing Orders on Procurement and Contracts were subject to a review in 2025 to ensure that the County Council is compliant with the Procurement Act 2023 and Procurement Regulations 2024. The County Council approved the revised version in February 2025.
21. The Officer Scheme of Delegation is held under regular review by the Chief Executive and the Monitoring Officer, with any new delegations needing the agreement of the Governance Committee and any adjustments to current delegations being within the authority of these two senior officers meaning that the scheme is fully up to date at all times and provides a reference for the schemes of onward delegation from executive directors to their direct reports.
22. A Code of Governance was approved by the Governance Committee in February 2022 and is published. An officer guide to council governance and decision-making was also developed as a single accessible source of guidance to officers on Council governance. It has been widely disseminated and also provides a source for officer training on governance, which has been successfully delivered to a large number of staff involved in decision-making processes.
23. The Anti-Bribery Policy was subject to a review in March 2025.

Note on Teachers' Pensions Enrolment Breach

24. In June 2021 the Council notified the Pensions Regulator of a breach of the Teachers' Pension Regulations. This related to a failure over a number of years to auto-enrol some part time and casual teaching staff onto the teachers' pension scheme as required following a change to the regulations in 2007. Individuals affected by the issue have been identified and the Teachers' Pension administrators have started to issue the Options Papers from April 2025. This will provide individuals with an opportunity to make a decision to be enrolled into the Scheme for the relevant period at which point backdated contributions will be payable or opt out.

Principle A Actions (integrity and compliance)

Action	Owner
i. To ensure full implementation of arrangements for the registering and publication of officer interests (continued from 22/23)	Executive Director of Law, Assurance & Insight
ii. To ensure full implementation of the plan to address the Teachers' Pension Breach (continued from 22/23)	Executive Director of Finance & Support Services (F&SS) and Executive Director of Human Resources, Organisational Development & Communications
iii. To revise the Whistleblowing Policy to ensure that it is up to date and is accessible to staff.	Executive Director of Law, Assurance & Insight

B: Ensuring openness and comprehensive stakeholder engagement – Assured

The County Council has clear decision-making processes and rules and procedures to enforce them which emphasise openness and transparency. This has been tested and shown to be resilient during the pandemic and its impact on ways of working and change to service pressures.

Compliant standard consultation and engagement mechanisms are in place and are used effectively.

The County Council exists to serve its residents and is dependent on a wide range of stakeholders for working effectively in partnership. Work is underway in a number of areas to improve the Council's partnership arrangements. The approach to partnership working in specified areas, most significantly joint commissioning with the NHS, continues to be reviewed and reappraised as part of a strategic review of Adults Services and its focus on commissioning arrangements, following the launch of the NHS Integrated Care System.

Decision-making and Scrutiny

25. The **County Council** is the senior decision-making body and the principal forum for political debate. All County Council meetings take place in public and are webcast. The County Council sets the strategic aims that form the Policy Framework. It also determines the Council Plan and budget following a well-developed process of member engagement and internal scrutiny, reviewed annually.
26. The **Executive** (leader and cabinet) takes decisions on most matters of Council policy and service delivery. Collective cabinet decisions are taken at a meeting held in public. The non-Executive responsibilities of the council are discharged through its **non-Executive committees** as described in the Scheme of Delegation. The County Council appoints members to **scrutiny committees**, by which the Executive is held to account by the non-executive members. Scrutiny committees are politically proportionate. Scrutiny committee chairmen and vice-chairmen are appointed by the relevant committee. They also meet in public and are webcast.

27. As well as the Cabinet, the scrutiny committees undertake quarterly performance and finance monitoring of the Council's corporate priorities, provide input into policy development and ensure significant decisions or proposals are scrutinised in public ahead of consideration by Cabinet. Proposals may also be called in for scrutiny after a decision has been proposed in final form. An annual report of scrutiny activity is presented to the County Council each summer, setting out best practice and highlighting key aspects of scrutiny activity.
28. An Executive-Scrutiny Protocol was agreed by the Council's Governance Committee in September 2022 and reaffirmed following review in September 2023. This is in line with national guidance on overview and scrutiny in local authorities. It describes the working arrangements between the Cabinet and Scrutiny at the Council, complementing the Code of Governance and the rules and procedures in the Constitution. It provides a framework for how they will work together most effectively and is monitored jointly by scrutiny committee chairmen and the Cabinet.
29. Other meetings of significant public interest are webcast, including the Planning and Rights of Way Committee and the Health and Wellbeing Board. Webcasts are available to view for up to six years.
30. **The Forward Plan** describes all significant (key) decisions that are planned to be taken in the following months and is published and updated at least monthly. The Forward Plan gives the public, press and elected members notice of forthcoming key decisions and is used by scrutiny committees to help plan their business. For decisions that are particularly significant in terms of service changes and policy proposals there is a greater need to ensure early awareness and engagement for all members and briefings may be provided on these where relevant. Scrutiny committees use their business planning groups (a smaller group of committee members) to help ensure the right focus of business.
31. **Decision-making** operates with a presumption of openness. Cabinet and committees are held in public and individual Executive decisions by cabinet members or senior officers in accordance with the Scheme of Delegation are published on a daily basis on the Council's website. The Council uses an electronic notification system to automatically notify subscribers to meetings or actions by the Council in which they have expressed an interest. Agendas and reports for Cabinet and committee meetings are published at least five clear working days in advance. Any exceptions are explained in public documents. The use of powers to exempt information from publication or allow a committee to meet in private is minimised to when necessary and following senior officer advice.
32. The Governance Committee commissioned a review of the Council's governance arrangements in November 2024. Two significant changes were agreed, to be implemented from 1 July 2025. Firstly, an increase in the key decision financial threshold from £500,000 to £1m. Secondly, a record of higher value officer non-key decisions will be published so that they are available to members, the press and the public. The criteria for these officer non-key decisions are decisions which have a significant impact on services, residents or partners and those that have a financial impact of between £500,000 and the key decision limit. This will mean that decisions no longer captured by the key decision criteria will still be published, to avoid any reduction in transparency.
33. Decisions and agendas are held on the website for six years. The content management system, Modern.Gov, is the principal method of publishing the Forward Plan, decisions, agendas and minutes. Members and staff have portable devices which

can easily access Modern.Gov information. The Constitution also prescribes the rules and constraints around **urgent or short notice decisions** (including those not notified in the Forward Plan) and the form and content of decision reports when urgent action is used, which were revised in 2022. The use of urgent or short notice decisions is not conducive to openness and transparency and is kept to a minimum. Any key decisions taken urgently are reported for noting to the next County Council meeting.

Working Virtually

34. **Virtual Working** - Since June 2021 all formal council and committee business has been fully compliant with the statutory framework requiring physical meetings in public. Some non-decision-making meetings have continued to be held virtually in 2024/25 but decision-making arrangements were largely unaffected. The County Council prioritises transparency and democratic accountability and member committees had a full programme of meetings. Virtual informal briefings for councillors and digital engagement activities have taken place with stakeholders and witnesses advising committees, with learning from these arrangements built into future ways of working. The Governance Committee has reviewed meeting arrangements with a focus on ensuring openness and transparency and the best use of resources.
35. **Communication to the public** www.westsussex.gov.uk is our 'Digital front door' and receives around 5.5 million visits per year. Customers can self-serve accessing a range of information and services including waste and recycling, libraries, jobs, bus passes and school admissions. The website is accessible for disabled users and has an accreditation from [Shaw Trust](#), an organisation that specialises in testing public sector websites against accessibility standards. The website works on phones and tablets and is a gateway to applications that let customers book and pay for services. This ensures customers have choice of channels when contacting the Council and frees up resources to manage more complex cases. New digital technology, including [chatbots](#) and live chat, are being added to the website. This will add new ways for our customers to communicate with us. This frees up officer time to focus on those cases where customers need extra help.

Stakeholders and Partnership

36. The County Council works with a range of stakeholders. This includes other local authorities, the NHS and Sussex Police. Other tiers of local government are important partners in many areas of service delivery, strategic planning and community and local economic and place-based development. There are both formal and informal forums in place for regular liaison with elected members and senior officers in the district and borough councils, including regular meetings of all of the leaders of the councils (West Sussex Leaders' Board), to discuss issues of common interest and regular meetings of all chief executives (West Sussex Chief Executives' Board). This has included partnership working on the devolution and local government reorganisation programmes. The governance of and scrutiny route for the council partnership to manage and deliver the retained business rate pool is refreshed each year and well established.
37. Regular meetings with other partners, most notably the NHS Sussex Integrated Care Board (ICB), are held at various levels and between members and officers on operational, commissioning and service planning. For a number of years the Council has operated a joint service commissioning and pooled budget agreement with the NHS to cover a range of social care and NHS services. These were the subject of a

comprehensive review, most recently during 2023/24. The Chief Executives of the Council and NHS Sussex have agreed to progress a review of the current pooled budget agreements between the Sussex ICB and the council. Discussions are continuing between the County Council and the ICB. Although a new arrangement has yet to be agreed, both partners remain committed to the process and intend for change to be made by 31 March 2026 at the latest.

38. Health and Wellbeing Boards are statutory committees providing a forum where political, clinical, professional and community leaders from across the care and health system come together to improve the health and wellbeing of their local population and reduce health inequalities. The terms of reference and membership of the **West Sussex Health and Wellbeing Board**, were last revised in 2022 to take account of the changes linked to the establishment of the Integrated Care System (ICS). The Board plays a critical role within the ICS in improving integration across local health and care organisations and setting strategic direction to improve the health and wellbeing of its local population. During 2024/25 the Board engaged in a development process with support from the Local Government Association, to evolve and adapt to NHS reforms. Its terms of reference are in the process of being amended in light of this work. Alongside this, the Board has developed a new **Joint Local Health and Wellbeing Strategy 2025 to 2030**, which is due to be formally approved in July 2025.
39. A proposal to merge the NHS Sussex and NHS Surrey ICBs is due to be considered by NHS England later in 2025. It is linked to a current requirement to reduce significantly the budget for ICB operational activity. If this is approved, the County Council will need to consider the implications for the governance of partnership working with the NHS and for the effective shared planning and commissioning of health care, improving outcomes and reducing inequalities for residents. It will do so in liaison with East Sussex and Brighton and Hove Councils which are similarly involved in the current arrangements and concerned about the implications of the change proposed.
40. Improvements have continued in the partnership arrangements for **Children's Services**, with a more effective focus on partnership and joint working. Ofsted carried out a full Service inspection in March 2023 and the result, published on 11 May 2023 found that the Council had improved its services to an overall 'Requires Improvement' rating, and with 'Good' elements, including in leadership and management. This should provide greater reassurance for and grounds for confidence in the partnership working which is critical to service effectiveness.
41. The County Council is committed to working in partnership with residents, businesses, communities, the voluntary and community sector and local authority partners. There are agreed partnership principles with the voluntary sector for the commitment to more effective ways of working together, building stronger alliances and empowering joint action.
42. The key internal services of Internal Audit and Pensions Administration are provided in partnership with Hampshire County Council. Governance arrangements for the Hampshire Partnerships are subject to partnership agreements which set out how each partner in the respective arrangements will proportionately share costs, benefits and liabilities of the joint services. All partners, including the Council, are engaged in taking forward the strategic governance and oversight of the partnerships and details are set out in the respective partnership agreements. An annual review of performance takes place between the Chief Finance Officers at West Sussex County Council and Hampshire County Council.

Consultation and engagement in West Sussex

43. The County Council is committed to working with residents, businesses, communities, service users and partners to help prioritise what it does, to have a say over the approach and to get involved in delivery and change. This requires sound arrangements for engagement and consultation.
44. The Council uses a variety of ways to engage residents and other stakeholders - publications (printed and digital), press releases or social media to keep people informed of plans or decisions. The Council uses various methods to seek people's views: questionnaires, public events, workshops, focus groups, satisfaction surveys, and feedback forms. In preparation for the planned public and partner consultation and engagement for the County Council's Plan and budget proposals for 2025/26 carried out during 2024/25, a review of the approach to the consultation was undertaken. The effectiveness of the consultation exercise was also the subject of a review following its completion and there will be further improvements to increase engagement in the 2026/27 process.
45. **Consultation and Engagement Quality Assurance** is a set of processes to ensure services are supported to plan and implement projects which are robust and produce reliable valid data upon which decisions can be made. It includes methodological and ethical requirements and, before projects go live, services must seek advice to ensure they have assurance for consultation and engagement. There is a continuing review of whether all projects that would or should benefit from this approach are doing so and this will include the development of the annual budget and the Council Plan priorities, as occurred most recently in 2024/25.
46. Formal consultation will generally only be undertaken where there is a statutory duty or legitimate expectation, or where there is a service or policy need to do so. Consultations are carried out in accordance with current national [Consultation Principles guidance](#), and the Council's [Statement of Community Involvement](#), related to land-use planning. Individual services are required to maintain open channels of communications with relevant stakeholder groups and representative bodies where relevant to service planning.
47. All formal public consultations and engagement projects are made accessible online using the ['Your Voice' engagement hub software](#). They are also published on the County Council's news and press release webpages and are highlighted in the residents' e-Panel e-newsletter. The Council ensures compliance with the public sector equality duty when processing and securing formal key decisions although consistency and appropriateness of use requires further attention to ensure consistent compliance. Internal guidance on the Consultation, Engagement and Research portal was refreshed in 2023 and is being reviewed again in 2025.
48. The information gathered is analysed and considered as part of decision-making. Analysis reports and decisions are made available on the ['Your Voice' engagement hub webpages](#) as a means of closing the 'feedback loop' and increasing trust in decision-making processes.
49. Action has been taken to increase the effectiveness of public engagement and communication, including raising awareness of the need to ensure that all projects comply with new online accessibility legislation. Work on improving understanding of, and compliance with the Public Sector Equality Duty has been completed and will be reinforced using guidance, best practice and focused training in areas in which risks

have been identified. The 'About You' socio-demographic template used by the Council has been updated to align with the Office of National Statistics 2021 Census data.

50. The County Council's **Petitions Scheme** describes how petitions from residents are dealt with by the Council. These enable a petitioner to speak with a cabinet member or at a committee, or to address a meeting of the County Council if prescribed thresholds for numbers of signatures are reached. A response is made to each petition, explaining what the Council will or will not do.

Principle B Actions (openness and engagement)

Action	Owner
i. Implement the new key decision threshold of £1m and implement the publication of officer non-key decisions with a value of £500,000 and above.	Executive Director of Law, Assurance & Insight
ii. Review of the current pooled budget agreement between the Sussex ICB and the Council to come into effect by 31 March 2026 at the latest. (ongoing from 23/24)	Executive Director of Adults' Services & Health and Executive Director of Finance & Support Services

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

The County Council has settled arrangements to define priority outcomes and monitor performance against agreed targets. These are set within the context of its strategic aims for supporting the economy, complement the social value policy of the Council and are settled against an ambition to address sustainability to support the Council's climate change commitments.

In setting policies and strategies, the County Council takes a long-term view of outcomes, taking into account sustainable economic, social and environmental aims and has comprehensive performance monitoring arrangements in place.

The Council Plan was originally adopted by the Council at its meeting in February 2021 following extensive member engagement in identifying service priorities and how best to monitor their achievement. It was most recently refreshed in February 2025. Performance has been monitored in a structured, timely and transparent way by the leadership team and by members in public in the Cabinet and through each scrutiny committee.

These corporate outcomes and the measures for their delivery are, as a matter of course, considered in the preparation of Directorate and service plans, influence financial decisions and in all significant decisions, the latter being recorded at the point of publication.

Planning and Performance

51. The Council Plan outlines the priorities for the County Council and how they are to be assessed in terms of delivery and measures to monitor performance. It was first approved by the County Council in February 2021 and is subject to programmed

quarterly performance monitoring. The Plan was developed by the Cabinet and ELT with the extensive engagement of elected members, scrutiny committees, partners and staff at all levels. Member oversight of the plan takes place in public and the plan is subject to annual review at the Council meeting which considers and approves the Council's budget and capital programme. The fourth review took place at the County Council meeting in February 2025.

52. The Council Plan is implemented through the Directorate Business Planning process. In July 2024 the Council published its Medium Term Financial Strategy which set out the financial framework for delivering the Council Plan over the period to March 2029, and the Council set a balanced budget for 2025/26 in February 2025. Comprehensive performance monitoring by the Cabinet and scrutiny committees is undertaken through the **Performance and Resources Report** which includes financial monitoring information covering both revenue and capital and other corporate performance data on staffing and corporate risk management.
53. Detail of its use and the data monitoring and analysis undertaken by the Council are covered in section D. Active monitoring of performance is undertaken through regular reviews of business plans by Directorate Management Teams and with all staff through individual performance conversations which also cover staff development. This is also covered in Section D (64-65 below).
54. There will be a continuous review of how well the Council's performance is monitored by officers and by members, both executive and scrutiny during the year ahead. This is to ensure members have the tools, skills and support to undertake effective performance monitoring and the verification of performance reports and other sources of assurance in the context of agreed priorities.

The Council and the local economy

55. The County Council is committed to championing the economy of the area. One of its priorities is to ensure West Sussex is a prosperous place and for the county to continue to thrive through supporting local businesses and place based and community initiatives. A new Economic Strategy was agreed by the Cabinet in March 2025, following scrutiny, for the period 2025-2035. It is subject to annual or more frequent review and refresh. This Strategy is overseen by the West Sussex Economic Growth Board, established in response to the Government's guidance on the transition of Local Enterprise Partnership (LEP) functions to local authorities. The Board's first formal meeting was in February 2025. It will focus on the county's economic priorities and sustainable growth opportunities.
56. The planned transfer of the responsibilities of Local Enterprise Partnerships to upper tier local authorities took effect at the end of 2023/24 and required extensive engagement with the Government, with partner local authorities, and with Coast to Capital LEP. The Council has assumed lead responsibility for strategic economic planning and the Growth Hub service in West Sussex, taking on these functions from the LEP. The County Council has adopted an ambitious 10 year [Climate Change Strategy](#) with two key aims for the Council to be both carbon neutral and climate resilient by 2030 an ambition adopted at a meeting of the Council in April 2019. The Strategy aims to set out the Council's plans to meet the ambition of underpinning the Council Plan of protecting the environment. The Strategy was approved by members in July 2020 after member engagement and scrutiny.
57. The officer Climate Change Board oversees delivery on climate change ambitions on behalf of ELT. The governance of the Board was audited for effectiveness in spring

2021 and was rated as 'reasonable.' A second internal audit was completed through spring 2022, looking at how climate change ambition is reflected in governance, and the rating was 'reasonable.' The final audit report for 2021/22 stated 'there is a generally sound system of governance, risk management and control in place.'

58. The Sustainability Team, with responsibility for oversight of the Strategy and its realization has been expanded along with a wide range of activities to deliver the goals of the strategy, including the development of a programme of works to decarbonize the corporate estate, the rollout of an organisation-wide Carbon Literacy training offer, the agreement of a Climate Action Plan for Highways, Transport and Planning and the introduction of climate change considerations into major new procurements. The Corporate Risk Register includes two risks relating to climate change – one to manage climate change mitigation and one for climate change adaptation. These are reviewed quarterly by the Regulation, Audit and Accounts Committee.
59. [The Council Plan](#) (2021–2026), approved in 2021, is underpinned by the ambitions of the Council in responding to the challenges of climate change and the protection of the environment. [The Climate Action and Adaptation Plan \(CAAP\)](#), the Council's roadmap for achieving the goals set out in the Climate Change Strategy, was adopted in July 2024, and has been integrated into the business planning process for the year commencing April 2024. The CAAP sets out the council's ambitions to become a carbon neutral and climate resilient organisation by 2030. Quarterly reporting to the officer led Climate Change Board highlights progress on key climate change indicators. Because elections were postponed from May 2025, the Plan has been extended further, as agreed by the County Council in February 2025.
60. The West Sussex Transport Plan (WSTP) is the County Council's principal policy on transport planning and supports delivery of [the Council Plan](#) priorities. It was approved on 1 April 2022 by the Cabinet Member for Highways and Transport and sets out how the County Council intends to address sustainability by improving, maintaining and managing the transport network in the period up to 2036. Responding to climate change is a key priority of the plan, balanced with the need to protect and enhance the environment and prosperity of West Sussex. The Plan was also submitted to the Transport for the Southeast Board to promote integration in the region to support that Board's own planning.
61. The Council has a **Social Value Framework** which identifies and explains the benefits of ensuring that policies, business plans and service procurements consider and address their impact upon local communities, the local economy, the lives of residents and the places of the County. The Policy has been reviewed and approved by ELT, Cabinet and Performance and Finance Scrutiny Committee. It was then developed by the Communications Team and a formal decision by the Cabinet Member for Finance and Property is expected to formally adopt the revised Framework in May 2025.
62. Social Value has been incorporated into procurement practice and processes, any impact being recorded in published decision reports. The Social Value Framework is being embedded to ensure it is coherent with the Council Plan priorities, the refreshed Economy Plan and the Climate Change Strategy as well as changes to the environmental, social and economic context of the Council's activities.

Principle C Actions (defining outcomes and benefits)

Action	Owner
i. Annual refresh of Council Plan	ELT

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

Significant progress has been made on improvements to Children's Services and the Fire and Rescue Service and follow-up inspections have been positive in confirming that the County Council is improving, while still needing to improve further.

Adults' Services underwent a Care Quality Commission (CQC) inspection in February 2025 and the results are awaited.

The County Council takes decisions on interventions based on the priorities agreed in The Council Plan. In areas identified for improvement systems for governance, oversight and scrutiny of interventions have had particular focus. Proposed interventions are recorded through Directorate Business Plans for timely outcome delivery, overseen by the relevant management team.

Performance monitoring

63. All directorates are expected to prepare and monitor Business Plans which set out the actions required to meet the outcomes set in the Council Plan and the targets and measures used to monitor their delivery. These are in place and will be reviewed regularly and will be updated and refreshed as needed as part of the annual refresh of the Council Plan by the County Council.
64. The public facing **Performance Dashboard** provides details on progress on the key indicators of the Council Plan. This is underpinned by the business assurance framework which, together with the corporate performance dashboard provide assurance that the Council's priorities are implemented. The Cabinet reviews the performance dashboard as part of the Performance and Resources Report (PRR) and it is scrutinised by each of the scrutiny committees, the full dashboard being referred to Performance and Finance Scrutiny Committee through the PRR.
65. The Performance & Insights Team has developed and implemented a reporting tool which provides data on the corporate health of the organisation. This is reported to ELT on a quarterly basis, complementary to the performance dashboard, and supplemented by focused data on critical service areas. The ELT, with support from the Performance & Insight Team, has agreed a performance management and governance framework for 2025/26.
66. The **Performance and Resources Report** (PRR) provides an overview of performance against the priorities within the Council Plan and tracks financial performance to ensure intended outcomes are kept in focus and expenditure controlled. The Performance and Resources Report focuses on the delivery of:
 - Council Plan and Performance Measures
 - Medium Financial Term Strategy and in-year budget
 - Culture and Workforce

- Service and Corporate Improvement
- Corporate Risk Management

67. Executive (member or officer) **decision reports** provide the public record of all significant decisions to implement service plans and spend. They are required to show the intended outcomes, the rationale for the proposal, implications for Council resources, other options considered but not pursued, advice received, consultation undertaken and how risks are managed.
68. The Executive is supported by a number of officer boards chaired by senior officers to ensure oversight of strategic areas of Council business on behalf of the ELT. These boards co-ordinate subject matter expertise as well as overseeing arrangements for the delivery of priorities at an officer level prior to member consideration. They comprise a board to oversee capital programme planning, one for the climate change strategy and one for strategic procurement. Each board is chaired by a member of ELT.
69. The boards were reviewed during 2024/25 to ensure their alignment with their respective aims and to ensure a full understanding of their function, purpose and value within the governance of the Council.

Service Improvement activity

70. Ofsted has continued to carry out regular inspections of the Council's Children's Services. The output from these inspections monitors and informs the continued improvement interventions for the service. Service improvement continues to be driven by the Executive Director of Children, Young People & Learning and the Cabinet Member, and is scrutinised through the Children and Young People's Services Scrutiny Committee. Ofsted carried out a full inspection in March 2023 and the result published on 11 May 2023 confirmed that the Council has improved services to an overall 'Requires Improvement' rating, with 'Good' elements, including in leadership and management. Positive inspection reports of specific elements of the service were also published during the year, which ended with a positive review of the SEND services shared with the NHS, with a positive assessment of the improvement activity underway.
71. The implementation of the improvement plan adopted following the first inspection of the Council's Fire and Rescue Service by Her Majesty's Inspector of Constabulary and Fire and Rescue Services (report published on 20 June 2019) has continued. His Majesty's Inspectorate of Constabularies and Fire and Rescue Services (HMICFRS) carried out its third inspection of West Sussex Fire & Rescue Service in spring 2024, the results were published on 8 October 2024. This latest inspection report marks significant progress for WSFRS, with no "requires improvement" or "inadequate" ratings. Six areas have been graded under a new criteria of "adequate", while five have received "good" ratings, with no causes for concern highlighted. This will continue to be monitored through the Community Risk Management Plan and regular reports to the Fire and Rescue Service Scrutiny Committee.
72. In February 2022 the Cabinet approved a new strategy for Adults Services, developed with extensive partner, service user and member engagement. This work took place in parallel with the implementation nationally of integrated care services with the NHS across Sussex and its impact on strategic planning for Adults' Services and Public Health responsibilities. These developments have meant significant areas of change for service delivery, performance, systems to support practice and commissioning – including that undertaken jointly with the NHS. Strategic outcomes for Adults'

Services and Public Health will be the subject of oversight by the Health and Adults' Social Care Scrutiny Committee. The County Council received notification on 9 September 2024 from the CQC of the start of the Assurance process. CQC Assurance assesses how well local authority adults' services perform against their duties under Part 1 of the Care Act 2014. The Service has undertaken a full self-assessment of its service quality and delivery in anticipation of the inspection, which has been publicised and reviewed by the Cabinet and scrutinised by the Health and Adults' Services Scrutiny Committee. The inspection by the CQC was undertaken February 2025, with the results expected to be published later this year.

Principle D Actions (interventions for outcomes)

Action	Owner
i. None identified.	

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

Officers and members are expected to have a clear sense of their purpose, roles and responsibilities. This has been reinforced by the work on the County Council Plan and the business planning activity underpinning its delivery. The programme of member development has also focussed on this.

ELT manages the Council's workforce, skills and resource planning in line with its People Framework. Recruitment and retention are key areas of workforce planning as recruitment remains challenging. All officers are expected to have their performance monitored and their development needs identified and met. Specific attention is paid to leadership development. Work continues to enable the Council's leaders to promote a positive and supportive culture and to provide the means of enhancing or reinforcing good leadership skills.

A system is in place to ensure that all elected members have an understanding of their roles and responsibilities when appointed or elected to particular positions within the Council. Members are supported to fulfil the expectations and demands of their roles as local member and those to which they may be appointed.

Members are also expected to meet the expectations for development, knowledge and awareness as set by the Council's Member Development Group.

73. Arrangements for the County Council's member appointments to specific roles are open and set out in the Constitution. The Council elects the Leader who decides the composition and responsibilities of the Cabinet and members appointed as cabinet advisers, for which role profiles must be settled with the Executive Director of Law, Assurance & Insight. The Council, at its public meetings, makes appointments to all committees and changes can be made at each Council meeting. All terms of reference of member committees and boards are published and there is a system for reviewing and refreshing them. Governance Committee carries out such reviews as and when required.
74. **Member roles** – Executive and non-Executive roles are defined and published within the Constitution on the Council's website and as part of the internal members' Intranet (the Mine). The member induction and training programmes cover all aspects

of member roles. All member training and development sessions have attendance and feedback recorded.

75. The knowledge and development needs of members are identified and addressed through a cross-party **Member Development Group** (MDG), chaired by the Vice-Chairman of the Council. This group reports to the Governance Committee and oversees the delivery of a planned programme of member training and development which is underpinned by a Member Development Strategy, to ensure members' training and development reflects both their personal needs and organisational requirements. All members are contacted annually to review their training needs. Feedback from this process helps to shape the member training and development offer. MDG reviews the impact of member development and identifies areas for improvement. The Member Development Programme achieved Charter of Councillor Development status in November 2020 and a successful reaccreditation was confirmed following a reassessment process in April 2024.
76. Specialist training is identified for members according to the roles they carry out. This includes a leadership development programme for Cabinet Members and other members in senior positions, such as political group leaders. There is also tailored training for members of scrutiny committees, the Regulation, Audit and Accounts Committee, Planning and Rights of Way Committee, the Pensions Committee and the Appeals Panel. Some training for members is identified as mandatory (code of conduct, safeguarding, corporate parenting, equalities, data protection and cyber security). Different options for completion of this training are provided, including through online training modules. Completion of this mandatory training is monitored by the MDG and by political group leaders. This mandatory training is required to be completed upon election and following that, at least every four years.
77. The Council has no higher duty than the protection of vulnerable people to whom it owes a statutory duty of care and Disclosure and Barring Service (DBS) checks provide a first level of assurance that an individual in a position of trust does not present a direct risk of harm to such individuals. Although being a councillor does not require a DBS to be undertaken, the Governance Committee agreed that all members should be required to complete a standard DBS check. Enhanced DBS checks are required for the County Chairman and Vice-Chairman, the Leader and all Cabinet Members, Corporate Parenting Panel members and Fostering Panel members.

Officers

78. Statutory roles include the designation of the Chief Executive as Head of Paid Service, the Executive Director of Law, Assurance & Insight as the Monitoring Officer, and the Executive Director of Finance & Support Services as Chief Financial Officer. Other critical statutory and leadership roles and their responsibilities are described in the Council's scheme of delegation.
79. All executive directors are required formally each year to give assurance as to their compliance and that of their service with a range of requirements and expectations of them as senior leaders within the Council. The officer leadership team has agreed the approach to enable them to provide appropriate assurances – referred to as **Directorate Statements of Assurance**, to be completed verbally at a meeting of ELT to support the final sign off of this Governance Assurance Statement.
80. Guidance for officers on Council governance arrangements was produced during 2022/23, providing information in one place on all aspects of the processes that officers may need to know about and work with. This is regularly updated and includes

details of officer delegations and responsibilities, how decisions are taken and the roles and responsibilities of councillors. It provides detailed advice to help officers navigate processes and get things done in a compliant way. Training for officers on decision-making and report-writing is also provided internally, focussed on officers most likely to have a need to be familiar with decision-making processes.

81. During the last few years there has been an increased focus on the roles of the three statutory officers (monitoring officer, chief finance officer and head of paid service) in ensuring propriety and lawfulness of councils in challenging times. This led to the preparation of a code of practice, published in July 2024, by the three relevant professional bodies CIPFA, SOLACE and LLG (Lawyers in Local Government). The code of practice emphasises the importance of the three statutory officers working closely together on matters of good governance and compliance. Whilst such arrangements are in place at the County Council, they had not been formally written down. A new protocol for the exercise of Monitoring Officer duties was approved by the Governance Committee on 4 November 2024 and reference to this was added to the Code of Governance and officer governance guidance.
82. The Monitoring Officer and Chief Financial Officer have a place on the ELT, which comprises the four service executive directors in addition to the Chief Executive, Executive Director of HR, Organisational Development & Communications and the Chief Fire Officer. The Director of Public Health, who reports to the Executive Director for Adults' and Health, attends ELT to ensure Public Health is embedded across the County Council and its partnerships.
83. All executive directors and most assistant directors undertake the role of 'duty director' on a rota basis alongside the Chief Executive, to provide a source of authority and direction during critical incidents outside office hours. Training and guidance on the discharge of this role is provided. These officers are also required to complete police and national vetting procedures in order to participate in Gold command activities during incidents.
84. All levels of management within the Council have a designated role profile and these profiles are accessible via the Council's intranet. Officers are given copies of their role profiles on appointment and are supported through induction training, their personal development review and supervision in understanding and developing their roles. Internally published HR procedures cover all aspects of performance and procedure to support managers.
85. Personal development priorities are agreed through a personal development review process. There is an established programme of induction training for new staff. Training is available increasingly through an online learning system and mandatory annual refresher online training is heavily promoted to all staff. Leadership skills and development for senior officers has been addressed as part of the development of the workforce strategy through the People Framework.
86. Issues of capacity and service resilience to ensure service effectiveness are covered through workforce planning as part of directorate business planning. Areas of particular risk are identified. Specific attention has been required over recent years to manage challenges in adults' and children's social care where both recruitment and retention have been problematic with expected adverse impact on service quality and consistency. Action to address these issues remains an area of particular focus. A broader workforce strategy (People Framework) is in place. Recruitment and Retention remains a high risk on the Corporate Risk Register and updates are regularly reported to the Performance and Finance Scrutiny Committee. Management

actions are being progressed following a limited assurance result from an internal audit review on strategic workforce planning.

Principle E Actions (capacity and leadership)

Action	Owner
i. Completion of Directorate Statements of Assurance via the Executive Leadership Team.	Executive Director of Law, Assurance & Insight

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

Risk management is robust overall and risks are being considered during business planning and decision-making processes, corporately and across all services. Regular reporting to ELT and Cabinet is in place with risk management and internal audit progress reported together.

Service and corporate performance management has been addressed earlier in the report. Corporate risk management is reviewed regularly as part of the Performance and Resources Report. Corporate risks are routinely monitored by ELT and directorate level risks are routinely monitored by Directorate Management Teams.

The County Council has robust internal financial controls in place, displays strong public financial management and operates systems to manage risks and performance which are subject to both internal and external review as well as member oversight through committees meeting in public.

Health and Safety oversight and management is covered through established procedures and governance and their effectiveness reviewed by ELT.

87. The Constitution sets out the rules, its Financial Regulations, to ensure robust internal control over the Council's finances. The system and arrangements for financial performance management and budget monitoring demonstrate sound internal monitoring and control and have formal and well published arrangements for member and officer oversight and transparency.
88. The system of internal financial control is based upon a framework of comprehensive financial regulations and procedures which comply with the CIPFA "Good Practice Guide for Financial Regulations in a modern English Council". Control is maintained through regular management information, supervision, and a structure of delegation and accountability. A review and refresh of the Council's Financial Regulations was completed during 2023/24 and the outcome endorsed by the Regulation, Audit and Accounts Committee. Further revisions were agreed during 2024/25.
89. External audit of the Council's accounts in 2023/24 was delayed as part of national problems in local government external audit and not as a result of any action or inaction by the County Council. The accounts were approved by the Regulation, Audit and Accounts Committee in February 2025. The Council's external auditors are intending to carry out the audit for 2024/25 in summer 2025 and are expecting to report to the Regulation, Audit and Accounts Committee in November 2025.

90. The Council's financial management arrangements conform to the governance requirements of the CIPFA 'Statement on the Role of the Chief Financial Officer in Local Government 2010' and the Financial Management Code. A continuous review is maintained. A full review of Financial Regulations and Procedures was undertaken and a new version of Financial Regulations was approved in 2024 following review by the Regulation, Audit and Accounts Committee.
91. Each executive director is required to conduct a full review of internal governance systems for their area of responsibility, through an assurance mapping process. The statements made, based on the assurance mapping, are checked to identify broader governance issues. Evidence of assurance given is supplemented in the annual assurance statement for each directorate. These include actions for improvement. From both sources, significant governance implications are included in this document. This is covered in Section E above (paragraph 79).

Scheme of Delegation for officers

92. The officer scheme of delegation is critical for the effectiveness of controls of spending and lawfulness as well as internal authority for operational actions. It is kept under review by the Executive Director of Law, Assurance & Insight. Executive directors are required to ensure and confirm the effectiveness of the scheme of officer onward delegation within directorates and have worked with the Executive Director of Law, Assurance & Insight to ensure that there is shared understanding by the relevant officers of the operation of delegations and the need to continually review them.
93. The streamlined decision-making exercise arising from the good governance review focused on the need to provide clarity of understanding for officers in the discharge of their roles and to provide a basis for trusting officers, especially those in management roles to do their jobs in accordance with their professional competence and good judgment. The scheme of delegation for each Directorate is critical to this aim. It is supported by the development of the new officer guide to governance which is used for a programme of officer training to reinforce a culture of clarity and trust.
94. The County Council annually reviews the effectiveness of its governance framework including the system of internal control. The review is informed by the Head of Internal Audit's annual report 2024/25, by the external auditor and other agencies and inspectorates. These findings are brought together within this document and are reported annually to the Regulation, Audit and Accounts Committee. The Executive Director of Law, Assurance & Insight is responsible for ensuring the effectiveness of the internal assurance arrangements and the implementation of actions identified by those arrangements. The Regulation, Audit and Accounts Committee undertakes the functions of an audit committee. This includes the work and findings of Internal Audit. The audit arrangements which support and reinforce financial controls and assurance are fully addressed in section G below.
95. The **Risk Management Strategy** is set out in the Constitution (Part 4 section 2) and is reviewed annually. The Strategy describes the responsibilities of officers and elected members and ensures that corporate risks are regularly reviewed by the ELT in order to advise and update Cabinet as necessary. In addition, it illustrates the framework the Council has for identifying, assessing and managing corporate risk. The operation of the framework and concerns identified are reported quarterly to the Regulation, Audit and Accounts Committee, which has responsibility for providing assurance on the effectiveness of risk management arrangements.

96. Corporate risks are included in the Performance and Resources Report reviewed by Cabinet and the ELT and considered by the scrutiny committees. Material risks and associated actions relating to proposals, policies and spending decisions are identified, recorded and published in decision reports and for scrutiny committees to consider (see paragraph 66 above). Decision report guidance also clarifies the responsibility for scrutiny committees to obtain assurance that the management of risk is effective.
97. Individual Services maintain risk registers which are reviewed regularly at management team meetings and, where appropriate, are escalated to ELT for consideration for inclusion in the Corporate Risk Register.
98. Management of risk is an iterative process delivered through the application of robust controls, including the business planning process, and is supported by the Corporate Risk Manager who reports to the Executive Director of Law, Assurance & Insight. Operational officer responsibility is carried by that Executive Director, with the Chief Executive being accountable for the Council's overall risk profile and effectiveness of the risk management strategy.
99. The area of Health and Safety management is overseen by the Executive Director of Human Resources, Organisational Development & Communications and the corporate assurance arrangements for good Health and Safety policy and practice is the subject of continual review and reporting to ELT. The effectiveness of health and safety arrangements and accountability in relation to maintained schools has been the subject of focus following a small number of incidents and a review was carried out. A letter was sent to Head Teachers and Chairs of Governors re-affirming their responsibilities under Health & Safety legislation. Will follow up with reminders and offers of support and advice. Health and Safety and the response to incidents is a standing item on all Directorate Management Team meeting agendas.

Principle F Actions (risk and performance)

Action	Owner
i. None identified.	

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

The County Council has transparent processes in place through publication of the Forward Plan of key decisions and of agendas and reports of its meetings and those of its committees. This includes key decision reports on the website and the prominence given to reporting and enforcing of audit recommendations through the Regulation, Audit and Accounts Committee which meets in public.

The County Council has effective open data reporting arrangements to ensure the accessibility of significant spend, contractual and other data relevant to financial performance. This has also been addressed through the development of the performance management reporting arrangements linked to the implementation of the Council Plan.

100. All meetings of the Council and of the committees which discharge executive, non-executive or scrutiny functions take place in public and have their reports and minutes published on the Council's website and retained for public access. Cabinet, Cabinet

Member and Committee decisions are published on the website and are available to the press and public. This is driven by the publication of the Forward Plan of key decisions to ensure there is member and public awareness of the Council's plans and proposals before they are considered for approval. A limited number of reports are considered in private session only when the subject meets the prescribed criteria for confidentiality. A summary of these is published and the rationale for non-disclosure made available.

101. The County Council has several separate bodies of which it is a part. In 2024/25, this included the LEP Joint Committee, the Integrated Care Board, the Local Government Pension Scheme ACCESS Joint Committee, the Sussex Police and Crime Panel and the West Sussex Economic Growth Board. Each of these bodies abide by the Nolan principles and publish their agendas and minutes in an accessible place, which are linked from the County Council's website.

Review and Audit

102. The Regulation, Audit and Accounts Committee undertakes the functions of an audit committee. This includes review of the findings of Internal Audit. The Committee meets regularly and in public and holds officers to account for the timely implementation of management actions in response to audit observations.
103. Internal Audit provides an annual assurance opinion based on the delivery of a risk based internal audit plan. This includes adherence to established policies, procedures, laws and regulations. These are reported to the Regulation, Audit and Accounts Committee. The overall opinion for 2024/25 is expected to be reported to the July meeting of the Regulation, Audit and Accounts Committee as 'reasonable assurance'.
104. The Head of Internal Audit reports to the Executive Director of Finance & Support Services. He also has direct access to the Chief Executive and directors and has well-established reporting lines to members through the Regulation, Audit and Accounts Committee and quarterly to the ELT. Internal Audit is provided through an arrangement with Hampshire County Council, giving greater independence, resilience and capacity for this function. The partnership arrangements are underpinned by a partnership agreement.
105. Specific issues of performance or effectiveness in particular areas of critical service delivery or council governance have been raised during the year's internal audit work and summarised in the annual audit report. This includes areas where limited or no assurance has been given. To the extent that the observations and management actions are relevant to matters not otherwise covered in this Statement they are set out here and captured as part of the action plan to ensure alignment with the actions addressing issues of governance and internal process.
106. The Internal Audit annual report highlights areas where a limited assurance review has been issued. During 2024/25 Internal Audit undertook 32 assurance reviews of which 6 concluded in a limited assurance opinion. Executive directors are accountable for addressing the observations through management actions and progress is monitored until any changes have been fully implemented.

Principle G Actions (transparency audit and accountability)

Action	Owner
None identified.	

Main Governance Issues for action or to note

107. In formulating this year's AGS a number of forms of evidence have been reviewed. Several of these are reported and monitored through the Regulation, Audit and Accounts Committee. The main governance issues requiring attention are summarised at the end of each section as set out above. As part of a review of Council governance arrangements, the Council agreed that the Governance Committee should now consider the draft AGS ahead of its approval by the Regulation, Audit and Accounts Committee, in its role in keeping the Council's governance arrangements and Constitution under review. This will take place in June 2025.
108. An action plan is attached at part of the Appendix, which sets out how the Council will address governance issues in the year ahead. We are satisfied that these actions will deliver the improvements necessary and we will continue to monitor, evaluate and report on progress as part of our next annual review.

Paul Marshall Leader of the Council, July 2025

Leigh Whitehouse Chief Executive, July 2025

Sources of Assurance and Actions

Key:

CFO = Chief Fire Officer

CIPFA = The Chartered Institute of Public Financing & Accounting

CS = Community Services

ELT = Executive Leadership Team

E&PP = Environment & Public Protection

F&SS = Finance & Support Services

HROD&C = Human Resources, Organisational Development & Communications

LA&I = Law, Assurance & Insight

MDG = Member Development Group

RAAC = Regulation, Audit and Accounts Committee

SOLACE = Society of Local Authority Chief Executives

Table of assurance for Principle A: Integrity and Compliance

Source of assurance	Where found	Who is responsible	Role	last review/ action planned*
Constitution	Web and Intranet	Governance Committee and Executive Director LA&I	A single source for rules and procedure for lawful sound business and meeting management.	A review was undertaken in 2021 arising from the Good Governance project and was approved by the County Council in July 2021. Minor changes have been approved during the year 2024/25. A review of Governance has been carried out in 2025.*
Codes of Conduct	Constitution	Standards Committee & Executive Director LA&I	Defines standards of behaviour and how to enforce	A new Code of Conduct was approved the County Council in December 2022. A revised Member-Officer Relations Protocol was approved by the County Council in December 2024.
Whistleblowing Policy	Intranet	Standards Committee & Executive Director LA&I	Defines process to report breaches of rules or standards confidentially	Fully revised for approval by Governance Committee July 2020. Further HR officer review in August 2021. To be reviewed in June 2025.*
Anti-fraud and corruption strategy	Intranet	RAAC & Executive Director F&SS	Statutory obligations recorded and enforced	July 2023, including Anti-Money Laundering Policy.
Anti-bribery policy	Intranet	Executive Director LA&I	Statutory obligations recorded and enforced	2025.
Register of Member Interests	Website	Executive Director LA&I	Statutory list of interests.	2021. Entries updated on an on-going basis and quarterly reminders are issued.
Register of Officer Interests	Website	Executive Director LA&I	Record of financial and conflicting business interests	New system from March 2017 refreshed and reinforced in 2021. Publication to be addressed in future.*

Source of assurance	Where found	Who is responsible	Role	last review/ action planned*
Corporate Complaints Policy	Website	Chief Executive & Standards Committee	Describes mechanism for handling all complaints.	July 2023. Annual complaints report to Standards Committee June 2025.
Staff Discipline policy	Intranet	Executive Director HROD&C	Defines rules of conduct and procedures to manage	New HR policy framework established in 2019.
Data Protection Policy	Intranet	Executive Director LA&I	Defines rules and procedures to protect data.	Revised 2018. Review of practice and training to mitigate risk completed and revised guidance and training in place.
Freedom of Information policy	Intranet	Executive Director LA&I Executive Director Communities	Defines rules and procedures	January 2018. No review planned or required.
Data Security & Accepted Use Policy	Intranet	Executive Director F&SS	Defines rules and procedures/measure compliance	Annual External IT Health Check November 2022, Acceptable Use Policy May 2023. Data Maturity Assessment by end of 2023. Ongoing mandatory annual refresher training.
Standing Orders on Procurement and Contracts	Constitution	Executive Director LA&I and RAAC	To prescribe the rules for all contracts and procurement activity	February 2025 – approved by County Council on the recommendation of RAAC
Procurement Board (officers)	Intranet	Executive Director F&SS	To manage and plan strategic procurement	2025.

Table of Assurance for Principle B: Openness and Stakeholders

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
Scheme of Delegation	Constitution	Governance Committee & Executive Director LA&I	To fully define who takes what decisions and how and how recorded.	March 2022, with minor revisions as required since then up to 2025.
Forward Plan	Web site	Executive Director LA&I	Describes planned key decisions for next 4 months	Revised format 2021 implemented. A review of the key decision threshold was undertaken in 202425 as part of a review of governance arrangements. Changes to the threshold for key decisions to be applied from 1 July 2025 (value threshold increased to £1m and factors considered as significant as an impact on two or more divisions clarified)
Protocol on decision making	Constitution	Executive Director LA&I	Describes arrangements for sound decisions.	Refreshed 2021.

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
Scrutiny Committee business planning	Scrutiny Committee meeting agendas	Scrutiny Committees & Head of Democratic Services	Records planned scrutiny work.	Continuous with annual work programme published with each scrutiny committee agenda. Executive/Scrutiny protocol established in 2022 reviewed end 2023.
Openness and access to meetings/ decisions.	Constitution and Website	Executive Director LA&I	Describes rules and process for ensuring transparency of business.	Constitution revised 2018. Webcasting of member meetings determined by Governance Committee.
Consultations & community liaison forums	Intranet, Website & Press releases	Head of Comms & Engagement, Head of Customer Experience	Accessible communication to the public and staff	New community liaison channels are being explored during 23/24 Used for budget and Council Plan 23/24.
Research Governance and Consultation QA process	Intranet	Chief Executive	Provide system and guidance for service consultation	Review of Statement of Community Involvement in 2018. Full review of the Research Governance and Consultation QA process was reviewed in 2023/24.
Partnership meetings, briefings and liaison	Held by relevant directorate	Relevant Executive Director	Communication to partners	Continuous review and proposal to track external engagement plans better.*.
Equality Policy	Website And decision-making protocol	Chief Executive. Relevant Executive Director (for decisions) Executive Director of HROD&C (for staff)	Source of guidance for ensuring compliance with public sector equality duty	Policy reviewed 2018. Respect and Dignity at Work policy rolled out 2021.
Health and Wellbeing Board arrangements	Constitution	Director of Public Health	Forum for strategic joint business and service oversight	Terms of reference revised in 2022 to reflect changes in NHS and new Integrated Care System.
West Sussex Partnership Principles	Website	Executive Director of Communities	Communication to partners	Partnership principles refreshed in 2018. Established partnership working with district and borough councils.

Table of Assurance for Principle C: Sustainability

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
The Council Plan	Website	Cabinet & Chief Executive	Describes the measure and targets for key corporate & service aims	The County Council agreed current Plan in February 2021. Refresh completed in February 2025.
Social Value Framework	Website	Executive Director of F&SS	Sets aims for social economic and community benefits of council business	Full review in procurement activity completed 2019/20. Review of SV framework undertaken in 2025.
Climate Change Strategy	Website	Assistant Director (E&PP)	Sets Council's commitment to becoming carbon neutral and climate resilient by 2030	The Strategy approved in 2020.

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
Economy Strategy	Website	Executive Director of Place Services	Sets aims for economic benefits of council business	The Cabinet Agreed the Strategy in March 2025.

Sources of Assurance for Principle D: Optimising Interventions

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
Performance and Resources Report	Website	Chief Executive & Cabinet and Executive Director F&SS	Reviews financial and operational performance	Newly introduced in 2021. Regular review for continuous improvement.
Executive Decisions process	Website	Executive Director LA&I	To record rationale, legality and financial compliance of decisions.	Format revised 2018. New publication system by Modern.gov 2018.
Business Plans	Share Point	All Executive Directors	Record of actions and objectives for delivery of Our Council Plan	Annual. Action for better coordination of plans between Directorates implemented 2022.
Executive Officer Boards	Intranet	Executive Leadership Team	Manage strategic business delegated to officers	Action undertaken in 2025 to clarify officer delegations and ensure clarity & transparency of boards.
Capital Programme Governance	Constitution	Executive Director Place and Executive Director F&SS	Provide sound systems for capital programme	Revision February 2019. Further review on governance took place in 2025, set as part of good governance.
Service Improvement plans governance and assurance	Records of decisions and Improvement Board agendas.	Executive Director CS & CFO	Provide plan and assurance for delivery of improvements from external inspection.	Arrangements for monitoring and scrutinising effectiveness of plans ongoing

Sources of Assurance for Principle E: Leadership Capability

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned
Scheme of delegation	Constitution	Governance Committee Chief Executive Executive Director LA&I	Formal allocation of key roles and functions, including Statutory and senior officers	April 2019 with minor regular revisions as needed.
Budget, including medium term financial strategy	Council agenda	County Council Executive Director F&SS	To agree a sound budget and financial strategy.	February 2025 and ongoing review of arrangements and timetable for preparation of annual budget plan. MTFS published annually, most recently in 2025.

Source of assurance	Where found	Who is responsible	Role	last reviewed/action planned
Member Development Programme	Held by Executive Director LA&I Member Information Database	Governance Committee & Executive Director LA&I & MDG	Plan and record all member training.	Continually by MDG (sub-group of Governance Committee). Reports regularly and gathers member feedback.
Human Resources policies	Intranet	Executive Director HROD&C	Describe all officer duties, rules and requirements.	Review planned within Good Governance as culture and leadership areas People Framework and respect and dignity at work policy in place.
Workforce Planning arrangements	HR policies and Directorate plans	Relevant Executive Director	Provides rationale and scheme for ensuring resilience and capacity.	Particular focus on service improvement plans. People Framework completed 2021.
Staff role profiles	Intranet	Heads of Service	Describe all officer roles	Updated as roles change.
Member Induction Programme	Intranet	Member Development Group Executive Director LA&I	To determine the content of the programme	2021, refreshed for 2025 and used for by-elections.
Specialist Member training	Committee business programme	Executive Director LA&I	Non-executive committees and appeals panel	Completed after 2021 election including individual member training needs analysis for all members. Refresher mandatory training will be carried out in 2025.
Officer Performance management	Intranet	Executive Director HROD&C & all Executive Directors for delivery	To manage performance and development	Review undertaken 2021 as part of Good Governance review.
Performance Management Policy	Intranet	Executive Director HROD&C	clear system for addressing poor performance	As above.

Sources of Assurance for Principle F: Risk and Performance

Source of assurance	Where found	Who is responsible	Role	last reviewed/action planned
Governance Statement	RAAC agenda	RAAC Executive Director LA&I	Captures all sources of governance assurance	Annual (this document)
Assurance mapping	N/A	Executive Director LA&I Executive Director F&SS	Internal checklist for service governance	New checklist was refreshed in 2020.
Local Code of Corporate Governance	Governance agenda	Governance Committee Executive Director LA&I	To confirm the corporate governance principles in place	Code of Governance agreed in February 2022.
Risk Management Strategy	Constitution	Chief Executive	Strategic aims and objectives for corporate risk management	Approved by RAAC 2018. Strategy reviewed annually by RAAC. Clarification of roles for members added to Constitution in July 2021.

Source of assurance	Where found	Who is responsible	Role	last reviewed/action planned
Risk Management systems	RAAC agenda	Executive Director F&SS	Operational systems for meeting RM strategy aims	Last review 2023. Ongoing work to ensure operational risks are regularly reviewed by Directorate Leadership Teams.
Health and Safety Policy	Intranet	Executive Director of HROD&C	Provides rules, procedures and systems for assurance in relation to health and safety at work and in relation to property risk.	Internal review 2018 has led to revised governance.
Audit Function	Constitution	RAAC Executive Director F&SS	To manage and ensure the effectiveness of Audit.	Annual internal audit quality review. External review is required every five years. Partnership arrangements in place with Hampshire County Council since 2020. Subject to annual review.
Performance and Resources Report	Website	Chief Executive & Executive Director F&SS	Reviews financial and operational performance	New from 2021. Annual review of structure and content.
Treasury Management Strategy	Council agenda	Executive Director F&SS	For sound strategy to limit risks to borrowings and investments.	Reviewed and updated annually. Approved by Council February each year.
Financial Regulations and Procedures	Constitution	RAAC Executive Director of F&SS	To prescribe the rules for all financial transactions	New version agreed by the County Council on the recommendation of RAAC in October 2024.
Resilience and Emergency arrangements	Intranet	Chief Fire Officer	To provide safe systems and procedures to manage local and civil emergencies	Action plan implemented.

Sources of Assurance for Principle G: Audit and Transparency

Source of assurance	Where found	Who is responsible	Role	last reviewed/action planned*
Audit Function	Constitution	RAAC Executive Director F&SS	To manage and ensure the effectiveness of Audit.	Annual internal quality review. External review is required every five years. The last review was in October 2020.
External Audit of Accounts	Audit Report	RAAC and Executive Director of F&SS	To give external assurance to the quality of the Council's accounts and accounting practice	EY was appointed for April 2023 until March 2028. The 2024/25 audit is planned for the summer 2025.

Financial Management Code

Financial Management Standards

	Standard	Evidence as at March 2025
A	The leadership team is able to demonstrate that the services provided by the authority provide value for money	<ul style="list-style-type: none"> • External Auditor – generally positive VFM conclusion for 2023/24 except for ongoing concerns with the Oracle implementation project (with narrative included in Auditor’s Annual Report), although there was recognition of the positive actions that had been taken place since the programme restarted. • Council Plan for 2025/26 focuses on key priorities including VFM. • KPIs are monitored in Performance and Resources Report (PRR). • VFM assessment included in all key decision reports. • Procurement Board reviews all procurements in excess of £500k to ensure proposed procurement meets the outcomes required, follows a compliant procurement route and delivers value for money. For lower value contracts, national frameworks or other commercial competitions are used to reflect value for money consideration • Following the introduction of the Procurement Act (February 2025), Standing Orders on Procurement & Contracts (SOPCs) have been updated to reflect the new regulations. Our Sustainable Procurement Policy and Social Value Policy have also been developed/reviewed and scrutinised at Performance and Finance Scrutiny Committee (PFSC) to support our VFM approach. • A recent review of the procurement of the Oracle Programme by SIAP concluded a “substantial” internal audit opinion.

	Standard	Evidence as at March 2025
B	The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government (2016)	<ul style="list-style-type: none"> • The Chief Finance Officer (CFO) is a qualified accountant and is a key member of the Executive Leadership Team (ELT) and other strategic meetings such as Cabinet meetings including informal briefings of Cabinet. The CFO also is a member of the Procurement Board, Commissioning Forum and the Capital and Assets Board and a number of other strategic project groups. All material decisions impacting the Council follow these governance routes prior to a decision being made. • Good financial management is led by the CFO and supported by the senior finance team. • A member of Finance SMT sits on the Commercial Panel. • The Strategic Business Partners sit on the departmental leadership team meetings providing financial insight and advice. • Effective reporting and management through review of the quarterly PRR with monthly monitoring undertaken and reviewed at ELT. • Finance team is sufficiently resourced and represented at both Procurement Board and Capital and Assets Board and leadership team meetings to provide financial input and challenges. There continues to be ongoing recruitment issues for staff at principal finance officer level, although this is not unique to West Sussex. In addition, the competing demands of Council projects, including the replacement of our key financial systems, Devolution and Local Government Reorganisation and the financial pressures the Council is facing are putting strain on resources and requires the need to prioritise according to levels of risk. • The senior finance team encourages and supports staff to become qualified accountants and build career paths to enable progression.

	Standard	Evidence as at March 2025
C	The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control	<ul style="list-style-type: none"> Financial Regulations are part of the Constitution set out the rules, to ensure robust internal control over the Council's finances. The system and arrangements for financial performance management and budget monitoring demonstrate sound internal monitoring and control and have formal and well published arrangements for Member and officer oversight and transparency. Internal Audit is provided by the Southern Internal Audit Partnership. They meet with Executive Directors to plan the audit programme that is focussed on areas of concern raised in the risk register. The quarterly audit report is discussed at ELT and the Regulation, Audit and Accounts Committee (RAAC). Control is maintained through regular management information, supervision, and a structure of delegation and accountability. The Council's financial management arrangements conform to the governance requirements of the CIPFA 'Statement on the Role of the Chief Financial Officer in Local Government 2010.' A continuous review is maintained. A full review of the Council's Financial Regulations was undertaken and a new version was approved at County Council in March 2024, with further Pension Fund updates approved in October 2024. The Financial Procedures have been refreshed to align to the updated regulations. Each Executive Director is required to review the use of internal governance systems for their area of responsibility, through an assurance mapping process. The statements made, based on the assurance mapping, are used to identify broader governance issues. Evidence of assurance given is noted in the annual assurance statement for each directorate. These include identified actions. From both sources, relevant governance assurance implications are included in this document.

	Standard	Evidence as at March 2025
D	The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016)	<ul style="list-style-type: none"> • The Council's Annual Governance Statement (AGS) is jointly signed by both the Leader and the Chief Executive and approved by RAAC at the same time as the approval of the audited financial statements. Updates on the agreed action plan are discussed at ELT and reviewed at RAAC. • The 'Officer Guide to Governance' provides details of governance framework in an easy access format for officers. • The Chief Executive, Monitoring Officer and Chief Finance Officer comply with the 'Golden Triangle' principles as set out in the Code of Practice on Good Governance published by SOLACE in June 2024 • Following a governance review undertaken during 2024/25, there are plans for the Governance Committee to endorse the draft AGS ahead of approval by RAAC. This will start from June 2025.

	Standard	Evidence as at March 2025
E	The financial management style of the authority supports financial sustainability	<ul style="list-style-type: none"> • The Financial Regulations and Standing Orders on Procurement and Contracts set out the framework for financial accountability. • The Medium-Term Financial Strategy (MTFS) forms part of the annual budget process and the capital strategy and five-year capital programme also drives the Council's strategic capital investment ambition to support the sustainable long-term delivery of services. The budget planning and MTFS process is led by ELT and reflects the current business plans. Executive Directors are responsible for delivering their business plans with the budget set by the Council in February. • The Section 151 officer meets monthly with each Executive Director to keep abreast of financial challenges affecting services and a joint approach to managing such challenges is adopted. • The efficiency, equity and effectiveness of each service is considered as part of this process. • Children's Services are on a continuing improvement journey to ensure the services are effective and efficient. A two-year improvement programme for Adult Services started in 2023. • Budget managers have the opportunity to attend budget training courses to understand their responsibilities to comply with the financial management regulations, contract standing orders and procurement procedures. • Strategic Business Partners sit with their respective services and leadership teams to support operational and strategic plans. CIPFA was invited to review the financial style of the council in the autumns of 2019. The recommendations of that review were accepted and implemented.

	Standard	Evidence as at March 2025
F	The authority has carried out a credible and transparent financial resilience assessment	<ul style="list-style-type: none"> • The budget process considers the potential pressures impacting the Council finances for increased demand including within adults' and children's social care, increased costs, change to national policies (e.g. Adult Social Care Reform, Education White Paper, Statutory Override for Dedicated Schools Grant (DSG) deficits, Devolution and Local Government Reorganisation) as well as local context. It also reviews the undelivered savings from previous years and builds the savings back into the budget if there is no prospect of them being realised. • The Reserves Strategy is reviewed and reported through the MTFS process. The level of reserves remain under review throughout the year, both through the budget process and the quarterly monitoring. The budget principles followed as part of the budget setting process states that we will not use reserves to balance the budget and any necessary use of reserves in previous years need to be repaid. • The MTFS, which includes full details of the Council's financial risks and their likelihood of impact, is reviewed regularly and managed through the Council's budget process.
G	The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members	<ul style="list-style-type: none"> • The MTFS is included in the annual budget, with Cabinet updates and Member Day events focused on it, including the importance of reserves. Financial sustainability is also covered in the quarterly PRR presented to Cabinet and Performance and Finance Scrutiny Committee. This report reviews progress against the Council Plan, including KPIs alongside the projected financial outturn. • Various scenarios are considered and there remains significant uncertainty in the medium and longer term as a result of economic conditions, demands pressures, the end of the statutory override on DSG deficit and any potential government policy changes (such as Local Authority Funding Reform and future funding). • The impact of Devolution and Local Government Reorganisation will be kept under review and reported to members as appropriate.

	Standard	Evidence as at March 2025
H	The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities	<ul style="list-style-type: none"> • A Capital Strategy is an integral part of the County Council's MTFS and is in place and refreshed on an annual basis as part of the budget setting process. The Strategy enables the delivery of the Council's priorities and is underpinned by a five-year capital programme and Asset Management Strategy. The Asset Management Strategy provides an overview of the Council's land and property estate together with our main priorities for managing and developing that estate over the next twenty years. • The Prudential Indicators are set and reported through the Treasury Management and Capital Strategies. Compliance with the Prudential Indicators is reported in the Treasury Management mid-year and the annual reports which are scrutinised by the Performance and Finance Scrutiny Committee. • CIPFA published revised codes in December 2021 with formal adoption required for the 2023/24 Treasury Management and Capital Strategies. The strategies approved as part of the budget for 2025/26 reflected these requirements.
I	The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans	<ul style="list-style-type: none"> • The MTFS covers a five-year period and is included in the annual budget along with a five-year capital programme. The timeframe for the MTFS and capital programme will remain under review as work on Devolution and Local Government Reorganisation evolves. • The MTFS runs alongside the business planning process ensuring the changes to the national and local context is reflected in the MTFS. The underlying assumptions and assessment of relevant cost and demand drivers are regularly reviewed throughout the year and updated as appropriate. • The uncertainty in estimates in demand and price is recognised as part of the budget build. A revenue contingency budget is included in the annual budget to deal with these uncertainties. • The impacts of Devolution and modelling work for Local Government Reorganisation will be undertaken throughout 2025/26 and beyond and consideration of any impacts will be incorporated into the MTFS and Budget process. • Asset Management Plans are in place that correspond to strategic aims.
J	The authority complies with its statutory obligations in respect of the budget setting process	<ul style="list-style-type: none"> • Obligations in respect of the budget setting process are set out in the budget principles • Balanced budget for 2025/26 was approved at Full Council in February 2025.

	Standard	Evidence as at March 2025
K	The budget report includes a statement by the chief finance officer on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves	<ul style="list-style-type: none"> • The budget report includes a statement on 'Robustness of Estimates, Adequacy of Reserves and the Management of Risk (Section 9 within the 2025/26 budget report). • The statutory override to manage the deficit balance on the DSG currently ends in March 2026 and the County Council continues to lobby Government for a long-term solution. • The MTFS and assessment of reserves is set on the basis that any new policy changes introduced by government will come with adequate funding with no additional financial burden to the Council. • The Council overspent in 2024/25 which was funded through use of reserves. This is not sustainable and so additional reporting arrangements have been put in place. These will result in ELT receiving enhanced monthly updates on Adults and Children's to aid scrutiny of the service areas facing greatest financial risk.
L	The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget	<ul style="list-style-type: none"> • The long-term financial strategy follows the Council Plan and the integrated business and financial planning process brings together our business planning, financial planning and risk management processes and involves ongoing engagement with key stakeholders across our partners including districts and borough Councils, economic partnership and health partners.
M	The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions	<ul style="list-style-type: none"> • Business cases are required for all major decisions and option appraisal methods applied. • All schemes in the capital programme require an outline and full business case before funding is confirmed and works can start. • Decision reports include a section on demonstrating value for money and options appraisals. • Support is provided by the Finance team where options appraisals need to be carried out.

	Standard	Evidence as at March 2025
N	The leadership team takes action using reports, enabling it to identify and correct emerging risks to its budget strategy and financial sustainability	<ul style="list-style-type: none"> • The quarterly PRR captures emerging risks to the budget for both capital and revenue and on a monthly basis key risks are captured and reported to ELT. Reports to ELT are presented in a timely fashion. The reports to public Committees follow a longer timeline due to the need to plan meetings in advance. • Strategic and Critical suppliers require the most attention with an emphasis on supplier relationships that can deliver value that goes beyond the contract including, amongst others, cost avoidance, reduced risk and greater supplier innovation. For these suppliers/contracts, we then apply, manage and monitor in accordance with our Contract Management Framework using tools/templates including a key one of the "Balanced Scorecard" which monitors health and effectiveness of our contracts. These are reviewed twice yearly, with some undertaken quarterly. The Balanced Scorecard is an assessment of contract governance, performance, risk and relationship, etc and results in a balanced score and rating which we capture and record in our eProcurement system 'Atamis'. DLT reporting of key procurement and contract information and outcomes including Balanced Scorecards are reported quarterly, along with a similar reporting into Procurement Board and ELT, aggregating the details across all Directorates. • ELT have a dedicated session each quarter to review the corporate risk register and key departmental risks, including financial concerns.
O	The leadership team monitors the elements of its balance sheet which pose a significant risk to its financial sustainability	<ul style="list-style-type: none"> • The level and use of the Council's reserves are reported in the quarterly PRR, which is reviewed by ELT. Debtor balances are reviewed annually and appropriate bad debt provisions are made to reflect likely collectability. • Contingent liabilities are considered as part of the preparation of accounts to ensure all known potential liabilities are provided for in the balance sheet. • A review of outstanding purchase orders is considered as part of the year end process to ensure there is no over provision of creditors. • Reserves are reviewed in detail to ensure sufficient funds have been set aside to meet future PFI obligations. • Increased focus is placed on reserves held for risks and uncertainties and, where appropriate, follow the principle that any use needs to be replenished over the MTFS period to ensure they remain at a prudent level. • The valuations of investment properties are reported as part of the Treasury Management mid-year and annual reports.

	Standard	Evidence as at March 2025
P	The chief finance officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice on Local Authority Accounting in the United Kingdom	<ul style="list-style-type: none"> • The Section 151 officer reviews the financial statements before signing. • The production of the financial accounts follows a detailed timetable with qualified and experienced staff. • Staff continually update their knowledge for any changes in accounting practices.
Q	The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions	<ul style="list-style-type: none"> • ELT reviews the final outturn figures, variation from budget and confirms their agreement. They discuss the drivers of any variations from budget, the ongoing impact and mitigations. • Monthly finance briefings are held with the Leader, Deputy Leader and Cabinet Member for Finance and Property. • Scrutiny Committees review and discuss the outturn position for their respective areas. • Cabinet reviews and agrees the outturn position.

Financial Management Code – 2025/26 Action Plan

Areas for improvement	Standard	Key actions	Who	When
Improve financial management across the Council	B, C, E, L, N	1. ELT to develop plans to ensure appropriate action is taken to mitigate and manage any budget overspends in 2025/26	ELT	March 2026
		2. In light of the overspend outturn for 2024/25, ELT to receive enhanced monthly updates on Adults and Children's to aid scrutiny of the service areas facing greatest financial risk	Finance SMT/ ELT	Ongoing
		3. Ensure appropriate financial actions and mitigations are delivered arising from the ELT review of the corporate risk register	ELT	March 2026
		4. Develop a plan for the roll out of financial management training, including the use of EPM, to Budget Managers from April 2026 to ensure greater accountability, in line with the Financial Management Code	Finance SMT/ELT	March 2026
		5. Progress financial improvement programmes within Adults and Children's Services	ELT	March 2026

Areas for improvement	Standard	Key actions	Who	When
Develop the Finance function to ensure it is fit for the future to align to the organisational drive for stronger financial management across the Council	B, E	<ol style="list-style-type: none"> 1. As part of the Council's Transformation Programme, develop the "Finance Redesign" to Budget Managers to ensure there is clarity of respective roles and responsibilities 2. Develop a Workforce Planning Strategy for Finance - including consideration of: <ol style="list-style-type: none"> a. Balance of resources and grades reflecting the level of work within the Strategic Finance teams b. Succession planning c. Career grades for trainees d. Introduction of a more structured career path within teams to ensure there are sufficient opportunities for progression/retention 3. Review training opportunities for staff in Finance, including apprenticeships 4. Develop a training and development plan for all staff in Finance 	Finance SMT	March 2026
The Medium-Term Financial Strategy (MTFS) identifies a funding gap in future years. Pressures and Growth need to be managed alongside savings plans that should consider the longer term. In addition, this year, consideration needs to be given to the impact of Local Government Reorganisation and Devolution.	E, F, G, I, K, L	<ol style="list-style-type: none"> 1. Update the MTFS and publish in July 2025, with a five-year outlook for revenue. 2. Ensure that addressing the financial challenges (both managing pressures and identifying savings) is owned across ELT and Cabinet. 3. Transformation programmes to be identified and quantified with a view to longer term savings plans to being included in the MTFS. 4. Review the current use of data, evidence and scenario planning to inform the MTFS assumptions. 5. Support the Project Team in the assumptions underpinning the options presented for Local Government Reorganisation to ensure the implications for the County Council costs are understood and included. 	ELT / Finance SMT	February 2026

Areas for improvement	Standard	Key actions	Who	When
Conduct a financial resilience assessment to test financial sustainability in particular relating to the Dedicated Schools Grant (DSG) pressure, using key drivers, costs, and service demands. The financial strategy should include a visioning of the shape of services in the future to achieve financial sustainability.	E	1. Undertake an annual review of the Council's financial stability and reserves for inclusion in the updated MTFS published in the summer 2025. This will set out the Council's Reserves Strategy and an updated five-year forecast on reserves. This review will also consider the Council's approach for dealing with long term significant risks, such as any change to national policies (e.g. Funding Reforms, Devolution and Local Government Reorganisation, Statutory Override for Dedicated Schools Grant (DSG) deficits) and any change to government funding.	Finance SMT	July 2025
		2. Development of the MTFS in the summer will require a review of all underpinning assumptions and use of scenario planning to consider financial sustainability under a best- and worst-case scenario. It is likely significant transformation will be required to achieve longer term financial sustainability. These opportunities will be targeted and managed through the Transformation Board and reported through the MTFS.	ELT/ Finance SMT	February 2026
		3. Lobbying will continue both individually and through the various networks across the sector to ensure Government funding recognises the challenges facing the sector.	ELT	February 2026
Optimise opportunities and benefits during and after the implementation of Oracle	A, C	1. Oracle Project Team to ensure that the key principles of the project are adhered to, including the principle of "adopt not adapt". 2. Oracle Finance Support Team to support the functional teams following the implementation of EPM in September 2025 and Oracle Fusion in January 2026. 3. Following implementation of EPM, bed in respective roles and responsibilities across the finance teams. 4. Finance teams to support Budget Managers during the roll out of EPM, to ensure good financial management and accountability.	Finance SMT	March 2026