



Lewes District Council

Annual Governance Statement

Responsibility

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

In discharging this overall responsibility, the council is required to put in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

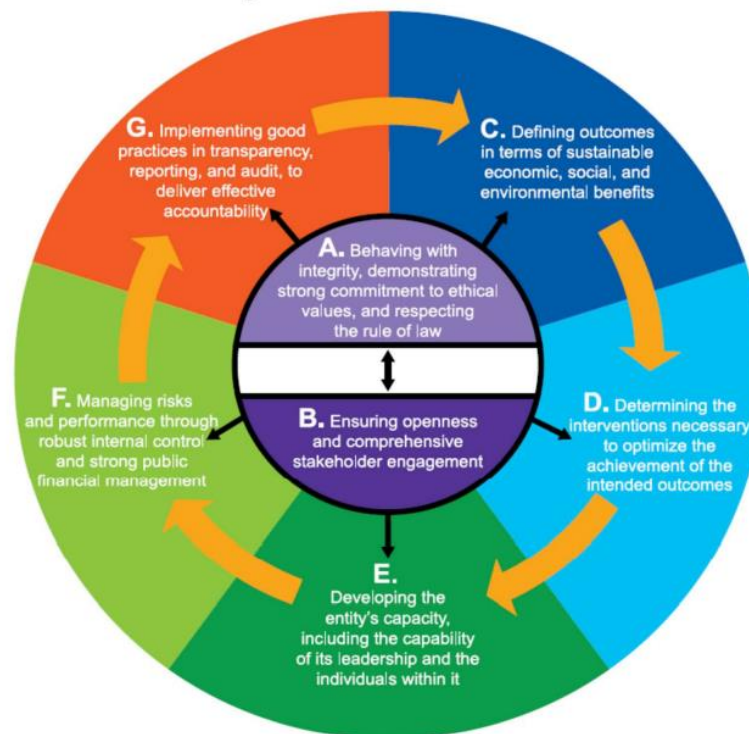
What is governance?

Governance is about how the council ensures that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems, processes, cultures and values by which the council is directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.

Lewes District Council has approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the code is available on the website (www.lewes-eastbourne.gov.uk/access-to-information/financial-information/corporate-governance) and contains a table which demonstrates how the council meets the core principles.

The principles of good governance are given in the CIPFA/SOLACE *Delivering Good Governance in Local Government Framework 2016* from which the following diagram is taken.

**Achieving the Intended Outcomes
While Acting in the Public Interest at all Times**



Source: CIPFA 2016

The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it is accountable to, engages with and leads its communities. It enables the authority to

monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

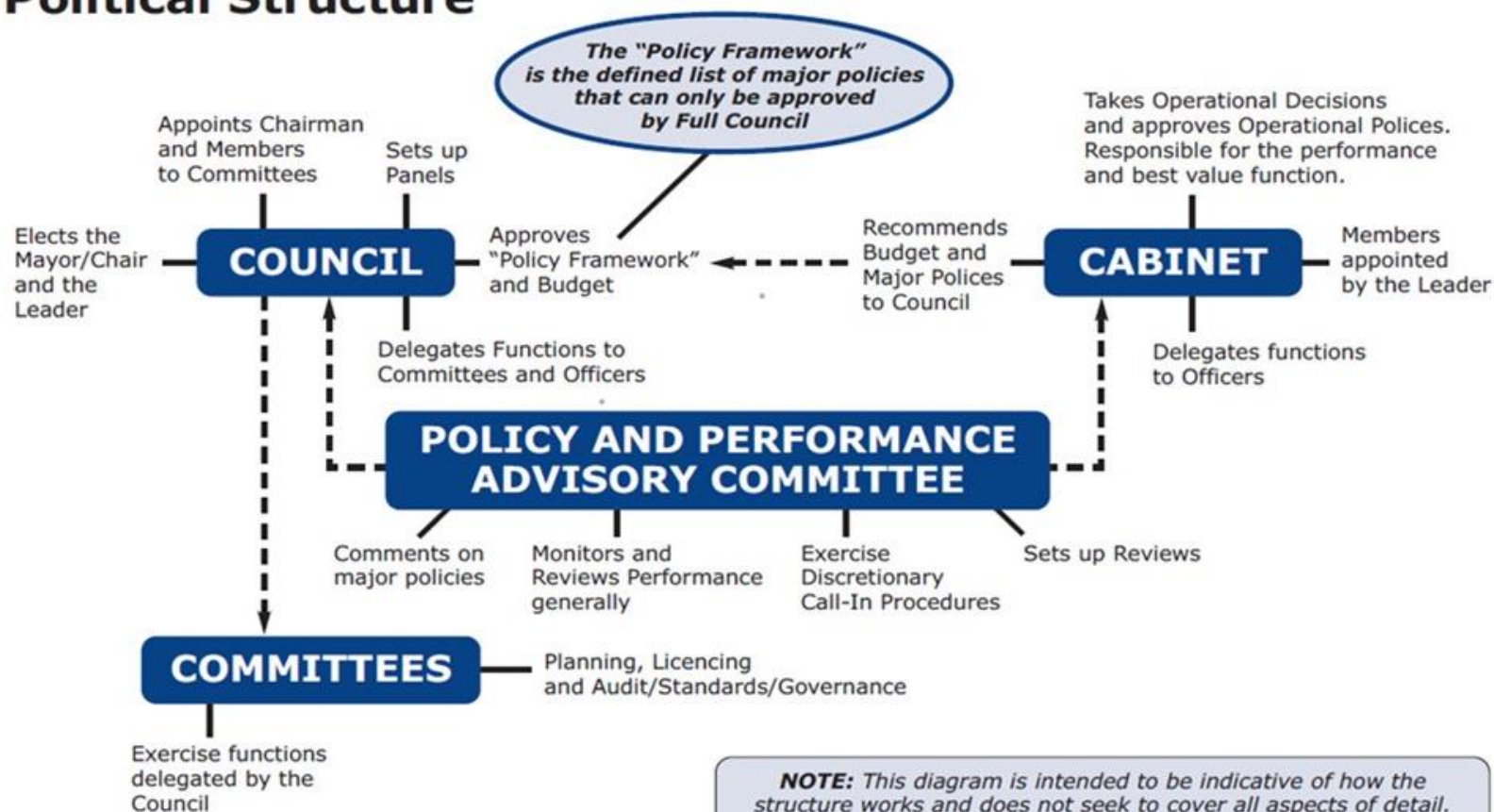
The production of this Annual Governance Statement forms part of the governance framework by providing a review of the governance arrangement in operation during the financial year.

The Governance Framework

The diagram on the next page shows how the political structure of the council works and interacts.

How it Works...

The Modernised Political Structure



Roles and Responsibilities

Head of Internal Audit

The head of internal audit (Chief Internal Auditor) provides an independent opinion on the control environment. This is based on the work of the internal audit team in delivering a risk-based audit plan of a breadth sufficient for the head of internal audit to place reliance on it to base their opinion on.

Monitoring Officer

The Assistant Director – People and Governance is the designated Monitoring Officer. The Monitoring Officer has the duty to ensure that the council, its officers and its elected Councillors, maintain high standards of conduct.

Chief Finance Officer – S. 151 Officer

The Director of Finance and Performance (Chief Finance Officer – S151 Officer) is designated the responsible officer for the administration of the financial affairs of the Council under S151 of the Local Government Act 1972. This includes ensuring the lawfulness and financial prudence of decision making, providing advice, particularly on financial impropriety, publicity, and budget issues and providing financial information. The Section 151 Officer is specifically responsible for the proper discharge of financial arrangements and must advise the Council where any proposal might be unlawful or where expenditure is likely to exceed resources, and to ensure that financial management arrangements conform to the governance requirements as set out in the Chartered Institute of Public Finance and Accountancy statement on the role of the Chief Financial Officer.

Scrutiny and Review

Scrutiny and review is provided by the following:

Audit and Governance Committee

The committee provides assurance by carrying out independent scrutiny of areas such as audit, risk management, counter fraud and financial accountability. It does this by way of reviewing reports provided to its quarterly meetings.

For more information see: <https://democracy.lewes-eastbourne.gov.uk/mgCommitteeDetails.aspx?ID=423>

Policy and Performance Advisory Committee

The committee reviews the delivery of services and performance and supports the work of the Cabinet and Council. It allows Councillors outside the Cabinet, and members of the public, to have a greater say in council matters by investigating issues of local concern.

For more information see: <https://democracy.lewes-eastbourne.gov.uk/mgCommitteeDetails.aspx?ID=641>

Cabinet

The Cabinet is responsible for most day-to-day decisions of the council. Each member is assigned a portfolio identifying areas of responsibility for which they provide a political lead at Cabinet meetings and for working in consultation with officers.

For more information see: <https://democracy.lewes-eastbourne.gov.uk/mgCommitteeDetails.aspx?ID=417>

Corporate Management Team

The team provides strategic management and planning. The team also considers the annual Internal Audit plan, Strategic Risk Register and Annual Governance Statement.

External Audit

The external auditors audit the financial statements and provide an opinion on these. They produce an Annual Audit Letter which assesses how the council manages its resources and delivers value for money.

Review of Effectiveness

The council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the authority who have responsibility for the development and maintenance of the governance environment, the head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates. A quarterly meeting is also held to discuss governance matters.

The governance framework has been in place at the council for the year ended 31 March 2025.

One element used to gain assurance is information gathered from Managers' Assurance Statements. These statements contain questions based on the core principles of good governance as well as other areas such as safeguarding, the Bribery Act and the Regulation of Investigatory Powers Act. These are completed by senior managers and any issues raised are considered.

Companies

The council is also expected to report on separate bodies set up by the council and to give a full picture of the relationship with those bodies. The following table gives the details of these bodies and, where appropriate, it includes a link to where information can be found in respect of information such as reports and accounts.

Name and incorporation date (where appropriate)	Current Status and summary purpose	Categorisation (Company number and nature where appropriate)	Governance and Board make up	Council shareholder interest where appropriate	Notes
Aspiration Homes LLP (Limited Liability Partnership)	Company Active Incorporated on 30 June 2017. To ensure the councils have the overall capacity to maximise housing investment and funding opportunities. To act as the asset holding vehicle for affordable housing properties that cannot, for financial accounting or other reasons be held in EBC or LDC respective Housing Revenue Accounts.	Limited Liability Partnership LDC and EBC Company number: OC41800	Governed by LLP Agreement and an Executive Committee of 6 - made up of 3 elected members from each authority.	Lewes District Council Ownership of voting rights - More than 25% but not more than 50% Right to surplus assets - More than 25% but not more than 50% Eastbourne Borough Council Ownership of voting rights - More than 25% but not more than 50% Right to surplus assets - More than 25% but not more than 50%	Aspiration Homes will act as the asset holding vehicle for affordable housing properties developed through the EHICL and LHICL commercial development programmes. Support has included a £10 million loan to be funded from borrowing by LDC to Aspiration Homes LLP. www.lewes-eastbourne.gov.uk/about-the-councils/wholly-owned-companies-and-other-incorporated-entities
Lewes Housing Investment Company Ltd (LHICL)	Company Active Incorporated on 4 th July 2017 To undertake more commercial development, place shaping activities and hold associated	Company LDC only Company number: 10848011	Governed by Articles of Association and a Board of 5 directors made up of senior staff and Elected Members from Lewes District Council.	Wholly owned by Lewes District Council This company is currently dormant.	To enable the council to undertake non HRA development and use associated forms of tenancies www.lewes-eastbourne.gov.uk/about-the-councils/wholly-owned-companies-and-other-incorporated-entities

Name and incorporation date (where appropriate)	Current Status and summary purpose	Categorisation (Company number and nature where appropriate)	Governance and Board make up	Council shareholder interest where appropriate	Notes
	respective assets, in a way which meets legal and regulatory requirements and ensures that the council has distinct control over such assets.				

Managing the Risk of Fraud and Corruption

The CIPFA Code of Practice on Managing the Risk of Fraud and Corruption and guidance suggests it is good practice to make a statement on the adequacy of an authority's counter fraud arrangements in the annual governance statement.

This code contains five principles:

- Acknowledge responsibility
- Identify risks
- Develop a strategy
- Provide resources
- Take action

The Chief Internal Auditor is satisfied that the council meets these principles by having a Counter-Fraud and Audit team who review risks across the authority and direct their work as appropriate. It is therefore considered that the organisation has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud and uphold its zero tolerance.

Financial Management Code

With local authorities across the UK facing the challenges of reduced funding and increased demand for services, the need for robust financial management has never been more important. The CIPFA Financial Management Code (FM Code) sets out the principles by which authorities should be guided in managing their finances and the specific standards that they should seek to achieve. The self-regulation approach is also to prevent local authorities 'failing' and avoid any need for any external control or reductions in current powers. It is up to each authority to determine the extent to which it complies with the FM Code and to identify what action it may wish to take to better meet the standards that the FM Code sets out.

In 2024/25 the Director of Finance and Performance (Chief Finance Officer – S151 Officer) has taken account of the requirements of the CIPFA Financial Management Code and has acknowledged the approaches to Value for Money and the Council's financial resilience. A significant amount of the Code activities continues to be implemented by various teams across the Council including – the Finance Service, Internal Audit, other service departments, etc.

The Director of Finance and Performance (Chief Finance Officer – S151 Officer) has identified the Lewes District Council long-term financial viability as the key risk area regarding future compliance with the Code and this is being assessed through a combination of: the budget setting process; the Medium Term Financial Strategy; regular reviews of the Council's capital programme; Treasury Management Strategy and the provision of clear and regular financial updates/training to Members. The Council has a satisfactory record of financial management and so, analysing the council's structures, processes, and procedures against the FM Code's Financial Management Standards, shows a reasonable level of compliance with these principles. However, there are areas where further actions/consideration needs to be given to ensure full compliance with every aspect of the FM Code.

Local Government Association – Peer Challenge

The LGA peer challenge, which was undertaken jointly with Eastbourne Borough Council, has been referenced in the previous Annual Governance Statement.

The full report can be found on the LGA website [LGA Corporate Peer Challenge: Lewes District Council | Local Government Association](#)

A report with recommendations for improvement was received by the council in January 2023. A formal response to the report was agreed by Cabinet in July 2023. A follow-up 'check in' session was scheduled to be undertaken by the LGA in July 2023 but has yet to take place.

External Audit Action Plan

The Council is responsible for putting in place proper arrangements to secure economy, efficiency, and effectiveness in its use of resources. This includes taking properly informed decisions and managing key operational and financial risks, so the Council can deliver against its objectives and safeguard public money. The Council must report on its arrangements and their effectiveness as part of the Annual Governance Statement.

Appendix1 - External Auditor Action Plan details the key recommendations and improvement recommendations made as part of the external auditor's annual report to ensure compliance with the Council's systems of internal controls and identify areas of

improvement in areas of governance, value for money and financial stability, all of which forms the External Audit Action Plan. Delivery of the action plan will be monitored through CMT and regular updates to the Audit and Governance Committee.

Strategic Risk Register

The council maintains a strategic risk register which is reviewed quarterly by the Corporate Management team and changes are reported to the Audit and Governance Committee. The review considers the internal controls, to ensure early prevention and/or mitigation of risks and governance concerns, and the risk scores.

Quarterly meetings to discuss governance

Quarterly meetings are held to discuss any governance issues. The members of the meeting are the Chief Internal Auditor, Director of Finance and Performance (Chief Finance Officer – S. 151 Officer), Head of Democratic Services (Monitoring Officer), Head of Legal Services and the Governance & Compliance Lead & Group Company Secretary. No significant issues were raised.

Managers' Assurance Statements

One of the sources of assurance for the Annual Governance Statement should come from Senior Managers responsible for the operation, management and monitoring of controls within their area of responsibility. The Managers' Assurance Statement is intended to collect this assurance by covering operational, project and partnership responsibilities as well as the Bribery Act, Safeguarding, Regulation of Investigatory Powers Act. The senior manager can highlight concerns and the necessary actions required to improve governance. Assurance statements are sent out to Directors, Assistant Directors and Heads of Service. Once completed their contents are used to inform the governance statement.

Responses from the completed statements were grouped by subject and number/level of concerns raised. This summarised list was taken to the Corporate Management Team for consideration. The following was noted:

As last year, it was noted that many of the comments/subjects have their root cause in the current economic environment and its financial impact on the Council. This has led to the Council delivering services within tight budgets and reduced capacity. Whilst this is acknowledged, it is not felt that this has caused any significant governance issue and all the issues raised in the returned statements are being managed.

The other areas/subjects were also discussed. It was felt that there were no significant issues raised and Corporate Management Team considered that all issues raised are known and are being managed or addressed.

The Corporate Management team are therefore of the opinion that there are no significant governance issues to report.

Statement by Assistant Director – People and Governance (and Monitoring Officer):

As Assistant Director – People and Governance (and Monitoring Officer), I am not aware of any major governance issues in my area or elsewhere in the organisation.

The updated scheme of delegations to officers has greatly improved clarity. Work on reviewing and updating other sections of the council's constitution will continue where appropriate, however this would need to be measured against governance work in relation to local government reorganisation, arising from the English Devolution White Paper.

The Code of Conduct for Members is also kept under general review by the Monitoring Officer, although it should be stated that there is nothing inherently inadequate or defective with the existing code or the council's arrangements for dealing with complaints about councillor conduct (in so far as legislation allows). It should be flagged that the government undertook a consultation, seeking views on proposals to introduce measures to strengthen the standards and conduct regime for local authorities in England. Feedback from that consultation is currently being analysed. Any changes arising from the consultation would need to be reflected in our standards arrangements.

Opinion of the Chief Internal Auditor

The Internal Audit team was carrying a vacancy for five months of the year. The post was filled in September and the team have been able to catch up on work and it is felt that it has still been possible to undertake an adequate breadth of coverage.

The Chief Internal Auditor is required to give an opinion of the overall adequacy and effectiveness of the control environment. The control environment is considered in three ways: the production of the Annual Governance Statement the effectiveness of Internal Audit, and the results of the work of Internal Audit.

Effectiveness of Internal Audit: a self-assessment against the mandatory Public Sector Internal Audit Standards has been carried out and shows that the work of the Internal Audit team is carried out in accordance with the standards. The Public Sector Internal Audit Standards require an external review to be carried out at least every five years. Wealden, Rother and Chichester District Councils, along with Lewes and Eastbourne, agreed to carry out reciprocal external assessments in 2023/24. The external review of Lewes and Eastbourne was carried out in the summer and reported to the Audit and Governance Committee in November. This review supported the results of the self-assessment, in that the Internal Audit function generally conforms with the Standards.

The work of Internal Audit: audit reviews carried out by the Internal Audit team and reported to and considered by the Audit and Governance Committee quarterly. Follow ups have traditionally not been carried out on annual audits as they are repeated every year. However, it has been noted that there were some recommendations being repeated. These are now being reported monthly to the Finance Departmental Managers team meetings, and quarterly to the Audit and Governance Committee.

While the governance framework is in place and working and Internal Audit are carrying out their work in accordance with the Public Sector Internal Audit Standards, the opinion on the control environment has to be caveated by the repeated recommendations on annual audit reviews.

As reported last year, the Chief Internal Auditor has some concerns about risk management at the departmental/operational level. One audit review of the overall framework has been carried out during the year and the report is currently out in draft, awaiting agreement of the recommendations made.

UPDATE ON SIGNIFICANT GOVERNANCE ISSUES 2023/24

No significant issues were reported in 2023/24.

SIGNIFICANT GOVERNANCE ISSUES 2024/2025

There are no significant governance issues to report.

STATEMENT

We have been advised on the implications of the result of the review of effectiveness of the governance framework by the Audit and Governance Committee and that, subject to the actions identified above, the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Signed on behalf of Lewes District Council:

Leading Member



Date: 08/07/2025

Chief Executive



Date: 08/07/2025

Lewes District Council Annual Governance Statement 2024/25 Appendix 1 – External Auditor Action Plan

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
D1	Value for Money	The Council reassesses the capability and capacity in the finance function, including the capability and capacity to deliver a high-quality statement of accounts and supporting work papers before the deadline for the audit. This should include ensuring that there is sufficient capacity and capability to respond to audit queries during the audit period, as well as to ensure reliable in year reporting and operation of effective accounting control processes.	All members of the Corporate Finance Team (both permanent and temporary) hold a relevant professional accountancy qualification and between have over 150 years of post-qualification experience. The Council's ability to produce high quality financial accounts has been compromised over recent years both by increased complexity in external audit requirements, historic turnover of staff and the impact of COVID-19. The Council has responded to the requirement to publish draft financial statements covering multiple year over a 12-18 month period by increasing the resources through the appointment of two interim principal accountants, increasing the working hours and contract period of one temporary employee and extending the contract. The Corporate Finance Team has also undergone a restructure to ensure resources can be deployed more effectively to support the completion and publication of financial statements. Between April 2024 & March 2025 the Corporate Finance Team have published eight sets of financial statements for both Councils and will be required to publish a further three set before 30 June 2025.	Deputy Chief Finance Officer	Director of Finance & Performance (S151)
D2	Value for Money	The Audit and Governance Committee strengthens its oversight of corrective action taken in response to previous external audit recommendations in respect of financial reporting.	Through the Head of Internal Audit, the Council are now actively monitoring the actions identified through the External Audit of the Councils Financial Statements and via the formal VFM assessment. Progress will be presented quarterly to the Governance & Audit Committee to ensure it has an opportunity to assess and comment on progress against the actions identified.	Deputy Chief Finance Officer	Director of Finance & Performance (S151)

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
D3	Internal Control	<p>The Council should undertake a detailed review of the capability and capacity in the finance function, including the capability and capacity to deliver a high-quality statement of accounts and supporting work papers before the deadline for the audit, and sufficient capacity and capability to respond to audit queries during the audit period. This should include provision of training of staff in the finance function, and other functions that input to the financial reporting process, on the adequacy of information prepared and retained to support the accounting entries, a detailed review of the control framework for financial reporting which includes implementation of internal and external recommendations, and review and implementation of improved quality control arrangements over the preparation of the statement of accounts and supporting work papers.</p>	<p>All members of the Corporate Finance Team (both permanent and temporary) hold a relevant professional accountancy qualification and between have over 150 years of post-qualification experience. The Council's ability to produce high quality financial accounts has been compromised over recent years both by increased complexity in external audit requirements, historic turnover of staff and the impact of COVID-19. The council has responded to the requirement to publish draft financial statements covering multiple year over a 12-18 month period by increasing the resources through the appointment of two interim principal accountants, increasing the working hours and contract period of one temporary employee and extending the contract. The Corporate Finance Team has also undergone a restructure to ensure resources can be deployed more effectively to support the completion and publication of financial statements. Between April 2024 & March 2025 the Corporate Finance Team have published eight sets of financial statements for both Councils and will be required to publish a further three set before 30 June 2025.</p> <p>The council have also facilitated a series of training events throughout 2024/25 to both finance and non-finance officers, delivered by Chartered Institute of Public Finance & Accountancy (CIPFA). Courses included:</p> <ul style="list-style-type: none"> Introduction to Local Government Finance & Financial Planning Introduction to Capital Finance Budget Manager Training Business Partner Training 	Deputy Chief Finance Officer	Director of Finance & Performance (S151)

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
			<p>Introduction to Local Authority Closedown and Financial Reporting Principles</p> <p>In addition, finance staff have attended briefing sessions delivered by the Councils new External Auditor, its Treasury Management Advisors and VAT Advisors.</p>		
D4	Internal Control	<p>We recommend the Council review the year-end reporting and close process, including:</p> <ul style="list-style-type: none"> • preparation of a skeleton draft of the financial statements ahead of year-end, reviewed against the Code for any changes in the year and for the disclosure requirements for any new or changed activities of the Council • documentation and quantification of judgments in respect of materiality of disclosure requirements in preparing the accounts • documented and reviewed use of CIPFA disclosure checklists • documented and reviewed internal checks of arithmetic accuracy and internal consistency • completion of the CIPFA “pre-audit checks on draft year-end accounts” checklist • documented and reviewed internal tie back and referencing of the draft financial statements to supporting working papers 	<p>Statements are now prepared at the transactional level rather than from "Top Down" documentation that enables the corporate finance time to have clear understanding of how the accounts are mapped. We have reviewed the CIPFA disclosure checklist in advance of the accounts completion rather than retrospectively in recent years due to resourcing issues.</p> <p>The Council has also taken steps to increase resourcing and resilience within the Corporate Finance Team and have also put in place arrangements to ensure that progress on completion of 24/25 draft financial statements is routinely assessed with action taken where necessary to reduce the risk of late publication of draft financial statements</p>	Deputy Chief Finance Officer	Director of Finance & Performance (S151)
D5	Internal Control	<p>During our planning procedures performed in relation to the IT system it was noted that there is inadequate policies and processes in place related to information- and data management. This exposes the council to various risks, including data breaches, data loss, inconsistency in data handling and non-compliance with relevant data protection regulations.</p>	<p>The Head of ICT has confirmed that a Cyber Security Strategy in place, and that the Council is PSN compliant, and is currently going through the Cyber Essentials. It was also confirmed that ICT do not classify the Council’s data, but this is something that ICT are looking to do in the near future.</p>	Head of ICT	Chief Executive

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
		It is recommended that policies and processes are put in place to address these risks.			
KR1	Governance	<p>The Council should improve its arrangements to ensure risk management is fully embedded across the organisation by:</p> <ul style="list-style-type: none"> • Reviewing the strategic risk register, to ensure it accurately reflects the key risks • Reporting to Cabinet at least annually and Audit and Governance Committee quarterly • Updating the Risk Management Policy, articulating the Council's risk appetite and describing the RAG methodology to be used in risk registers • Establishing departmental risk registers with an approach that allows appropriate risks to be escalated to the strategic risk register 	The Council has recently commissioned an internal review of the Council's approach to risk management which will be provided to Members in the form of a new policy in a forthcoming Cabinet report. The refreshed process and new training programme were rolled out to the Senior Managers' Forum (and those in key, risk-related roles) commenced w/c 5 May.	Assistant Director - Neighbourhood and Transformation	Deputy Chief Executive & Director of Regeneration and Planning
KR2	Governance	The Council should ensure that management action Internal Audit recommendations promptly and by agreed target dates. The Audit Committee should establish an escalation policy to hold management to account for any overdue audit recommendations.	<p>As many of the outstanding recommendations refer to main financial systems, the management fully endorse this recommendation. Recent follow-ups of outstanding recommendations have resulted in target dates being revisited and revised. The Council has therefore commissioned an internal review of the departments' approach to Internal Audit reviews and associated recommendations aimed at monitoring the pace of progress made by services and help to address any delays promptly.</p> <p>Responsible Officer: Chief Internal Auditor Executive Lead: Deputy Chief Executive & Director of Regeneration and Planning Due Date: Ongoing</p>	Chief Internal Auditor	Deputy Chief Executive & Director of Regeneration and Planning

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
KR3	Governance	The Council should prepare its draft 2024/25 financial statements by the statutory deadline (30 June 2025), supported by a full suite of working papers agreed with the auditor in order to support good financial governance and public accountability	The Council are actively taking steps to ensure that it is able to produce its 24/25 draft statements in line with the statutory requirements. This includes looking at options to expand and strengthen capacity and reduce single points of failure within the Corporate Finance Team.	Deputy Chief Finance Officer	Director of Finance & Performance (S151)
KR4	Governance	The Council should improve its governance arrangements for Aspiration Homes by agreeing: <ul style="list-style-type: none"> • The role of the shareholder and the mechanism to set and monitor strategic direction and manage performance • A business plan • the role of Officers and Councillors as directors, considering the advantages and disadvantages of the Cabinet members holding Directorships • how conflicts of interest could be managed and minimised, by introducing a conflicts of interest policy • the role of scrutiny 	A new business plan is in the process of being developed for Aspiration Homes as agreed by the Executive Committee in December 2024. The new business plan will reflect the current and evolving priorities of both partners, including supporting in the reduction of homelessness. AHLLP – Local Partnerships (LGA) Review is currently underway with a view to making some recommendations in terms of the viability of the company going forward. There is an initial feedback meeting due Mid-May Responsible Officer: Assistant Director Property and Development Executive Lead: Deputy Chief Executive and Director of Regeneration and Planning Due Date: 30 June 2025	Assistant Director Property and Development	Deputy Chief Executive and Director of Regeneration and Planning
KR5	Improving economy, efficiency and effectiveness	The Council should assess the effectiveness of contract management arrangements for all its significant contracts by: <ul style="list-style-type: none"> • Reviewing and identifying corrective action where appropriate • Continuing to enhance the management of its Grounds Maintenance Contract • Evaluating the training needs and guidance tools provided to its contract managers to support them in their role 	The Procurement Strategy is due to go to Cabinet in July. Within the strategy there is a section and action plan to support improved Contract Management, including training. We will shortly be tendering for a new Grounds Maintenance Contract, which will have improved terms and conditions to aid better service delivery.	Strategic Procurement Manager	Director of Finance & Performance (S151)

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
IR1	Financial sustainability	The Council should prepare medium-term savings plans to close its budget gap.	<p>The identified gaps are based on the Council's worst case scenario and reflect the uncertainty regarding the fair funding review compounded by lack of multi-year funding settlement including the potential risk of future business rate reform and reset which has been ongoing for a number of years.</p> <p>Officers continually consider and reflect the financial implications of government policy and Council decision as they become known and are reflected in the Councils MTFS at the time.</p> <p>Senior officers are mindful of the future budget gap and are ready to take steps to ensure that strategies are implemented to reduce that gap through a combination of spending controls, efficiency improvements and wider savings initiative as and when required.</p>	Deputy Chief Finance Officer	Director of Finance & Performance (S151)
IR2	Financial sustainability	The Council should report progress to Members on the achievement of all savings on a quarterly basis, including the amount expected and delivered for each financial year.	Due to the shared services arrangements in place between the two shared authorities, LDC have benefitted from efficiency savings identified by recent service reviews undertaken by the Strategic Finance Implementation team that oversee savings delivered at EBC. Delivery of these savings will be monitored and reported to relevant committees as part of the regular monitoring reporting cycle on a quarterly basis.	Deputy Chief Finance Officer	Director of Finance & Performance (S151)
IR3	Financial sustainability	The Council should develop a workforce strategy and ensure it links to the Council's objectives and MTFS	Workforce planning has been intrinsic within resource workstream of recent transformation programme. The development of a Workforce Strategy will need to reflect LGR requirements once these are understood.	Head of Human Resources	Head of Democratic Services (and Monitoring Officer)

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
IR4	Financial sustainability	The Council should review and update its Asset Management Plan	An updated Asset Management Plan is due to be considered by Cabinet in June 2025 Due Date: 30 June 2025	Assistant Director Property and Development	Deputy Chief Executive and Director of Regeneration and Planning
IR5	Financial sustainability	The Council should ensure targeted scenario and sensitivity analysis is carried out and reported as part of the annual refresh of its MTFS	Officers continually consider and reflect the financial implications of government policy and Council decisions as they become known and are reflected in the Council's MTFS at the time.	Deputy Chief Finance Officer	Director of Finance & Performance (S151)
IR6	Governance	The Council should update its whistleblowing policy to reflect the change in external auditors	Addressed	Head of Internal Audit	Director of Finance & Performance (S151)
IR7	Governance	The Council should make arrangements to consult with residents on budget priorities.	Consideration will be given to an appropriate approach for this in the forthcoming business planning cycle, being mindful of other consultation and engagement activity in the same period relating to local government reorganisation and related matters.	Head of Business Planning and Performance	Director of Finance & Performance (S151)
IR8	Governance	The Council should consider whether the effectiveness of the Audit and Governance Committee could be enhanced by: <ul style="list-style-type: none"> Monitoring the committee's effectiveness through undertaking a self-assessment and taking action based on the outcome of the self-assessment Appointing a second co-opted member to provide appropriate technical expertise, which complements existing membership 	Officers will work with the Chair of the A&G committee to consider the committee's effectiveness and take steps to ensure members are able to fully discharge their roles and responsibilities. This will be considered as part of a report addressing these points that will be presented to the Audit & Governance Committee in June 2025.	Committee Team Manager	Head of Democratic Services (and Monitoring Officer)
IR9	Governance	The Council should ensure it maintains a register of officer interests; it should include all pecuniary and other interests and be updated on a yearly basis.	A register of officers' interests is held and maintained, however it is recognised that the format and detail require improvement.	Committee Team Manager	Head of Democratic Services (and Monitoring Officer)

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
IR10	Governance	The Council should update the Members Code of Conduct to ensure it includes guidelines on gifts and hospitalities and consider raising awareness to ensure all gifts and hospitalities are registered.	NOT AGREED We write out to Cllrs annually with the requirements for gifts and hospitality declarations and forms on the Cllr SharePoint site also provide guidance. The current Code does state (iii) the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £50. The Monitoring Officer has confirmed that existing controls are sufficient to ensure that existing controls are sufficient to ensure that Members are aware of their responsibilities with respects to gifts and hospitality.	Committee Team Manager	Head of Democratic Services (and Monitoring Officer)
IR11	Governance	The Council should improve performance monitoring by: <ul style="list-style-type: none"> • ensuring the KPIs included within its corporate performance reports are based on the strategic objectives within its Corporate Plan 2024.-2028 and cover all relevant areas • reporting annually on the Corporate Plan • using benchmarking to compare and set KPI targets • ensuring all KPIs have an assigned priority, regardless of whether they have a target or not 	We have reviewed our performance management framework and are revising our KPIs to ensure alignment with the corporate plans at both councils. This includes the setting of targets wherever possible and making greater use of benchmarking to compare performance over time and with others. We will report annually on our progress against the corporate plans. This was not done last year due to the plans having been very recently adopted, but we will now return to this being an annual activity, reported each June.	Head of Business Planning and Performance	Director of Finance & Performance (S151)

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
IR12	Improving economy, efficiency and effectiveness	The Council should define its strategic partners and establish a register outlining who they are and how they support the Council's strategic objectives.	<p>NOT AGREED</p> <p>When officers are required to engage with businesses, community groups and other stakeholders they are directed to "Quick Guide to Engagement" that is held on the Council's SharePoint site. This guide provides advice on the best ways to communicate, consult or engage and is supported by our Communications Team. The guide covers:</p> <ul style="list-style-type: none"> • Reasons for engagement • Who to engage - including stakeholder mapping • How to engage • Communication tips • Evaluating results <p>Partnerships are clearly referenced when relevant reports are considered (neighbouring authorities, ESCC, Community Safety Partnership, CAG). The Council's view is that the existing process is sufficient to ensuring that relevant partners are identified and understands how these partnerships contribute to the Council's strategic objectives.</p>	Committee Team Manager	Head of Democratic Services (and Monitoring Officer)

Action	Theme	Recommendation	Progress	Responsible Officer	Executive Lead
IR13	Improving economy, efficiency and effectiveness	The Council should have a formal agreement supporting the partnership with Lewes District Council, such as a Service Level Agreement	<p>A joint document "Lewes District Council and Eastbourne Borough Council Shared Services - Principles and process" has been drafted. The document is designed to summarise the key principles underpinning the shared services arrangements between Lewes District Council (LDC) and Eastbourne Borough Council (EBC). It also sets out the key processes by which the shared services arrangements operate at a strategic level, including managing any changes.</p> <p>The document also highlights potential changes which may have impact on both authorities that should be discussed and agreed, including;</p> <ul style="list-style-type: none"> a. Proposed adjustments to service levels or staffing arrangements impacting on both councils b. Changes to recharge arrangements c. Financial pressures on either council which may impact on the viability of any part of the shared services operation d. Changes one council may wish to make to services or policies which cannot be delivered without the other council also making the same change 	Head of Legal Services & Deputy Monitoring Officer	Chief Executive
IR14	Improving economy, efficiency and effectiveness	<p>The Council should improve its procurement arrangements by:</p> <ul style="list-style-type: none"> • developing a Procurement Strategy • ensuring it is prepared for the Procurement Act 2023; such as, by developing a project/action plan • reporting a complete and accurate record of all waivers raised and approved, to either the Cabinet or Audit and Governance Committee. 	<p>The Procurement Strategy is due to go to Cabinet in July. Within the strategy, there is an action to report on waivers to the Procurement Oversight Group. The Procurement Act is now live, and we are amending the current Contract Procedure Rules to reflect the changes, which we aim to submit to cabinet in June. Once approved we will provide training sessions to the departments, so they are aware of the changes.</p>	Strategic Procurement Manager	Director of Finance & Performance (S151)