

Draft Annual Governance Statement for Norfolk County Council 2023-24

1 Introduction

- 1.1. The Accounts and Audit (England) Regulations 2015 (as amended) require that:
- The Council must conduct a review at least once a year of the effectiveness of its system of internal control,
 - The Council should consider the findings of this review,
 - The Council must approve an Annual Governance Statement; and
 - The Annual Governance Statement must accompany the Statement of Accounts

For Norfolk County Council (referred to as the Council) Audit and Governance Committee undertakes these duties on behalf of the Council.

- 1.2. Due to delays with the audit of the previous draft statement, for 2022-23, this draft statement, for 2023-24, will be published alongside the previous year's draft statement to fulfil the above regulation's timetable. It is anticipated that the 2022-23 statement will be approved by the Audit and Governance Committee mid-2024 in accordance with the proposed amendments to the Accounts and Audit Regulations in 2024. The Government has consulted on the proposed changes during February and March 2024. Since 31st March 2024; the Norfolk Pension Fund 2022-23 Audit Results report and an Interim Value for Money Conclusion report were considered and agreed by the Audit and Governance Committee on 30 April 2024.
- 1.3. The Council is regularly recognised with awards and is relied upon by national organisations and our partners. However, the Council continues to operate in a challenging environment. With the demand for services increasing, along with cost-of-living pressures, the policy landscape remains uncertain, especially in a possible General Election year. Additionally, there is a need to address significant budget gaps in the coming years. Despite these challenges, improvements in services continue, and progress is being made with delivering the Council's strategic priorities.
- 1.4. Detailed information about the Council's achievements in the 2023-2024 Review and the Council Delivery Plan for 2024-2025 were reported to the Cabinet on 8 May 2024.

[Access the Council's report to Cabinet item eight, the Council delivery plan 2024-2025 and annual review 2023-2024 on *norfolk.gov.uk*](#)

- 1.5. The key activities the Council is currently involved in are as follows:
- Levelling Up - Norfolk has signed an in-principle agreement with Government to achieve a devolution deal (see 1.6 for more information).

- Building on our capacity to deliver change effectively and prioritise the changes we're making to provide best value and deliver effective services to the residents of Norfolk, this includes accessing proposed changes for their alignment to a core set of design principles alongside the costs and benefits they'll deliver and taking a portfolio management approach to our change programmes.
- Continuing to review how we're structured and operate for opportunities to be more efficient and effective (see 1.15 for more information).
- Integrated Care System– Bringing together providers and commissioners of NHS services with local authorities and other partners to improve population health and care.
- 'Connecting Communities' in Adult Social Services – Working in partnership with front line teams, the voluntary sector, providers, and districts to empower communities to develop the support they require, specific to their unique strengths and needs. At the heart of the work are better outcomes and better experiences for the people we support, based on the things that they tell us matter to them. It will also support us to manage the rising costs of providing care and help us play our part in managing the Council's budget into the future.
- Net Zero Norfolk – The Council is committed to achieving net zero carbon emissions on its estates by 2030 and a strategy has been approved.

[Access the Council's climate strategy at item eight of the report to Cabinet dated 10 May 2023 on norfolk.gov.uk.](#)

- The council is also publishing a series of climate action plans, which are published on the Council's climate change web page.

[Access the Councils climate action plans on norfolk.gov.uk.](#)

- Key to successful delivery of initiatives related to the policy will be ongoing success in securing government grants. The Capital Programme includes several schemes, which will contribute to sustainability. County-wide. Norfolk County Council commits to using its powers, influence and partnerships towards supporting the county's low carbon development in line with the UK-wide target to reach net zero by 2050. We will look to keep Norfolk in step with the ambitious trajectory set out in the national carbon budgets of a 78% reduction in emissions by 2035 compared to 1990 levels, whilst recognising Norfolk's agriculture sector's vital role in food security and the implications for its land use emissions in the national context.

1.6. In December 2022 the Council signed an in-principle agreement with Government to pursue a devolution deal – “A Deal for Norfolk” – worth £600m of investment over 30 years and an additional £12.9m during the current Spending Review period to fund local priorities to produce growth. In addition, the Deal will also devolve a number of powers, as well as provide the Council with an additional £1.632m capacity funding

over 2023/24 and 2024/25 to support implementation. The devolution deal, if implemented, will mean the Council, working with all Norfolk councils, business, education and other stakeholders, can do more to:

- Target funding and resources to Norfolk's own growth and infrastructure priorities
- Attract and retain new and key businesses and sectors.
- Invest in the skills we know we need.
- Unlock housing and employment sites.
- Raise our profile nationally, enabling our voice to be heard by Government and help shape future policies.

- 1.7. In order to progress the Deal to the next stage, a six-week public consultation was launched in February 2023. The County Council worked with representatives of DLUHC, to design and agree the approach and ensure it reflected the Government's principles for consultation. The County Council also commissioned the Consultation Institute to conduct an independent analysis of all consultation responses, submissions and feedback received.
- 1.8. The content of the consultation covered:
 - Each of the functions, powers and funding to be devolved.
 - Why the devolution of each of the funding, powers and responsibilities to Norfolk is likely to improve their delivery and benefit Norfolk.
 - Proposed changes in governance arrangements required for the Deal.
- 1.9. A total of 1,211 responses were received to the online survey, including hard copy input manually. Overall, 57% of respondents agreed with the principle of devolution as outlined in the deal and the benefits it brings to Norfolk, while 24% disagreed and a further 17% did not know or were unsure. In total, when considering the proposal for a 'directly elected leader and cabinet' system of governance 50% of respondents agreed.
- 1.10. Since the Chancellor's Spring Budget on 15 March 2023, the integration of all Local Enterprise Partnerships forms part of Government policy, and therefore, the integration of the New Anglia LEP functions into the County Council is no longer tied to or dependent on the devolution deal. The integration of those functions took place on 1 April 2024, and the Council will continue to review the opportunities this offers for better business support and economic development.
- 1.11. In line with past commitments from Government to strengthen and deepen devolution in England, the Chancellor, the Rt Hon. Jeremy Hunt MP, announced a new 'Level 4' of the devolution framework in the HM Treasury Autumn Statement held on 22 November 2023.

[Access information about the level 4 of the devolution framework on gov.uk](https://www.gov.uk/government/news/devolution-level-4-confirmed)

- 1.12. This framework reflects the progress in devolving decisions and functions. Level 4 of the devolution framework will be available to combined authorities, combined county authorities and local authorities with an implemented Level 3 deal including a directly elected leader in post. Subject to agreement to a Level 3 Deal and a directly elected leader in post, Norfolk will also have the opportunity to submit an expression of interest to the Secretary of State, to start negotiations for “deeper devolution” of further powers and funding through a new ‘Level 4’ Deal.
- 1.13. On 12 December 2023, the Council resolved that the Deal should be accepted and agreed that the election for the Directly Elected Leader should be held alongside the county council elections in May 2025 to enable the widest possible engagement with the electorate. Council also agreed that the resolution adopting the new governance arrangements should be brought to the Full Council Meeting on 23 July 2024 to facilitate that election date.
- 1.14. The Council’s Leader and Cabinet members are each responsible for a portfolio.
- [Access information about the Leader of the Council and Cabinet of Norfolk County Council on www.norfolk.gov.uk](http://www.norfolk.gov.uk)
- 1.15. A few changes were identified and delivered through a Strategic Review to ensure the council continues to be well-run, is delivering best value to our residents, and spending money where it is needed most. That review is now complete, but we continue on the journey of continuous improvement that will help future-proof the council and the services we deliver. The council has a set of design principles which significant changes are reviewed against to ensure they align to the council’s overall direction of travel as an organisation. We continue to prioritise removing areas of duplication, adjusting management layers, and improving spans of control and the exploit the opportunities that technology provides to improve how we deliver our services whilst maintaining a clear focus on the needs of the residents of Norfolk.
- 1.16. The Executive Director of Finance and Commercial Services and the Director of Governance left the County Council in early 2023. At the December 2022 Council meeting it was agreed that their posts will not be replaced on a like for like basis and their statutory responsibilities would be reallocated to other officers. The full Council approved the appointment of the Section 151 Officer and Monitoring Officer from within its current staff members with the capability and experience to fulfil the statutory responsibilities associated with those roles. From 5th June 2023, the Adult Social Services Director - Strategy & Transformation was appointed as interim Executive Director of Adult Social Services (statutory DASS) to cover the present Executive Director’s secondment to the Care Quality Commission for the next year. On the same date the responsibility for Public Health Services transferred to the Interim Executive Director. In May 2023 the Council agreed to move to a Chief Executive model and a Chief Executive was appointed in June 2023. The re-introduction of the role of Chief

Executive provided an opportunity to restructure the senior team for more effective management of Norfolk County Council. In August 2023 the Governance (Legal Services) and Democratic and Regulatory Service moved to directly report to the Chief Executive. The Executive Director for Community and Environmental Services (CES) post was filled on an interim basis until it was agreed in March 2024 to delete the role with two portfolio areas created covering Infrastructure and Communities and Environment. A Lead Director of Infrastructure and a Lead Director of Communities and Environment were appointed in April 2024 with the Director of Norfolk Fire and Rescue repositioned to report directly to the Chief Executive.

- 1.17. As part of producing this statement, Executive Directors have completed and signed an Annual Positive Assurance Statement and completed a supporting departmental assurance table. Action plans are being put in place where any strengthening may be required. These plans are being followed up and assurance on completed actions, will be reported to the Audit and Governance Committee.
- 1.18. The Chief Internal Auditor reviews the effectiveness of the system of internal control throughout the year and reports annually to the Audit and Governance Committee. The Chief Internal Auditor will report to the Audit and Governance Committee that, in his opinion, the system of internal control, including the arrangements for the management of risk during 2023-24, are acceptable and therefore considered sound.

2. Scope of responsibility

- 2.1 The Council is responsible for ensuring its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for and used economically, efficiently, and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way it exercises its functions having regard to economy, efficiency and effectiveness. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk. Since 31 March 2024; on 16 April 2024 the Minister for Local Government wrote to Councils to ask them to produce productivity plans, to publish them on their website and to return them by 19 July 2024; on 8 May 2024 the Government published Best Value Statutory Guidance, which Councils are to have regard to. On the 15 May 2024 the Minister wrote to Chief Executives and Section 151 Officers of LGPS Administering Authorities in England to ask them to also produce productivity plans and to return those by 19 July 2024. The Procurement Act 2023 is bringing significant changes to the regulations that govern UK procurement. Each year the public sector spends around £33 billion on public procurement. The Cabinet Office is leading a readiness programme called Transforming Public Procurement (TPP). It is currently anticipated that the new regulations will take effect in full in October 2024. The Council is making preparations for these changes.

- 2.2 The Council has approved and adopted a Code of Corporate Governance consistent with the principles of the Delivering Good Governance in Local Government (CIPFA/SOLACE, 2016). Changes to the Code were approved in February 2023, as the Constitution had been updated. If you require any further information regarding this statement please contact Adrian Thompson, Chief Internal Auditor, Norfolk County Council, County Hall, Martineau Lane, NR1 2DW.
- 2.3 Through the application of the Code of Practice on Local Authority Accounting in the United Kingdom 2023-24, the Annual Governance Statement must include reference to controls where significant activities take place through a group entity. This includes Companies that the Council owns, or part owns.
- 2.4 Other relevant codes of practice that are followed by the Council are the Prudential Code for Capital Finance in Local Authorities (2021 Edition) and the Treasury Management in the Public Services: Code of Practice and Cross-sectoral Guidance Notes (2021 Edition).
- 2.5 This statement explains how the Council has complied with the Code of Corporate Governance, the above codes of practice, and meets the requirements of regulation 4 of the Accounts and Audit (England) Regulations 2015 (as amended), in relation to the publication of an Annual Governance Statement.
- 2.6 The Council administers the Norfolk Pension Fund, and the governance arrangements are statutorily prescribed. The Council complies with these requirements.
- [Access the Norfolk pension fund governance strategy statement 2024 on norfolkpensionfund.org.](https://www.norfolkpensionfund.org)
- 2.7 The Council hosts or is represented on several Joint Committees, which are:
- Norfolk Records Committee,
 - Norfolk Joint Museum Committee,
 - Eastern Shires Purchasing Organisation (ESPO),
 - Eastern Inshore Fisheries and Conservation Authority,
 - Norfolk Parking Partnership Joint Committee,
 - Norfolk and Waveney Joint Health Scrutiny Committee,
- 2.8 The Council currently owns seven active companies or groups of companies; seven are limited by shares and one is limited by guarantee with no share ownership:

Active Companies:

- 2.9 The largest group of companies wholly owned by the Council are the Norse Group Limited and subsidiaries.

[Access information about NORSE group and its services on norsegroup.co.uk.](http://norsegroup.co.uk)

2.10 Hethel Innovation Ltd, is wholly owned by the Council.

[Access information about Hethel Innovation Ltd on hethelinnovation.com.](http://hethelinnovation.com)

2.11 Independence Matters is a Community Interest Company (CIC) which started trading 1 November 2013. The Council now owns 100% of the shares (holding was previously 49%, but on 28 March 2023 the Council purchased the remaining 51% of the shares). In response to the issues facing a national home care provider and to ensure continuity of care, Home Support Matters was set up on 10th December 2018, as a wholly owned subsidiary of Independence Matters.

[Access information about Independence Matters CIC on independencematters.org.uk.](http://independencematters.org.uk)

[Access information about Home Support Matters on homesupportmatters.org.uk.](http://homesupportmatters.org.uk)

2.12 Norfolk Safety Community Interest Company (CIC) operates in partnership with Norfolk Fire and Rescue Service.

[Access information about Norfolk Safety CIC on norfolksafety.org.](http://norfolksafety.org)

2.13 Legislator 1656 Limited is a holding company which is jointly owned with Norwich City Council. The company owns 100% of Legislator 1657 Limited whose principal activity is the leasing of investment properties.

2.14 Repton Property Developments Ltd is wholly owned by the Council. Its primary objective is to undertake direct property development with the aim of maximising financial returns (capital receipts and revenue income) for the Council to support service delivery. In addition, NCC through its ownership of the company is seeking wider social, economic and environmental outcomes and the following secondary outcomes have been established:

- Contributing to meeting Norfolk's growing housing demands.
- Provision of quality homes to raise design and performance standards.
- Provide economic stimulus by increasing overall capacity for property development and by taking control of developing specific sites preventing land banking.
- Support creation of quality jobs and economic growth.

- 2.15 LCIF 2 Limited is a management company which is responsible for the set up and implementation of the Low Carbon Innovation Fund. The company is limited by guarantee with no share ownership and the guarantees are provided 50% by the Council and 50% by the University of East Anglia. The Fund will invest in equity and convertible loans to support growing technologies across three LEP areas (New Anglia, Hertfordshire and the Cambridge and Peterborough Combined Authority).

Non-Active/Dissolved companies:

- 2.16 NPLaw Ltd (formerly Public Law East Limited), incorporated on 13 February 2017, is a wholly owned company. It is currently dormant and will likely be dissolved in the next year.
- 2.17 NCC Nurseries Limited was wholly owned by the Council and was incorporated on 27 November 2019. The company was set up to provide nursery provision after the previous provider, Great Yarmouth Community Trust, went into receivership. As planned, the company obtained alternative providers to run the nurseries and Cabinet agreed to dissolve the company at its meeting on 30 January 2023. An application was made to Companies House to dissolve the company and this process was completed on 12 September 2023.
- 2.18 Where appropriate, the wholly owned/partly owned companies have Council Member and/or Officer representation on their boards of directors. The Council's own guidance and approach to Local Authority Companies, based on the best practice from Local Partnerships has been developed and is currently being discussed with stakeholders. Assurance about the governance in place for Norse has been obtained through the reports received by their Internal Auditors and a signed Group Annual Assurance Statement. All other significant companies have provided an Annual Positive Assurance Statement and completed a supporting assurance table, confirming the effectiveness of their governance framework. The assurance statement has incorporated best practice from Local Partnerships for Company scrutiny. No concerns have been identified. Work will be performed reviewing Norse's internal audit plan, Norse internal audit reports and minutes of the Norse Audit Committee. KPMG are responsible for performing their internal audits. There is a wide range of audit topics, and the results of the audits are reported back to their Audit Committee. Required actions from the audits performed are monitored.
- 2.19 The Council is a partner in four pooling arrangements, detailed below:
- Norfolk Medicines Support Service. The Council, the Norfolk and Waveney Integrated Care Board and Arden and Greater East Midlands (GEM) Commissioning Support Unit, have put in place a Service Level Agreement which

has been signed and have drafted a Section 75 agreement which is ready to sign that covers the formal arrangement into the future. The Norfolk and Waveney integrated Care Board (ICB) is the lead commissioner and Arden and GEM are the provider.

- Since July 2022, under the Health and Care Act (2022), Clinical Commissioning Groups (CCGs) have been abolished and the local CCG has been replaced with the Norfolk and Waveney Integrated Care Board (ICB). The Better Care Fund (BCF) requires local authorities with responsibility for social services and the ICB to create a pooled commissioning fund for the provision of integrated health and community care services, with a priority purpose of supporting the integration of health and care. It incorporates Better Care Fund monies and Improved Better Care Fund grant. The pooled fund is secured through an agreement under section 75 of the National Health Service Act 2006. The Norfolk and Waveney ICS Executive oversees the governance of the pooled fund. The Better Care Fund plan, which sets out how funds are spent, is required to be approved by the Health and Wellbeing Board. The Council administers the pooled funds.
- Norfolk County Council, with all seven district councils, participated in the Norfolk Business Rates Pool until the 2020-2021 financial year. No pooling was undertaken in 2021-2022 but the Pool was reestablished for 2022-2023 and has remained in place since then. Under the governance agreement established for the 2022-2023 Pool, any business rate gains retained in Norfolk are redistributed to individual pool members, who will make their own local decisions about how the funds are to be used.
- Norfolk County Council acts as the accountable body for the Greater Norwich Growth Board Infrastructure Investment Fund.

[Access information about the Greater Norwich Growth Board on greaternorwichgrowth.org.uk.](https://greaternorwichgrowth.org.uk)

2.20 The Council shares a sense of collective responsibility for the performance of the public sector and supports other authorities, One example of this is where Norfolk County Council has been designated to manage the 2014-2020 France (Channel) England Interreg Va European programme.

2.21 The programme is a European Commission (EU) Commission programme funded through the Cohesion Fund and provides up to €223M of grant covering the geographic area of South and East England and Northern France. This will leverage up to a total of €315M of funds (with match funding). The programme budget is agreed by the French and UK Governments. The Cooperation Programme (CP) was approved by both national governments and by the EC in October 2015.

[Access information about the France \(Channel\) England Interreg Va European programme on channelmanche.com.](https://channelmanche.com)

- 2.22 Following the UK Government's EU (Withdrawal Agreement) Bill i.e., "Brexit", the programme is guaranteed to continue until its natural conclusion in line with the Cooperation Programme, fully funded by the EC up to 31 December 2023 and then by the two national governments until 31 March 2025.
- 2.23 Within the Council, a Project Board has been set up to oversee the management of risks this initiative generates for the authority. The Managing Authority reports into the existing governance arrangements for the Council.
- 2.24 The Audit Authority (AA) reports to the Audit and Governance Committee on progress made against the audit strategy and audit plan. Should significant issues arise and fail to be resolved with regards to the management and control system, these would be reported to the Audit and Governance Committee. The annual report for 1/7/2022 to 30/06/23 stated the AA opinion for both the programme accounts and the management and control system over 2022/23 is "unqualified".
- 2.25 The programme also has its own governance arrangements involving Member States and EC representatives, which will continue into 2025.

3. The purpose of a governance framework

- 3.1. A governance framework comprises the systems and processes, culture and values by which the Council is directed and controlled and through which it engages with, leads and is accountable to the community. It enables the County Council to monitor the achievement of its strategic objectives and consider whether they have led to the delivery of appropriate, cost-effective services.
- 3.2. The system of internal control is a significant part of that framework 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 to identify and prioritise such risks. It evaluates the likelihood of them being realised and the impact they would have should they be realised and helps manage them efficiently, effectively and economically.
- 3.3. All wholly owned companies have a system of governance which is the responsibility of their Board of Directors and designed to give the Directors adequate information to review the activities of the Group and review and control the business risks.

4. The Governance Framework

- 4.1. The Council achieves good standards of governance by applying the principles of Delivering Good Governance in Local Government: Framework (CIPFA/SOLACE, 2016).

The Council's Code of Corporate Governance sets out the Council's governance standards. These standards ensure the Council is doing the right things, in the right way in a timely, inclusive, open, effective, honest, and accountable manner. The Code is based upon the following principles:

- 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 optimise 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.
- 4.2. These principles represent best practice and are taken from the 'International Framework: Good Governance in the Public Sector' produced by CIPFA/IFAC. Good governance is dynamic and involves continuous evaluation and review. To achieve good governance the Council should achieve their intended outcomes, while acting in the public interest at all times. As overarching requirements for acting in the public interest, principles A and B apply across all other principles (C – G).
- 4.3. The Council's Code of Corporate Governance details the arrangements in place to comply with each of the principles. This Annual Governance Statement reviews the effectiveness of those arrangements. The Council is progressing a devolution deal with the Government. A Local Assurance Framework will be submitted to the Government that will set out how the fund will be managed.

[Download the Council's Code of Corporate Governance from norfolk.gov.uk](https://www.norfolk.gov.uk)

5. Effectiveness of the governance framework

- 5.1. 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 is informed by:

- The work of the Chief Executive and Executive Directors within the County Council who are responsible for the development and maintenance of the governance environment.
- The statutory roles of the Council's Monitoring Officer and Section 151 Officer
- The signed departmental assurance statements received and signed by Executive Directors for 2023-24
- The Annual Governance Statement working group
- Work performed by Internal Audit
- Comments made by the external auditors and other review agencies and inspectorates.
- Systems and controls carried out as outlined in the Code of Corporate Governance.

Responsibility for this annual review has been delegated to the Audit and Governance Committee.

Overall, it is considered the Council's governance arrangements continue to be fit for purpose, in accordance with the governance framework. Members provide quality leadership by setting a clearly articulated, achievable and prioritised vision for officers to follow, that puts place and local people first.

- 5.2. The effectiveness of the governance framework can be demonstrated by the following:

Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

- Executive Directors confirmed; in all significant respects services comply with the Council's Constitution, Financial Regulations and key policies and procedures which include for declarations of interest, compliments and complaints and whistleblowing. Where required, actions are being put in place to ensure full compliance.
- Reports on Anti-Fraud and Corruption, Whistleblowing and Money Laundering Reporting Officer activity were reported to the Audit and Governance Committee during the year either as part of the Norfolk Audit Services (NAS) Quarterly reports or in specific reports for those themes.
- The Constitution was reviewed and agreed at Full Council on 19 July 2022 and revised on 28th March 2023.
- A register of Members interests, and a register of gifts and hospitality is published for each Member on the Norfolk County Council internet. Controls are in place to keep these up to date.
- Following constitutional changes agreed by Full Council on 19th of July 2022 the Audit and Standards Committee have merged. The Council have since agreed that the Committee will be called the Audit and Governance Committee. The Audit and Governance Committee has met during the year and considered both standards and audit matters.

- No further action was taken against any of the standards complaints received in 2023-24 and to date. The Independent Person was contacted in every instance.
- Progress on the Council's Equality, Diversity, and Inclusion objectives 2020-2023 was reported to Cabinet.

[Access the Council's report to Cabinet, equality, diversity and inclusion objectives, item 16, page 384 on norfolk.gov.uk](#)

[Access the Council's equality, diversity and inclusion objectives and plan on norfolk.gov.uk](#)

- The Monitoring Officer's Annual Report 2022-23 was reported to the Audit and Governance Committee on 25 July 2023. That report summarised the internal governance work carried out by the Monitoring Officer and Deputy Monitoring Officer in 22/23 and provides assurance that the organisation's control environment, in the areas which are the responsibility of the Monitoring Officer, is adequate and effective. The key messages in the Monitoring Officer's report included; that there have been no 'reportable incidents' during the period 2022/23, that the systems of internal control administered by the Monitoring Officer were adequate and effective during 2022/23 for the purposes of the latest regulations; and there have been no findings of a breach of the Council's Code of Conduct, by the Standards Committee (and later the Audit and Governance Committee), in 2022/23. The 2023-24 report is due to be reported to the July 2024 A&G Committee.
- The Modern Slavery Statement 2022-2023, approved by Cabinet on 4 September 2023, explains the steps the Council has undertaken to help ensure there is no slavery or human trafficking within the organisation, sub-contractors, partners or supply chains.

[Access the Council's modern slavery statement 2022-2023 on norfolk.gov.uk](#)

- Given the potential for devolution, the provisions in the English Devolution Accountability Framework and the importance of scrutiny, a review of scrutiny has been undertaken by the Centre for Governance and Scrutiny, a working group has been formed and will be reviewing both the scrutiny function and the constitution generally.
- Since 31 March 2024; The Council's refreshed Values, were launched on 30 April 2024 with an ongoing three-year communications strategy to support embedding them in NCC Culture.
- Appropriate processes are in place to address issues such as harassment and bullying. The Council has actively promoted Anti Racism training during the year.
- The Council recognises its duty to achieve best value and continuous improvement, has regard to the Statutory Best Value Guidance and has an Improvement Action plan following the last peer review.

Principle B – Ensuring openness and comprehensive stakeholder engagement.

- Cabinet, Scrutiny Committee, Select Committees and County Council have met regularly throughout the year. The Council encourages openness and accountability by making available the agenda and public reports to the public prior to the meetings, and minutes are available afterwards. There is provision for the public to ask questions at some meetings. All meetings were filmed and streamed live on YouTube on the NCC Democratic Services Channel. Decisions taken at Cabinet and County Council have been recorded in minutes.
- Decisions taken by Cabinet Members and Officers are published and included as links in the report to Cabinet. Any decisions published may be called in and will be considered at a subsequent Scrutiny Committee.
- A Norfolk Strategic Planning Framework, updated in May 2021, has been endorsed by all stakeholder authorities. It includes the shared objectives with Norfolk’s Local Planning Authorities (including Norfolk County Council).

[Access the Norfolk strategic planning framework on norfolk.gov.uk.](#)

- A Customer Service Charter sits at the heart of how we relate to each customer. The Council has signed an Armed Forces Covenant. The Norfolk Fire and Rescue Service are looking to adopt the Charter for Families Bereaved through Public Tragedy’.

[Access the Council’s customer service charter on norfolk.gov.uk](#)

- Lessons are learned from complaints. The Corporate Complaints Policy is being updated following the Ombudsman’s guidance to local authorities.
- There is an agreed Media Protocol delivered by the media team.
- During the year the Council has effectively engaged with stakeholders, residents and people who use the services provided. The Council consults on changes to services and other key decisions, such as the annual budget. The Council embraces the “We Asked, You Said, We Did” approach to consultation by publishing key findings from consultations and feeding back how these have contributed to council decisions.
- There is early and meaningful engagement and effective collaboration with communities to identify and understand local needs, and in decisions that affect the planning and delivery of services. In some cases, this involves co-design of services. The Norfolk Residents Panel, designed to enable local people share their views on how Norfolk County Council can best provide and improve its service to the county’s residents. The panel is made up of an average of 2,000 residents from across Norfolk. They are invited to participate in surveys, focus

groups and online sessions throughout the year about a range of topics affecting Norfolk.

[Access information about the Norfolk residents panel on norfolk.gov.uk](https://www.norfolk.gov.uk)

- Children's Services have promoted and supported their Flourish initiative throughout the year.
- Internal stakeholder consultation and engagement included; a Staff survey, engagement with Unions, EDI Conversations, Employee Networks, Chief Executive Officer's Blogs and Talk to Tom and Kay meetings.

Principle C – Defining outcomes in terms of sustainable, social, and environmental benefits.

- The Council's strategy Better Together, for Norfolk 2021-2025 is structured around five key strategic and interlinking priorities:
 - A vibrant and sustainable economy
 - Better opportunities for children and young people
 - Healthy, fulfilling, and independent lives
 - Strong, engaged, and inclusive communities
 - A greener, more resilient future

[Access the better together for Norfolk 2021-2025 strategy on norfolk.gov.uk](https://www.norfolk.gov.uk)

- These are intended to deliver improved economic, environmental and social outcomes for people in Norfolk. Section 18 of the Contract Standing Orders (part of the Council's Constitution) guides our procurement activity to ensure that the circa £900m spent each year on procured goods, services, and works helps to deliver targeted social value. In particular, we focus on the environment, skills, and apprenticeships. Further information can be found at part 11D of the Contract standing orders.

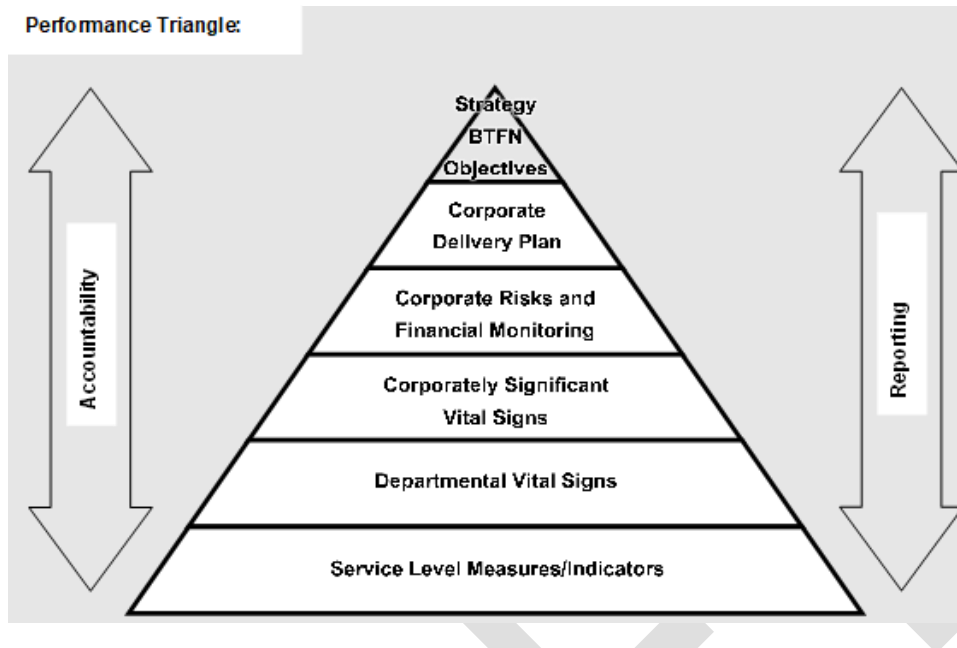
[Access the Council's constitution and contract standing orders on norfolk.gov.uk](https://www.norfolk.gov.uk)

- As mentioned in section 1.4, in April 2022 Cabinet agreed an increased focus on climate change, which resulted in development of the Council's Climate Strategy. These respective policies and associated climate action plan are published on the Norfolk County Council website.

[Access the Council's climate action plan and associated policies on norfolk.gov.uk](https://www.norfolk.gov.uk)

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

Performance Triangle:



- The above image shows a performance triangle with the Better Together, for Norfolk objectives at the top, with the Council Delivery Plan, Corporate Risks and Financial Monitoring, Corporately Significant Vital Signs, Departmental Vital Signs and Service Level Measures/indicators included below. Two arrows either side showing and reporting flows both upwards and downwards.
- At their meeting on 5 June 2023, Cabinet approved the Council Delivery Plan 2023-24, which supports the Better Together, for Norfolk 2021-2025 strategy, as well as the Annual Review for 2022-2023 which outlined progress against the previous year's Delivery Plan. The Council Delivery Plan is evidenced based, current, realistic and enables the whole Council's performance to be measured and held to account. The plan is supported and underpinned by a number of internal processes and systems, to ensure timely oversight and successful delivery of the benefits defined within. Depending on the nature of the activity, these systems vary, from programme specific boards to the formal Council governance as defined by the Council's Constitution or may simply be part of the departmental plans and be monitored through the standard operational KPIs, our Corporately Significant Vital Signs and Corporate Risk Register. Strategic priorities are aligned with the Council's financial strategy and delivery arrangements. The plan responds to local needs including the plans of partners and stakeholders.
- During the year Cabinet received quarterly performance monitoring reports on the identified key areas (vital signs). These included performance dashboards and a detailed review of those areas not performing as expected. These provided both quantitative and qualitative performance information. Where performance is not meeting expectations, the reasons why are discussed and the required action to improve performance is identified.
- Good governance in a performance context is about having a clear focus on what is taking place across Departments. The Insight and Analytics (I&A) team provide

a full spectrum of insights and analytical services from data & information governance to intelligence and assessments. I&A enable evidence-based decision making from front line/tactical needs, operational requirements to strategic decision making by senior leaders and elected Members. As a result, the Council is making greater use of data and insight to inform decision making, optimise operational delivery and improve business planning. Executive Directors and Departmental Managers have a view of performance and their Vital signs which are reviewed ahead of the Vital signs' cabinet report and as part of their performance management arrangements.

- The Council's performance is considered holistically, with risk management, finance and the Council Delivery Plan outcomes forming part of the overall assessment of the health of the Council.
- External challenge has been provided through benchmarking, inspections, and peer reviews. The significant improvements made in services for Children and their families have been recognised by Ofsted. Details of this and other inspections and peer reviews are included in Appendix 1.
- From a Performance perspective, the Council is mindful of the introduction of the Office for Local Government in July 2023 and has worked to assure itself against the key performance metrics that form part of the Data Explorer Tool and for the Strategic direction set by the body.
- The Council continues to ensure that it is making the best use of its resources, and as such has started to explore the theory of Productivity and how this can be described and measured across its services. The Council is also developing a plan around Productivity in response to the requirements made from Government.
- The Council has an improvement and best value action plan following the last peer review. The Council will be responding to the request for a Productivity Plan by 19 July 2024.
- The Council can evidence joint planning, funding, investment and use of resources to demonstrate effective service delivery which is transparent and subject to rigorous oversight. Examples are the ACCESS pooled pension funds work, Household support fund allocations working with VCSE and District councils and NISP.

Principle E – Developing the entity's capacity, including the capability of its leadership and the individuals within it.

- Senior officers have the capacity and capability to provide the Council with effective strategic direction.
- The Council has sustainable, competitive corporate functions including procurement and IT which deliver value for money.
- The HR and Finance system, myOracle, provides leaders and managers with people data and insights to support good people management and development.
- There is a comprehensive development programme established to ensure leaders and managers can realise full system benefits.

- The current workforce strategy responds to and complements Better Together, for Norfolk. It sets direction for 2023 to 2025 including the following themes:
 - The size, shape, and role of NCC in the wider system
 - Leadership and Performance
 - Equality Diversity and Inclusion
 - Culture, engagement, and wellbeing
 - Attract and retain talent through roles, skills and careers
 - Making the most of technology through skills, self-service and hybrid working
- Proposals to change the organisational design and structure, from the then transformation programme, were formally consulted on with the workforce, ratified, and implemented in 2023/24.
- We have progressed the development of the first of our Career Families Frameworks focussing on the Organisational Effectiveness framework. We are taking the opportunity to learn from the work completed so far before progressing further. The frameworks aim to influence how we describe jobs, undertake performance development conversations and support talent development. This will support our departmental workforce plans helping managers and leaders to respond to new organisational models and the emerging strategies and challenges facing the council.
- The annual employee survey was conducted in September 2023. Detailed action plans are owned by each directorate and progress on these is governed by the Executive Leadership Team (ELT). ELT receive reports on the results of the survey and the progress with departmental action plans to support this process.
- Since 31 March 2024; The Council's refreshed Values, were launched on 30 April 2024 with an ongoing three-year communications strategy to support embedding them in NCC Culture.
- We have refreshed the Learning and Development offer for members and officers to ensure everyone is aware of their responsibilities and are equipped in their roles.
- All Senior Managers have objectives included in their Performance Development Plan 23-24 linked to the organisational priorities including:
 - Better, Together for Norfolk
 - Developing an inclusive culture
 - Financial Leadership
 - hybrid working

- These are adapted to be specific and relevant for their areas of accountability. Since 31 March 2024; objectives now include the new values.

Principle F – Managing risks and performance through robust internal control and strong public financial management.

Risk Management

- Throughout 2023/24, risk management within Norfolk County Council was strengthened by further developing and implementing recommendations of the independent risk management health check. Highlights for 2023/24 include:
 - Continuing quarterly corporate risk reporting and six-monthly departmental risk reporting to Cabinet, including full details of red rated risks. Ad-hoc support has been offered where required by the Organisational Risk Management Lead to officers in completing the risk section of their reports to Committees.
 - Refreshing the council's risk management policy as part of its' two-yearly review cycle, with notification of this to both Cabinet and the Audit and Governance Committee in the October 2023 risk management quarterly report.
 - Delivery of the annual risk management report 2022/23 to Cabinet in July 2023 with reference to this in the Annual Governance Statement 2022/23.
 - Delivering risk management training to both the Cabinet (August 2023) and Select Committees (January 2024).
 - Maintaining the quarterly Performance and Risk Forum for invited department leads to meet and discuss emerging risks across the organisation, ahead of Cabinet reports being delivered.
 - Strengthening the resilience of risk management by creating a how-to risk management guide for deployment in the unexpected absence of the Organisational Risk Management Lead, to ensure that risk management can continue to be applied, embedded and reported.
- Treatment of the generic corporate risks has continued, with quarterly reporting of these risks to the Council's Cabinet and Audit and Governance Committee throughout the year. The Council's Organisational Risk Management Lead and Executive Leadership Team have supported this. There have been deep dives on specific corporate risks throughout 2023/24 involving the Executive Leadership Team. Cabinet Members were updated throughout the year on corporate risks within their risk portfolio. Risk queries from Members were dealt with in a timely manner with all requested additional information provided by the Organisational Risk Management Lead. Corporate level governance-based risks continue to be treated (mitigated), namely RM003a - Information compliance requirements, RM003b - Information and cyber security requirements, and RM013 - Governance protocols for entities controlled by the council.

- Innovation is encouraged and supported within the context of a mature approach to risk management. Examples are Repton Housing Company and the Great Yarmouth Harbour Hub.
- There is effective project management support of projects and transformations to enhance governance and effective use of resources. Projects are supported by having risk registers in place to manage key risks.
- Under the Fire and Rescue Services Act 2004 (The Act), the Council is the statutory Fire and Rescue Authority (FRA). By law, Norfolk's Fire and Rescue Service has to produce a Community Risk Management Plan (CRPM).

[Access the community risk management plan on norfolk.gov.uk.](https://www.norfolk.gov.uk/communities/communities-and-places/crmp)

The Statement of assurance for 2023-26 provides the community and government with information on how Norfolk Fire and Rescue Service is delivering its services and complying with legislation.

[Access the Council's statement of assurance page on norfolk.gov.uk.](https://www.norfolk.gov.uk/communities/communities-and-places/crmp)

Audit & Governance Committee

- The Committee has the appropriate experience, skills and expertise to perform their role as those charged with governance.
- The Committee met during 2023-24 and fulfilled its terms of reference. Where reports are Key Issues – Amber and Key Issues – Red a summary of the recommendations are included for the audits.
- Outstanding corporate high priority audit recommendations are followed up to ensure controls are put in place as soon as possible.
- An Annual Internal Audit Report for 2023-24 from the Director of Strategic Finance/Chief Internal Auditor will be presented to the Committee at its July 2024 meeting.

Scrutiny

- The Scrutiny Committee and three Select Committees constitute the Council's overview and scrutiny arrangements pursuant to section 21 of the Local Government Act 2000. The Scrutiny Committee is not chaired by a member of the Administration.
- Scrutiny of the annual budget setting process for 2024/25 took place at the February 2023 meeting of the Scrutiny Committee. This was the culmination of multiple sessions throughout the 2023/24 council year, looking at NCC's financial health and providing challenge from early budget principles and savings proposals through to the final draft revenue budget and capital strategy.
- 4 items were received by the committee related to items on the NCC Policy Framework. Items on the Policy Framework require a more prescribed scrutiny process in line with parameters set out in part 11B of the NCC constitution,

enroute to Full Council Approval. Following discussion at the Scrutiny Committee, a report was prepared for the Cabinet Member and Leader, outlining feedback from the committee. No formal recommendations were agreed by Committee members, but Full Council considered feedback from the Scrutiny Committee on all occasions.

- Over the course of the 2023/24 council year, the Scrutiny Committee received and considered 8 call-ins. These largely related to local transport issues. All call-ins were noted by the committee without further action being taken.
- Work programming for the Scrutiny Committee takes place in May/July each year, though the committee remains flexible to consider urgent matters for consideration. For 2023/24, the work programme contained a large number of items requested by members across a broad range of areas, including flood prevention activity, SEND services, recycling centres, NCC wholly owned companies, care market quality and improvement, an update on the Norwich Western Link Project, and implementation of the NCC Climate Change Strategy.
- There are three Select Committees in operation at NCC, which are primarily tasked with carrying out work related to policy development and ongoing monitoring of NCC services. The work programmes for these committees are populated in consultation with members, and the Select Committees have undertaken a significant amount of work on a broad range of topics.
- With regards to continuous improvement, the Monitoring Officer and Statutory Scrutiny Officer commissioned the Centre for Governance and Scrutiny (CfGS) to conduct a review of NCC Scrutiny arrangements in September/October 2023. The review was designed to according to the following scope:
 - To review current scrutiny arrangements, against the backdrop of a potential devolution agreement and an Elected Council Leader Executive structure, and make recommendations on how scrutiny and democratic accountability will need to evolve to play an effective role in these new arrangements.
 - To offer suggestions on how the scrutiny committee structure, capacity and responsibilities might be strengthened.
 - To recommend where appropriate, additional training and development for Councillors and Officers.
 - To make suggestions on the Officer support required based on the above.
 - To suggest how special responsibility allowances may have a role in the evolution of scrutiny and democratic oversight.
- The final review was submitted to the Monitoring Officer and Statutory Scrutiny Officer on 31 October 2023. While it highlighted significant areas of good practise where the scrutiny function at NCC was strong, it also proposed a number of recommendations where further improvement would be of benefit. These

recommendations are to be taken forward by a member working group, commencing April 2024.

Financial Management

- A robust system of financial controls and reporting exists, which provide clear accountability and ensure compliance with statutory requirements and accounting standards.
- To ensure financial sustainability the Council plans and manages its resources to ensure it can continue to deliver its services. Responsible Budget Officers are responsible for managing their budgets effectively. At the end of every month financial information on expenditure is produced including forecast expenditure and the planned impact on earmarked reserves. Finance Monitoring Reports have been discussed monthly at Cabinet.
- Systems and processes for financial administration, financial control and protection of the Council's resources and assets are in place and these are continually reviewed to ensure they meet the Council's business requirements. These controls are clearly described in the Financial Regulations in the Constitution and the Council's Medium Term Financial Strategy agreed by the Council in February 2024. In addition, a Going Concern Statement has been produced to provide additional assurance.
- The Council has again agreed a balanced budget, as required. The Budget planning cycle for 2024- 25 formally commenced in June 2023. The Council's approach to budget-setting includes keeping its business and operations under constant review, and continually seeking to deliver value for money services in the most economic, efficient, and effective way possible, for the lowest cost. There is collective accountability for the budget and medium-term financial plan. The Council continues to face unprecedented demand-led pressures in social care, children's, homelessness, and high-needs schools' budgets, which are easily outstripping the increases in funding. The need remains for the Council to continue to identify material levels of savings in order to operate within the resources available to it. Cost pressures are still increasing for many of the Council's services, and persistent higher inflation rates and increases in the National Living Wage are particular challenges within the 2024-25 Budget.
- A new ERP system, myOracle, incorporating finance, procurement and HR systems went live in April 2022. The Council now has a single system to support HR, finance and procurement processes, replacing and simplifying the previous combination of systems which had reached the end of their life and support.
- Details of how the Council considers it achieves compliance with the CIPFA Financial Management Code are detailed in section 17 of the Revenue Budget report to Cabinet on 20 February 2024.

[Access the Council's report to Cabinet, page 178, assessment of compliance with financial management code on norfolk.gov.uk.](#)

- A clear strategy exists to maintain adequate reserves. Maintaining sound reserves is absolutely vital and a key indicator of sound financial governance. The Council has reported holding general reserves balances of 5.1% as a percentage of its net 2023-24 Council Tax Requirement, as reported to Cabinet on 20 February 2024.

[Access the Council's report to Cabinet, page 226, reserves on norfolk.gov.uk.](#)

- The Council follows the Codes of Practice for; The Prudential Code for Capital Finance in Local Authorities (2021 Edition) and the Treasury Management in the Public Services: Code of Practice and Cross-sectoral Guidance Notes (2021 Edition).
- Norfolk County Council has entered into a “Safety Valve” agreement with the Department for Education (DfE), which aims to return Norfolk’s Dedicated Schools Grant (and specifically the High Needs Block element of it) to an in-year balanced position, and to repay the cumulative deficit. In October 2023, Norfolk entered into a period of enhanced monitoring and support with the DfE to ensure that our overall plan remains on track. We are currently undertaking a ‘stock-take’ of all activity across the programme to review the future years’ modelling, alongside a comprehensive programme refresh that will identify new initiatives and mitigations. This will support us to revise the trajectories and introduce new initiatives, with the aim of bringing the plan back on track to ensure that the joint DfE and NCC investment continues to address the needs of children and young people, whilst dealing with the underlying budgetary pressures.

[Access the safety valve agreement on gov.uk.](#)

The agreement represents the outcome of negotiations between Norfolk County Council and the DfE that started in May 2022 and culminated in Secretary of State approval for the plan in March 2023. It secures additional funding for Norfolk of £70m from the DfE over a 7-year period covering the financial years from 2022-23 to 2028-29. Within Norfolk, the associated programme of work is now known as “Local First Inclusion.”

- In terms of governance, the agreement requires the Council to report tri-annually (as a minimum) in writing to the DfE (Funding Policy Unit) on its progress towards implementing the plan. The DfE requires monitoring of performance by Norfolk against the plan, including progress against the conditions of the grant and a dashboard of various Key Performance Indicators and Metrics. In addition, the DfE will need to be informed of any difficulties or impacts of carrying out the agreement and of any significant risks to Norfolk reaching the agreed financial position. The drawdown of further funding (exceeding the £28m already provided in 2022-23 as

a result of the agreement) is dependent upon the delivery of the plan. The reports to DfE are required to be signed by the Executive Director of Children's Services and the Director of Strategic Finance to enable drawdown of the DfE funding.

- As part of the monitoring required, Officers have established significant, system-wide governance including the establishment of a Local First Inclusion Executive Board, and the involvement of Norfolk's Schools Forum to monitor progress towards the plan, which is vital given the commitment required of the wider system to deliver the plan. Officers continue to keep the DSG Budget and multi-year plan under close review, reporting regularly to Cabinet through the monthly Finance Monitoring reports (which will continue to include reporting to Cabinet on the DSG in-year and cumulative positions) and termly, at least, to Norfolk Schools Forum. This reporting will be in addition to the regular reporting that is required to the DfE as part of the Safety Valve agreement. Further reports on the overall strategy, i.e., the Local First Inclusion plan, will be taken to Select Committee, as well as Schools Forum, with regular updates of progress and implementation and Scrutiny as appropriate.
- Norfolk has entered into a period of enhanced monitoring and support with the DfE (from October 2023 to March 2024) following identification by Officers that demand for provision was in excess of the plan as per monthly Finance Monitoring reports to Cabinet. The intention of this period is for the DfE to provide support to the LA to ensure that our overall plan remains on track to deliver a balanced DSG Budget in year and to repay the cumulative deficit.
- Robust systems are in place to identify, report, address and regularly review any financial risks.

Management of performance of third parties

- The Council has an organisational culture such that it recognises the value of working with local partners to achieve more efficient and effective policy development, local economic growth and investment better services and customer focussed outcomes.
- Performance of wholly owned companies is monitored by Senior Officers and Members either being Board Members or attending Board Meetings. The purposes of companies are carefully considered and regularly reviewed, with effective governance and oversight arrangements in place.
- The NCC Owned Companies Governance Panel provides oversight and support to the development of the companies that NCC either wholly or partly owns. Its remit includes ensuring there are adequate governance arrangements in place in respect of the Companies, monitoring the financial performance of each Company throughout the year, and making recommendations to Cabinet as appropriate. The Panel met twice during the 2023-24 year. The Council is using the Local Partnerships Company Toolkit, which has been adapted for Norfolk County Council.

- All the Executive Directors have confirmed there are approved protocols, signed contracts and effective governance arrangements in place for work performed by third parties.
- The Commissioning & Procurement Leadership Group (CPLG) and Commercial Board continue to operate and enable coordination and alignment between the Council's commissioning and procurement activity (including consideration of joint commissioning arrangements). The commercial board provides a shared view of opportunities to deliver value for money across key categories of NCC contracted spend and provides assurance and strategic oversight of contract pipeline, performance, and cross cutting planning.
- CPLG is coordinating work to bring in a Contract Lifecycle Management system which will provide a central repository for contract documents and information, as well as a consistent platform for monitoring performance of contracts.
- NCC completed the Cabinet Office self-assessment and Peer Review (CCIAF) this year. The Commercial Continuous Improvement Assessment Framework which has been developed by central government, helps drive continuous improvement across all commercial operations and sets out standards for contract management performance. During the assessment we provided evidence to achieve a benchmark rating of Good and have an improvement plan which has informed our priorities for the coming year.
- As part of the Contract Management Pioneer Programme, we successfully bid for 10 free places on the first cohort and these places have been taken up by staff managing key contracts. We have also added objectives into all contract manager's PDPs to complete the foundation level E-Learning for Contract Management, and we have an associated resource and Learning & Development Plan specific to our Commissioning and Procurement staff.

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

- During the year the Council has published information, including reports, in a manner which is accessible to citizens and other stakeholders. The Council complies with the Local Government Transparency Code 2015 by publishing accurate data within appropriate time frames.
- The Council has a presence at the Norfolk Show, in conjunction with local businesses. There is a business and skills focus.
- Since 31 March 2024, the Council has signed a Memorandum of Understanding with the Lviv region of Ukraine.
- The Council produces a digital edition of 'Your Norfolk' regularly and has reintroduced two print editions per year.
- The Council is represented at the Norfolk Public Sector Leaders Board.

- Reporting on performance, value for money and stewardship have been included in the Annual Report, Statements of Accounts and Annual Governance Statement. As per section 1.2, the external audit of the draft statement of accounts for the year ended 31 March 2023 has not yet been completed by our external auditors, Ernst Young LLP, due to the complex set of factors contributing to audit delays across the sector. The final audit certificate for the statement of accounts for the year ended 31 March 2022, dated 1 May 2024, has been completed by our external auditors.

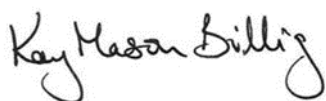
[Access the Council's statement of accounts page on norfolk.gov.uk.](https://www.norfolk.gov.uk)

- The Audit and Governance Committee considered matters of governance, including internal audit, risk management, anti-fraud and corruption, the annual statement of accounts, treasury management and external audit during 2023/24.
- An Annual Internal Audit Report from the Director of Strategic Finance (Section 151 Officer)/Chief Internal Auditor, for 2023-24 will be made to the Audit and Governance Committee at its July 2024 meeting. No exceptions are anticipated.
- All Executive Directors have confirmed staff are aware of their responsibility to report upwards any unresolved matters of concern about internal control.
- During the year the Executive Leadership Team commissioned an assurance exercise against the Best Value Characteristics, and there is a Continuous Improvement Plan in place to address area of development identified.
- The Council has robust Job Evaluation frameworks, monitors equal pay and pay principles. Review of Effective Action on Significant Governance Issues 2022/23

5.3 There were no significant governance issues reported in 2022-23.

6. Significant Governance Issues

6.1 There are no significant governance issues to report for 2023-24. The Council has a robust risk management function where corporate risks were managed through Cabinet and reported to the Audit and Governance Committee during the year.



Councillor Kay Mason Billig

Leader of the Council

29 May 2024



Tom McCabe

Chief Executive

29 May 2024

DRAFT

7. Notes:

Note 1: The following senior officers have contributed to drafting this statement.

- Chief Executive
- Executive Director of Community and Environmental Services
- Executive Director of Adult Social Services
- Executive Director of Children's Services
- Head of Law and Monitoring Officer
- Director of Strategy, Design and Delivery
- Director for People
- Director of Strategic Finance (Section 151 Officer)
- Director of Procurement and Sustainability

Note 2: Executive Directors/Directors who have produced signed Annual Positive Assurance Statements and supporting assurance tables.

Chief Executive

Executive Director of Community and Environmental Services

Executive Director of Adult Social Services

Director of Strategic Finance

Executive Director of Children's Services

Executive Director of Strategy and Transformation

Appendix 1

External Reviews carried out during the year.

Finance Directorate

The overall key message in the external auditor's (EY) Independent auditor's report - NCC financial statements (available on the Council Finance webpage) was that an unqualified opinion was issued on the Council's accounts for 2021-22.

The County Council was also given an unqualified 'Value for Money' opinion for 2021-22, within the independent auditor's report.

[Access the Council's statement of accounts page on norfolk.gov.uk.](https://www.norfolk.gov.uk)

The Council's external auditors have published an 'interim' Value for Money Opinion for 2022-23 which was unqualified. This was reported to the 30 April 2024 Audit and Governance Committee.

An external quality assessment (EQA) of the internal audit team was undertaken by the Chartered Institute of Internal Auditors in 2022. Their report dated 19 January 2023 states the internal audit "generally conforms" to the IIA Standards – the highest rating available. The report stated the governance framework over the internal audit service is mature, with well-established Audit Committee oversight, regular meetings, communications, reporting and performance monitoring.

Children's Services

Date: 19 May 2023.

Area Looked at: Visit by Department for Education including Local first inclusion overview, Learning Strategy, Unaccompanied asylum-seeking children, Support for Success and Placement Sufficiency.

Result: Positive visit and opportunity to share and test us with DfE key programmes of work.

Date: 19 June 2023 – 22 June 2023.

Area Looked at: HMIP Thematic Review Youth Remand.

Result: Area to consider with all actions being taken forward by the YJS Board.

Date: 27 June 2023.

Area Looked at: Ofsted Annual Conversation covering:

- Welcome and introductions.
- LA context.
- Update on 3 actions from our 2022 ILACS.
- Specific themes:
 - Unaccompanied asylum-seeking children (UASC)
 - Unregistered children's homes (UCH)
 - Workforce issues including social work capacity.
- Future inspection activity
- Support for Success Teams and New Roads visit.

Result: Positive visit and opportunity to reflect on recent successful inspection, discuss key sector wide topics and showcase services in the department.

Date: 8 November 2023.

Area Looked at: SEND Courageous Conversation Continuing demand for EHCP.

Result: Suggestions for further consideration:

- sharing more data on inclusion, pupil outcomes and similar with school professional organisations, encouraging greater peer to peer challenge
- working with health partners to identify named individuals able to provide support in relation to inclusion for schools.
- considering re-branding of some materials to make those that are co-produced more obvious.
- reviewing information about ordinarily available provision and reasonable adjustments so that parents and others are more easily able to challenge schools where necessary.

Date: 29 February 2024.

Area Looked at: SEND Engagement meeting covering:

- SEF
- Local First Inclusion
- 3x questions
- Courageous Conversation
- Regional peer review of SEF

Result: This was a Positive visit and opportunity to share key activities

Adult Social Services

Date: 22 March 2024,

Area Looked at: Public Health Grant Supportive Assurance Visit - Office for Health Improvement and Disparities. The primary purpose of the review and assurance meeting will be to confirm that the use of the grant is in line with conditions as set out here public health ring-fenced grant 2023 to 2024: local authority circular.

Result: Results not yet provided

The Adult Social Services department actively engages in the Local Government Association (LGA) and Association of Directors of Adult Social Services (ADASS) Sector led improvement programme. This 12-month rolling programme includes the utilisation of an internal self-assessment tool, independent led challenge sessions and a buddy challenge session with a local authority peer from the Eastern region.

Community and Environmental Services, Community Information and Learning

Date: 4 – 17 November 2023

Area Looked at: Ofsted inspection - Adult Learning

Result: Good rating. The inspection report praised the ambition of the service, which provides community-based and online learning for around 6,000 adults a year. The service achieved a 'Good' rating across all six areas that were inspected, alongside the overall 'Good' rating.

[Access a copy of the Council's Ofsted inspection report on ofsted.gov.uk.](https://www.ofsted.gov.uk)

Date: August 2023

Area Looked at: Customer service centre of excellence standard: QIA Services

Result: Achieved compliance in all areas of the assessment, as well as compliant plus in 23 elements. This is the joint highest ever number of compliant plus elements and matches last year's assessment. Focus on maintaining this standard as the service faces a high staff turnover in 2023.

Culture and Heritage

Date: February 2024

Area Looked at: Norfolk Museums peer review of Safeguarding processes and procedures.

Result: Positive feedback and sharing of best practices.

NFRS

Date: September 2023

Area Looked at: HMICFRS Full Inspection (all service provision)

Result: Areas for Improvement (AFIs) detailed in HMICFRS Action Plan.

Date: March 2024

Area Looked at: JESSIP Audit (Joint Emergency Services Interoperability Principles – functional review)

Result: Very positive feedback regarding NFRS principles and operating practice (in comparison to other FRSs)

Trading Standards

Date: 15 June 2023

Area Looked at: Surveillance 3 audit by the United Kingdom Accreditation Service (UKAS) of the ISO17025 accredited calibration activities performed by the Calibration, Verification and Testing Services team at Hethel Engineering Centre or at customers' premises throughout the UK.

Result: UKAS overview of results of audit:

The management system is well established, clearly maintained and demonstrated to be working effectively for the company. Internal audits remain at a high standard with satisfactory detail in reports. A high level of compliance with the requirements of ISO/IEC 17025:2017 were identified at this visit with again, no improvement actions raised against documented policy and procedure.

The laboratory has very competent staff and has all the necessary facilities and very mature & detailed procedures to perform all the calibrations undertaken.

This is very positive given that UKAS cite us as the busiest mass laboratory in the UK and during audits of our customers they constantly receive very positive feedback.

Date: 02 May 2023

Area Looked at: Surveillance 2 audit by Alcumus ISOQAR of the ISO9001 certified calibration, testing, verification and hire activities performed by the Calibration, Verification and Testing Services team at Hethel Engineering Centre or at customers' premises throughout the UK.

Result: Alcumus ISOQAR overview of the audit:

As per previous years, the assessment concluded that all areas of the management system are being maintained in accordance with the requirements of the standard. Detailed supporting data and information has been established in supporting operational performance, with processes in place to ensure service delivery is compliant with requirements. Again, excellent customer focus and commitment to deliver quality services was demonstrated throughout the audit. No corrective or improvement actions identified.

Date: Throughout 2023/24

Area Looked at: A total of 33 remote audits/ supplier assessments were performed by customers of the Calibration, Verification and Testing Services team. These are customers that hold some form of quality assurance accreditation/certification, eg food or pharmaceutical manufacturers and NHS/care sector. These sectors are, like us, subject to vigorous audits and assessments themselves and therefore need to prove that their suppliers are compliant with various standards or specific customer requirements stipulated within Quality Technical Agreements.

Result: No issues identified, and we remain committed to adhering to all standards and sector specific requirements to ensure our customers are not only satisfied with our services but are compliant with their industry sector's specific requirements.

Governance

The Information Commissioners Office (ICO) issued Norfolk County Council with a reprimand on 15 May 2023 as it has determined that we had failed in our duty under UK GDPR to provide data subjects with access to their information in a timely fashion during the period 6 April 2021 to 6 April 2022. There was no financial penalty attached and our Monitoring Officer deemed it not necessary to issue a Section 5 report. To address the already known issue, additional resources had been made available over the last 3 years within the IG team, with good progress being made in relation to timescales and backlog. Other improvements have also been made, particularly around processes and technology, ensuring that the requests are being managed as efficiently and effectively as possible. The ICO required an update on progress in relation to the recommendations by 6 November 2023 which was provided and the ICO confirmed that they were pleased to see that improvements had been made and that they now consider this matter closed.

Nplaw had its external Lexcel (the Law Society's legal practice quality mark for excellence in legal practice management and excellence in client care) assessment in 2024 and its accreditation as a legal practice was renewed.

Strategy and Transformation

Digital Services

Date: November 2023

Area Looked at: Website Accessibility – audit of Norfolk County Council Careers website conducted by Government Digital Service.

Result: A number of issues identified by the audit were fixed internally or referred to supplier (Oracle) and progress reported back to GDS within the timescales they laid down.

Following this, in February 2024 GDS judged accessibility statement to be compliant and recommended to Equality & Human Rights commission that no further action be taken.

People

Date: January – March 2024

Area Looked at: Asbestos Management in schools.

Result: Improvements required regarding some schools practice against legal and NCC policies. NCC template documents improvements required.