

Borough Council of  
**King's Lynn &  
West Norfolk**



# **Audit Committee**

## **Agenda**

**Thursday, 17th December, 2020  
at 3.00 pm**

in the

**Remote Meeting on Zoom and available for the  
public to view on [WestNorfolkBC on You Tube](#)**



**King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX  
Telephone: 01553 616200**

9 December 2020

Dear Member

**Audit Committee**

You are invited to attend a meeting of the above-mentioned Committee which will be held on **Thursday, 17th December, 2020 at 3.00 pm** in the **Remote Meeting on Zoom and available for the public to view on WestNorfolkBC on You Tube - Zoom and You Tube** to discuss the business shown below.

Yours sincerely

Chief Executive

**AGENDA**

**1. Apologies**

**2. Minutes (Pages 4 - 11)**

To approve the minutes from the Audit Committee held on 27 July 2020.

**3. Declarations of Interest**

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the Member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on any item or simply observing the meeting from the public seating area.

**4. Urgent Business Under Standing Order 7**

To consider any business which, by reason of special circumstances, the Chairman proposed to accept as urgent under Section 100(b)(4)(b) of the Local Government Act 1972.

5. **Members Present Pursuant to Standing Order 34**

Members wishing to speak pursuant to Standing Order 34 should inform the Chairman of their intention to do so and on what items they wish to be heard before a decision on that item is taken.

6. **Chair's Correspondence (if any)**

7. **Anti-Fraud and Corruption Policy** (Pages 12 - 43)

8. **Audit Committee Draft Terms of Reference - TO FOLLOW**

9. **Draft Annual Governance Statement 2019/2020** (Pages 44 - 99)

10. **Annual Treasury Outturn Report 2019/2020 - TO FOLLOW**

11. **Major Projects Board - Update from the Chair**

12. **Cabinet Forward Decisions List** (Pages 100 - 103)

13. **Committee Work Programme** (Pages 104 - 108)

To note the Committee's Work Programme.

14. **Date of Next Meeting**

To note that the date of the next meeting of the Audit Committee will take place on 25 January 2021.

To:

**Audit Committee:** Councillors Miss L Bambridge, Mrs J Collingham, J Collop, A Dickinson (Chair), B Jones, A Kemp, C Manning, A Ryves and Mrs V Spikings

**Portfolio Holders:**

Councillor B Long, Leader

**Officers:**

Alexa Baker, Solicitor/Monitoring Officer

Michelle Drewery, Assistant Director/Management Team Representative

Ged Greaves, Senior Policy and Performance Officer

Jamie Hay, Investigation Officer

Ruth Wilson, Technical Accountant

Kathy Woodward, Shared Internal Audit Manager

**BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK****AUDIT COMMITTEE**

**Minutes from the Meeting of the Audit Committee held on Monday, 27th July, 2020 at 3.00 pm in the Remote Meeting on Zoom and available for the public to view on WestNorfolkBC on You Tube - Zoom and You Tube**

**PRESENT:** Councillor Mrs A Dickinson (Chair)  
Councillors Miss L Bambridge, M de Whalley, C Hudson, B Jones, A Kemp,  
C Manning, J Moriarty, S Patel and A Ryves

**Portfolio Holders**

Councillor B Long, Leader

**Members present under Standing Order 34:**

Councillor M de Whalley

Councillor J Moriarty

**Officers:**

Michelle Drewery, Assistant Director, Resources

Ged Greaves, Senior Policy and Performance Officer

Matthew Head, Auditor

Matthew Henry, Assistant Director, Property and Projects

Kathy Woodward, Shared Internal Audit Manager

**A65 APPOINTMENT OF VICE CHAIR**

**RESOLVED:** Councillor C Manning be appointed Vice Chair for the meeting.

**A66 APOLOGIES**

Apologies for absence were received from Councillors Mrs J Collingham, J Collop and Mrs V Spikings.

**A67 WELCOME AND INTRODUCTIONS**

The Chair informed the Panel that the meeting was being broadcast live on You Tube.

The recording of the meeting is available at:

<https://www.youtube.com/user/WestNorfolkBC>

The Democratic Services Officer conducted a roll call to confirm attendees.

**A68 MINUTES**

The minutes of the Audit Committee held on 11 March 2020 were agreed as a correct record.

A69 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

A70 **URGENT BUSINESS UNDER STANDING ORDER 7**

There was no urgent business.

A71 **MEMBERS PRESENT PURSUANT TO STANDING ORDER 34**

Councillors M de Whalley and J Moriarty.

A72 **CHAIR'S CORRESPONDENCE**

There was no Chair's correspondence.

A73 **UPDATE ON THE CURRENT SITUATION AND THE IMPACT ON THE WORK PROGRAMME**

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The Assistant Director, Resources gave an update on the impact of COVID relating to the delivery of services in the resources service area and responded to questions and comments relating to:

- Redeployment of staff to assist with response to COVID.
- Potential impact on the Audit Committee Work Programme.
- Risk of overpayment of grants and measures put in place for incorrect payments.
- Borough Council's financial position with the impact of COVID.

The Leader, Councillor Long addressed the Committee and concurred with the comments made by the Assistant Director, Resources.

The Chair thanked the Assistant Director, Resources and all staff for their work relating to the Council's response to COVID.

A74 **CORPORATE RISK REGISTER UPDATE**

[Click here to view the recording of this item on You Tube](#)

The Senior Policy and Performance Officer presented the report which set out the changes to the Corporate Risk Register since the last

monitoring report to the 11 March 2020 committee meeting. The report gave details of the risks falling into the 'Very High' category and the associated work being progressed to mitigate the effects.

The key issues were outlined as detailed in the report.

The Senior Policy and Performance Officer and Assistant Director, Resources responded to questions in relation to:

- Appendix 1 – amber and red risks.
- 1.9 VAT potential unplanned cost relating to Coastshare.
- Background and overview of Coastshare arrangement.
- New risk concerning flood resilience in an event of an incident.
- Business Rates judgement awaited on relating to NHS Foundation and Business Rates Pool.
- Extended support for Windows 7 and impact of COVID to progress with project and roll out of Office 16.
- Risk assessments undertaken for all office based staff and staff working from home during the response and recovery process in relation to COVID.
- Risk 2.4 Five year land supply and housing delivery test.
- Cyber Security Audit.
- Business Rates.
- Checks and balances carried out when the Council engaged with major contractors.

Under Standing Order 34 Councillor de Whalley addressed the Committee and asked a question regarding zero day attacks. The Assistant Director, Resources provided a response to the questions raised.

The Leader, Councillor Long provided background information and outlined the VAT advice the council had received in relation to the Coastshare arrangement and the Business Rates Pool. The Leader provided an overview of the risks which were considered by the Policy and Development Panels.

The Chair advised that the ICT Manager had previously been invited to attend a meeting of the Audit Committee, but was currently involved in providing support in response to COVID and during the recovery period, but would attend a future meeting of the Committee.

**RESOLVED:** The Committee considered the contents of the Corporate Risk Register and confirmed agreement with Management Team's assessment of the risks to the Corporate Business Plan.

A75

**INTERNAL AUDIT FULL YEAR PROGRESS REPORT 2019/2020**

[Click here to view the recording of this item on You Tube](#)

The Shared Internal Audit Manager explained that the purpose of the report was to provide Members with an update on progress against the Internal Audit Strategic Plan 2019-20 that was endorsed by the Audit Committee at the meeting on 11 March 2019. It was highlighted that the report also provided an update on the fraud work for the year.

The Committee's attention was drawn to Sections 2.2, 2.3, 2.4, Appendix 1, and 4 of the report.

The Committee was advised that COVID had had an impact on the work undertaken by Internal Audit.

The Shared Internal Audit Manager responded to questions and comments on the number of errors and continuing trend relating to Single Persons Discount.

Councillor Kemp wished the following statement to be recorded in the minutes. IT support to Members of the Audit Committee, some Councillors had experienced difficulties in accessing internal audit reports via Insite and suggested that a separate risk be added to the risk register – lack of information to the Audit Committee. In response, the Shared Internal Audit Manager undertook to liaise with IT, Assistant Director, Resources and Democratic Services regarding the Audit Committee's access to internal audit reports on Insite and Mod Gov.

Under Standing Order 34, Councillor Moriarty addressed the Committee regarding confidentiality and Single Persons Discount and the role of Borough Councillors. In response the Shared Internal Audit Manager invited Councillors to submit a fraud request via the link on the Council's website.

The Chair reminded the Committee of the Council's Whistleblowing Policy.

**RESOLVED:** The Committee reviewed the progress against the audit plan and noted the update of the fraud work.

A76

### **INTERNAL AUDIT ANNUAL REPORT AND OPINION 2019/2020**

[Click here to view the recording of this item on You Tube](#)

The Shared Internal Audit Manager presented the report which provided the Audit Committee with an overview of the work undertaken by Internal Audit during 2019-2020 and provided the Audit Manager's annual opinion on the system of internal control.

The Shared Internal Manager drew the Committee's attention to Section 2 – Audit Manager's Opinion for 2019-20.

The Shared Internal Audit Manager responded to questions and comments in relation to:

- Appendix 2: Audit reports issued during 2019-20 showing assurance levels.
- Categories of assurance levels and potential to add a 5<sup>th</sup> category (reasonable assurance).
- Shared Internal Audit Manager arrangement with Fenland District Council and the Borough Council.
- Review of Internal Audit Team Terms of Reference – September 2020.

Councillor Kemp wished it to be recorded that she abstained from the following resolution due to the lack of internal controls to Member's access to the Internal Audit reports.

**RESOLVED:** To receive the annual audit opinion and not the work of Internal Audit for 2019-20.

A77 **INTERNAL AUDIT STRATEGIC PLAN 2020-2025**

[Click here to view the recording of this item on You Tube](#)

The Shared Internal Audit Manager presented the report which provided Members with the opportunity to review the proposed Strategic Internal Audit Plan for 2020-2025.

The Shared Internal Audit Manager responded to questions and comments relating to:

- Resource available for the Council's financial and operational services identified as high risks.
- Appendix 2 – Strategic Internal Audit Plan 2021-25 timetable, specifically in relation to policies and cyber security being rated as medium risk.
- Cyber Security Audit.
- Risk of planning control and why the rating is so high.

The Chair commented that it would be helpful to the Committee if the frequency of audits could be included in future reports. The Shared Internal Audit Manager explained that the Strategy document on page 42 set out the frequency of audits, but undertook to consider the request for future reports.

**RESOLVED:** The Committee acknowledged the Internal Audit resources and considered and agreed the work planned for 2020-25.

A78 **AUDIT COMMITTEE EFFECTIVENESS REPORT**



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In presenting the report, the Shared Internal Audit Manager reminded the Committee that it was good practice for the Audit Committee to present Cabinet with an annual report on the work carried out by the Committee in the preceding year. The report reviewed the work of the Audit Committee during the year 2019-20 and considered if the Committee had effectively fulfilled its role.

The Shared Internal Audit Manager outlined the areas of the check list (page 48) identified partial or no compliance and invited the Committee's response.

The Shared Internal Audit Manager explained that the Committee was required to agree a process to finalise the report prior to being presented to Cabinet.

The Chair explained that it would be appropriate for the review of the Terms of Reference to be considered at the appropriate Audit Committee meeting.

The Chair highlighted that the importance of training and made reference to rearrangement of audit committees meetings due to the external auditor's not completing their work. The Chair advised that the shared Internal Audit Manager and herself had attended a briefing organised by the external auditor.

The Internal Audit Manager undertook to amend the report as set out above.

The Shared Internal Audit Manager responded to questions and comments relating to:

- Potential for Audit Committee's Membership to include an Independent Person which is not mandatory, but would incur a financial cost to the council which could be included within the future report on the Review of Terms of Reference of the Audit Committee.

**RESOLVED:** That the Audit Committee:

- 1) Considered the content of the report and decided it accurately reflected the work of the Committee in 2019-20 subject to the amendments set out above.
- 2) Confirmed their agreement to the Chair taking the report to Cabinet as evidence that the Committee operated effectively.

A79

**FUTURE ROLE OF THE AUDIT COMMITTEE CROSS PARTY WORKING GROUP**

[Click here to view the recording of this item on You Tube](#)

The Chair provided a verbal update, which also included an update on the Major Member and Officer Project Boards and outlined the options available.

The Committee debated the options available.

Councillor Kemp proposed that the Audit Committee Cross Party Working Group continue to meet to complete the review of the KLIC report because the Independent Person did not complete the task she was asked to do, which was to look at the relationship NWES and the Borough Council and requested a recorded vote, subject to a seconder supporting the proposal.

The proposal was seconded by Councillor Ryves.

The Democratic Services Officer conducted a roll call.

**RESOLVED:** The Audit Committee Cross Party Working Group continue to meet to complete the remaining two areas of work and to look at the relationship between NWES and the Borough Council.

A80 **MAJOR PROJECTS BOARD UPDATE**

[Click here to view the recording of this item on You Tube](#)

The Chair provided a verbal update under agenda item 13.

A81 **CABINET FORWARD DECISION LIST**

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**RESOLVED:** The Committee noted the Forward Decision List.

A82 **COMMITTEE WORK PROGRAMME**

[Click here to view the recording of this item on You Tube](#)

The Committee noted the work programme.

It was noted that the training for the September would be statement of accounts if the accounts were to be presented to the Committee.

The Chair invited the Committee to submit any items for consideration on the work programme.

A83 **DATE OF NEXT MEETING**

[Click here to view the recording of this item on You Tube](#)

The next meeting of the Audit Committee would be held on 14 September 2020 at 3 pm on Zoom.

**The meeting closed at 5.30 pm**

**POLICY REVIEW AND DEVELOPMENT PANEL REPORT**

REPORT TO:	Audit Committee		
DATE:	17 December 2020		
TITLE:	Review of Anti-Fraud and Anti-Corruption Strategy and Fraud Response Plan – Introduction of a new corporate Anti-Fraud and Anti-Corruption Policy		
TYPE OF REPORT:	Scrutiny		
PORTFOLIO(S):	Leader Cllr Brian Long		
REPORT AUTHOR:	Kathy Woodward, Shared Audit Manager		
OPEN	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

**REPORT SUMMARY/COVER PAGE**

<b>PURPOSE OF REPORT/SUMMARY:</b>
The ‘Anti-Fraud and Anti-Corruption Strategy’, ‘and ‘Fraud Response Plan’ were last reviewed in 2016/17 and are therefore due for the 3-year review. The documents have been reviewed and the results, are presented to the Committee to consider and comment on before they are presented to Cabinet and Council for approval.
<b>KEY ISSUES:</b>
<p>The changes mainly relate to :</p> <ul style="list-style-type: none"> <li>• A full review of the previous strategy (now Policy) against the new national strategy “Fighting Fraud and Corruption Locally 2020 standards)</li> <li>• The policy is now set out to conform with the corporate policy template</li> <li>• The introduction sets the fraud landscape</li> <li>• The introduction of a Policy Statement, Scope, Aims and Objectives within the document</li> <li>• The expansion of the “Definitions” section and removal of some more limited wording</li> <li>• The expansion of the “Anti-Fraud and Anti-Corruption Culture” section to assist in enhancing this culture throughout the authority</li> <li>• The new responsibilities outlined (within Section 8 of the Policy) for Executive Directors/Assistant Directors (bullet point 5) and Internal Audit (bullet point 1)</li> <li>• The introduction of a new section relating to “Data Matching” which forms a major role within our anti-fraud and anti-corruption strategy</li> <li>• The introduction of a new section relating to “Training and Awareness” which is recognised as playing an important role within our policy</li> <li>• The introduction of a new section relating to “Measuring Impact” to recognise how this should be standardised and to allow for scrutiny against the performance and effectiveness of the policy</li> <li>• The inclusion of new activities such as the Norfolk FraudHub work and the creation and maintaining of the Fraud Risk Register</li> <li>• Updating of titles / job roles throughout and any required updates in legislation or regulations</li> <li>• The inclusion of the “How to raise concerns” section</li> <li>• A new “Equalities Implications” section</li> <li>• A new “Reference Documents” section</li> <li>• The inclusion of a “Version Control”</li> <li>• Minor corrections to grammar and spelling</li> </ul> <p>The Fraud Response Plan is a document that is predominantly aimed at internal investigations and as such, this is going to fully reviewed and it is recommended that it is appended to the Whistleblowing Policy when it is reviewed.</p>

**OPTIONS CONSIDERED:**

1. Adopt the new Anti-Fraud and Anti-Corruption Policy to ensure the Council has relevant and up-to-date procedures and policies.
2. Remain with the existing anti-fraud and anti-corruption strategy, which is no longer fully relevant or fit for purpose.

**RECOMMENDATIONS:**

To consider the changes made to the anti-fraud and anti-corruption strategy and recommend approval of the new Anti-Fraud and Anti-Corruption Policy documents to Cabinet and Council.

**REASONS FOR RECOMMENDATIONS:**

To bring the documents up-to-date with the Council's current requirements and ensure they are fit for purpose.

## **REPORT DETAIL**

### **1. Introduction**

- 1.1 The Council needs to remain vigilant in order to safeguard its resources and to protect its reputation. As a Council, we therefore need to raise awareness, deter and identify fraud. At the same time, it is essential to provide the means by which employees, Members and anyone representing the Council, can raise legitimate concerns when they feel something has been done that is either illegal or improper.
- 1.2 The Council has always endeavoured to promote a culture of honesty, integrity and openness. This is reflected in its policies and strategies to deter and prevent fraud and corruption. A comprehensive review was previously completed in 2014 to provide consistent, up-to-date and fit for purpose documents. A light review was carried out in 2017. Due to this and as a result of the new national strategy "Fighting Fraud & Corruption Locally 2020 Standards" being released in March 2020 an extensive review has been carried out to update and reflect new and emerging risks and working practices.

### **2. Proposal**

- 2.1 The revised documents are attached at Appendix 1. Since 2017 several changes have taken place, which need to be reflected in the anti-fraud suite of documents as outlined below.
- 2.2 The work of the Benefits Enquiry Unit (BEU) on fraud relating to Benefits has transferred to the Single Fraud Investigation Service within the Department for Work and Pensions (DWP). Capacity for investigating fraud relating to Council Tax and Business Rates, as well as dealing with the National Fraud Initiative work, has been retained within the Council in the form of a Fraud Investigations Officer/ Internal Auditor role. Reference to the investigation of Benefit fraud has been removed from the documents.
- 2.3 The Deputy Chief Executive has left the Council and his responsibilities in relation to anti-fraud and whistleblowing have been transferred to the Assistant Director (s151 Officer).
- 2.4 There has been a change in title for the Executive Director, Central Services to Executive Director, Central and Community Services.
- 2.5 There has been a change in the title of the Audit Committee from Audit and Risk Committee.

### **3. Issues for the Panel to Consider**

- 3.1 The Committee needs to consider if the changes made to the documents adequately reflect the current requirements of the Council.

### **4. Corporate Priorities**

- 4.1 Sound anti-fraud policies and strategies indirectly support the achievement of the Council's objectives by safeguarding the Council's assets and resources that are required to carry out the necessary work.

### **5. Financial Implications**

- 5.1 There are no direct financial implications, but indirectly, if the anti-fraud documents are not effective, there could be repercussions as frauds may not be effectively prevented or detected.

## **6. Any other Implications/Risks**

- 6.1 A failure to respond appropriately could lead to a claim against the Council in an Employment Tribunal for unfair dismissal. This could expose the Council to additional cost, as well as the risk that any fraudster could continue to be employed by the Council as a result of a flawed investigation. There is also a risk that such a failure would result in adverse publicity for the Council.

## **7. Equal Opportunity Considerations**

- 7.1 None.

## **8. Consultation**

- 8.1 Fraud Investigations Officer/ Internal Auditor and the Legal Services Manager.

## **9. Conclusion**

- 9.1 The Council needs to have effective policies, procedures and a strategy for ensuring the safeguarding of assets and resources. The changes, if approved, will ensure the Council has effective measures to support its culture of honesty, integrity and openness.

## **10. Background Papers**

- 10.1 Fighting Fraud and Corruption Locally 2020



# **ANTI-FRAUD & ANTI- CORRUPTION POLICY**

**November 2020**



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## 1. INTRODUCTION

- 1.1 Where people commit fraud against the public sector and public services, they take money away from the services on which the public depend, and damage citizens' trust in the government. The Borough Council of King's Lynn and West Norfolk (the Council) is committed to protecting the public funds entrusted to it and to upholding the highest standards of financial probity and accountability. We cannot afford to be complacent and we urge all our members, employees, contractors and partners to assist us in fighting fraud by having regard to this policy and the risks of fraud when carrying out their duties, recognising that, if uncontrolled, fraud diverts much needed resources from our communities.
- 1.2 The "Annual Fraud Indicator" produced by Crowe Clark Whitehall estimated that local authorities faced the threat of £7.8bn fraud during 2017, with the public sector as a whole facing £40.4bn (£4.3bn relating to procurement fraud). The Government's "Economic Crime Plan" published in June 2019 stated that the number of fraud offences rose by 12% during 2018 to 3.6 million, constituting a third of all crimes in the UK. Fraud is now the second most common type of crime across England and Wales. The "Economic Crime Plan", also introduced a common definition of economic crime across the public and private sectors, and sets out that economic crime refers to a broad category of activity involving money, finance or assets, the purpose of which is to unlawfully obtain a profit or advantage for the perpetrator or cause loss to others. This poses a threat to the UK's economy and its institutions and causes serious harm to society and individuals. It includes activity which:
- Allows criminals to benefit from the proceeds of their crimes or fund further criminality,
  - Damages our financial systems and harms the interests of legitimate business,
  - Undermines the integrity of the UK's position as an international finance centre, and
  - Poses a risk to the UK's prosperity, national security and reputation.
- 1.3 This policy recognises that the terms "fraud" and "corruption" form part of a much wider agenda, but the policy has not been re-titled "economic crime"; however, acknowledging this enables us to have an awareness and provide a holistic response to the following types of criminality:
- Fraud against the individual, private sector and public sector
  - Terrorist financing
  - Sanctions contravention
  - Market abuse
  - Corruption and bribery
  - The laundering of proceeds of all crimes.

- 1.4 This policy details the Council's arrangements for managing the risk of fraud and corruption. We are committed to reducing losses from fraud by using an integrated approach which encompasses the Fighting Fraud and Corruption Locally (FFCL) 2020's standards of:
- Governance (accountability, leadership, awareness, strategy, resources, authority and independence),
  - Operations (capability & competency, risk assessment, intelligence & data, collaboration, prevention, investigation and redress), and
  - Reporting (measurement, transparency and monitoring).
- 1.5 The threat and risks of fraud and corruption are ever evolving and can quickly develop into new and complex fraud attacks and as such our response to countering fraud needs to be dynamic as developments in technology, social change and other factors create new challenges.

## **2. DEFINITIONS**

2.1 This policy is designed to cover the risks associated with theft, fraud, corruption, bribery and ICT abuse, whether they are perpetrated by employees, councillors, residents, visitors, contractors, suppliers or individuals and organisations unconnected with the Council. For the purpose of this policy the following definitions are used:

### **2.2 Fraud**

Fraud is a general term covering theft, deliberate misuse or misappropriation of assets or anything that leads to a financial advantage to the perpetrator or others upon whose behalf he or she acts, even if these "others" are in ignorance of the fraud. Fraud is in fact intentional deceit and for this reason it cannot include negligence.

Fraud is defined as the intentional distortion of financial statements or other records by persons internal or external to the authority which is carried out to conceal the misappropriation of assets or otherwise for gain.

In addition, fraud can also be defined as the intentional distortion of financial statements or other records by persons internal or external to the authority which is carried out to mislead or misrepresent.

The Fraud Act 2006 which came into effect on 15<sup>th</sup> January 2007 created a new general offence of fraud with three ways of committing it: -

- a. Fraud by false representation,
- b. Fraud by failing to disclose information, and
- c. Fraud by abuse of position.

### 2.3 Theft

A person is guilty of theft under the Theft Act 1968 if they dishonestly appropriate property belonging to another with the intention of permanently depriving the other of it. It is immaterial whether the appropriation is made with a view to gain, or is made for the thief's own benefit. In terms of "appropriation", any assumption by a person of the rights of an owner amounts to an appropriation, and this includes, where they have come by the property (innocently or not) without stealing it, any later assumption of a right to it by keeping or dealing with it as owner. "Property" includes money and all other property, real or personal, including things in action and other intangible property.

### 2.4 Corruption

Corruption is defined as the offering, promising or giving a payment or benefit-in-kind in order to influence others to use their position in an improper way to gain an advantage. It is also a criminal offence to request, agree to receive or accept a bribe.

### 2.5 Bribery

A bribe is a financial or other advantage that is offered or requested with the intention of inducing or rewarding the improper performance of a relevant function or activity, or with the knowledge or belief that the acceptance of such an advantage would constitute the improper performance of such a function or activity. The Bribery Act 2010 reformed criminal law regarding bribery related offences, making it easier to tackle this offence proactively in both the public and private sectors. Four main offences of bribery were created as a result of the act:

- Offence of bribing another person
- Offence of being bribed
- Bribery of foreign public officials
- Failure of commercial organisations to prevent bribery

The corporate offence of failure to prevent bribery means that commercial organisations (including public organisation's wholly owned companies, subsidiary companies, and traded services) and their boards may be exposed to criminal liability if it is found that adequate procedures to prevent bribery have not been implemented.

### 2.6 ICT Abuse

There is no definition of ICT fraud and abuse, but the Audit Commission devised the following list to determine the different acts that it covers:

Type of ICT Fraud or Abuse	Ways Committed
Business Disruption	<ul style="list-style-type: none"> <li>• Virus infections/denial of service</li> <li>• Hacking</li> <li>• Sabotage</li> </ul>
Reputational Damage	<ul style="list-style-type: none"> <li>• Accessing inappropriate material</li> <li>• Invasion of privacy</li> <li>• Using unlicensed software</li> </ul>
Financial Loss	<ul style="list-style-type: none"> <li>• Unauthorised alteration of input</li> <li>• Destroying, stealing or suppressing output</li> <li>• Making unapproved changes to stored information</li> <li>• Amending or misusing programs</li> <li>• Using ICT facilities for private work</li> <li>• Theft of information</li> </ul>

### 2.7 Money Laundering

Money laundering is a term applied to any method used to convert or exchange money or assets obtained from criminal activity into money or assets that are “clean”, in such a way that the “clean” money can no longer be linked back to the criminal activity. Whilst the risk of money laundering to the Council is relatively low and the provisions of the Money Laundering Regulations 2007 do not strictly apply to the Council as an organisation, it has adopted an “Anti-Money Laundering Policy” as good practice. This policy supports all staff in complying with the money laundering provisions included within the Proceeds of Crime Act 2002 (as amended by the Crime and Courts Act 2013, Serious Crime Act 2015 and the Criminal Finances Act 2017), Terrorism Act 2000 (as amended by the Criminal Finances Act 2017) and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended by Money Laundering and Terrorist Financing (Amendment) Regulations 2019.

## 3. **POLICY STATEMENT**

3.1 The Council is committed to the prevention, detection and deterrence of fraud and corruption and the protection of public funds. This policy is the over-arching anti-fraud and anti-corruption policy for the Council and all of the varying functions that it delivers, including any functions and activities delivered through its Local Authority Trading Companies (LATCs) in its fight against fraud and corruption both internally and externally. For the purpose of this Policy the term “Council” refers the Council and its LATCs.

## 4. SCOPE

4.1 The Council faces several different fraud and corruption risks over a large range of service areas and functions that it undertakes. The Internal Audit team have developed and maintain a Fraud Risk Register for its internal use to establish risks and highlight internal controls that can be used to mitigate those risks to minimum/acceptable levels. The Fraud Risk Register enables the Council to identify both internal and external fraud and corruption risks and then assess their likelihood and impact. It then evaluates the risks and identifies internal anti-fraud controls to be implemented to prevent, detect and mitigate residual fraud risk. The Fraud Risk Register is maintained as a live document in order to continue to inform and update on counter fraud activities and controls required. The fraud risks that the Council face include (but are not limited to):

### All Service Areas/Corporately

- Commissioning of Services, including joint commissioning, joint ventures, commercial services and partnerships with voluntary organisations involving risk of conflicts of interest, collusion, etc.
- False payment of grants, loans or other financial support to any private individual or company, charity, or non-governmental organisation.
- False identity/fictitious persons applying for services/payments.
- Where an officer receives an email purporting to be from a senior officer requesting an urgent payment is made to a specified account.
- Exposure to suspect transactions (including money laundering).
- Cartels and organised crime groups (OCGs) increase prices by reducing or removing competition. OCGs can fraudulently obtain social housing or taxi licensing, make fraudulent benefit claims or use Council services to launder criminal proceeds.
- The introduction of corporate criminal offences under the Criminal Finances Act 2017 introduces a strict liability for failing to prevent the facilitation of tax evasion by an associate of the Council, such as an employee or contractor. For example, a Council employee conspires with a supplier to falsify the amount paid on an invoice so that the supplier can evade paying income or corporate taxes. The Council will need to ensure that risks are identified and that procedures proportionate to those risks have been implemented.
- Bribery related matters.
- Theft of cash, assets or other items such as data/information.
- Work not carried out, funds diverted, ineligibility not declared.

### Care & Repair

- Fraudulent applications for adaptations/disabled facilities grants to homes aimed at the disabled.

### Financial Services

- Where the Council receives a telephone call, email or letter purporting to be from a supplier requesting that their bank account details are amended.
- False claims, including slips and trips.

### Housing and Tenancy Related

- Fraudulent applications under the right to buy/acquire.
- False applications for assistance with housing requirements.
- Fraudulent applications for housing or successions of tenancy, and subletting of the property. Local Authorities have the powers and jurisdiction to investigate tenancy fraud offences relating to social housing (including on behalf of Housing Associations) under the Prevention of Social Housing Fraud Act 2013.

### ICT

- According to Big Brother Watch: Cyber-attacks in local authorities (February 2018) there are 37 attempted breaches recorded every minute. Cyber criminals use a variety of methods to expose and extract information and money from councils. GDPR increases the impact of cyber threats for councils as serious data breaches could result in penalties of up to 20 million euros or 4% of annual turnover being imposed by the Information Commissioner's Office (ICO).

### Payroll

- False ("ghost") employees, fraudulent overtime and expenses claims.

### Planning

- Relating to Section 106 Agreements and Community Infrastructure Levy (CIL) payments.

### Procurement

- Number of potential procurement frauds, such as contract and tendering issues, split contracts, double invoicing, etc.

### Revenues & Benefits

- Fraudulent applications for exemptions and reliefs (such a Small Business Rate Relief), unlisted properties (i.e. hereditaments that have not been appropriately registered for billing purposes).
- Fraudulent applications for and/or failure to report changes affecting discounts and exemptions (such a Single Person Discount, Student Disregards, Zero Occupancies and second home discounts, etc.).
- Fraudulent applications for and/or failure to report changes affecting Council Tax Support claims (such as undeclared partner's and/or other

household members, undeclared income, undeclared capital, property, savings and/or investments).

## **5. AIMS**

- 5.1 This policy recognises that the Council as a large organisation is at risk of loss due to fraud and corruption both internally and externally. As such this policy sets out the approach that the Council uses to manage the risk of fraud and corruption and minimise the losses incurred.
- 5.2 There is an expectation and requirement that all Members, employees, consultants, contractors, partner organisations, volunteers and service users be fair and honest, and if able to do so, provide help, information and support to assist the investigation of fraud and corruption. In addition, advice on how members of the public may raise suspicions about fraud and corruption is contained within this policy.

## **6. OBJECTIVES**

- 6.1 The purpose of this policy is to clarify to Members, employees, the general public and other organisations what the Council's policy and approach is and how the Council intends to meet its responsibilities relating to fraud and corruption, whether attempted internally or externally. The Council is committed to an effective anti-fraud and anti-corruption policy designed to:
- a) Encourage prevention,
  - b) Promote detection and deterrence,
  - c) Ensure effective investigation where suspected fraud or corruption has occurred, and
  - d) Take action (including prosecuting offenders) where appropriate.

## **7. LEGAL FRAMEWORK AND RELEVANT LEGISLATION**

- 7.1 Local Authorities have a statutory duty under Section 151 of the Local Government Finance Act 1972 to make arrangements for the proper administration of their financial affairs. This includes the prevention, detection and deterrence of fraud and corruption.
- 7.2 In terms of Anti-Fraud and Anti-Corruption there are various criminal offences that can be considered. Section 2 (Definitions) of this policy refers to some of the criminal offences and relevant legislation to be considered. Alongside the offence legislation there are also other relevant pieces of legislation that govern the code of conduct in terms of investigation of offences:



## Human Rights Act 1998 (HRA) and the European Convention on Human Rights (ECHR)

The Human Rights Act 1998 (HRA) applies to all public authorities. It incorporates the Articles contained in the European Convention on Human Rights (ECHR) into domestic law, making it unlawful for public bodies, to act in a way which is incompatible with the Convention. Paragraph 1 of Schedule 1 to the HRA lists the Articles under the ECHR. Those listed below are those most relevant to operational policing (investigating) and include the following rights:

- Article 1 Protection of property
- Article 2 Right to life
- Article 3 Prohibition of torture
- Article 4 Prohibition of slavery and forced labour
- Article 5 Right to liberty and security
- Article 6 Right to a fair trial
- Article 7 No punishment without law
- Article 8 Right to respect for private and family life
- Article 9 Freedom of thought, conscience and religion
- Article 10 Freedom of expression
- Article 11 Freedom of assembly and association
- Article 12 Right to marry
- Article 14 Prohibition of discrimination.

## Criminal Procedure Investigation Act 1996 (CPIA)

CPIA outlines the disclosure requirements for criminal investigations where persons are charged with a summary offence, indictable offence or one that is triable either way. CPIA further defines a criminal investigation and outlines the codes of practice for any investigation.

## Police and Criminal Evidence Act 1984 (and the Codes of Practice) (PACE)

PACE sets out the balance between the powers of the police (or in terms of the Council, its investigating officers) and the rights and freedoms of the public. The PACE codes of practice cover:

- Stop and search
- Arrest
- Detention
- Investigation
- Identification
- Interviewing

## The Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016 (IPA)

RIPA and IPA relate to the use of covert surveillance techniques, such as:

- Directed surveillance,
- Covert human intelligence sources; and
- The acquisition of communications data.

The Council has a separate policy regarding this known as “The Regulation of Investigatory Powers Act 2000 (RIPA) Policy”.

The Data Protection Act 2018 (DPA) and the General Data Protection Regulations (GDPR)

In terms of investigations and anti-fraud and anti-corruption, DPA and GDPR govern how personal information/data and other sensitive data is recorded, retained and revealed. DPA and GDPR contain provisions of certain exemptions which can be used:

- For the purposes of the prevention and/or detection of crime (including fraud and corruption);
- The assessment and/or collection of any tax or imposition of a similar nature, and;
- For the apprehension and/or prosecution of offenders.

**8. ROLES AND RESPONSIBILITIES**

8.1 The following structures are recognised within the Council:

Role	Responsibility
All Councillors	<ul style="list-style-type: none"> <li>• <b>Uphold the highest standards of conduct and conduct themselves in ways that are beyond reproach.</b></li> <li>• Demonstrate a commitment to this policy and ensure it has the appropriate profile within the Council.</li> <li>• Facilitate an Anti-Fraud and Anti-Corruption culture.</li> </ul>
All Employees	<ul style="list-style-type: none"> <li>• <b>Uphold the highest standards of conduct and conduct themselves in ways that are beyond reproach.</b></li> <li>• Understand and comply with the Council’s Anti-Fraud and Anti-Corruption Policy.</li> <li>• Understand their responsibility to report suspected fraud or corruption and how to do it.</li> <li>• Understand the need to declare any interests that may conflict with their work for the Council.</li> </ul>
Cabinet	<ul style="list-style-type: none"> <li>• To approve the Anti-Fraud and Anti-Corruption Policy.</li> <li>• Ensure the policy is effectively implemented across the Council.</li> </ul>
Audit Committee	<ul style="list-style-type: none"> <li>• To monitor and review the effectiveness of the Council’s risk management arrangements, internal controls and related counter fraud arrangements.</li> </ul>
Chief Executive	<ul style="list-style-type: none"> <li>• Ensure that there is strong political and executive</li> </ul>

	<p>support for work to counter fraud and corruption.</p> <ul style="list-style-type: none"> <li>• Ensure consistency across Directorates in the implementation of this policy.</li> </ul>
Monitoring Officer	<ul style="list-style-type: none"> <li>• To report on matters they believe are, or are likely to be, illegal or amount to maladministration.</li> <li>• To be responsible for matters relating to the conduct of Councillors and employees.</li> <li>• To be responsible for the operation of the Council's Constitution.</li> </ul>
Assistant Director, Resources (S151 Officer)	<ul style="list-style-type: none"> <li>• Assistant Director with specific responsibility for the investigation and detection of fraud.</li> <li>• To ensure the Anti-Fraud and Anti-Corruption Policy is reviewed and maintained at appropriate intervals.</li> <li>• Ensure that those working to counter fraud and corruption are undertaking the work in accordance with a clear ethical framework and standards of personal conduct.</li> <li>• Ensure that those working to counter fraud and corruption are professionally trained and accredited for their role and attend regular refresher courses to ensure they are up to date with new developments and legislation.</li> <li>• Ensure that there is a level of financial investment in counter fraud and corruption work that is proportionate to the risk identified.</li> <li>• Ensure that reports on investigations include a section on identified internal control weaknesses that enabled the fraud to take place and action to be taken to correct the weakness where appropriate.</li> </ul>
Executive Director, Central and Community Services	<ul style="list-style-type: none"> <li>• Ensure there are effective recruitment procedures in place, implemented by appropriately trained officers.</li> <li>• Ensure employment policies support the Anti-Fraud and Anti-Corruption Policy.</li> <li>• Ensure effective and appropriate sanctions are applied in all relevant cases.</li> </ul>
Executive Directors/Assistant Directors	<ul style="list-style-type: none"> <li>• Ensure the risks of fraud and corruption are identified and procedures implemented to reduce the risk to an acceptable level.</li> <li>• Ensure the Anti-Fraud and Anti-Corruption Policy is implemented within their Directorate.</li> <li>• Ensure the risk of fraud and corruption is considered in all new processes and appropriate procedures implemented.</li> <li>• Determine the appropriateness of gifts and hospitality offered to employees within their Directorate.</li> <li>• Maintain a Register of Interests and a Register of Gifts and Hospitality for their employees/service areas.</li> </ul>

Managers	<ul style="list-style-type: none"> <li>• Ensure all their employees are aware of their responsibilities under the Anti-Fraud and Anti-Corruption Policy.</li> <li>• Ensure all their employees are aware of all relevant policies and procedures relating to official conduct of Council business.</li> <li>• Ensure all their employees are aware of, and understand, the Whistleblowing Policy and arrangements, and the process for reporting fraud.</li> <li>• Ensure accurate and timely reporting of gifts and hospitality, and declaration of interests by employees.</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>• Be influential to the Council, understanding fraud and corruption, and how it is evolving, and be responsible for the Council's response.</li> <li>• Support Executive/Assistant Directors and Managers in identifying and mitigating risks for fraud and corruption.</li> <li>• Undertake a planned programme of internal audits to examine the system of internal controls and agree actions to correct any identified weaknesses.</li> <li>• Undertake data matching exercises with national/local bodies and investigate results for potential frauds.</li> <li>• Provide specialist skills in investigating allegations of fraud, especially where it may result in a prosecution.</li> </ul>
Democratic Services Manager	<ul style="list-style-type: none"> <li>• Ensure Members are aware of their obligations in respect of the Anti-Fraud and Anti-Corruption Policy.</li> <li>• Ensure members are aware of, and abide by, their obligations in relation to probity.</li> <li>• Maintain a Register of Interests and a Register of Gifts and Hospitality for Members and employees.</li> </ul>

8.2 Those charged with governance as above will:

- Acknowledge their responsibility for the management of fraud and corruption risks to the Council;
- Demonstrate support and strategic direction for counter fraud work;
- Help to create the anti-fraud and corruption culture which can be reinforced by their active oversight across the Council;
- Have regard to the rights of citizens and conduct practices ethically and with integrity - following due process; and
- Champion adherence to the above responsibilities and the Council's Corporate Framework (including the Corporate Code of Conduct) and making contractors and consultants aware.

## **9. RULES AND PROCEDURES**

9.1 The Council has various procedures and rules to ensure that the day to day operations and activities are properly controlled and are an important part of the internal control framework. These include: -

- Council Constitution including Financial Regulations;
- Contract Standing Orders Procurement Rules;
- Code of Conduct for Councillors and Voting Co-opted Members;
- Officers' Code of Conduct; and
- Scheme of Delegation.

9.2 Individual Services will have also introduced their own measures designed to control their activities e.g. schemes of delegation, working manuals etc.

9.3 Assistant Directors and Service Managers need to ensure that staff have access to these rules and regulations and that staff receive appropriate training.

9.4 Failure to comply with the rules and regulations may result in formal action being taken. In the case of employees this would be through the Council's disciplinary process and for Members would involve the Standards Committee. It is the responsibility of the Monitoring Officer to report matters to the Standards Committee.

## **10. ANTI-FRAUD AND ANTI-CORRUPTION CULTURE**

10.1 In order to tackle fraud and corruption effectively, the Council aims to develop and maintain an anti-fraud culture which maximises the engagement of all Members, employees, contractors and partners of the Council. We all have a collective responsibility to have an awareness of fraud and corruption, and should consider the following five Fraud and Corruption Principles:

- 1. There is always going to be fraud**
  - It is a fact that some individuals will look to make gain where there is opportunity, and the Council needs robust processes in place to prevent, detect and respond to fraud and corruption.
- 2. Finding fraud is a good thing**
  - If you do not find fraud you cannot fight it. The identification of fraud should be viewed as a positive and proactive achievement.
- 3. There is no one solution**
  - Addressing fraud needs a holistic response incorporating detection, prevention and redress, underpinned by a strong understanding of risk. It

also requires cooperation between organisations under a spirit of collaboration.

**4. Fraud and corruption are ever changing**

- Fraud, and counter fraud practices, evolve very quickly and the Council must be agile and change its approach to deal with these evolutions when the need arises.

**5. Prevention is the most effective way to address fraud and corruption**

- Preventing fraud through effective counter fraud practices reduces the loss and reputational damage (although this can be difficult to measure). It also requires less resources than an approach focused on detection and recovery.

10.2 This policy recognises that the Council should strive for a culture and tone of honesty, and opposition to fraud and corruption.

10.3 There is an expectation and requirement that all individuals, businesses and organisations dealing in any way with the Council will act with high standards of probity, openness and integrity and that Council Members, employees or its agent(s) at all levels will lead by example in these matters.

10.4 The Secretary of State has specified the general principles which are to cover the “conduct of members and co-opted members”. The Council will develop its working behaviour around these principles.

10.5 The “Council’s Codes of Conduct for Members and Employees” sets out an approach to work that is honest, fair, accountable and, as far as possible, transparent. Members and employees must act in line with the codes at all times.

10.6 The Council’s employees are a vital element in its stance against fraud and corruption, and they are positively encouraged to raise any concerns that they may have.

10.7 All information supplied will be dealt with fairly, confidentially and in line with the Council’s internal sets of procedures.

10.8 Assistant Directors are expected to deal firmly and quickly with those who are corrupt, who seek to corrupt, who defraud, or who seek to defraud the Council. Cases involving staff will usually lead to disciplinary action, which may result in dismissal. Where there is prima facie evidence that a criminal offence has been committed internally it is the policy of the Council to refer cases to the Police.

10.9 There is a need to ensure that any investigative process is not misused and, therefore, any abuse, such as raising unfounded malicious allegations, may be dealt with as a disciplinary matter.

10.10 In relation to complaints involving Members, Internal Audit will consult the Monitoring Officer on whether or not the complaint falls within the scope of the “Members’ Code of Conduct” and if so, what further steps (if any) should be taken.

10.11 The Standards Committee includes amongst its roles and functions the promotion and maintenance of high standards of conduct by Members, assisting Members to observe the “Members’ Code of Conduct” and the monitoring and operation of the “Member’s and Officer’s Codes of Conduct”. The Audit Committee maintains an overview of Internal and External Audit in relation to the “Member’s Code of Conduct” and an overview of the “Whistleblowing Policy”.

## **11. COLLABORATION**

11.1 Arrangements are in place and will be maintained to facilitate joint working to enhance the counter fraud activity, and to liaise proactively with other organisations and agencies to assist in countering fraud, sharing resources, skills and learning, good practice and innovation, and information. Information will be exchanged as appropriate on national and local fraud and corruption activity and arrangements with external organisations including:

- The Police;
- Other councils and housing associations;
- Partner organisations to the Council;
- The External Auditor;
- The Local Government Ombudsman;
- The Department for Work and Pensions (DWP);
- The Cabinet Office;
- The National Anti-Fraud Network (NAFN);
- Other member organisations of the Norfolk FraudHub.

11.2 Through such arrangements the Council will also benefit from a range of appropriately skilled people from diverse counter fraud disciplines including, and beyond, investigation.

## **12. PREVENTION**

12.1 There are a number of key processes that can assist in the prevention of fraud, including:

1. Internal Control Systems,
2. Employee recruitment and conduct,
3. Joint working to prevent and combat fraud,
4. Use of technology, and
5. The work of the Audit Committee.

## 12.2 Internal Control Systems

Internal controls are in place to prevent fraud. It is the responsibility of all managers to establish and maintain systems of internal control and to assure themselves that those controls are properly applied as intended. This includes responsibility for the prevention and detection of fraud and corruption.

The Council implements strong systems of verification of all claims for all types of financial assistance. All data available will be used to corroborate information given by applicants for the purpose of prevention and detection of fraud. Grants and assistance given to external organisations will be monitored to ensure applications are genuine.

The Council also expects partners and contractors to have adequate controls and Whistleblowing procedures in place to minimise fraud and corruption, and this will be written into all contract terms and agreements. Due diligence processes (including monitoring) will also be put in place when engaging and contracting with third parties by the project lead/responsible officer(s).

The Internal Audit Team will ensure that an adequate and effective internal audit is undertaken of the Council's systems and processes and will investigate allegations of fraud and corruption. Any system weaknesses that are identified as part of these investigations will be reported to the relevant manager / Assistant Director and an action plan agreed to remedy the issue. The Audit Committee will receive regular reports from the Internal Audit Manager on the results of internal audits and any investigations, including follow-up on the implementation of agreed actions.

The Internal Audit Team have also developed a Fraud Risk Register which is being used to understand what information and data is held within each service area within the Council that could be subject to fraud and corruption. Internal Audit will maintain the Fraud Risk Register to support the mitigation of risk through the implementation of effective controls.

## 12.3 Employee recruitment and conduct

Recruitment procedures require that all applicants will provide evidence of any qualifications claimed and all references will be taken up. The right to work in the country will also need to be demonstrated where necessary.



All employees must abide by the Council's rules as contained in relevant policies and procedures. This expectation forms part of the employee's contract of employment. Employees are also expected to follow any additional Codes of Conduct of professional bodies to which they belong.

All new Members and employees shall be given access to this policy document as part of their initial induction process.

#### 12.4 Joint working to prevent and detect fraud

The Council participates in data-matching exercises such as the National Fraud Initiative (NFI), and the Norfolk FraudHub. The Council also makes full use of its statutory powers to obtain information using bodies such as the National Anti-Fraud Network (NAFN) to identify possible instances of fraud. The Internal Audit team also conduct joint working with the DWP for the purposes of investigating benefit fraud/error and with Housing Associations for the investigation of Right to Acquire and Tenancy Fraud.

#### 12.5 Use of Technology

The Council will make use of technology and other measures made available for the prevention and detection of fraud and corruption; this may include software available for these purposes where an appropriate Data Privacy Impact Assessment has been undertaken and legislation allows their use. Examples of such software include the use of "AppCheck", an application checking tool available through the Cabinet Office to highlight risk relating to applications that have been received which may be fraudulent.

#### 12.6 Audit Committee

The Terms of Reference for the Audit Committee require it to 'assess *the potential harm to the council from fraud and corruption, monitoring counter-fraud policy, action and resources*'. As such the Committee receives regular reports from the Internal Audit Manager on work carried out and considers the adequacy of the Council's policies relating to the prevention and detection of fraud and corruption.

12.7 All Members and employees are required within 28 days of receiving any gift or hospitality over £25 to provide written notification to the Monitoring Officer or their Assistant Director, of the existence and nature of the gift or hospitality. Registers are maintained of all declarations.

12.8 Members are required to declare their personal and prejudicial interests in accordance with the Code of Conduct for Members and Voting Co-opted Members and to act in accordance with the Code.

12.9 All employees must comply with any requirements of the Council to register or declare interests and declare hospitality, benefits or gifts received as a consequence of his or her employment. Registers of Interests, memberships of, or associations with, clubs, societies and other organisations are kept to protect and safeguard the interests of all staff and the Council, where conflicts of interest may arise. Examples of where conflicts of interest may arise and how they should be approached are given below:

- Employees should not have any involvement in the procuring of goods and/or services from a supplier that is a friend / family member or other associate such as their landlord.
- Employees should not have any involvement in the processing of invoices relating to goods or services from a supplier that is a friend / family member or other associate such as their landlord.
- Employees should not have any involvement in the assessment / processing of claims for grants, benefits, or any other type of financial assistance relating to a friend/family member or other associate such as their landlord.
- Employees should not have any involvement in the handling / processing of any forms / documents relating to business rates accounts, council tax accounts or tenancies / leases of friends / family members or other associates, such as their landlord.
- Employees should not have any involvement in cash transactions or any other type of financial transactions that relate to friends / family members or other associates, such as their landlord.

12.10 Any employees found to be in breach of these controls will be subject to disciplinary proceedings.

12.11 The Council is committed to working and co-operating with other organisations to prevent organised fraud and corruption. This may involve the exchange of information with other organisations and data matching (in accordance with the Data Protection Act and General Data Protection Regulations 2018).

12.12 The Council will conduct other anti-fraud and anti-corruption measures as it sees fit where they are compliant with relevant legislation and/or regulations.

### **13. HOW TO RAISE CONCERNS**

13.1 All employees, Members, customers, suppliers, contractors and members of the public can raise their concerns either via:

- Contacting the Council's Customer Information Centre (01553 616200)
- Emailing [internalauditemail@west-norfolk.gov.uk](mailto:internalauditemail@west-norfolk.gov.uk)

- Directly contacting the Council's Internal Audit Service (01553 616701)
- Writing to Internal Audit, Borough Council of King's Lynn & West Norfolk, King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1PX

13.2 Council Tax Reduction Scheme (Council Tax Support) fraud can be reported via the following channels:

- Contacting the Council's Customer Information Centre (01553 616200)
- By email to [benefit.fraud@west-norfolk.gov.uk](mailto:benefit.fraud@west-norfolk.gov.uk)
- Online via the Borough Council's website at [https://www.west-norfolk.gov.uk/info/20021/benefit\\_fraud/4/report\\_benefit\\_fraud](https://www.west-norfolk.gov.uk/info/20021/benefit_fraud/4/report_benefit_fraud)
- Writing to Internal Audit, Borough Council of King's Lynn & West Norfolk, King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1PX

13.3 The Council's Whistleblowing Policy provides further information of how to report other concerns, such as:

- Unlawful activity;
- Conduct contrary to the Council's Standing Orders or policies;
- Where standards or practices fall below the established standards; or amounts to improper conduct such as malpractice or ill treatment of a client/customer;
- Where a criminal offence has been committed, is being committed or is likely to be committed;
- Suspected internal fraud;
- Disregard for legislation, particularly in relation to health and safety at work;
- Breaches of Financial Regulations, Contract Standing Orders, ICT Security Policy;
- Showing undue favour over a contractual matter or to a job applicant;
- Falsification or manipulation of financial records;
- Breaches of any code of conduct or protocol;
- Information on any of the above has been, is being, or is likely to be concealed;
- Falsifying of job applications.

## **14. DETECTION AND INVESTIGATION**

14.1 Whilst it is possible to reduce the potential for fraud within the Council, it is important to acknowledge that it is not possible to eradicate it. Therefore, it is essential that Members and employees are aware of what to do should they detect or genuinely suspect a fraud has or is taking place.

#### 14.2 What should be reported?

Concerns which should be reported include, but are not limited to staff/Council Members/Associates or others committing or attempting to commit:

- Any dishonest or fraudulent act.
- Forgery or alteration of documents or accounts.
- Misappropriation of funds, supplies or other assets.
- Impropriety in the handling or reporting of money or financial transactions.
- Profiting from an official position.
- Disclosure of official activities or information for advantage.
- Accepting or seeking value from third parties by virtue of official position or duties.
- Theft or misuse of property, facilities or services.
- Offering or receiving bribes.

External organisations' actions which should be reported include:

- Being offered a bribe or inducement by a supplier.
- Receiving fraudulent (rather than erroneous) invoices from a supplier.
- Reported allegations of corruption or deception by a supplier.

#### 14.3 What happens if we are contacted by the press in relation to suspected or actual fraud, bribery or corruption?

Any public statements or press releases regarding pending, current or completed investigations of financial impropriety, fraud, bribery and/or corruption should only be made through the Communications Manager and will be authorised by Chief Executive, Assistant Director, Resources (S151 Officer) or Executive Director, Central and Community Services prior to release. Employees, Members and third parties of the Council should not make any public statement regarding suspected financial impropriety, fraud, bribery and/or corruption in order to avoid making libellous statements, or statements that may prejudice ongoing investigations or any subsequent disciplinary/legal action. Public or press requests for information should also be referred to the Communications Manager. The Communications Manager should optimise the publicity opportunities available to make employees and the public aware of the Council's commitment to taking action against fraud and corruption. As such any action taken relating to acts of fraud and corruption should, wherever possible, be reported in the press, as a deterrent to other potential offenders.

14.4 Alternatively, the Council's **Whistleblowing Policy** encourages and enables employees to raise any serious concerns. Employees who report their concerns in this way are afforded certain rights and protections under the Public Interest Disclosure Act 1998.

- 14.5 The preventative measures described in the previous section significantly reduce the risk of fraud and corruption but cannot eliminate it entirely. The operation of the internal controls in a system may alert employees to potential fraud. However, many frauds are discovered by chance or 'tip off'.
- 14.6 Financial Regulations require that whenever any matter arises which involves or is thought to involve financial or other irregularity, the relevant Executive Director/Assistant Director concerned must immediately notify the Assistant Director, Resources (S151 Officer), Monitoring Officer or the Audit Manager. Where a member of staff identifies a potential fraud or irregularity, they should follow the guidance in the Council's Whistleblowing Policy and this policy. Reporting cases in this way is essential to this policy to ensure that:
- All suspected cases of fraud and corruption are investigated properly;
  - There is a standard process for dealing with all suspected cases of fraud and corruption; and
  - People and the Council's interests are protected.
- 14.7 Internal Audit will consult with the relevant Assistant Directors to decide on the type and course of investigations. Personnel staff will also be consulted and involved where appropriate in investigations, particularly where they may lead to disciplinary action. This will include referring cases to the Police where necessary. Internal Audit may also seek informal advice from the Police in the early stages of an investigation. Care will be taken to ensure that internal disciplinary procedures are followed but do not prejudice any criminal case.
- 14.8 Allegations of fraud will be assessed by the Internal Audit Manager or Investigations Officer with the relevant Assistant Director, Assistant Director Resources (S151 Officer) and Executive Director, Central and Community Services. The appropriate course of action will be agreed and if necessary, investigated by a suitably qualified senior member of staff independent of the area under suspicion or by a suitably qualified external person ("the investigating officer") appointed by the Assistant Director (or if they are the subject of the allegation, an Executive Director, the Chief Executive or Chair of the Audit Committee). Before making such an appointment, consultation may be undertaken with any member of the Executive Director Team, the Chief Executive, the Leader of the Council, the Chair of the Audit Committee, and any other person whom they consider appropriate. This may include staff from technical areas to provide specific insight into any relevant issues.
- 14.9 If the initial enquiry reveals that further investigation needs to take place, it may be necessary to preserve the available evidence. Evidence may take various forms and the way it should be handled is as follows:

- Original documents – these should be handled as little as possible and placed in a protective folder with only one person responsible for maintaining them in a secure/locked place.
- Computer held data – the computer should be secured, and the IT department consulted on how to best retrieve the data.
- Cash – where cash needs to be counted, this should be done so by the person responsible for it and their manager. A statement should then be signed to confirm a correct record of the amount.
- Video evidence – any video recording that could provide information of value should be secured so that it can be treated in accordance with the rules of evidence. Under no circumstances should it be viewed by anyone.

14.10 Progress on any fraud or corruption investigations will be reported to the Chief Executive/Leader of the Council who will report to the Leader of the Council and/or the Chair of the Audit Committee and any other person or organisation they consider appropriate under all the circumstances.

14.11 Allegations of fraud against Members which results in a complaint of misconduct under the Members' Code of Conduct will be dealt with in accordance with the codes of conduct established within the Localism Act 2011.

14.12 Where controls have been found to have not been followed or in the event that poor controls are identified as a contributing factor to fraud and corruption, these details will be captured as lessons learned and fed into the Fraud Risk Register and highlighted to the relevant Service areas by the Internal Audit Team in order to maintain a process of continuous improvement and to keep the Council's response to Fraud and Corruption dynamic.

## **15. DETERRENCE**

15.1 The Council will seek the most appropriate sanction and redress against all those who commit fraud and/or corruption against the Council.

15.2 Where appropriate we will publicise details of criminal convictions and provide statistical information in relation to disciplinary action to deter others who may consider committing such offences themselves.

15.3 All managers have a responsibility for ensuring that control measures are in place to minimise the risk of fraud and ensure all staff are aware of these procedures. Where effective controls are in place there is less opportunity to commit fraud, which in turn acts as a deterrent.

15.4 It is essential that all Members and officers (including agency staff, volunteers and contractors) adhere to the responsibilities set out within the “Roles and Responsibilities” section of this policy to assist in the deterrence of fraud and corruption.

## **16. SANCTIONS AND REDRESS**

16.1 The strongest available sanctions will be pursued against all who commit fraud and/or corruption against the Council. This may include disciplinary action, prosecution, civil proceedings or a combination of all. The decision to recommend any or all of these sanctions will be made on a case by case basis, having regard to the nature and extent of the fraud and evidence available.

16.2 At the conclusion of the investigation a report will be written, concluding on whether there is a case to answer. The final decision on the course of action to be taken will be made by the Executive Director/Assistant Director concerned. Any decision to refer the matter to the police will be taken jointly by the Assistant Director, Resources (S151 Officer), Executive Director, Central and Community Services and the relevant Assistant Director of the service affected.

16.3 In cases of proven fraud, the Council will seek to recover any monies and will use all means available to recover these amounts. This can include freezing assets, Compensation Orders, Confiscation Orders, Civil Litigation and general debt recovery according to the circumstances of the fraud.

16.4 Where a criminal conviction has been secured, the Council will seek a Compensation Order through the Courts and also consider using the Proceeds of Crime Act 2002 to recover losses.

## **17. DATA MATCHING**

17.1 The Council will undertake data matching exercises as appropriate for the purposes of identifying and reducing fraud and corruption.

17.2 Monthly data matching files and Real Time Information (RTI) are received from the DWP and the information used to identify any incorrectness of a Housing Benefit or Council Tax Support claim.

17.3 The Council also takes an active part in the National Fraud Initiative (NFI) as organised by the Cabinet Office and the Norfolk FraudHub which involves Norfolk County Council and all District Authorities within Norfolk. These involve submitting data we hold in various departments of the Council for matching to data held by other organisations and other departments to identify discrepancies and following up promptly any highlighted matches returned that

identifies anomalies that may be indicative of fraud or error. The use of intelligence information and data analytics in this way allows the Council to direct resources more efficiently and effectively, through identifying anomalous transactions or events for further investigation.

## **18. TRAINING AND AWARENESS**

- 18.1 The Council recognises that an important aspect of its Anti-Fraud and Anti-Corruption Policy is the general awareness and responsiveness of employees and Members throughout the Council. To facilitate this, the Council supports the concept of induction and training in anti-fraud awareness, particularly for employees involved in internal control systems. All employees are made aware of the Anti-Fraud and Anti-Corruption Policy via various channels of communication e.g. service team briefings and the Intranet (InSite). In addition, a copy of this document is distributed to all Service Managers.
- 18.2 In addition, the Council will seek via appropriate publicity to increase and maintain the general public's awareness of the facilities available to report concerns about fraud and corruption. A copy of this policy will also be made available to the general public on the Council's website.
- 18.3 The investigation of fraud and corruption is carried out in consultation with Services by the Council's Internal Audit Team whose skill base in investigative techniques is maintained by appropriate training.

## **19. MEASURING IMPACT**

- 19.1 The Council has adopted the Cabinet Office's national "Report Calculations" for measuring fraud loss where appropriate and also uses local calculation methodologies where it feels local weighting should be applied and to furthermore enable the Council to be consistent with other member local authorities of the Norfolk FraudHub. As such, the Council will calculate fraud using the most up to date procedures and best practice.
- 19.2 Fraud and Error Reports are presented by Internal Audit to the Audit Committee on a half-yearly basis, to show how the Council is performing against the Anti-Fraud & Anti-Corruption Policy, the effectiveness of the policy and how the Council measures against the national counter-fraud standards (as set out within this policy document and the Fighting Fraud & Corruption Locally 2020 standards), including where appropriate details of corrective action where standards have not been met. The reports will include details of the level of fraud loss and will support a communication programme to publicise fraud and corruption cases.



19.3 The Council will conduct internal audits as part of the “Internal Audit Plan” that will review the effectiveness of the Council’s Anti-Fraud and Anti-Corruption Policy, as well as periodic evaluations to provide objective feedback on the effectiveness of the investigation process. Internal Audit reviews consider any potential fraud risks which may exist within the subject area being reviewed, and where potential fraud risks exist, the mitigating controls will be identified and assessed. Periodic reviews will also be undertaken of policies, strategies and procedures surrounding anti-fraud and corruption.

## **20. REPORTING OR COMPLAINTS PROCEDURE**

20.1 The Council has a dedicated resource to counter fraud (including corruption) within the Internal Audit team that undertakes a range of counter fraud work appropriate to the fraud risks that have been identified by the Council. The resource includes accredited counter fraud specialist(s), with a working knowledge of ethical practices and due process. The Internal Audit team investigate cases of fraud and corruption in consultation with service areas affected.

20.2 Counter Fraud staff will attend regular refresher courses to ensure they are abreast of new developments and legislation. Where staff have roles that include delivering fraud controls, the Council will also ensure they are suitably trained, and have an understanding of the controls they operate.

20.3 The Council will seek via appropriate publicity to increase and maintain the general public awareness of the facilities available to report concerns about fraud and corruption.

20.4 Advice and guidance on how to pursue matters of concern may be obtained by contacting the Council’s Customer Information Centre on 01553 616200 who can then direct queries to the following persons:

- Chief Executive
- Assistant Director, Resources (S151 Officer)
- Monitoring Officer
- Policy, Performance & Personnel Manager
- Audit Manager
- Investigations Officer

## **21. EQUALITIES IMPLICATIONS**

21.1 This policy is considered to have no equalities implications.

## **22. REFERENCE DOCUMENTS**

22.1 This policy outlines the Council's approach to fighting fraud and corruption; it links in closely to the over-arching national strategy "Fighting Fraud and Corruption Locally, 2020 Standards".

22.2 Other Council documents that should be considered along with this document are:

- The Whistleblowing Policy
- The Anti-Money Laundering Policy
- The Regulation of Investigatory Powers Act 2000 (RIPA) Policy
- Revenues & Benefits Service Penalty and Prosecution Policy

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## 23. VERSION CONTROL

Policy name		Anti-Fraud & Anti-Corruption Policy		
Policy description		This policy outlines that the Council as a large organisation is at risk of loss due to fraud and corruption both internally and externally. As such this policy sets out the approach that the Council uses to manage the risk of fraud and corruption and minimise the losses incurred. Its purpose is to clarify to Members, employees, the general public and other organisations what the Council's policy and approach is and how the Council intends to meet its responsibilities relating to fraud and corruption, whether attempted internally or externally.		
Responsible Officer		Kathy Woodward, Shared Audit Manager		
Version number	Date formally approved	Reason for update	Author	Review date
0.2		To replace the previous Anti-Fraud and Corruption strategy with a Policy document and review it against new and emerging risks as well as national strategy.	Jamie Hay	November 2023

**POLICY REVIEW AND DEVELOPMENT PANEL REPORT**

REPORT TO:	Audit Committee		
DATE:	17 December 2020		
TITLE:	Draft Annual Governance Statement 2020 – covering the 2019/20 financial year		
TYPE OF REPORT:	Monitoring		
PORTFOLIO(S):	Leader		
REPORT AUTHOR:	Ged Greaves, Senior Policy and Performance Officer		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

**REPORT SUMMARY/COVER PAGE**

<b>PURPOSE OF REPORT/SUMMARY:</b>
<p>The Terms of Reference of the Audit Committee<sup>1</sup> state:</p> <p><i>“The main areas of responsibility for the Audit Committee will be to:</i></p> <p><i>a. Monitor the Council’s responsibilities under the Accounts and Audit Regulations 2015, and approve the Statement of Accounts.</i></p> <p><i>b. Review the Council’s assurance statements, including the Annual Governance Statement (AGS), to check that it properly reflects the risk environment and any actions required to improve it.”</i></p> <p>This report brings the council’s draft Annual Governance Statement (AGS) 2020 to the committee for review, challenge and an opportunity to input prior to the document being finalised and considered at a future committee meeting alongside the financial accounts.</p> <p>The preparation and publication of the AGS is a statutory requirement<sup>2</sup>. The document is a public statement that describes and evaluates the council’s overall governance arrangements, in particular how it has complied with its Code of Corporate Governance during a particular financial year. The draft AGS is attached at Appendix A.</p>
<b>KEY ISSUES:</b>
<ol style="list-style-type: none"> <li>1. CIPFA<sup>3</sup> issue guidance and a template to aid authorities in their work on their AGS; this is used as a framework, but the document is written with fresh content each year.</li> <li>2. Appendix C of the draft AGS is the draft Action Plan devised for the 2020/21 year.</li> <li>3. Input has been collated from executive directors, assistant directors, service managers and Internal Audit.</li> <li>4. External Audit will review the final version prior to the final version coming to the Audit Committee.</li> </ol>
<b>OPTIONS CONSIDERED:</b>
Options do not apply; the council must prepare, approve and publish a statement.
<b>RECOMMENDATIONS:</b>
<p>The committee is invited to:</p> <ol style="list-style-type: none"> <li>1. Review the draft Annual Governance Statement 2020 (as attached) and determine</li> </ol>

<sup>1</sup> As agreed by Full Council in June 2016

<sup>2</sup> Accounts and Audit Regulations 2015, regulation 6(1)

<sup>3</sup> Chartered Institute of Public Finance and Accountancy

whether the work undertaken to review the governance arrangements in place during the 2019/20 year is appropriate and whether there are any gaps

2. Determine any additional actions the committee would like to be taken to inform the final version of the document which will be brought to a future meeting of the committee.

#### REASONS FOR RECOMMENDATIONS:

In order to ensure that the Audit Committee can review, challenge and provide input prior to the AGS being finalised and brought to the committee for approval.

## **REPORT DETAIL**

### **1. Introduction**

- 1.1 The council's Code of Corporate Governance sets out seven core principles of good governance. These focus on the systems and processes for the direction and control of the council and its activities through which it accounts to, engages with and leads the community. These core principles are:

Principle 1 Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

Principle 2 Ensuring openness and comprehensive stakeholder engagement.

Principle 3 Defining outcomes in terms of sustainable economic, social, and environmental benefits.

Principle 4 Determining the interventions necessary to optimise the achievement of the intended outcomes.

Principle 5 Developing the entity's capacity, including the capability of its leadership and the individuals within it.

Principle 6 Managing risks and performance through robust internal control and strong public financial management.

Principle 7 Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

- 1.2 The extent to which the council adheres to these principles is described in the Annual Governance Statement (AGS).

- 1.3 The preparation and publication of the AGS is a statutory requirement. The AGS is a public statement that describes and evaluates the council's overall governance arrangements during a particular financial year. It includes a self-assessment of the effectiveness of the governance arrangements, across all areas of activity, together with a statement of the actions being taken or required to address any areas of concern.

## **2. The draft Annual Governance Statement 2020**

- 2.1 The draft AGS has been produced in accordance with relevant guidance and notable practice and a comprehensive review has taken place to ensure that the suggested areas are included in the council's AGS for 2019/20.
- 2.2 As the document is being brought to the Audit Committee in a draft form, a minor amount of information remains to be clarified and is highlighted in yellow. As in previous year's this will be completed during the preparation of the final version.
- 2.3 Sections 1 and 2 are broadly the same as previous editions of the AGS, these are 'introductory sections'.
- 2.4 Section 3 sets out the seven key principles of our Code of Corporate Governance.
- 2.5 Sections 4 through to 10 are the main body of the document and use the seven key principles as headings with detailed content to reflect practices during the year under review.
- 2.6 Section 11 describes how the council has discharged its responsibility to review the effectiveness of its governance framework including the system of internal control.
- 2.7 Section 12 draws attention to the 'Areas of special interest in terms of governance' that the council has in place. These are significant changes such as changes to the council owned companies e.g. Alive West Norfolk or new aspects of the governance framework e.g. the Town Deal Board.
- 2.8 Section 13 covers 'Known Changes in the 2020/21 year'.
- 2.9 Section 14 covers the council's response to Covid 19 which occurred in the final few months of the financial year 2019/20 but had a significant impact upon its operations.
- 2.10 Section 15 refers to the Action Plans devised for the 2019/20 year (see Appendix B of the draft AGS) and for the year 2020/21 (see Appendix C of the draft AGS).
- 2.11 The development of the draft AGS, and the consultation process, has engaged service managers, assistant directors and executive directors. In particular, input has been obtained at this stage from the Monitoring Officer, Internal Audit Manager and the S151 Officer. Some content remains to be clarified and has been delayed due to the council's Covid 19 response and redeployment.

## **3. Issues for the committee to consider**

- 3.1 The following areas have been identified as aspects the committee may wish to consider:
  - i. Does the AGS cover all areas of our operations?
  - ii. Is it meaningful, easy to read and underpinned by robust evidence?
  - iii. Does it accurately reflect our control structure and a sense of its risks, vulnerabilities and resilience to challenges?
  - iv. Has compliance with the Code of Corporate Governance been assessed and have any departures from it been disclosed and explained?

#### **4.0 Corporate Priorities**

Not applicable, the AGS is a statutory requirement.

#### **5.0 Policy Implications**

None.

#### **6.0 Financial Implications**

None.

#### **7.0 Personnel Implications**

None.

#### **8.0 Statutory Considerations**

8.1 The adoption of the Annual Governance Statement will be required to comply with the Accounts and Audit Regulations.

#### **9.0 Equality Opportunity Considerations**

None.

#### **10.0 Risk Management Implications**

10.1 The Annual Governance Statement forms part of the council's overall control framework and will provide reasonable assurance once adopted that the council is complying with the adopted Code of Corporate Governance.

10.2 The Audit Committee is inputting at a draft stage to help maintain an effective approach to producing the AGS. If this approach is not taken, it may lead to the council being:

- unable to meet its statutory duty
- unable to demonstrate it has effective corporate governance arrangements in place
- open to criticism from external audit.

#### **11.0 Recommendations**

The committee is invited to:

1. Review the draft Annual Governance Statement 2020 (as attached) and determine whether the work undertaken to review the governance arrangements in place during the 2019/20 year is appropriate and whether there are any gaps
2. Determine any additional actions the Committee would like to be taken to inform the final version of the document which will be brought to a future meeting of the Committee.

#### **12.0 Declarations of Interest / Dispensations Granted**

None

## **Background Papers**

CIPFA/SOLACE Framework including Guidance Notes and Addendum

Cabinet / Panel agendas

Code of Corporate Governance

Various policies, strategies, procedures

Council Constitution



Borough Council of  
**King's Lynn &  
West Norfolk**



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# Annual Governance Statement

For the 2019/20 financial year

## **1. Scope of responsibility**

- 1.1 The [Borough Council of King's Lynn and West Norfolk](#) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The council also has a statutory duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of the above.
- 1.2 The council has a [Code of Corporate Governance](#) in place which sets out how the council intend to apply the principles of corporate governance, in accordance with '[Delivering Good Governance' within the Local Government CIPFA/ SOLACE Framework](#). The code is on our [website](#) at [www.west-norfolk.gov.uk](http://www.west-norfolk.gov.uk). The code was reviewed by Audit Committee during 2018/19.
- 1.3 This [Annual Governance Statement](#) explains how the council has complied with the code and also meets the requirements of the Accounts and Audit Regulations 2015, regulation 6(1) which requires all relevant bodies to conduct a review of the effectiveness of the system of internal control and prepare a statement.

## **2. The purpose of the governance framework**

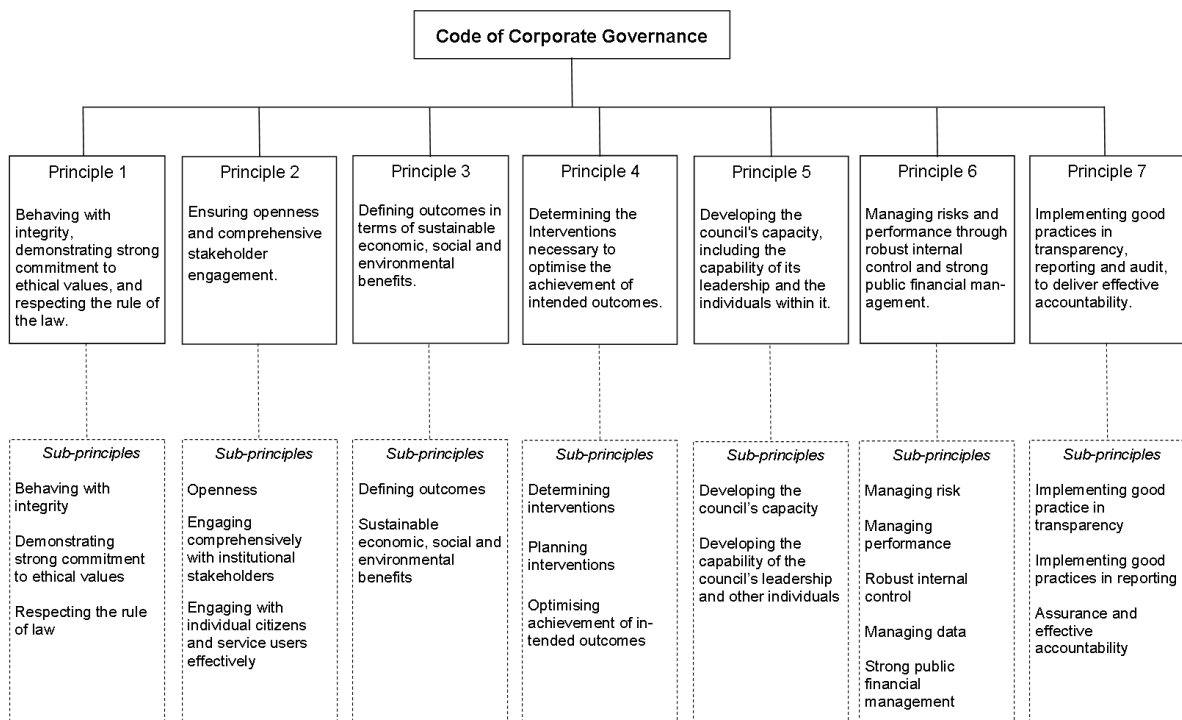
- 2.1 The governance framework comprises the systems, policies, procedures and operations by which the authority is directed and controlled, and its activities through which it accounts to, engages with and, where appropriate, leads its communities. It enables the authority to monitor the achievement of its strategic objectives and outcomes and to consider whether those objectives have led to delivery of appropriate services and value for money.
- 2.2 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 on-going process designed to:
- identify and prioritise the principal risks to the achievement of the council's policies, agreed priorities and objectives
  - evaluate the likelihood and potential impact of those risks being realised
  - manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place at the council for the year ended 31 March 2020 and remains in place to date.

## **3. Key principles of our governance framework**

- 3.1 The council's governance framework is made up of the many systems, policies, procedures and operations we have in place to help realise the following principles and sub-principles summarised in the following diagrams:



Borough Council of King's Lynn and West Norfolk Code of Corporate Governance framework



3.2 The table at Appendix A lists the types of evidence that will demonstrate how the principles of corporate governance have been upheld during the 2019/20 year.

3.3 Sections 4 to 10 summarise how we have sought to comply with the seven principles.

## **4 Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law (Principle 1).**

### **4.1 *Behaving with integrity.***

- 4.1.1 The council has adopted a [constitution](#) which sets out how the council operates, how decisions are made and the procedures which are followed to ensure these are efficient, transparent and accountable. The Monitoring Officer has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The council reviews the Constitution to incorporate any necessary changes. The constitution was amended in January 2019 following minor amendments to the scheme of delegation to take account of an additional area of responsibility, and to provide the [Chief Executive](#) with a formal Deputy Returning Officer and Electoral Registration Officer.
- 4.1.2 Roles and responsibilities of members and officers are set out clearly in the constitution. The council has adopted a number of codes and protocols that govern both member and officer activities. These are:
- [Members Code of Conduct and guidance](#)
  - Officers Code of conduct
  - [Member / officer protocol](#)
  - [Members' declarations of interest](#)
  - Register of gifts and hospitality
  - [Contract Standing Orders](#)
  - [Code of Corporate Governance](#)
- 4.1.3 Additionally, the council appoints a number of committees and panels to discharge the council's regulatory and scrutiny responsibilities. These leadership roles, and the delegated responsibilities of officers, are set out in the Constitution.
- 4.1.4 The council's Scheme of Delegation designates the Chief Executive as the council's Head of Paid Service. The Scheme of Delegation sets out the remit of elected member Portfolio Holders and the extent of delegations made to committees and officers under the principle that decisions should be made at the lowest or most local level consistent with the nature of the issues involved. The council also has [Financial Regulations](#), Contract Standing Orders relating to contracts in place and all of these procedural documents are regularly reviewed.
- 4.1.5 It is the function of the Monitoring Officer to ensure compliance with established policies, procedures, laws and regulations. After consulting the Chief Executive and Assistant Director - Resources (S151 officer), she will report to the full council if she considers that any proposal, decision or omission would give rise to unlawfulness or maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.
- 4.1.6 The Monitoring Officer is provided through the council's arrangements with [Eastlaw](#) for the provision of legal services and provides advice on legal compliance. All decisions made by [Cabinet](#) and [Council](#) are on the basis of reports, including assessments of the legal and financial implications, and consideration of the risks involved and how these will be managed. The financial and legal assessments are considered by the S151 Officer and the Monitoring Officer respectively.

- 4.1.7 The Monitoring Officer has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The council reviews the Constitution regularly to incorporate any necessary changes.
- 4.1.8 The Code of Corporate Governance was reviewed in 2018/19 and, in March 2019, the Audit Committee recommended it for approval by Cabinet. This updated version reflects the Delivering Good Governance in Local Government: Framework (CIPFA/Solace, 2016).
- 4.1.9 The [Members' Code of Conduct](#) sets out requirements for all councillors and co-opted members. Every member and co-opted member of the Borough Council of King's Lynn and West Norfolk must sign an undertaking to observe the Code.
- 4.1.10 Further measures include:
- Principles and values are covered in the induction programmes for elected members and officers and outline the standard of behaviour expected.
  - Each member of staff has an annual appraisal which considers performance and objectives, areas of development and competencies.
  - Values are reinforced via content within the regular staff briefing Internal Affairs and Members Bulletin. These are supplemented with media releases on matters such as long service awards.
  - Contract Standing Orders identify roles and responsibilities for officers and promote the highest standards of integrity, fairness, openness and transparency.
  - The members and officers code of conduct refers to a requirement to declare interests. Declarations of interest are made at each committee meeting and recorded in minutes.
  - The committee meetings are conducted in an appropriate manner with training provided for committee chairmen and vice-chairmen and other members where relevant.
- 4.1.11 The council's [Standards Committee](#) did not meet during 2019/20.
- 4.1.12 Several registers are in place covering interests and gifts/hospitality.
- 4.1.13 A [whistleblowing policy](#) is in place and provides protection for individuals raising concerns. This policy has also been provided to the public, staff, partners and contractors.
- 4.1.14 A [complaints policy](#) is in place and 23 complaints regarding behaviour/conduct were recorded in 2019/20 compared with 52 complaints in 2017/18 and 46 complaints in 2018/19.
- 4.1.15 The council has in place key documents which communicate the standards of behaviour required of members and all council staff (officers). All relevant policies are published on the council's intranet or on the personnel system CIPHR and where required published on the council's website. These include the:
- Anti-Fraud and Anti-Corruption Strategy
  - [Data Protection Policy](#)
  - [Data Quality Policy & Strategy](#)
  - Disciplinary / Grievance procedures
  - ICT Security Policy
  - ICT Service Desk Policy
  - Information Risk Policy
  - Members Code of Conduct
  - Members Code of Good Practice for

- Employee Handbook (includes employee code of conduct)
- Fraud Response Plan
- Health, Safety & Welfare General Policy
- ICT Asset Disposal Policy
- ICT Asset Management Policy
- ICT Computer Usage Policy
- ICT Corporate Email Policy
- ICT Corporate Internet Policy
- Planning
- [Procurement Strategy](#)
- Protocol for Member/Officer Relations
- [Record Retention and Disposal Policy](#)
- Register of Disclosable Pecuniary Interests
- [Risk Management Policy](#)
- [Safeguarding Policy](#)
- Whistleblowing Policy

4.1.16 ICT related policies are reviewed annually but require updating after the PC rollout, once everyone is on the same platform of Windows 10 / Office 365 (mid 2021). Keeping information securely is vital for public confidence and the efficient conduct of business.

4.1.17 The [Baseline Personnel Security Standard](#) (BPSS) continues as standard practice within the Council's recruitment and appointment processes, to ensure that employees who access information held on the [Public Services Network](#) (PSN) meet a minimum baseline standard of security checks. It is a pre-appointment check which aims to ensure the council employs people who are entitled to work in the UK and who have the honesty, integrity and values needed.

4.1.18 The [Performance Management Framework](#) also describes how staff performance, including conduct, is managed. The staff performance related pay scheme was reviewed later in the year and trialled new grades. All employees have detailed job descriptions and person specifications.

4.1.19 The council also has a Harassment Procedure in place for staff, which demonstrates the belief that all employees have a right to be treated with dignity and respect, and that the council will take steps to ensure this right is protected. All policies are available to all staff and councillors via the council's intranet InSite.

4.1.20 Following the approval of a revised [Equalities Policy](#) a training programme was in development during 2019 but delayed by Covid 19.

4.1.21 In June 2019, a [non proportional task group of six members was established to review and examine alternative governance models](#) to the current "Strong Leader and Cabinet" model. External support was commissioned via East of England LGA to support the review. This review was delayed due to the Covid 19 response and anticipated Government white paper on devolution.

## **4.2 Demonstrating strong commitment to ethical values.**

4.2.1 An Internal Audit review of "Ethical culture" in 2018/19 received a full assurance rating demonstrating the council's strong commitment to ethical values.

4.2.2 The council has a Code of Conduct for elected and co-opted members, a Code of Conduct for employees and a local [Code of Corporate Governance](#) that provides guidance for officers and members on expected standards of behaviours to ensure integrity.

- 4.2.3 Members receive training on standards arrangements, declarations of interests and the Code of Conduct as part of the authority's discharge of its statutory duty to promote and maintain high standards of conduct by its members.
- 4.2.4 The Code of Conduct focuses upon the Nolan principles of conduct in public life of selflessness, integrity, objectivity, accountability, openness, honesty, and leadership. It sets an objective, non-political and high standard whose purpose is to remind members of the behaviour expected of them in public life and to set out clearly the key principles against which their conduct is measured.
- 4.2.5 The Monitoring Officer works closely with the Standards Committee and Independent Person on any complaints regarding the potential breach of the Code of Conduct by members. Complaints are handled in accordance with the authority's arrangements for dealing with standards allegations under the [Localism Act 2011](#) and the outcome of such investigations are published on the council's website.
- 4.2.6 There were no identified cases of corruption or misuse of power in 2019/20.
- 4.2.7 There are a range of personnel policies which foster a commitment to strong, ethical behaviour. For example, the annual appraisal process provides a means of considering values and ethical behaviour. A key aim of the process is to provide employees with a clear understanding of what is expected of them in their job and how this links to corporate and service objectives. The process drives learning and development activities across the organisation.
- 4.2.8 Other related policies include the Disciplinary and Dismissal Procedure, Anti-Fraud and Anti-Corruption Strategy.
- 4.2.9 The terms of reference for the West Norfolk Partnership set out that the borough council provides policy and coordination support to West Norfolk Partnership via the partnership's strategy and governance groups. Robust governance is ensured as the council's input is subject to its internal controls and financial regulations and therefore the processes through which decisions are taken and implemented are in accordance with good practice.
- 4.2.10 The council has a number of service level agreements with external organisations to deliver services that help to improve the quality of life and provide support for communities. The recipient of the grant must comply with the council's Equality Policy, Health and Safety Policy and Safeguarding Policy. With regards to safeguarding, the council will apply its safeguarding risk assessment in circumstances where it is considering providing funding or a grant to an organisation whose work involves children, young people or adults at risk of harm.
- 4.2.11 Officers involved in the procurement process must attend the "Introduction to Effective Procurement" training. Other mandatory courses relate to particular roles in the procurement process including "Specification Writing and Selection of the Successful Contractor" and "Effective Contract Management".

### **4.3 *Respecting the rule of law.***

- 4.3.1 The council's constitution provides a comprehensive framework for the management of the authority's business and ensures compliance with relevant laws, regulations, internal policies, codes of practice and procedures. The council is the statutory body for many laws and the range of policies and codes of practice we have in place help



to ensure compliance. Policy review and development panels assist cabinet and council to ensure that compliance is considered where appropriate; report templates for those panels and for cabinet ensure all elements are given consideration at the time the report is presented. The statutory officers – Head of Paid Service, Monitoring Officer and Section 151 officer – are in post to monitor and ensure adherence.

- 4.3.2 Following the phased retirement of the previous postholder, [a new chief executive commenced on 1 September 2019](#). Lorraine Gore was previously the council's Deputy Chief Executive and Executive Director of Finance.
- 4.3.3 A [management restructuring and succession planning programme](#) was approved by Cabinet in June 2019 that would ultimately lead to a reduction in executive director posts from 4 to 2 and introduction of 8 Assistant Directors and 1 Assistant to the Chief Executive senior management posts to be recruited from the existing assistant directors and service managers or filled externally.
- 4.2.4 [The council appointed a new Section 151 officer](#) who commenced on 2 March 2020. The external appointment is also the Assistant Director Resources and has responsibility for financial services, ICT, internal audit and revenues and benefits.
- 4.3.5 All initiatives undertaken, including those with financial elements, are either progressed due to being a statutory requirement or because it will contribute to a key aim of the council. All initiatives are reviewed by regular meetings of the [Management Team](#) and senior managers in order to ensure compliance and that spend is legal.
- 4.3.6 Statutory guidance is followed and tested through the [work programme](#) of [Internal Audit](#). The work programme is agreed by Management Team and reported to [Audit Committee](#).
- 4.3.7 Widespread training for staff continued in 2019/20 to inform and support the council's response to the [General Data Protection Regulation 2016](#) (GDPR).
- 4.3.8 Eastlaw and the Deputy Senior Information Risk Officer have worked with service managers to review the implications for their areas of responsibility to inform planning for any changes that may be required, helped identify data and records management issues and with completion of statutory registers including the Article 30 records of processing activities. An officer Information Governance Group was established in 2018/19 and continued in 2019/20 to support this corporate work.
- 4.3.9 The [Record Retention and Disposal Policy](#) was reviewed in 2018/19 and approved by cabinet in March 2019 to ensure conformity with the GDPR, working practices and new UK legislation. An Information Risk Framework has also been embedded.
- 4.3.10 Job descriptions and person specifications refer to specific requirements to discharge duties regarding specific legislation.
- 4.3.11 The council is also compliant with CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2015).
- 4.3.12 The terms of reference for committees include relevant legislation and the support provided to committees helps to create the conditions whereby the council is able to fulfil its responsibilities in accordance with legislative and regulatory requirements.



- 4.3.13 Committee reports provide a record of advice provided by officers and are supplemented by specialist external reports where required.
- 4.3.14 Policies and procedures relating to anti-fraud and corruption are in place to ensure that these issues are identified and dealt with. Internal Audit include this within their assurance work and there have been no identified cases in 2019/20.
- 4.3.15 The following policies, strategies and governance documents were approved in 2019/20:

Document	Approval	Date
<a href="#">Contract Standing Orders</a>	Cabinet	7 January 2020
<a href="#">Corporate Business Plan</a>	Cabinet	7 January 2020
<a href="#">Homelessness Strategy</a>	Cabinet	7 January 2020
<a href="#">Council Tax Support Scheme</a>	Cabinet	7 January 2020
<a href="#">Corporate Complaints Policy</a>	Cabinet	12 November 2019
<a href="#">Unreasonable Complaints Policy</a>	Cabinet	12 November 2019
<a href="#">Mid-Year Treasury Management Review</a>	Cabinet	12 November 2019
<a href="#">Norfolk Strategic Planning Framework</a>	Cabinet	24 September 2019
<a href="#">Code of Corporate Governance</a>	Cabinet	6 August 2019
<a href="#">Strategic Partnership Agreement – Cambridgeshire and Peterborough Combined Authority</a>	Cabinet	6 August 2019
<a href="#">King's Lynn Area Consultative Committee</a>	Cabinet	18 June 2019
<a href="#">Scheme of Delegation</a>	Cabinet	18 June 2019

- 4.3.16 The council remained 'Payment Card Industry (PCI) Compliant' in 2019/20; this is an increasingly important regulation in light of the council's move towards more digital services and the public's reduced use of cheques. Compliance is judged in two ways: via an on-site audit; and through quarterly scans on behalf of the banks to try to find any vulnerability.

- 4.3.17 Other arrangements are in place to ensure compliance with relevant policies and to ensure that expenditure is legal. One example is the ICT Development Group; a group which for the 2019/20 year consisted of the portfolio holder, a second cabinet member, the Executive Director and the ICT Manager. The group manages the ICT capital budgets, reviews all new proposed ICT developments and keeps up to date with pertinent legislation. Officers write a report to the group outlining their business case and decisions are taken on spend to ensure that it complies with the council's priorities. The group monitors project delivery and items are recorded via agendas and minutes.
- 4.3.18 There were 6 data breaches in 2019/20 (4 in 2018/19); all minor and therefore not reported to the [Information Commissioner's Office](#) (ICO). These were dealt with in accordance with the council's Data Protection Policy. The Information Commissioner has taken no action against the council.
- 4.3.19 Each service manager is required to submit an annual data quality sign off sheet.
- 4.3.20 An annual programme of internal audit is agreed with Management Team and approved by Audit Committee.

## **5. Ensuring openness and comprehensive stakeholder engagement (Principle 2).**

### **5.1 Openness.**

- 5.1.1 The council has an open culture demonstrated by its work on transparency, the leadership style of officers and members, the use of regular team briefings and supervision meetings, staff and member bulletins, an annual briefing on the budget and publication of information on the intranet and website.
- 5.1.2 Meetings are open to the public except where personal or confidential matters are being discussed. In addition, senior officers of the council can make decisions under delegated authority – the extent of these delegations is set out in the Constitution.
- 5.1.3 Key decisions are generally taken in an open environment and supported by concise officer reports supported by additional documents such as business cases, equality impact and risk assessments, prior scrutiny by policy review and development panels. A number of officer project boards have embraced programme and project management principles to structure decision making and project review. Examples include the Officer Major Projects Board and Leisure Project Board.
- 5.1.4 The Annual Governance Statement and Statement of Financial Accounts provide a form of annual report and these are considered in an open meeting of the [Audit Committee](#).
- 5.1.5 A wide range of information is available via the council's website. This includes a [Freedom of Information Act publication scheme](#). A wide variety of datasets are published within a "[transparency](#)" section and include data such as salaries, spending, grants, parking, assets and management information.

- 5.1.6 The “[MyAccount](#)” and “[MyRevenues](#)” online accounts enable customers to access their information and service requests via the council’s website.
- 5.1.7 [Committee meetings](#) are timetabled a year ahead and have published agendas, minutes and reports which are available prior to the date of the meeting. These reports document the professional advice provided in reaching decisions.
- 5.1.8 Decision making protocols are set out in the Constitution.
- 5.1.9 A report pro-forma is used for reports to committees and to the internal Management Team.
- 5.1.10 Regular discussions between members and officers clarify the information needs of members to support decision making. The list of key decisions and committee work programmes provide further information on timescales.
- 5.1.11 The flow of information for committees is supported by a calendar of dates for submitting, publishing and distributing timely reports.

**5.2 *Engaging comprehensively with institutional stakeholders.***

- 5.2.1 The council works in partnership with a wide range of organisations to deliver its aims, policies and objectives. These include council owned companies, commercial partners, contractors, grant funded community groups, statutory consultees, regulators, commercial services, other public services, commercial tenants and so on.
- 5.2.2 The council has an active communications programme engaging with local media, residents and other stakeholders over a range of traditional and digital channels.
- 5.2.3 Work to develop a new internal communication strategy is ongoing. An internal review in 2018/19 recommended a number of enhancements to the council’s communications activities and are leading to changes in staffing and roles.
- 5.2.4 A [Statement of Community Involvement](#) outlines how the council will involve the community on planning decisions. A stakeholder management plan is being developed for a strategic housing growth area in West Winch/North Runcton. A large number of organisations are involved in this strategic site via a new housing access road and the infrastructure development plan.
- 5.2.5 Engagement approaches are bespoke to their purpose rather than rigidly adhering to a standardised approach. A number of consultation activities engaged a wide variety of stakeholders in 2019/20 including:

Consultation	Date	Purpose
<a href="#">Vision King’s Lynn</a>	29 November 2019 to 9 December 2019	To gain people’s suggestions to inform the Heritage Action Zone funding submission. The consultation complemented the Vision King’s Lynn town centre use and satisfaction consultation. which preceded it.

<a href="#">King's Lynn town centre satisfaction survey</a>	November 2019	To gain people's views on satisfaction and usage of the town centre.
<a href="#">Hunstanton developments</a>	November 2019	To gain the public's view on a number of projects within Hunstanton.

- 5.2.6 The West Norfolk Wins Lottery has been running for a little over 2 years with 62 local good causes and over 500 players participating every week. So far, since the first draw, £59,008 has been raised for good causes, and £25,176 for the Borough Council to utilise through its Financial Assistance Scheme, which is wholly used for local groups and organisations.
- 5.2.7 The Borough Council is a member of the Lotteries Council, the Gambling Commission and Gamble Aware. Gamble Aware funds research, prevention and treatment services to help reduce gambling harm. Gatherwell are the administrator for West Norfolk Wins. Gatherwell has extensive experience in administering council lotteries, with over 80 councils as clients.
- 5.2.8 The Borough Council's Environment and Community Panel receives an annual update on the progress of the lottery, highlighting Council responsibilities as well as key data surrounding West Norfolk Wins.
- 5.2.9 The West Norfolk Partnership has continued to promote the borough via its "[Love West Norfolk](#)" campaign. This has engaged a wide range of local organisations across different sectors within the borough and a number of local key influencers.
- 5.2.10 [Norfolk Resilience Forum](#) (a group of public services, emergency services, utility companies, armed forces and key voluntary groups) has undertaken preparatory work for a no deal Brexit scenario and the Council has been an active contributor to the core group and sub-groups concerning fuel and food related issues.
- 5.2.11 The council participates in a range of joint working arrangements with other bodies. Some arrangements are formal, and are a way to deliver the council's duties and obligations or generate income, such as the shared audit management with Fenland District Council, strategic housing services with Breckland District Council, parking control in Great Yarmouth and the management of disabled facilities grants in Breckland and Fenland. These arrangements are subject to formal governance arrangements and include processes for reviewing the delivery of benefits, and, where performance is unsatisfactory, arrangements for termination.
- 5.2.12 The council, as a responsible authority<sup>1</sup>, is a member of [Norfolk Community Safety Partnership](#) with a district based multi-agency Operational Partnership Team and [Norfolk Community Safety Scrutiny Sub Panel](#).
- 5.2.13 District councils not only affect public health through their direct roles and functions but also through their power to influence other bodies such as county councils, the local NHS, and health and wellbeing boards. The council is a member of [Norfolk Health and Wellbeing Board](#) and the related [Norfolk Health Overview Scrutiny](#)

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<sup>1</sup> Crime and Disorder Act 1998

[Committee](#). At a more local level, the council coordinates a multi-agency group focused on increasing activity levels.

- 5.2.14 There are a range of county-wide collaborative partnerships that the council engages with. Examples include Norfolk Business Rates Pool, [Norfolk Arts Forum Executive](#), [Norfolk Coast Partnership Core Management Group](#), [Norfolk Joint Museums Committee](#), Norfolk Local Authority Tourism Group, [Norfolk Parking Partnership Joint Committee](#), [Norfolk Police and Crime Panel](#), [Norfolk Rail Policy Group](#), [Norfolk Records Committee](#), Norfolk Counter Fraud Hub, [Norfolk Waste Partnership](#) and the Norfolk Resilience Forum.
- 5.2.15 Focusing on financial matters, the Norfolk Business Rates Pool successfully bid for a 75% business rate pilot over the financial year 2019/20. The local authority members actively contribute joint submissions to government consultations such as the fair funding settlement in order to represent the interests of the county and its constituent districts.
- 5.2.16 Turning to waste management issues, the council was actively involved in a joint procurement for waste collection services with neighbouring councils in North Norfolk District Council and Breckland District Council. The Executive Director for Commercial Services was authorised to progress a joint procurement for the council's refuse and recycling contract. An internal officer group has been established to support the transition process from the current to the new provider with the new arrangements operating from 1 April 2021.
- 5.2.17 On spatial matters, the council contributed to the development of the [Norfolk Strategic Framework](#) which documents areas of agreement that the Norfolk local planning authorities had reached and which they would follow when they prepared their individual local plans. It had been prepared by an officer team drawn from all of the Norfolk authorities supported by others from organisations such as the Environment Agency, Anglian Water and the New Anglia Local Enterprise Partnership (NALEP) (the Greater Cambridge Greater Peterborough Enterprise Partnership had also endorsed it). The framework will help ensure that the council discharges its legal duty to co-operate with neighbouring authorities in relation to strategically important land use issues which cross administrative boundaries. The result of such co-operation is expected to be better planning outcomes.
- 5.2.18 Regeneration is a corporate priority and, given the Enterprise Zone and other regeneration interests, the council actively engages with the NALEP Steering Group.
- 5.2.19 In September 2019, the Ministry of Housing, Communities and Local Government announced that 100 towns in England will benefit from the £3.6 billion Towns Fund. King's Lynn was one of the towns that will benefit from investment.
- 5.2.20 The establishment of a [Town Deal Board](#) is a requirement of the funding and is responsible for:
- developing and agree an evidence based Town Investment Plan
  - developing a clear programme of interventions
  - Coordinating resources and influencing stakeholders

- 5.2.23 There are also a number of partnerships and outside bodies at or within borough level which are independent from the council but have an impact on its service areas. In order that the council can maintain effective partnerships with a number of these organisations, representatives of the council, usually elected councillors, sit on the various committees and forums that are responsible for them. Examples include [West Norfolk and King's Lynn Girls School Trust](#), [West Norfolk Chamber of Commerce Council](#), [West Norfolk Community Transport Project](#) and [West Norfolk Tourism Forum Executive Forum](#). Oversight of these is a responsibility of the appropriate scrutiny panel.
- 5.2.24 Other partnerships are of a contractual nature, such as the delivery of leisure services via Alive Leisure Trust and a new provider, [Alive West Norfolk](#), from July 2019, procurement support to Boston Borough Council, delivery of the council's payroll processing or the Housing Strategy and Enabling Service that the council delivers for neighbouring Breckland District Council. Following Cabinet's agreement in February 2018, arrangements were embedded for the delivery of the notice processing for on and off street parking for Great Yarmouth and South Norfolk councils in addition to North Norfolk, Breckland and Broadland. These partnerships are also subject to formal governance arrangements, are reviewed regularly, deliver benefits to the council such as additional income, provide good value for money for the receiving organisation as the council maximises its own existing infrastructure, but are not delivering our own statutory obligations.
- 5.2.25 The council also continues to participate in an informal, collaborative partnership with local partners via the West Norfolk Partnership Strategy Group. The strategy group agrees priority issues which will benefit from a combined and coordinated response from partners. New terms of reference were implemented in April 2017 and have been adhered to during 2019/20.
- 5.2.26 The council has established 3 wholly owned companies which are detailed in section 12 of the Annual Governance Statement. Research has been undertaken in 2019/20 to identify approaches to enhance the governance of these companies including the concept of a shareholder committee, risk management and company director development. Following delays due to Covid 19, these will be progressed in 2020/21.
- 5.2.27 The council also had a partnership with Norfolk and Waveney Enterprise Services (NWES) following the award of the contract to build and operate KLIC. This partnership allowed for the loan of funds to support the development of the centre. The KLIC building came into council ownership following NWES default on the first loan repayment in 2018 which led to the council including an impairment on this asset in the financial statements. However, as income will be receivable over the lifetime of the asset, the impairment is negligible. NWES continued to manage the building until June 2020 at which time the council assumed responsibility.

### **5.3 *Engaging with individual citizens and service users effectively.***

- 5.3.1 The [Corporate Business Plan](#) 2015/16-2019/20 sets out the council's vision and provides the basis for investment, service planning and other decisions. Following the elections in May 2019, a [new business plan](#) was developed in consultation with members and approved by Cabinet in January 2020.



- 5.3.2 The plan refers to a range of intended outcomes and these are underpinned by strategies, service plans and the performance management framework and reported to overview and scrutiny panels.
- 5.3.3 The coronavirus pandemic began to impact upon the council from February 2020 and interrupted the business planning process. The council moved into a response mode for the remainder of the financial year and the corporate business plan was in stasis. As the council moved out of response mode in summer 2020, [a Covid 19 recovery strategy](#) was developed with a focus for 12 months subject to a resurgence of the virus and emergency planning efforts.
- 5.3.4 During 2019/20 we consulted upon a range of significant issues such as town centre regeneration and these are summarised in section 5.2.5.
- 5.3.5 The findings from these exercises are being used to inform future planning and strategy development.
- 5.3.6 Impacts on equality are required for all reports and equality impact assessments are considered where required by the Equality Policy.
- 5.3.7 The council aims to ensure that it is open, honest and transparent, and to enhance inclusion by building on our understanding of customer needs and perceptions, through improved customer service and community engagement. This has informed our approach to digital transformation and thinking regarding digital exclusion and isolation evident in services such as [Care and Repair](#) and [Lily](#).
- 5.3.8 The council engages with local people and stakeholders in the following ways on a range of issues: surveys; roadshows; community events; on line feedback; interviews; public meetings / consultation; compliments / complaints procedure.
- 5.3.9 Members of the public are also able to [ask questions](#) on a topic or service within the council's control at full council meetings.
- 5.3.10 A [King's Lynn Area Consultative Committee](#) is in place, which is made up of the councillors for the un-parished area of King's Lynn and West Lynn. The committee's terms of reference state that the committee is to act as a consultative forum and to encourage community engagement. The committee meets 5-6 times a year to discuss and make recommendations on issues relating to the un-parished area of King's Lynn and West Lynn.
- 5.3.11 There is an expectation from the majority of parish councils in the borough for the relevant borough councillor(s) to attend most, if not all, of their meetings; this assists with maintaining effective communication with parish councils and therefore the communities that they serve.
- 5.3.12 The council uses a variety of corporate communication tools including a website, intranet site, a newsroom, newsletters, media releases and social media to communicate and engage with the community and staff. [Facebook](#) and [Twitter](#) are used effectively to update on service provision. Social media is used for specific events, such as the [Hanse Festival](#), and the Town Hall has its own [Twitter](#) and [Facebook](#) accounts to help engage with potential customers and promote the venue. Results of all methods of communication are fed back into service delivery, ensuring accountability. The council also monitors feedback from residents and service users through compliments and complaints received.

- 5.3.13 The council has continued to support the second year of a West Norfolk Partnership initiative called “[Love West Norfolk](#)” launched in January 2018. ‘Love West Norfolk’ aims to create pride and aspiration within the local area and give people a voice on what they believe makes the area so special. The campaign is being headed up by key community leaders, including the Chief Executive and Leader of the borough council, and the Chief Executives of the Queen Elizabeth Hospital, the College of West Anglia, Freebridge Community Housing, Community Action Norfolk, and the Clinical Commissioning Group. It is also supported by Norfolk County Council. People have shared their views on what they love about the borough via social media and events. Companies have been involved and have undertaken consultation and engagement activities for employees and customers to share what they think sets west Norfolk apart.
- 5.3.14 During 2019/20, the council continued to be an active partner in the [Wash East Coastal Management Strategy Stakeholder Forum](#) and was leading plans to manage risk to Hunstanton’s coastline and a [successful bid](#), in partnership with Fenland District Council, to the [Coastal Communities Fund](#). The forum includes a wide range of public, private and voluntary sector organisations and consulted upon plans for managing a beach and addressing flood and coastal erosion risks. The council has contributed officer and financial resources to this activity.
- 5.3.15 During 2019/20 the council has complied with the requirements of the [Local Government Transparency Code 2015](#). The code makes it a legal requirement for local authorities to publish specified data by prescribed deadlines and thereafter annually. [The council publishes all specified data on its website](#), in the prescribed format, by the required deadline. This makes a direct line to the requirement to establish clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.
- 5.3.16 [The Statement of Community Involvement](#) was approved by Council in June 2017 and continues to inform how the authority consults with the public as part of the local plan process, on planning applications, and also on neighbourhood plans.
- 5.3.17 Cabinet has a [protocol and terms of reference for four member champions](#) who act as an advocate or spokesperson for a specific area of the council’s business. The main responsibility of each member champion is to encourage communication and positive action over the issue they represent. The council member champions are for disability, armed forces, heritage and coastal issues.
- 5.3.18 Fair access to services is informed by equality impact assessments on new policies and strategies and compliance with statutory guidance.
- 5.3.19 Our digital transformation work in 2019/20 resulted in:
- The successful launch of web chat, allowing Council Information Centre advisors to manage ‘multiple’ chats at the same time – 3,268 chats were completed by this channel in 2019/20.
  - Working closely with the Housing team to improve the digital services provided
  - Fly-tipping form integration with IDOX Uniform, Open Process and Report-it, preventing repeat reports and updating multiple systems.
- 5.3.20 Customer feedback from contact with the Council Information Centre from April 2019 to March 2020 indicated:
- 66% of customers think our digital services are excellent



- 97% were overall satisfied

## 6. Defining outcomes in terms of sustainable economic, social and environmental benefits (Principle 3).

### 6.1 Defining outcomes.

- 6.1.1 The [Corporate Business Plan](#) 2015/16-2019/20 is used as the basis for corporate and service planning. The sets out the council's vision and provides the basis for investment, service planning and other decisions. The plan currently in place was agreed by the council in January 2016. Borough elections were held in May 2019 and the corporate business plan was reviewed during 2019/20. The updated version was approved in January 2020.
- 6.1.2 The [new plan](#) outlines six priority aims, supported by 19 objectives in areas of key importance to the authority. The six priority aims within the plan are:
- Focusing on delivery
  - Delivering growth in the economy and with local housing
  - Protecting and enhancing the environment including tackling climate change
  - Improving social mobility and inclusion
  - Creating and maintaining good quality places that make a positive difference to people's lives
  - Helping to improve the health and wellbeing of our communities
- 6.1.3 The Corporate Business Plan is aligned with the council's [Financial Plan](#) and both documents are available on our website in order to be clear and transparent to local people, service users and stakeholders. Updates are also provided for members, staff and the public and available on the council's website via committee agendas and on the intranet InSite.
- 6.1.4 The plan is underpinned by directorate and service plans and the performance management framework.
- 6.1.5 The plan and related documents, such as the [Cultural Prospectus](#), set out intended impacts or changes for customers and other stakeholders. Progress against the plan was monitored quarterly by Management Team and reported to Corporate Performance Panel every 6 months.
- 6.1.6 The plan is underpinned by a performance management framework that includes key performance indicators covering all of the directorates. These indicators and targets are reviewed annually. Progress trends are established and reported quarterly to the overview and scrutiny panels and Management Team. Action plans are identified for under-performing indicators.
- 6.1.7 The council's Management Team, consisting of the Chief Executive and executive directors meet on a weekly basis to consider matters commensurate with the corporate business plan and emerging issues. It also considers internal control issues, including risk management, performance management, compliance, value for money and financial management. Management Team receive monthly reports which details movements across a range of key indicators including measures of local economic performance.

- 6.1.8 The [corporate risk register](#) is routinely updated every six months and considers risks to the achievement of the corporate business plan. Mitigation plans are included for each risk. The risk reports to Management Team and Audit Committee also detail actions relating to “high risks”.
- 6.1.9 Budget reports are provided on the intranet for staff and members to view. All budget holders are involved in the budget setting process.

## **6.2 Sustainable economic, social and environmental benefits.**

- 6.2.1 Decisions regarding capital investment consider the appropriate life spans of projects and the potential for adaptation for alternative use or that resources (such as council owned land) are used to optimise social, economic and environmental benefits. These considerations are evident in the capital programme and investment strategy and across the projects considered by the Officer Major Projects Board established in 2018/19.
- 6.2.2 Regular discussions between members and officers consider the information needs of members and senior managers to support decision making. Away days, briefings, portfolio updates, sifting meetings and meetings between the Chief Executive and council leadership are examples of this dialogue.
- 6.2.3 Reports to committees and Management Team provide a record of decision making and related background information.
- 6.2.4 Using second homes council tax funding, the council engages with partners and schools to identify and undertake initiatives that seek to improve educational attainment and skills levels within the economy. Activities in 2019/20 included:
- Shakespeare plays (Macbeth and A Christmas Carol) for year 11 students in secondary schools
  - A University challenge involving 120 students, with speakers and quizzes in a mixed school team
  - A GCSE maths booster provided by PiXL involving over 1,000 students
  - A subsidy for disadvantaged Year 11 students for Poetry Live Cambridge
  - A Midsummer Nights Dream play for year six to help with the transition to secondary schools
  - Primary schools grants to support World Book Day enabling schools to have authors in the schools and visits to the libraries
  - Mental Health First Aid (youth) for staff in 15 schools (over 100 staff trained).

## **7. Determining the interventions necessary to optimise the achievement of the intended outcomes (Principle 4).**

### **7.1 Determining interventions.**

- 7.1.1 Portfolio holder discussions and stages within the decision making process, such as the preparation of committee reports, provide opportunities to shape objectives and robustly analyse options and associated risks.
- 7.1.2 Development of the financial plan draws together feedback from a range of sources such as service demand, local priorities, efficiency needs, new legislation and staffing to prioritise competing demands within the confines of a balanced budget.

- 7.1.3 Management Team generally meet on a weekly cycle and consider a wide range of strategic and operational issues related to the delivery of the corporate business plan.
- 7.1.4 Management Team have established programme boards to enable a greater focus on significant issues including the transition to a new delivery model for leisure services, major capital projects and its wholly owned companies.
- 7.1.5 The council's risk management framework requires that consideration of risk is embedded in all key management processes. These include aspects such as policy and decision making, service delivery planning, project and change management, contracts, budget management and partnership working.
- 7.1.6 The financial management of the council is conducted in accordance with the financial rules set out in the Constitution and Financial Regulations. The council has in place a Medium Term Financial Plan, updated annually, to support the aims of the Corporate Business Plan.
- 7.1.7 [Contract Standing Orders](#) were refreshed in January 2020 to ensure that the Council's purchasing and disposal procedures continue to reflect best practice in order to obtain best value and to guard against corruption, discrimination and breaches of public procurement regulations.
- 7.1.8 All budget lines are allocated to a named budget officer who is responsible for controlling spend against that budget, and who is also responsible for assets used in the provision of their service. Containing spending within budget is a high priority in the performance management framework for individual managers.
- 7.1.9 The council's contract management strategy emphasises that operational managers are responsible for contract management. Job descriptions for senior managers contain relevant responsibilities and appropriate training and development has been provided.
- 7.1.10 Corporate contract management support is provided by the procurement team who also actively manage a number of centralised contracts. These include: fixed wire testing; lift maintenance; boiler maintenance; air con maintenance; archive storage; external printing; drains and gutter clearing; fire alarms and emergency lighting maintenance.
- 7.1.11 The general approach is to hold regular review meetings with the contractors and invite sites/managers to provide feedback and/or attend the meetings.

## **7.2 *Planning interventions.***

- 7.2.1 A number of measures help to create robust planning and control cycles. These include calendars for developing and submitting plans and reports, the performance and risk management frameworks, corporate policy guidance and equality impact assessments.
- 7.2.2 Internal and external stakeholders are involved in determining how services should be planned and delivered. This is typified by internal working groups, project teams and boards, consultation on major developments and the formulation of new strategies.

- 7.2.3 Performance measures are identified within performance appraisals, service and directorate plans and strategies. Key performance indicators are identified by service managers, directors and portfolio holders and provide the basis of quarterly reports to overview and scrutiny panels.
- 7.2.4 The quarterly reports considered by the overview and scrutiny panels provide a direction of travel, an indication of variation against target and under-performing indicators have a mitigation plan. The panels can request follow up work such as briefings and written responses on matters within their remit.
- 7.2.5 The medium term financial plan is aligned with the corporate business plan. The cost reduction plan indicates how budget reductions are identified and managed. Annual budget setting guidance is issued to service managers to inform service planning. Monthly budget monitoring reports provide an indication of progress.
- 7.2.6 Project management approaches are used by project boards demonstrated by the use of project teams, project briefs, business cases and option appraisals and post project evaluation.

### **7.3 *Optimising achievement of intended outcomes.***

- 7.3.1 Over recent years, the council has adopted an approach of seeking efficiencies and different ways of delivering services to produce savings. The savings achieved have been the result of considerable change and transformation. In October 2016 the council published an [efficiency plan](#) in order to fix a four-year financial settlement from the government and work continues within all directorates to produce the changes required to deliver the savings identified, before 2020/21. Executive directors and all service managers are directly involved in monitoring the work being completed and savings achieved are reported in the monthly budget monitoring reports and quarterly reports to Management Team. Where savings are achieved in advance of 2020/21 these are transferred to reserves to fund investment in major capital projects which will provide future revenue income.
- 7.3.2 One of the corporate priorities is the delivery of a 'channel-shift' programme. The key document for delivery is the 'Switched On' Transformation Plan. The plan sets out how the authority is approaching service transformation, and introducing improved digital services across the organisation and is underpinned by communications and training plans to support employees through the changes required, equipping them with the skills they will need to implement new ways of working.
- 7.3.3 The council's shift towards digital services progressed well during 2019/20 with improved take up of My Account, use of online integrated forms and the online help function. A customer portal was introduced in Revenues and Benefits allowing customers to self-serve via the council's website, accessing real time data about their council tax, business rates accounts and benefit claims. Online Revenues and Benefits forms with direct integration into the back office systems are also available for customers to complete. These are key parts of the channel shift programme and provide the foundation for much of the work planned in this area over the remaining life of the Corporate Business Plan. The website is fully responsive and works well across a wide range of devices such as tablets and mobile phones. Feedback received on the change and how the change was managed was positive from both

external customers and internal staff. During 2019/20, new/revised online forms were introduced for:

- Benefit New Claims and Changes in Circumstances
- Council Tax and Business Rates Method of Payment changes, including setting up a Direct Debit
- Council Tax and Business Rates refund requests
- Council Tax Single Person Discount application

7.3.4 There are also several new forms in development for council tax and business rates which are awaiting testing and functionality and these are anticipated in 2019/2020.

7.3.5 Take up of the new forms has been high with nearly 1,300 MyRevenues forms completed by customers since they went live. High levels of take up demonstrate the ease of use and benefit that being able to complete forms at a time convenient to the customer has enabled. Many Revenues and Benefit forms integrate directly with our back office system and further work in 2019/20 will be completed to integrate revenues and environmental health forms into the respective back office systems.

7.3.6 The council continues to encourage take up of digital services by providing assisted self-service facilities supported by staff at the King's Court offices.

7.3.7 The council's financial ledger underpinning its internal system of financial control was retendered in 2018/19 with implementation ongoing into 2019/20 and 2020/21. This is supported by a framework of regular management information, financial regulations, administrative procedures, management supervision and a system of delegation and accountability. Development and maintenance of the ledger software is undertaken by the council's financial services team. In particular, the system includes:

- Comprehensive budgeting systems;
- Measurement of financial and other performance against targets;
- Regular reviews of periodic and annual financial reports, which indicate financial performance against the forecasts and targets;
- Clearly defined capital expenditure guidelines;

7.3.8 Financial management processes and procedures are set out in the council's financial regulations and include:

- Financial management processes and procedures
- Financial planning including budgeting and budget monitoring
- Risk management and control, including asset management and treasury management
- Systems and procedures
- External arrangements including council owned companies, service level agreements and partnerships

7.3.9 The council seeks to provide the maximum benefit for its communities from every taxpayer pound that is spent. This is assisted by the procurement strategy and via our regeneration role through which we take responsibility for generating economic, environmental and social growth for our local communities.

7.3.10 Contract Standing Orders encourage services to consider social value particularly in respect to contracts over the EU threshold. In larger contracts, the council

includes social value issues such as 'use of local apprenticeships' and 'use of local sub-contractors' as award criteria. We will continue this practice and look for ways of increasing the social value obtained from our contracts.

- 7.3.11 The council engages with the voluntary, community, social enterprise (VCSE) sector usually through the route of grants, other financial support and through the West Norfolk Wins lottery. We have relatively few contracts that would be suitable for VCSE providers but we will continue to look for opportunities for this sector and encourage local organisations and groups to compete when appropriate. Currently, we have Information and Advice Services contracted out to two VCSEs that have been successful thus far and the contracts are being retendered in the 2019/20 financial year.
- 7.3.12 The procurement team use methods such as brief tender documentation, early identification of potential local suppliers, encouraging local businesses to sign up to online alerts for local contract opportunities and provision of briefings for SMEs on the procurement process.
- 7.3.13 Procurement monitors the proportion of business that we have with small and medium enterprises (SMEs) and voluntary, community and social enterprises (VCSEs) via the use of spend analysis data. Considering the total number of suppliers that we used in the 2019/20 financial year, 8.33% (7.76% in 2018/19) were VCSEs and 70.87% (70.25% in 2018/19) were SMEs. Of our total spend in 2019/20, 3.5% (1.98% in 2018/19) has been with VCSEs and 33.67% (21.18% in 2018/19) with SMEs. The capital expenditure for major housing development projects has generated significant opportunities for SMEs working as subcontractors to the Council's main development contractor.

## **8. Developing the council's capacity, including the capability of its leadership and the individuals within it (Principle 5).**

### ***8.1 Developing the council's capacity.***

- 8.1.1 The council aims to ensure that its members and officers have the skills, knowledge and capacity they need to discharge their responsibilities and recognises the value of well trained and competent people in effective service delivery. The online corporate induction course is available for all new members and staff to familiarise themselves with protocols, procedures, values and aims of the council and is regularly reviewed.
- 8.1.2 An established member training and development programme, including an induction process and regular updates throughout the year. Specific training is also provided to members who sit on regulatory committees, and they are unable to take up a position on these committees without having first received the relevant training.
- 8.1.3 Regular reviews of activities, services and strategies are undertaken. These may be within the service, utilising Internal Audit or Policy and Performance, incorporate lean management principles or external consultants. The Cost Reduction Plan is focused on identifying and realising efficiency savings across the organisation.

- 8.1.4 Reviews often draw upon benchmarking information and research into practice at other local authorities to inform option development.
- 8.1.5 The council recognises that it alone cannot necessarily impact on outcomes and collaborates with partners. West Norfolk Partnership typifies this with its work on improving educational attainment, increasing active lifestyles and promoting the reputation of the borough.
- 8.1.6 Other examples of benefits from partnership working are evident in waste management, parking enforcement, community safety, cultural and regeneration activities and strategic housing.
- 8.1.7 Service planning is complemented by workforce planning which considers skill development, succession planning and recruitment options.
- 8.1.8 All posts have a detailed job description and person specification. Training needs are identified through team meetings, 1:1s and annual appraisals and addressed via Personnel and/or individual services as appropriate. A performance related pay system provides an incentive to exceed.

## **8.2 *Developing the capability of the council's leadership and other individuals.***

- 8.2.1 The annual appraisal process provides an opportunity to review job descriptions and the capability of employees. The absence management procedure informs capability and capacity considerations.
- 8.2.2 Regular dialogue between the chief executive and council leadership helps to maintain a shared understanding of future direction and progress. Robust governance is informed by regular meetings between the three statutory officers. The council's senior managers and portfolio holders have been with the council for many years and that harmonious relationship has helped to build a strong foundation for broader leadership of the organisation.
- 8.2.3 The scheme of delegation is periodically reviewed and typically triggered by legal and organisational changes such as restructures.
- 8.2.4 Standing orders and financial regulations are reviewed periodically.
- 8.2.5 The respective roles and responsibilities of members and senior officers provide a check and balance.
- 8.2.6 The capabilities of members and senior officers are supported by development activities to enable the organisation to respond to the changing operating environment. This is typified by induction programmes, access to briefings and training events on new legislation and government policy, personal development plans for officers and networking opportunities.
- 8.2.7 For example, for members this may include the ability to:
  - scrutinise and challenge
  - recognise when outside expert advice is required
  - promote trust
  - work in partnership
  - lead the organisation
  - act as a community leader

- 8.2.8 Other examples of activities to enhance capability include:
- Using efficient systems and technology to provide effective support e.g. roll out of Office 365 and as part of the Covid 19 response - Microsoft Teams and Zoom.
  - Arrangements for succession planning.
  - Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs
  - Staff development plans linked to appraisals
  - Implementing appropriate human resource policies and ensuring that they are working effectively e.g. trial of absence management approach.
- 8.2.9 The Constitution sets out how the council operates, how decisions are made and the procedures to be followed to ensure that these are efficient, transparent and accountable to local people. This defines, amongst other things the roles of the Council, Cabinet, how scrutiny and overview is undertaken, the Scheme of Delegation, and the roles and responsibilities of officers and members. The different elements of the Constitution are subject to periodic change either through national legislation or local decision. For example, at Council on 14th June 2018, a review of key decision levels was approved which raised the threshold to £0.5m from £0.25m.
- 8.2.10 Within the Constitution, full council sets the overall budget and policy framework of the council, while the cabinet makes decisions within this framework, and is held to account by the overview and scrutiny arrangements. Meetings are open to the public except where exempt or confidential matters are being disclosed. In addition, senior officers of the council can make decisions under delegated authority. The council publishes a Forward Decision List which contains details of key decisions to be made by the council, its bodies and executive directors under their delegated powers.
- 8.2.11 A comprehensive programme of learning and development is provided for officers and members. Learning and development needs for staff are identified through the performance management process and in response to organisation and service level needs and these are translated into an annual training programme. Examples would include performance management training for managers, training on the Regulation of Investigatory Powers Act 2000 for senior officers, event management training and briefings on the council's Incident Response Plan.
- 8.2.12 The council has a commitment to management training and delivers a range of development activities to support managers at all levels, including specific training to support the development of service managers. Following the success of a second cohort of managers who completed a Level 7 management programme in the summer of 2018 a new Level 5 management programme commenced in May 2019. Additional development sessions are delivered to ensure senior managers are kept up to date on current issues on an ongoing basis.
- 8.2.13 Senior officers also participate in relevant sessions relating to changing technical requirements to ensure the up to date position is known and to feed in to relevant central government departments at appropriate times; examples are attendance at major projects development meetings, meetings with ministers and their civil servants on programmes and policy development and Brexit preparation meetings with the Norfolk Resilience Forum.



- 8.2.14 Member development needs are identified through use of a questionnaire following their election, and are also identified during the year as matters arise at meetings and questions of training needs arise. Particular emphasis has been given to ICT training for councillors during the 2019/20 year to continue to support the digital agenda. Feedback forms following any training undertaken continue to be used to develop training in areas where further needs have been identified. Plans are in place for an additional training support to take place during 2020/21 for the introduction of virtual council meetings.
- 8.2.15 The policy review and development panels regularly receive updates on relevant topics as part of their agenda, particularly around any new or current initiatives, and training is run throughout the year as identified. Topics for updates or training are identified either by officers or members and help to ensure members are better informed and have input at an early stage. The Audit Committee has received specific briefings / training throughout the year.
- 8.2.16 The council values the health and wellbeing of its workforce. This is underpinned by its Health, Safety and Welfare Policy and supported by staffing changes that will bring a greater focus on health and wellbeing within the council. There is a positive relationship with the main trade unions and an active staff social club. There are a number of major community events ([GEAR](#) and [Fawkes in the Walks](#)) throughout the year which are assisted by staff volunteers and sponsorship.

## **9. Managing risks and performance through robust internal control and strong public financial management (Principle 6).**

### **9.1 *Managing risk.***

- 9.1.1 We recognise that everyone has a role in managing risk which is proportionate to their role. The corporate risk register is reviewed every six months with updates reported to Management Team and Audit Committee. An additional risk related to fire safety at the council's headquarters was added to the register between the scheduled reviews.
- 9.1.2 The risk management policy and strategy had a scheduled refresh that was informed by an Internal Audit review which rated the current arrangements as "substantial". The updated policy and strategy were developed with Audit Committee and approved by Cabinet in March 2019. The updated approach was rolled out in 2019/20 although training was delayed due to Covid 19 for example the Audit Committee received training on risk management on 27 July 2020.
- 9.1.3 All committee reports contain a section on risk.
- 9.1.4 Business continuity is a key risk and an Incident Response Plan was developed by the Business Continuity Corporate Officer Group to support the council's response to incidents. This was rolled out corporately via briefings to a wide range of senior officers.
- 9.1.5 Relevant officers participated in a number of business continuity/emergency planning multi-agency events considering King's Lynn port, cyber security and the no deal Brexit scenario.
- 9.1.6 The Covid-19 pandemic moved the council into a business continuity /emergency planning mode with gold and silver groups established and bronze plans

implemented. The council formed part of the Norfolk Resilience Forum's incident response throughout the remainder of 2019/20 and into 2020/21 where the local and national focus has been on recovery.

9.1.7 Following concerns arising from a late loan repayment, the council commissioned Internal Audit to review its arrangements with the recipient, NWES. A lesson learnt report was considered by Audit Committee in March 2019 and was considered at a special Council meeting in April 2019.

9.1.8 At its meeting on 11 March 2019 the Borough Council of King's Lynn and West Norfolk's (Council) Audit Committee set up a Cross Party Working Group (CPWG), following extensive work carried out by its Internal Audit officers, to examine all aspects of the project to create the King's Lynn Innovation Centre (KLIC). Cabinet considered the report which set out the report of the Audit Working Group. Cabinet was presented with the report of the working group and the minutes of the Audit Committee on 10 February 2020 when it received the report.

9.1.9 The report made by the following recommendations:

- Notwithstanding the requirements of the Major Projects Boards, all major projects should have a designated Project Manager of sufficient seniority in the Council's hierarchy to make appropriate decisions
- In the event that a major project involves a third party in order to bring it to fruition the Chief Executive Officer or appropriate Assistant Director should oversee the project's management
- If a loan is granted or investment made under any statutory power that in ordinary circumstances would fall within the Treasury Management Procedures it should be governed by those Procedures, especially as regards to the 3 principal elements, i.e. risk/security, liquidity and return
- Any joint venture with a third party must undergo rigorous examination before being entered into to ensure as far as reasonably practicable the third party's financial viability for a period exceeding the life of the project
- If a loan is entered into with a third party that does not fulfil the Council's requirements for creditworthiness such a loan must be secured on a tangible asset wholly owned by the third party that is not otherwise secured elsewhere
- Each and every project involving a third party should be included in the Council's Risk Register following a risk assessment
- The loans to NWES should immediately be either reinstated to the half yearly reports on Treasury Management to Audit Committee or be reported on separately to Audit Committee at a shorter frequency
- All legal documents should be signed off before funds are released.

9.1.10 An [independent inquiry](#) was established by Cabinet in June 2019 to consider the partnership with Norfolk and Waveney Enterprise Services (NWES) and its subsidiaries and associated companies and those with common shareholders or directors, regarding the award of and administration of the KLIC project and all aspects of its (their) financial relationship with the Borough Council of King's Lynn and West Norfolk. The [findings](#) were considered by Special Audit Committee

meeting on 10 February 2020 and Cabinet on 17 March 2020 Cabinet on 20 June 2020.

- 9.1.11 A [Major Projects Member Board](#) was established by Cabinet in June 2019 to provide assurance that the council's major projects programme is run in accordance with the Major Projects (Officer) Board Terms of Reference.
- 9.1.12 The council's internal audit team have developed a fraud risk register to monitor fraud risks across the council and review them to establish mitigations in place and improvements required in conjunction with standard internal control testing.

## **9.2 *Managing performance.***

- 9.2.1 The council has an effective Performance Management Framework, which is driven by the corporate business plan. Performance targets and actions are cascaded through directorate, service, team meetings and 1:1s. The Performance Management Framework was reviewed in 2016 and, following the May 2019 elections, will be refreshed to align with the new corporate business plan. This work was underway but delayed by the Covid 19 response and subsequent development of a recovery strategy in June 2020.
- 9.2.2 The council has a performance management framework which describes how the authority measures and monitors the performance of its activities and is available on the council's website. A number of updates occurred in 2019/20 including:
- The framework was generally refreshed during the 2019/20 year to ensure it reflects current objectives and priorities.
  - The suite of key performance indicators and targets was reviewed in May 2019 and agreed by executive directors and portfolio holders.
  - Following a scrutiny review in 2018, arrangements for all overview and scrutiny panels to monitor their own indicators were embedded.
- 9.2.3 Through reviews by external auditors, external agencies, Internal Audit, and the Policy and Performance Team, the council seeks ways of ensuring the economical, effective and efficient use of resources and for securing continuous improvement in the way in which its functions are exercised for example a senior management review was undertaken during 2019/20 with the new structure effective from January 2020.

## **9.3 *Robust internal control.***

- 9.3.1 All committees have clear terms of reference and work programmes to set out their roles and responsibilities The Audit Committee meet throughout the year to provide independent assurance to the Council and considers the reports and recommendations of internal and external audit and inspection agencies and their implications for governance, and risk management or control, and supports effective relationships between external audit and internal audit, inspection agencies and other relevant bodies, and encourages the active promotion of the value of the audit process and review the financial statements.
- 9.3.2 The committee considers the internal and external auditor's opinion and reports to members, and monitors management action in response to the issues raised by internal and external audit. These arrangements ensure that the council has processes and procedures in place to ensure that an it fulfils its overall purpose, achieves its intended outcomes for service users and operates in an economical,

effective, efficient and ethical manner, as prescribed in the CIPFA/the role of the head of internal audit statement.

- 9.3.3 A data quality assessment takes place at year end supported by checks through the year.
- 9.3.4 There is an agreed programme of Internal Audit reviews through the year. With reports approved by lead managers/directors and a summary provided to Audit Committee.
- 9.3.5 The Council complies with the [Code of Practice on Managing the Risk of Fraud and Corruption](#) (CIPFA, 2014). There is an Anti-Fraud and Anti-Corruption Strategy, Whistleblowing Policy and Fraud Response Plan. The council investigates fraud relating to Council Tax and Business Rates payments, Council Tax Support, as well as other types of fraud identified across the authority. Responsibility for investigating housing benefit fraud transferred to the Department for Work and Pensions in 2015 and a referral system is in place between the council and the DWP if housing benefit fraud is suspected.
- 9.3.6 The Annual Governance Statement is developed corporately involving service managers across the council, the senior Management Team and Audit Committee in its drafting.
- 9.3.7 An effective internal audit service is resourced and maintained with the Internal Audit Manager shared with neighbouring Fenland District Council who contributes learning from the two authorities and professional networks.
- 9.3.8 The Audit Committee complies with best practice set out in "[Audit Committees: Practical Guidance for Local Authorities and Police](#) (CIPFA, 2018)". There is a clear terms of reference which is periodically reviewed. The committee members meet at least 6 times per year. Members receive a number of training sessions throughout the year and in 2018/19 covered internal audit, annual accounts and the capital programme. There are regular attendances from a range of senior officers including the Assistant Director - Resources (Section 151 officer and the lead officer for the committee), the Chief Executive and the Internal Audit Manager and the appointed external auditor. Other attendees include the Monitoring Officer.
- 9.3.9 During 2018/19, the council began to explore ways to enhance the oversight of its wholly owned companies initially drawing upon notable practice from the LGA, white papers published by legal/accountancy companies and research into practices at other authorities. This work continued into 2019/20 and, whilst delayed by Covid 19, will ultimately strengthen oversight of company performance and business plans together with the development of council appointed directors.
- 9.3.10 Effective arrangements are in place for the discharge of the Monitoring Officer, Head of Paid Service and Section 151 roles. There are periodic meetings of the 3 statutory officers to consider governance issues.
- 9.3.11 The council's Monitoring Officer is responsible for ensuring compliance with established policies, procedures, laws and regulations. After consulting with the Head of Paid Service, the Monitoring Officer will report to full council if it is considered that any proposal, decision or omission would give rise to unlawfulness or maladministration. The Monitoring Officer's annual report summarises the more

important matters arising from their work for the council from 1 April 2019 to 31 March 2020 and comments on other current issues. No contraventions have been identified or reported.

- 9.3.12 The Chief Executive is the council's Head of Paid Service and has overall responsibility for the management and co-ordination of the employees appointed by the council. The Chief Executive is required to report to the council as appropriate with regard to the way in which the different functions of the council are co-ordinated, the number and grades of staff required for the discharge of these functions, the way in which these people are organised and managed and the way in which they are appointed.
- 9.3.13 Following the phased retirement of the Chief Executive a new Chief Executive was appointed on 1 September 2019.
- 9.3.14 The council has a corporate complaints procedure in place, available on the council website. The council also deals with any incidents of racial complaints, or complaints relating to a disability, in a similar but separate process. The complaints received are analysed and results presented to the Corporate Performance Panel on an annual basis.

#### **9.4 *Managing data.***

- 9.4.1 With the introduction of GDPR in 2018, the council strengthened its governance regarding data management framework and procedures. There is a designated data protection officer, a senior information risk owner (SIRO) and deputy SIRO. A range of information asset owners and administrators have also been identified.
- 9.4.2 The data protection policy was updated in 2018.
- 9.4.3 Corporate training for GDPR was provided in 2019/20 and informed the corporate preparation of privacy notices, records of processing activity and the review of the authority's document retention and disposal policy.
- 9.4.4 A new Data Protection e-learning course will be launched and it will be compulsory for all staff to complete.

#### **9.5 *Strong public financial management.***

- 9.5.1 Financial management supports the delivery of services and transformational change as well as securing good stewardship of the council's resources.
- 9.5.2 The CIPFA statement describes the roles and responsibilities of the chief financial officer, who is bound by both professional standards and also legislative responsibilities, with a fiduciary duty to the local taxpayer.
- 9.5.3 The council's arrangements fully comply with the principles described: the current chief financial officer was recruited in March 2020 and is the Assistant Director of Resources and reports to an Executive Director.
- 9.5.4 Budget monitoring reports are provided on a monthly basis and published on the intranet for all staff and councillors to view.
- 9.5.5 The development of the revenue and capital budget, medium term financial strategy and treasury management strategy all engage members and are reported to Audit Committee and Cabinet.

9.5.6 The council has a cost reduction programme which is monitored on a quarterly basis by Management Team and covers a range of service areas. The programme extends to 2021/22 however the Covid 19 response has affected the monitoring and realisation of planned savings.

## **10. Implementing good practices in transparency, reporting and audit, to deliver effective accountability (Principle 7).**

### **10.1 *Implementing good practice in transparency.***

10.1.1 Committee meetings are open to the public except where sensitive or confidential matters are being discussed. Appropriate reports are available for the public to review on the council's website and reference the contact details of the key officers and members.

10.1.2 Internal Audit is an independent and objective service to the management of the council and undertakes a programme of reviews throughout the year to provide an annual opinion on the framework of governance. Significant weaknesses in the control environment are reported to senior management and the Audit Committee by the Internal Audit Manager as part of the regular reporting process. Outstanding audit recommendations are discussed at senior management meetings and Audit Committee, and issues with addressing the urgent recommendations are also discussed at Management Team. Audit recommendations are generally implemented by the agreed date but some may slip or recommendations are overtaken by unforeseen events leading to revised dates.

10.1.3 The council has a Code of Corporate Governance in place, which sets out how the authority intends to apply the principles of corporate governance, in accordance with CIPFA/SOLACE guidance. The code includes a chart to demonstrate the different parts of the framework and reflects the council's current processes and procedures. The code will be reviewed every three years to reflect any changes in the council's governance framework and/or any revised guidance. The three statutory officers will meet quarterly to review high risk projects and identified issues.

10.1.4 Progress towards achieving the aims outlined in the council's former Corporate Business Plan was monitored through the [Corporate Business Plan Monitoring Report](#) which was collated quarterly during 2019/20. Updates at the end of quarters 2 and 4 were taken to the Corporate Performance Panel for review and progress checking. As part of collating and reviewing the monitoring report, the council's senior management team consider and review the aims, actions underway and progress made. The governance arrangements in place for the year under review were appropriate for delivery of our aims.

10.1.5 The website, intranet, communications function, published datasets and social media channels all contribute towards being a transparent organisation. Members of the public are able to raise questions at council meetings in addition to raising matters directly with services, senior officers and councillors. Policies are in place for responding to requests made under access to information regulations including the Data Protection Act 2018, Freedom of Information Act 2000, Environmental Information Regulations 2004 and via the corporate complaints system.



## **10.2 Implementing good practices in reporting.**

10.2.1 A wide range of information is reported publicly including:

- Annual financial statements
- Agendas, minutes and reports
- Appropriate approvals
- Records of decisions made under delegated powers
- Procurement and spending
- Performance against key performance indicators
- Lessons learnt reports
- Annual governance statement which follows the best practice recommended by CIPFA/Solace.
- Risk management updates
- Progress on the corporate business plan and updates on key objectives.

## **10.3 Assurance and effective accountability.**

10.3.1 The Internal Audit process helps to drive improvement. An example of this includes the review of the council's risk management policy and strategy which was developed via Audit Committee.

10.3.2 The council complies with CIPFA's [Statement on the Role of the Head of Internal Audit](#) and with [Public Sector Internal Audit Standards](#).

10.3.3 Effective management is based on a framework of regular management information, financial regulations, standing orders and a structure of varying levels of responsibility, including arrangements for delegating decision making. The council has all these elements in place, including those which meet '[The Openness of Local Government Bodies Regulations 2014](#)', and we regularly review these to ensure they remain relevant and fit for purpose. The Constitution was revised during 2018/19 including an increase in the value of decisions. There is a protocol for recording and broadcasting of meetings. Decisions are made in open, public meetings, or via the various delegation arrangements in place and all adhere to the policy position in place – for example, planning decisions are taken with regard to the adopted Local Plan and all other relevant guidance.

10.3.4 The council works in partnership at many different levels. Continued participation is reviewed regularly to ensure it remains effective. Decision making in partnerships is governed by the structure outlined within the appropriate constitution. As in one example, the [Norfolk Coast Partnership](#) (a formal partnership with Great Yarmouth Borough Council, North Norfolk District Council, DEFRA and Norfolk County Council) there is a 'Memorandum of Agreement' that outlines how decisions will be made within the partnership.

10.3.5 A [Memorandum of Agreement](#) for the [Wash & North Norfolk Marine Partnership](#), brings together the interests, skills and resources of 21 local authorities, environmental interest groups and national agencies to address matters of mutual interest in and around the Wash is under development.

10.3.6 During the 2018/19 year, the council worked in partnership with other public sector organisations in Norfolk in the '[One Public Estate](#)' programme running across the county following a successful 2016 bid for funding towards feasibility work. Formal

governance for the partnership is outlined within the 'Norfolk Partnership Services & Assets Delivery Plan' document.

- 10.3.7 The council is working with Homes England and Ministry of Housing, Communities and Local Government on the Accelerated Construction programme.
- 10.3.8 The council has a [Data Quality Policy and Strategy](#) in place and available on its website. Having this in place indicates that the council understands the importance of data quality and is committed to being consistent in its management of data quality within the organisation and in partnership with others. It also means that the council ensures that the data produced adheres to the 7 principles of data quality. The policy was reviewed, and the strategy was refreshed during the 2018/19 year.
- 10.3.9 Following a review of the council's scrutiny function by the Centre for Public Scrutiny in 2015, the cross party Scrutiny Structures and Policy Development Task Group made recommendations to panels, Cabinet and Council on the Scrutiny and Policy Development Structure. The Task Group reconvened in August 2017 to review the revised operation and structures. The Task Group's proposals were considered by the policy and review panels and were approved by Cabinet in January 2018. Implementation of the changes continued into 2018/19. These changes included:
- the attendance of Audit Committee members for training becoming obligatory as it is for Planning and Licensing initial training.
  - Panels being encouraged to use the powers available to them and therefore making clear recommendations on items coming before them so they can be incorporated into reports in the progress of being prepared or taken into account at Cabinet.
  - Panels considering their own performance indicators and being encouraged to monitor the progress in line with the corporate objectives through that route.
  - when working on policy development and reviews and project programme work, Panels being encouraged to have discussions with portfolio holders.
  - the Leader nominating the panel/committee chairs for agreement at Council with the vice-chairs to be appointed by the panels/committee.
  - terms of reference being approved for chairs of scrutiny bodies.
- 10.3.10 The role referred to by CIPFA as the Head of Internal Audit has a critical role in delivering the organisation's strategic aims by championing best practice in governance, objectively assessing the adequacy of governance and management of existing risks, commenting on responses to emerging risks and proposed developments; and giving an objective and evidence based opinion on all aspects of governance, risk management and internal control. The Internal Audit Manager has direct access to the Audit Committee. The arrangements in place for 2018/19 conformed to the requirements outlined in the CIPFA Statement on the Role of the Head of Internal Audit.
- 10.3.11 During 2019/20, the shared arrangement with Fenland District Council to manage the Internal Audit team continued and is underpinned by a Section 113 agreement. These arrangements were entered into in order to provide a cost saving to the borough council, whilst at the same time continuing to provide an effective internal audit function through a different model of delivery. The



arrangement enabled the shared Internal Audit Manager to provide the assurance required by management and members and issue an Audit Opinion for the Annual Governance Statement.

- 10.3.12 The council's external auditor during 2019/20 was Ernst & Young.
- 10.3.13 From April 2016, the council has had a standalone Audit Committee in place providing increased opportunity for effective assurance about the adequacy of financial and operational management and reporting.
- 10.3.14 Training has been provided during 2019/20 to the members of the Audit Committee in key areas. Examples include training on and Introduction to the Audit Committee, The differences between internal and external audit, Funding, the Statement of Accounts and the Treasury Strategy.
- 10.3.15 Each year, a review is undertaken of [the effectiveness of the Audit Committee](#). For the year covered by this statement, the review was presented to the Audit Committee in June 2019. The review concluded that the committee is continuing to perform effectively and the council is meeting its requirements under the Accounts and Audit Regulations 2015.
- 10.3.16 Commercialisation has introduced a new set of risks for the council. These impact upon local authority owned companies and investments.
- 10.3.17 The council has a number of wholly owned companies and appoints company directors. The governance framework in which these companies operate will be reviewed and enhanced in 2019/20. Training for the appointed company directors was delayed in 2019/20 by the Covid response and postponed to 2020/21.
- 10.3.18 During 2018/19, two investigations regarding the King's Lynn Innovation Centre have resulted in the identification of learning regarding due diligence processes. An Internal Audit lessons learnt review was commissioned and reported to Audit Committee in March 2019.
- 10.3.19 The key control issues identified in the audit were:
- The project required greater management oversight and a more thorough approach to deliver the project and identify risks.
  - The Steering Group needed independent leadership to avoid time delays and changes to the project plan.
  - Conflicts of interest should be raised at the earliest opportunity and monitored throughout the course of the project.
  - Financial implications should be thoroughly investigated including viability assessments to prevent the Council from being subjected to a risk that was not intended at the commencement of the project.
- 10.3.20 The key recommendations arising from the audit are:
- Continuous due diligence exercise should be completed on the financial position of any partner on an annual basis.
  - Project Boards should be set up for each major project with agreed Terms of Reference and use an enhanced initiative checklist to ensure risks are identified at the earliest opportunity.
  - All critical documents should be retained in a central location.
  - Financial representation should be maintained throughout the project lifecycle.

- 10.3.21 Following a special Council meeting in March 2019 an independent inquiry was established into the partnership with Norfolk and Waveney Enterprise Services (NWES) and its subsidiaries and associated companies and those with common shareholders or directors, regarding the award of and administration of the [KLIC](#) project and all aspects of its (their) financial relationship with the Borough Council of King's Lynn and West Norfolk.
- 10.3.22 An Audit Committee Task Group considered the future composition and operation of the Major Projects Officer Board, the Major Projects Progress overview and other lessons learnt from the 'KLIC Lessons Learnt Review'. This work will continue into 2020/21.
- 10.3.23 A Major Projects Member Board was established in 2019/20 to provide additional oversight of the operation of the Major Projects Officer Board.

## **11. Review of effectiveness**

- 11.1 The council has a responsibility to review the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of Internal Audit and the senior managers within the authority who have responsibility for the development and maintenance of the governance environment, the Internal Audit Manager's annual report, the Monitoring Officer's annual report and also by comments made by the external auditors and other review agencies and inspectorates, where undertaken.
- 11.2 The process of maintaining and reviewing the effectiveness of the system of internal control includes the following measures and actions:
- the work of senior managers within the council who have responsibility for the development and maintenance of governance.
  - the Internal Audit work programme.
  - comments made by the external auditors and other review agencies and inspectorates.
  - systems and controls within the council as outlined above.
- 11.3 In-year and year-end review processes have taken place. In year review mechanisms include:
- Cabinet and the Corporate Performance Panel are responsible for considering overall financial performance and receives reports on a regular basis. It is also responsible for key decisions and for initiating corrective action in relation to risk and internal control issues.
  - The Monitoring Officer has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The council reviews the Constitution regularly to incorporate any necessary changes.
  - The Standards Committee have met regularly throughout the year to consider and review issues relating to the conduct of Members.
  - The Audit Committee has oversight of the activities of the council's internal and external audit functions. Members of the Audit Committee are provided with copies of all reports produced by Internal Audit and the external auditors, and also receive regular reports on matters relating to finance, fraud investigation and risk

management. The committee approves the annual plans for the Internal and External Auditors and receives regular progress reports throughout the year. The Audit Manager submits to the committee an annual report and opinion, and the external auditors submit an annual audit letter. The Audit Manager has included an audit opinion on the adequacy and effectiveness of the council's systems of internal control in the annual report and opinion on work completed during 2019/20 which was considered by Audit Committee on 27 July 2020. The report states that in the Audit Manager's opinion, the council's control arrangements were adequate and effective in 2019/20, with sound controls in all key areas.

- The Audit Manager has also completed a review of the effectiveness of the Audit Committee itself. The result will be reported to Cabinet in January 2021 and concluded that the committee is performing effectively and the council is meeting its requirements under the Accounts and Audit Regulations 2015.
- During 2019/20 Internal Audit has issued no reports with a 'limited assurance' rating. There were no instances of 'no assurance' reports being issued. However, the KLIC Lesson Learnt review highlights a number of weaknesses to be considered as covered in point 10.3.19 and 10.3.20.

11.4 The council's external auditors review the activities of the authority, approve the annual accounts and certify grant claims (where required). Conclusions and significant issues arising are detailed in various reports from the auditors. Their 'Audit Results Report – ISA (UK and Ireland) 260' and the Annual Audit Letter will be considered by the Audit Committee on x. These reports from the external auditors refer to the 2018/19 financial year (the latest available) and they confirmed that the council had put in place proper arrangements to secure value for money in its use of resources, and that the financial statements gave a true and fair view of the financial position of the council as at 31 March 2020.

- A member/officer protocol is in place and forms part of the council's constitution.
- The Monitoring Officer's annual report covering the 2019/20 year provides an overall opinion on the adequacy and effectiveness of the governance framework. The report stated that the systems of internal control administered by the Monitoring Officer including the Code of Conduct and the Council's Constitution, were adequate and effective during the year between April 2019 and March 2020 for the purposes of the latest regulations
- Additionally, it is the responsibility of the statutory officers to report to council on any issues concerning the review of the effectiveness of internal control arrangements.

11.5 To summarise this section: a review of the council's overall governance arrangements for the 2019/20 year has been undertaken; the review highlighted one issue affecting governance or internal control during the year. Arrangements outlined in sections 4 to 10 are in place and operating as planned.

## 12. Areas of special interest in terms of governance

### 12.1 Leisure arrangements – [Alive West Norfolk](#)

12.1.1 The council's leisure and arts facilities had been operated and managed through an independent trust and wholly owned local authority company since 1 September

2014. A review undertaken in 2018/19 led to a decision being taken at a special Cabinet meeting on 17 October 2018 to move to a new delivery model in 2019/20. A wholly owned council company (Alive West Norfolk) has been established that is responsible for the delivery of leisure services across the borough. An officer project board supported the transition with the new model operational from 1 July 2019.

## 12.2 Legal arrangements

12.2.1 The council's legal service continues to be delivered via a delegated agreement on an annual, rolling basis, with [Eastlaw](#) (the in-house legal team at North Norfolk District Council). The agreement is designed to provide resilient and quality legal services to the borough council and includes provision of a Monitoring Officer; one of the council's designated statutory posts. Eastlaw provide the client role for commissioned legal services, as well as providing general advice and support for processing Freedom of Information Act 2000 requests and the General Data Protection Regulation 2016.

## 12.3 West Norfolk Housing Company Limited (WNHC) (Company number 10368299)

12.3.1 In August 2016, Cabinet resolved<sup>2</sup> to set up a wholly owned local authority company the main purpose of which is to help meet the council's statutory housing duties, by holding property that will be purchased and / or leased from the council in order to create and provide affordable housing. The company became a registered provider of social housing in 2018. It operates on a not for profit basis. The council has appointed members and officers to serve as company directors. The company reports to Cabinet.

12.3.2 WNHC is helping to secure investment in new affordable homes in the borough to meet identified need. Broad Street is an ambitious scheme that has transformed underused office space in King's Lynn town centre into temporary accommodation for couples and families who are, or have been, threatened with being homeless opened in 2018/19. The accommodation is managed by Broadland Housing Association.

12.3.3 During 2019/20 the company acquired a number of properties via Section 106 arrangements which were subsequently leased. Additional shared ownership properties were transferred to the company portfolio.

## 12.4 West Norfolk Property Limited (Company number 11305604)

12.4.1 The 2017 Annual Governance Statement set out governance arrangements for this vehicle to hold new private rented sector stock in the borough. The company, limited by shares, operates primarily to generate new revenue from housing stock developed and held on sites developed by the council. The council has appointed members and officers to serve as company directors. The company reports to Cabinet. A Business Plan and Intra Group Agreement were previously agreed by Cabinet in June 2018. Following agreement of [Cabinet in January 2019](#), the company articles were amended.

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<sup>2</sup> 2 August 2016

## 12.5 [West Norfolk Wins](#) (local lottery)

12.5.1 The first lottery draw for West Norfolk Wins took place on 26 May 2018. The introduction of a local lottery requires two licences approved by the Gambling Commission. Norfolk Community Foundation provide an independent due diligence review of the approval of good causes.

12.5.2 The Borough Council is a member of the Lotteries Council, the Gambling Commission and Gamble Aware. Gamble Aware funds research, prevention and treatment services to help reduce gambling harm. Gatherwell are the administrator for West Norfolk Wins and have extensive experience in administering council lotteries.

## 12.6 [Officer Major Projects Board](#)

12.6.1 The council has a range of projects that are identified within the approved capital programme. In addition to this, there is a multitude of other projects that are being worked on by a variety of officers. To support the management of the council's property projects, an officer board has been established. The board includes executive directors and officers involved in capital funded property projects. The monthly board meetings consider project briefs, business cases, project progress, risk and reports to Management Team.

12.6.2 Following the publication of the Internal Audit report "KLIC Lessons Learnt" in March 2019, the Officer Major Projects Board established a reporting mechanism to enable the Audit Committee to monitor major projects and identify any steps or action required. A programme of reviewing each of the current large scale projects will also be undertaken.

## 12.7 [King's Lynn Town Deal Board](#)

12.7.1 The council's role is to organise the Board, and make the governance and decision making structures of the [Town Deal Board public](#). The Government has set out specific requirements about who the Board must include. They are:

- all tiers of local government
- upper-tier authorities
- the MP (or MPs)
- local businesses and investors
- communities
- Local Enterprise Partnerships (LEPs)
- Business Improvement Districts (BIDs)
- Jobcentre Plus

12.7.2 It must also include representation from some wider community bodies, such as:

- universities and further education
- hospitals

- local sports team
- cultural and creative institutions

### **13. Known changes in the 2020/21 year**

- 13.1 Embedding the new risk management framework  
Roll out briefings on the revised risk management framework. Align risk register with new corporate business plan and prepare 6 monthly risk updates to Management Team and Audit Committee.
- 13.2 Governance framework for the council's companies  
Review the governance framework of the council's wholly owned companies and provide company director training for directors appointed to its companies.
- 13.3 To embed arrangements for record management and processing  
Assurance work regarding GDPR.
- 13.4 Assurance work regarding the Annual Governance Statement  
To implement the Internal Audit review of the council's approach to develop the annual governance statement.
- 13.5 Review of the performance management framework  
Review the performance management framework to ensure it is aligned with the new corporate business plan and Covid 19 recovery strategy.
- 13.6 Embedding of the new financial ledger  
To embed the new financial ledger software's operational processes.
- 13.7 Policy outlining approaches to the council's housing regulatory function  
To publish an overarching policy document that brings together and updates where appropriate, a collection of existing policies and approaches formulated over time. Delayed by Covid response and staff absences.
- 13.8 Joint waste contract implementation  
To implement a joint waste collection service in collaboration with Breckland and North Norfolk district councils.
- 13.9 Preventing Fraud and Corruption  
To support joint working with Department of Work and Pensions and participate in the Norfolk Counter Fraud Hub.
- 13.10 KLIC Lessons Learnt Report  
To implement recommendations.
- 13.11 Member development needs  
Delivery of member induction programme and identification of development needs.
- 13.12 English Devolution and Local Recovery White Paper

To consider the Government's white paper anticipated in Autumn 2020 and implications for the council's governance.

13.13 Review of the Norfolk Museum Service SLA

To undertake a review of the service level agreement.

**14. Covid 19 response**

14.1 The Covid 19 pandemic required the council to act swiftly to support the local community and protect the safety of its staff and councillors. Due to the timing of this response, there has been little impact on the governance arrangements in 2019/20, and the council was able to take any necessary action in March 2020 using existing budgets and procedures including invoking emergency response and business continuity arrangements.

14.2 However, the response has necessitated a rapid move to virtual meetings, increased agile working, redeployment of staff, reductions in some services due to social distancing, related Covid 19 safe working practices and national guidance, the furloughing of staff and support for the homeless and rough sleepers.

14.3 Every effort has been made to maintain a business as usual approach and to maintain the delivery of key services to residents. During the required lockdown period, the council was able to consider urgent matters and decisions through its urgent decision procedure rules and arrangements. Legislative changes have enabled remote meetings and the council responded quickly and effectively to this with meetings recommencing following the Government's announcement and all committees are now taking place. The majority of staff were required to work from home, where possible, which has proven to have worked effectively, with no significant disruption to key services.

14.3 The response also required the development of new functions involving the processing of new Government grants and rate reliefs to businesses and support services for vulnerable residents. The Revenues and Benefits team's workloads have increased as a result of Covid 19, and alongside this the council has successfully:

- Administered the new government Covid discounts reducing nearly 1,200 business rates bill to nil
- paid 3,334 Business Rates Grants totaling £38.650m
- paid 130 Discretionary Grant applications totaling £951k
- Implemented government changes to housing benefit, increasing the incomes of over 1,600 residents
- Awarded £400k in additional discretionary Council Tax Reduction payments
- adapted more than 500 Council Tax payment arrangements to the customers' needs

14.4 A new, temporary cabinet portfolio holder for emergency planning was appointed in March 2020 to specifically support the Covid 19 response.

14.5 The council has continued to keep residents and other stakeholders advised of developments or assistance that is available through the website or via social media,

which included collaboration with community and voluntary sector organisations to support our most vulnerable residents at this time with food, medication, befriending and general advice and support, and via the New Anglia LEP to help support businesses.

- 14.5 It is anticipated that Covid 19 will have significant impacts upon the authority in 2020/21 and will require a review of corporate priorities, the financial plan and working practices.
- 14.6 Despite the breadth and pace of the response, Covid 19 has not led to any significant weakness in the Council underlying governance arrangements.
- 14.7 The council is aware of secondary issues that could affect its financial position such as reduced income streams arising from commercial investments and chargeable services and unplanned Covid 19 additional costs such as PPE and sanitising equipment. The Council is working with political leaders, local MPs and council networks to lobbying the government to minimise the impact for the borough financially and the impact to our community.

## **15. Action Plans**

- 15.1 In the Annual Governance Statement for 2018/19, an action plan for 2019 /20 was set out to deal with governance issues identified during the review for that year and is attached at Appendix B.
- 15.2 The action plan for 2020/21 is attached at Appendix C.

## **16. Assurance summary**

- 16.1 From the review undertaken, the assessment and ongoing monitoring work completed<sup>3</sup> and supported by the verification work undertaken by Internal Audit, we have reached the opinion that key systems are operating soundly and that there are no fundamental weaknesses.
- 16.2 No system of internal control could provide absolute assurances against material misstatement or loss; this statement is intended to provide reasonable assurance. We are satisfied that an on-going process for identifying, evaluating and managing key risks exists. These risks are reflected in the audit plan, the Corporate Risk Register and are the subject of separate reports during the course of the year.
- 16.3 We propose over the coming year to take steps to address matters identified to further enhance our governance arrangements. We are satisfied that the steps outlined at Appendix C will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

### **Signed:**

Cllr Brian Long  
Leader of the Council  
Date:

Lorraine Gore  
Chief Executive  
Date:

Cllr Angie Dickinson  
Chair of the Audit Committee  
Date:

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<sup>3</sup> By the Audit Committee during 2019/20



## Appendix A - Evidence list; How the principles of corporate governance have been adhered to during the 2019/20 year

Policies, Strategies, Rules & Codes	Processes and Frameworks	Key documents	Functions
<ul style="list-style-type: none"> <li>• Anti-Fraud and Anti-Corruption Strategy</li> <li>• Capital Strategy</li> <li>• Code of Conduct</li> <li>• Computer usage policy</li> <li>• Constitution</li> <li>• Data Quality Strategy</li> <li>• Efficiency Plan</li> <li>• Employment rules</li> <li>• Equality policy</li> <li>• Financial Plan</li> <li>• Financial procedure rules and standing orders (within Constitution)</li> <li>• Financial regulations</li> <li>• Health and Safety Policy</li> <li>• ICT policies</li> <li>• Information Governance Policies</li> <li>• Medium Term Financial Strategy</li> <li>• Member/Officer protocol</li> <li>• Members' allowances scheme (Constitution)</li> <li>• Members' code of conduct (Constitution)</li> <li>• Officers' code of conduct (Constitution)</li> <li>• Pay policy statement</li> <li>• Procedure rules (contracts, employment, meetings) (Constitution)</li> <li>• Procurement regulations</li> <li>• Procurement strategy</li> <li>• Protocol on member / officer relations (Constitution)</li> <li>• Prudential Code</li> <li>• Risk Management Strategy</li> <li>• Safeguarding Policy</li> <li>• Scheme of Delegation (within Constitution)</li> <li>• Statement of Community Involvement</li> <li>• Travelling abroad with Council devices policy</li> <li>• Terms of reference for task groups</li> <li>• Treasury Management Policy statement</li> <li>• Whistleblowing policy</li> <li>• Workforce learning and development</li> </ul>	<ul style="list-style-type: none"> <li>• Benchmarking</li> <li>• Budget consultation</li> <li>• Budget process</li> <li>• Business continuity framework</li> <li>• Car Park Management</li> <li>• Civil Parking Enforcement</li> <li>• Competency frameworks</li> <li>• Complaints process</li> <li>• Corporate Business Plan</li> <li>• Customer Care Standards</li> <li>• Customer feedback process</li> <li>• Environment policy</li> <li>• Environmental Statement</li> <li>• EQIA policies</li> <li>• Equality Monitoring</li> <li>• Extended Managers Meetings</li> <li>• Health and Safety policy</li> <li>• Induction process (member and officer)</li> <li>• Internal Audit Strategic Plan</li> <li>• Job evaluation process</li> <li>• Legal Services</li> <li>• Managing performance (people) framework (including appraisal process)</li> <li>• Meeting timetable</li> <li>• Member allowances publication</li> <li>• Member training</li> <li>• MRF Partnership Care &amp; Repair</li> <li>• MT/Union meetings</li> <li>• Officer membership of professional bodies</li> <li>• Performance Management (business) framework</li> <li>• PRP targets</li> <li>• Risk management process</li> <li>• Scrutiny framework (Constitution)</li> <li>• Senior Staff Salary publication</li> <li>• Staff Briefing</li> <li>• Training for chairmen and vice-chairmen</li> </ul>	<ul style="list-style-type: none"> <li>• Agendas &amp; Minutes</li> <li>• Alive Trust/Management</li> <li>• Annual audit letters</li> <li>• Annual Directorate Plans</li> <li>• Annual Governance Statement</li> <li>• Assurance Statements</li> <li>• CCTV Operating Manual</li> <li>• CNC Building Control</li> <li>• Committee reports, agendas and minutes</li> <li>• Complaints reports</li> <li>• Consultation register</li> <li>• Corporate Risk Register</li> <li>• Council tax booklet</li> <li>• Council website</li> <li>• Delegation Agreement &amp; SLA</li> <li>• Employee Handbook</li> <li>• Enforcement Policy</li> <li>• External inspection / review reports</li> <li>• Harassment Procedure</li> <li>• Internal Affairs</li> <li>• Intranet</li> <li>• JNC terms &amp; conditions</li> <li>• Job descriptions/specs</li> <li>• Key decisions (within Constitution)</li> <li>• Law &amp; governance</li> <li>• Local Plan</li> <li>• Members Bulletin</li> <li>• Neighbourhood Development Plans</li> <li>• Publication Scheme (FOI)</li> <li>• Quarterly Performance Reports</li> <li>• Record of decisions</li> <li>• Register of interests</li> <li>• Report templates</li> <li>• Salary scales</li> <li>• Senior management remuneration report</li> <li>• Service level agreements</li> <li>• Service plans</li> <li>• Standard timetable for circulation of agendas</li> <li>• Statement of Accounts</li> <li>• Statement of Internal Control (part of AGS)</li> <li>• Timetable of council meetings</li> <li>• Training programmes</li> <li>• Transparency publications</li> <li>• West Norfolk Partnership</li> <li>• Workforce development and Plans</li> <li>• Working Protocol</li> </ul>	<ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Community Information Points</li> <li>• Democratic Services</li> <li>• External audit (and other reviews)</li> <li>• Finance service</li> <li>• Functions and responsibilities of senior officers and councillors (within Constitution)</li> <li>• Head of Paid Service</li> <li>• Health and Safety Officer</li> <li>• ICT Development Group</li> <li>• Independent remuneration panel</li> <li>• Internal Audit</li> <li>• Local Government Ombudsman (report)</li> <li>• Management Team</li> <li>• Monitoring Officer</li> <li>• Monitoring Officer report</li> <li>• Officer Major Projects Board</li> <li>• Policy Development and Review Panels</li> <li>• Policy, Performance and Personnel Services</li> <li>• PR/Communication</li> <li>• S151 officer</li> <li>• Social media</li> <li>• Standards Committee</li> <li>• Statutory reports</li> <li>• Terms of reference for committees (Constitution)</li> <li>• Website</li> <li>• Weekly CEO/Leader meetings</li> </ul>

## Appendix B - Action plan for the 2019/20 year

Item	Action	Responsible Officer	Target Date	Status	
1	Embedding the new risk management framework.	Roll out briefings on the revised risk management framework. 6 monthly risk updates to Management Team and Audit Committee.	Executive Director, Central and Community Services	March 2020	New approach implemented with November 2019 risk register update. Training delayed by Covid 19 response and delivered to Audit Committee in July 2020.
2	Governance framework for the council's companies.	Review the governance framework of the council's wholly owned companies.	Chief Executive	March 2020	Research work partially undertaken but delayed by Covid 19 response. Roll over to 2020/21 action plan.
3	Assurance work regarding GDPR.	To embed arrangements for record management and processing.	Chief Executive	March 2020	Actions from internal audit reports are progressing, although some areas are delayed by Covid 19 response.
4	Assurance work regarding the Annual Governance Statement.	To support the Internal Audit review of the council's approach to developing the annual governance statement.	Executive Director, Central and Community Services	March 2020	Internal Audit recommendations reflected in statement for 2019/20. Lower priorities to be picked up in 2020/21 and onwards.
5	Training for the council's appointed directors on the role and responsibilities of a company director.	To provide company director training for directors appointed to its companies.	Chief Executive	March 2020	Research work partially undertaken but delayed by Covid 19 response. Roll over to 2020/21 action plan.
6	Development of an updated corporate business plan.	Following the May 2019 elections, refresh the corporate business plan for 2019-2023.	Chief Executive	March 2020	Consultation undertaken in 2019 and new plan agreed in January 2020.
7	Review of the performance management framework.	Review the performance management framework to ensure it is aligned with the new corporate	Executive Director, Central and Community Services	March 2020	Covid 19 response affected directorate planning. A recovery strategy was approved in June 2020 and the performance framework will be developed in 2020/21.

Item		Action	Responsible Officer	Target Date	Status
		business plan.			
8	Implementation and embedding of the new financial ledger.	To implement and embed the operational processes of the new financial ledger software.	Deputy Chief Executive	March 2020	Ledger operational but some refinements to be undertaken in 2020/21.
9	Management restructure.	To implement a management restructure to support succession planning.	Chief Executive	March 2020	New structure implemented January 2020.
10	Procurement strategy/regulations training	Roll out training for the new procurement strategy.	Deputy Chief Executive	March 2020	Initially delayed by Covid 19 response, Procurement briefing provided for members on 3 June 2020.
11	Recommendations from Internal Audit review of "Ethical culture".	To implement priority recommendations from the Internal Audit of "Ethical culture".	Chief Executive	March 2020	Complete and all follow up has been completed.
12	Digital exclusion strategy/policy.	Develop a digital exclusion policy/strategy.	Executive Director, Central and Community Services	March 2020	Delayed by management restructure and Covid 19 response. Rolled over to 2020/21 action plan.
13	Develop revised media protocols.	To develop revised social media protocols.	Executive Director, Central and Community Services	March 2020	Delayed by Covid 19 response. Rolled over to 2020/21 action plan.
14	Public Services Network (PSN) compliance	Ensure PSN compliance during 2019/20 including progressing any actions identified as a result of the 2018 audit.	Executive Director, Central and Community Services	March 2020	Public Service Network audit is late this year due to Covid-19 and is likely to run between Nov-Dec. We have undertaken an initial health check / penetration test and are awaiting the results.
15	Policy outlining approaches to the council's housing regulatory function.	To develop a policy that outlines the council's approach to regulation with its housing functions.	Chief Executive	March 2020	To publish an overarching policy document that brings together and updates where appropriate, a collection of existing policies and approaches formulated over time. Delayed by Covid response and staff absences.
16	Homelessness and rough sleeper strategy and	To develop a homelessness and rough	Chief Executive	March 2020	The Homelessness and Rough Sleeping Strategy 2019-2024 was approved in

Item	Action	Responsible Officer	Target Date	Status	
	stakeholder group.	sleeper strategy.		Jan 2020.	
17	Development of waste contracts for residual, recycling, garden and food waste streams.	To procure: <ul style="list-style-type: none"> <li>• A joint waste collection service in collaboration with Breckland and North Norfolk district councils.</li> <li>• A food waste treatment service.</li> <li>• A garden waste treatment service.</li> </ul>	Executive Director, Commercial Services	March 2020	<a href="#">Refuse and Recycling Contract</a> , approved December 2019.
18	CIL governance.	To design the governance structure for the Community Infrastructure Levy.	Executive Director, Environment and Planning	March 2020	Covid 19 response delayed but structure agreed by Cabinet in August 2020.
19	Creation of Alive West Norfolk and closedown of Alive Management Limited.	To establish the new council owned leisure company, Alive West Norfolk and close down Alive Management Limited.	Deputy Chief Executive	March 2020	Alive West Norfolk operational July 2019.
20	Norfolk Fraud Hub	To support joint working with DWP and participate in the Norfolk Counter Fraud Hub.	Deputy Chief Executive	March 2020	Funding approved by Norfolk County Council to resource additional support over the next two years.
21	Payment Card Industry (PCI) compliance.	To respond to issues identified during the 2018 PCI audit.	Deputy Chief Executive	March 2020	PCI audit is late this year due to Covid-19 and is likely to run between Nov-Dec. We have undertaken an initial health check / penetration test and are awaiting the results.
22	Independent inquiry into partnership with NWES	To support the independent inquiry into the partnership with NWES and respond to the report findings.	Chief Executive	March 2020	Concluded in July 2020.
23	Audit Committee	To support the	Chief Executive	March 2020	Cross Party Working Group

Item		Action	Responsible Officer	Target Date	Status
	Task Group regarding major projects and KLIC lessons learnt review	Audit Committee Task Group with its work regarding the Major Projects Board and 'KLIC Lessons Learnt Review'.			have presented initial findings and are currently reviewing additional items.
24	Major Projects Member Board	To establish a member board to provide assurance that the council's major projects programme is run in accordance with the Major Projects (Officer) Board terms of reference.	Chief Executive	March 2020	Member board established by Cabinet in June 2019 and inaugural meeting held October 2019.
25	Member development needs	Delivery of member induction programme and identification of development needs.	Chief Executive	March 2020	A questionnaire has been sent to councillors on development needs from which an updated training plan will be prepared.
26	Equalities training programme	Development of a training programme to support the equalities policy.	Executive Director, Central and Community Services	March 2020	Work to scope training programme has commenced but delayed by COVID. Procurement of new training provider now likely to commence in early 2021.
27	Review the council's governance model	To review and examine alternative governance models to the current Strong Leader and Cabinet model.	Chief Executive	March 2020	Review commenced but delayed by Covid 19 response and pending Government's white paper on local government reorganisation and devolution in autumn 2020.
28	Review of King's Lynn Area Consultative Committee.	To review the continuing operation of the King's Lynn Area Consultative Committee (KLACC).	Executive Director, Environment and Planning	June 2019	Completed. Cabinet agreed in June 2019 that the King's Lynn Area Consultative Committee continues to operate for a further 4 years.

## Appendix C - Action plan for the 2020/21 year

Item	Action	Responsible Officer	Target Date	
1	Embedding the new risk management framework.	Roll out briefings on the revised risk management framework. 6 monthly risk updates to Management Team and Audit Committee.	Assistant to the Chief Executive	March 2021
2	Governance framework for the council's companies.	Review the governance framework of the council's wholly owned companies.	Chief Executive	March 2021
3	Assurance work regarding GDPR.	To embed arrangements for record management and processing.	Chief Executive	March 2021
4	Assurance work regarding the Annual Governance Statement.	To support the Internal Audit review of the council's approach to developing the annual governance statement.	Assistant to the Chief Executive	March 2021
5	Training for the council's appointed directors on the role and responsibilities of a company director.	To provide company director training for directors appointed to its companies.	Chief Executive	March 2021
6	Update address gazetteer.	To ensure the address gazetteer is update in preparation for Census 2021.	Assistant Director – Environment & Planning	January 2021
7	Review of the performance management framework.	Review the performance management framework to ensure it is aligned with the new corporate business plan.	Assistant to the Chief Executive	March 2021
8	Implementation and embedding of the new financial ledger.	To implement and embed the operational processes of the new financial ledger software.	Assistant Director - Resources	March 2021
9	Digital exclusion strategy/policy.	Develop a digital exclusion policy/strategy.	Executive Director	March 2021
10	Develop revised media protocols.	To develop revised social media protocols.	Assistant Director – Central Services	March 2021
11	Public Services Network (PSN) compliance	Ensure PSN compliance during 2020/21 including progressing any actions identified as a result of the 2019 audit.	Assistant Director - Resources	March 2021
12	Policy outlining approaches to the council's housing regulatory function.	To develop a policy that outlines the council's approach to regulation with its housing functions.	Chief Executive	March 2021
13	Implementation of new waste collection service.	To implement: <ul style="list-style-type: none"> <li>A joint waste collection service in collaboration with Breckland and North Norfolk district councils.</li> </ul>	Assistant Director – Operations and Commercial	March 2021

Item		Action	Responsible Officer	Target Date
		<ul style="list-style-type: none"> <li>• A food waste treatment service.</li> <li>• A garden waste treatment service.</li> </ul>		
14	Norfolk Fraud Hub	To support joint working with DWP and participate in the Norfolk Counter Fraud Hub.	Assistant Director - Resources	March 2021
15	Payment Card Industry (PCI) compliance.	To respond to issues identified during the 2019 PCI audit.	Assistant Director - Resources	March 2021
16	Audit Committee Task Group regarding major projects and KLIC lessons learnt review	To support the Audit Committee Task Group with its work regarding the Major Projects Board and 'KLIC Lessons Learnt Review'.	Chief Executive	March 2021
17	Equalities training programme	Development of a training programme to support the equalities policy.	Assistant Director – Central Services	March 2021
18	Review the council's governance model	To review and examine alternative governance models to the current Strong Leader and Cabinet Model	Chief Executive	March 2021
19	English Devolution and Local Recovery White Paper	To consider the white paper on English Devolution and Local Recovery.	Chief Executive	March 2021
20	Service level agreements	To review service level agreements covering: <ul style="list-style-type: none"> <li>• Alive West Norfolk</li> <li>• EastLaw</li> </ul>	Assistant to the Chief Executive	March 2021
		To review service level agreements covering: <ul style="list-style-type: none"> <li>• Norfolk Museum Service</li> </ul>	Assistant Director - Regeneration, Housing and Place	March 2021

## **Appendix D – Alternative ways of providing services**

### ***Partnerships/joint working***

- College of West Anglia via Lynnsport
- Improving Educational Attainment Steering Group
- King's Lynn Area Consultative Committee
- Kings Lynn Business Improvement District
- Lily
- New Anglia LEP
- Norfolk Arts Forum Executive
- Norfolk Business Rates Pool
- Norfolk Coast Partnership Management Group
- Norfolk Community Safety Partnership
- Norfolk Community Safety Scrutiny Sub-Panel
- Norfolk Counter Fraud Hub
- Norfolk Health and Wellbeing Board
- Norfolk Health Overview and Scrutiny Committee
- Norfolk IHAT strategy group (Integrated Housing Adaptations Team)
- Norfolk Joint Museums and Archaeology Committee
- Norfolk Local Authority Tourism Group
- North Norfolk and Breckland district councils – waste and recycling contract procurement
- Norfolk Parking Partnership
- Norfolk Parking Partnership Joint Committee
- Norfolk Police and Crime Panel
- Norfolk Rail Policy Group
- Norfolk Records Committee
- Norfolk Resilience Forum
- Norfolk Waste Enforcement Group
- Norfolk Waste Partnership
- Norfolk Serious and Organised Crime Group
- Norfolk Strategic Housing Partnership
- Operational Partnership Team (community safety)
- Wash East Coastal Management Strategy Stakeholder Forum
- West Norfolk and King's Lynn Girls School Trust
- West Norfolk Chamber of Commerce Council
- West Norfolk Community Transport Project
- West Norfolk Partnership
- West Norfolk Tourism Forum

### ***Wholly owned council companies***

- Alive West Norfolk
- West Norfolk Housing Company Limited
- West Norfolk Property Limited

### ***Contracted out services***

- Waste and recycling collection - Kier
- West Norfolk Wins lottery – Gatherwell Limited
- Leisure, culture and sports development services – Alive Leisure
- Payroll – Bedford Borough Council

### ***Shared services***

- Internal Audit Manager – Fenland District Council



### ***Services we provide for other councils***

- On and/or off street parking services/administration in Great Yarmouth, South Norfolk, North Norfolk, Breckland and Broadland areas
- CCTV - Breckland, Norfolk County Council and Great Yarmouth
- Management of Disabled Facilities Grants – Breckland and Fenland district councils
- Strategic housing – Breckland District Council
- Careline Services – North Norfolk District Council
- Procurement – Boston Borough Council

## Glossary of terms

Annual Governance Statement (AGS)	The Annual Governance Statement which describes how corporate governance arrangements have been working for a period of time indicated. It is a public report by the council on the extent to which it complies with its own local governance code, including how it has monitored the effectiveness of its governance arrangements in the year, and on any planned changes in the coming period.
Audit Committee	The Audit Committee considers the council's governance arrangements and ensures that the financial affairs of the council are properly conducted.
Budget	The estimate of income and expenditure for a set period of time, for the council this covers the financial year 1 April until 31 March each year and includes all the financial resources allocated to different services and projects.
Capital Programme	This identifies agreed capital schemes, showing the total cost of schemes and the projected phasing of those schemes over current and future financial years.
Code of conduct	The Code sets the standards and behaviour expected of councillors and co-opted members.
Code of Corporate Governance	The Code of Corporate Governance describes the arrangements in place to ensure that the council conducts its business in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.
Constitution	The council's constitution contains the standing orders, scheme of delegation, financial regulations and contracts procedure rules. The constitution also contains the policies for anti-fraud and corruption, anti-bribery and whistleblowing.
Corporate Business Plan	This document details the vision, priorities and objectives of the organisation.
Corporate Risk Register	This is a formal record of the major risks facing the council and the mitigating actions to reduce the risk.
Data Protection Act 2018	The Data Protection Act 2018 and associated General Data Protection Regulations which came into force in May 2018. This strengthens the regulatory environment for data owners, controllers and processors and aligns legislation with other European countries.
Data Protection Officer	A Data Protection Officer (DPO) is a role required by GDPR. Data Protection Officers are responsible for overseeing data protection strategy and implementation to ensure compliance with GDPR requirements.
Extended Management Team	Comprises the Chief Executive, Executive Directors, Assistant Directors and Service Managers.
Governance	Governance is about how local government bodies ensure 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 and processes, cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and where appropriate, lead their communities.
Head of Paid Service	The most senior officer with overall responsibility for the management and operation of the council. Also known as the Chief Executive.
Internal Audit	This is an independent, objective assurance and consulting activity designed to add value and improve the council's operations.
Licensing Committee	Committee of councillors that undertake all licensing and gambling functions, powers and duties conferred on the council under the Licensing Act 2003 and the Gambling Act 2005.

Local Plan	A Local Plan sets out the local planning policies and identifies how land is used, determining what will be built where. Once a local plan becomes adopted it provides the framework for development within an area.
Management Team	Comprises the Chief Executive and Executive Directors.
Medium Term Financial Strategy	The council's key financial planning document. It aims to provide the council with an assurance that the spending plans are affordable over the medium term (five years). The MTFS includes a five year budget forecast that is reviewed annually as part of the budget setting process.
Monitoring Officer	The officer charged with ensuring that everything that the council does is fair and lawful.
Performance Indicators	A measurable value that demonstrates how effectively the organisation is achieving against its key objectives
Planning Committee	Committee of councillors that sit as the local planning authority to determine planning applications (not delegated to officers).
Policy Framework	The plans and strategies, which have been adopted by the Full Council in accordance with which the Leader of the Council, Cabinet, policy development panels, committees and officers must operate.
Risk Management	This is an important part of both corporate governance and performance management. It allows the council to avoid problems and failures, rather than just reacting to them when they arise. It helps the council to identify where it needs to focus its efforts and resources, to exploit more opportunities and suffer fewer failures.
Scheme of delegation	This sets out how the Cabinet and full Council have delegated their executive and non-executive powers.
Section 151 Officer	The officer responsible for the administration of the financial affairs of the council (under section 151 of the Local Government Act 1972). Also known as the Chief Finance Officer.
Statement of Accounts	The Statement of Accounts show, in financial terms, the performance of the council for the year indicated. It is a statutory publication produced in accordance with legislative requirements and the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the United Kingdom.

**FORWARD DECISIONS LIST**

<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
Special meeting - 10 December 2020						
	Care and Repair Contractors Framework for aid and adaptations work – deferred from previous meeting	Key	Cabinet	Leader Central Services		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

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<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
5 January 2021						
	The Audit Committee Effectiveness report	Non	Cabinet	Leader Asst Dir Resources		Public
	Council Tax Support: Final Scheme For Working Age People For 2021/2022	Non	Council	Leader Asst Dir Resources		Public

<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
2 February 2021						

	Budget	Key	Council	Leader Asst Director Resources		Public
	Food Waste Collection	Key	Council	Leader Asst Dir Operations and Commercial		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
101	Garden Waste Composting Procurement	Key	Cabinet	Environmental Services and Public Protection Asst Dir Commercial Services		Part Public Part Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)-
	Strategic Property Acquisition	Key	Cabinet	Business Development Asst Dir Property & Projects – M Henry		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Southend Road and Hunstanton Bus Station	Key	Council	Project Delivery Asst Dir Companies and Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the

						authority)
	Parkway	Key	Council	Project Delivery Asst Dir Companies and Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Salters Road, King's Lynn	Key	Council	Project Delivery Asst Dir Companies and Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

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<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
16 March 2021						
	Fens Biosphere	Non	Cabinet	Environment Asst Director – S Ashworth		Public
	Lynnsport one	Key	Council	Project Delivery Asst Dir Companies & Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the

						authority)
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<b>Date of meeting</b>	<b>Report title</b>	<b>Key or Non Key Decision</b>	<b>Decision Maker</b>	<b>Cabinet Member and Lead Officer</b>	<b>List of Background Papers</b>	<b>Public or Private Meeting</b>
May 2021 date to be confirmed						
103	Major Housing Project 2	Key	Council	Project Delivery Asst Dir Companies and Housing Delivery – D Gagen		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Update to the Major Project Board Terms of reference	Non	Cabinet	Leader Asst Dir Property & Projects – M Henry		Public

## AUDIT COMMITTEE WORK PROGRAMME 2020/2021

DATE OF MEETING	TITLE	TYPE OF REPORT	LEAD OFFICER	OBJECTIVES AND DESIRED OUTCOMES
8 June 2020	CANCELLED			
27 July 2020	Training – Risk Management			To be scheduled for 2 pm prior to the meeting and all Councillors have been invited to attend.
27 July 2020	Corporate Risk Register Update	Update	G Greaves	
27 July 2020	Internal Audit Annual report and Opinion 2019/2020	Annual	K Woodward	To receive the Audit Manager’s Annual Report.
27 July 2020	Internal Audit Full Year Progress Report 2019/2020	Progress Report	K Woodward	To receive the Audit Manager’s Annual Report.
27 July 2020	Audit Committee Effectiveness Report	Cabinet	K Woodward	To review the work of the Audit Committee During 2019/2020 and consider if the Committee has effectively fulfilled its role.
27 July 2020	Strategic Internal Audit Plan		K Woodward	To provide the Committee with the opportunity to review the proposed Strategic Audit Plan 2018 – 2023.
27 July 2020	Future Role of the Audit Committee Cross Party working Group			The Chair of the Audit Committee has requested an update be given to the next meeting.



DATE OF MEETING	TITLE	TYPE OF REPORT	LEAD OFFICER	OBJECTIVES AND DESIRED OUTCOMES
27 July 2020	Cabinet Forward Decisions List			
27 July 2020	Major Projects Board – Update from the Chair	Update	Chair of Audit Committee	To receive an update from the Chair
14 September 2020	CANCELLED			
25 November 2020	Training – Statement of Accounts			To be reschedule prior to 25 January 2021 meeting.
30 November 2020	CANCELLED			
17 December 2020	Training – Anti Fraud and Corruption		J Hay	Training session to be held at 2 pm and all Councillors are invited to attend.
17 December 2020	Anti-Fraud and Corruption Policy		K Woodward	
17 December 2020	Audit Committee Draft Terms of Reference		K Woodward	
17 December 2020	Draft Annual Governance Statement 2019/2020	Draft/Annual	G Greaves	
17 December 2020	Annual Treasury Outturn Report 2019/20	Annual	M Drewery	

DATE OF MEETING	TITLE	TYPE OF REPORT	LEAD OFFICER	OBJECTIVES AND DESIRED OUTCOMES
17 December 2020	Major Projects Board – Update from the Chair	Update	Chair of Audit Committee	To receive an update from the Chair
17 December 2020	Cabinet Forward Decisions List			
Training Session on Statement of Accounts to be scheduled prior to 25 January meeting				
25 January 2021	Audit Results Report – year ended 31 March 2019	Annual Results Report	Ernst Young	To receive the Annual Audit Results Report.
25 January 2021	Statement of Accounts 2018/2019 and External ISA 260 Report		M Drewery	To approve the Statement of Accounts and External ISA 260 report.
25 January 2021	Annual Governance Statement covering the 2018/2019 year	Annual	G Greaves	To approve the Annual Governance Statement for 2018/2019 year.
25 January 2021	Mid-Year Treasury Review		R Wilson	
15 March 2021	Statement of Accounts 2019/2020 and External ISA 260 Report		M Drewery	To approve the Statement of Accounts and External ISA 260 report.
15 March 2021	Annual Governance Statement covering the 2019/2020 year		G Greaves	To approve the Annual Governance Statement for 2019/2020 year.
15 March 2021	Annual Update on Business Continuity	Update	G Greaves	

DATE OF MEETING	TITLE	TYPE OF REPORT	LEAD OFFICER	OBJECTIVES AND DESIRED OUTCOMES
15 March 2021	Internal Audit Terms of Reference		K Woodward	
15 March 2021	Internal Audit Plan for 2021/22		K Woodward	
15 March 2021	External Audit Work Plan for 2021/22		Ernst and Young	
15 March 2021	Major Projects Risks	Update	M Henry	Update to be received on a 6 monthly basis
15 March 2021	<u>EXEMPT REPORT</u> Risk Based Verification Policy for Housing Benefit and Council Tax Support		J Stanton	
15 March 2021	Housing Benefit Subsidy Report		J Stanton	
15 March 2021	Cabinet Forward Decisions List			
15 March 2021	Major Projects Board – Update from the Chair	Update	Chair	

### **Potential Future Training Sessions**

Alternatives for service delivery (services in house and those contracted out)  
Companies and Structures

### **Forthcoming Items – Date to be Identified**

Additional Audit Work – RIPA Desktop Inspection and GDPR legislation  
General overview on the Council's various sources of funding