

Item 6

ELT / Audit, Risk and Standards Committee



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Report Title: ANNUAL GOVERNANCE STATEMENT 2022/2023

Report to: Audit, Risk and Standards Committee

Date of meeting: Audit, Risk and Standards Committee 17 July 2023

Responsible Director / Officer: Corporate Risk Officer and Executive Director Resources

EXECUTIVE SUMMARY / INTRODUCTION

GYBC has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. This statement explains how GYBC has complied with the code and also meets the requirement of regulation 4(2) of the Accounts and Audit Regulations 2011 in relation to conducting a review of the effectiveness of its system of internal control.

RECOMMENDATIONS:

That the Audit, Risk and Standards Committee: consider and approve the 2022/23 Annual Governance Statement.

1. Introduction

- 1.1 Great Yarmouth Borough Council (GYBC) 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. GYBC also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, GYBC is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and ensuring this includes arrangements for the management of risk.
- 1.3 GYBC has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. This statement explains how GYBC has complied with the code and also meets the requirement of regulation 4(2) of the Accounts and Audit Regulations 2011 in relation to conducting a review of the effectiveness of its system of internal control.

2. Annual Governance Statement

- 2.1 The attached report shows the arrangements that are in place for ensuring good governance and the

management of risk. The Annual Governance Statement has been informed by the Code of Corporate Governance and the assurance statements that are completed by members of the Management Team. It also identifies any gaps that has been identified during 2022/2023 and actions that will be taken to address these areas of concern during 2023/2024.

2.2 The AGS is for 2022/23 and refers to the Committee form of governance in operation at that time. When looking forward there will be move to the Cabinet and Scrutiny on the AGS and the associated governance arrangements.

3. Impact / Next Steps

3.1 Over the coming year steps will be taken to address the matter identified in the report to further enhance the governance arrangements. These steps will address the need for improvements that were identified during the review of effectiveness and will monitor their implementation and operation as part of our next annual review.

4. Financial Implications

4.1 There are no direct financial implications arising from this report

5. Risk Implications

5.1 There are no direct risks implications arising from this report

6. Legal Implications

6.1 There are no direct legal implications arising from this report

7. Conclusions

7.1 The governance arrangements have been effectively operating during the year with the exception of those areas identified in the statement.

7.2 Over the coming year steps will be taken to address the matter identified in the report to further enhance the governance arrangements. These steps will address the need for improvements that were identified during the review of effectiveness and will monitor their implementation and operation as part of our next annual review.

8. Background papers

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

Consultations	Comment
Monitoring Officer Consultation:	
Section 151 Officer Consultation:	
Existing Council Policies:	
Equality Issues/EQIA assessment:	



Author	Corporate Risk Officer
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Document Status	Draft

ANNUAL GOVERNANCE STATEMENT 2022/2023

1. Scope of responsibility

Great Yarmouth Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It must ensure that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Great Yarmouth Borough Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Great Yarmouth Borough Council is responsible for putting in place proper arrangements for the governance of the Council's affairs and facilitating the effective exercise of its functions including arrangements for the management of risk and for dealing with issues which arise.

Great Yarmouth Borough Council has approved and adopted a Code of Corporate Governance which is consistent with the principles and recommendations of the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) 2016 Framework 'Delivering Good Governance in Local Government'.

A copy of the code can be obtained from the Corporate Risk Officer, Greyfriars House, Greyfriars Way, Great Yarmouth, NR30 2QE. This statement explains how Great Yarmouth Borough Council has complied with the code and also meets the requirement of regulation 6(1) of the Accounts and Audit (England) Regulations 2015 in relation to the publication of a statement of internal control and accompanies the 2023/2024 Statement of Accounts of the Council. The Annual Governance Statement is subject to detailed annual review and approved by the Audit, Risk and Standards Committee.

2. The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, which direct and control Council's activities and through which we account to, engage with and lead the community. It enables the Council to monitor the achievement of its strategic priorities and objectives set out in the Corporate Plan and to consider whether those priorities and objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. Internal controls cannot eliminate all risk of failure to achieve strategic priorities and objectives but can provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Great Yarmouth Borough Council's priorities and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

All subsidiary companies have a system of governance which is the responsibility of the Board of Directors and designed to give the Directors adequate information to review the activities of the Group and review and control the business risks.

The governance framework has been in place at Great Yarmouth Borough Council for the year ended 31 March 2023 and up to the date of approval of the statement of accounts.

3. The governance framework

An annual review of the Code of Corporate Governance framework at Great Yarmouth Borough Council was completed prior to the preparation of the Annual Governance Statement. A new code of corporate governance has been developed to cover the coming financial year 2023/2024. This is due to be reported to the Audit, Risk and Standards Committee in July 2023.

The Code of Corporate Governance derives from seven core principles identified in a 2016 publication entitled Delivering Good Governance in Local Government (CIPFA/SOLACAE 2007). This was produced by the Independent Commission on Good Governance in Public Services – a commission set up by the Chartered Institute of Public Finance and Accountancy (CIPFA), and the Office for Public Management. The commission utilised work done by, amongst others, Cadbury (1992), Nolan (1995) and CIPFA / SOLACE (2001). These principles were adapted for application to local authorities and published by CIPFA in 2007. The seven core principles are:

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

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

GYBC 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 to local people. 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 constitution was reviewed during 2022/23 and changes made to incorporate changes required for moving to a cabinet system from May 2023.

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

Additionally, the Council appoints a number of committees to discharge the Council's regulatory and scrutiny responsibilities. These leadership roles, and the delegated responsibilities of officers, are set out in the Constitution.

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 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. Consistency in the format of reporting to committees and clarity of decision making to be reviewed and developed during 2023/2024.

Financial Regulations, Standing Orders and Contract Procurement Protocol relating to contracts procedural documents are in place and regularly reviewed. The Procurement Strategy is to be updated and presented to ELT in 2023/2024.

It is the function of the Monitoring Officer to ensure compliance with established policies, procedures, laws and regulations. After consulting the Chief Executive and S151 Officer, she will report to 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.

The Monitoring Officer is employed via a secondment agreement with Norfolk County Council with the provision of legal services being via an agreement with NP Law.

All decisions made by Members via the appropriate Committees 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.

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 Council has an Agreed Behaviours Framework which confirms the way we behave at work, and what behaviour is supportive, appropriate and welcome and what is not. All officers are expected to adhere to the Agreed Behaviours Framework, and these have been incorporated in the recruitment/induction process and will continue to be embedded through the Performance Development Review process.

The Council takes fraud, corruption and maladministration very seriously and has the following policies which aim to prevent or deal with such occurrences:

- Anti-Fraud, Corruption and Bribery Policy
- Whistleblowing Policy
- Anti-Money Laundering Policy
- HR policies regarding disciplinary of staff involved in such incidents

Policies and procedures governing the Council's operation include Financial Regulations, Contract Procedure Rules and a Risk Management Framework. Ensuring compliance with these policies is the responsibility of managers across the Council. The Internal Audit function, Finance and Legal Services ensure that policies are complied with. Where incidents of non-compliance are identified, appropriate action is taken.

B. Ensuring openness and comprehensive stakeholder engagement

The Corporate Plan - 'The Plan' is a five-year plan for the borough which is supported by four key strategic priorities:

- A strong and growing economy
- Improved housing and strong communities
- High-quality and sustainable environment
- An efficient and effective council

Our priorities are strongly focused on outcomes and 'The Plan' includes information regarding what we will achieve for our residents, visitors and business communities.

The Annual Action Plan details key projects to be delivered and aligns with the 'The Plan' and the Councils Business Strategy and incorporates Performance Indicators. The Annual Action Plan is reviewed to ensure specific activities and projects remain on track to deliver and published on an annual basis.

The Council aims to ensure that the roles and responsibilities for governance are defined and allocated so that accountability for decisions made and actions taken are clear.

The council operates a cabinet system and Regulatory Committees system of governance, which have clear responsibilities requiring them to work closely with senior and other employees so as to achieve the Council's ambitions.

Meetings are open to the public except where personal or confidential matters are being discussed. In addition, senior and other officers of the Council can make decisions under delegated authority. The extent of these delegations is set out in the Constitution.

The Constitution also includes a Member/Officer protocol which describes and regulates the way in which Members and Officers should interact to work effectively together.

The report template ensures consultation is undertaken with S151 Officer and Monitoring Officer before the report is considered by members.

The Council works in partnership with other organisations to deliver the Council's aims, policies and objectives. Partnerships are regulated by partnership agreements and service level agreements. The Partnership Governance Framework and Partnership Register were reviewed in 2020/2021 and submitted to ELT and Audit and Risk Committee for approval. Work will continue to raise the profile and ensure that all applicable governance and risk management arrangements are applied and consistently used across the organisation and the Partnership Register will be reviewed to ensure it correctly reflects the Partnerships that the council are involved in.

The Council's Equality, Diversity and Inclusion Strategy and Action Plan were approved by Policy & resources Committee in November 2021. The strategy and associated action plan were then consulted on with both internal staff and external stakeholders. Consultation concluded on 31 January 2022 and work is continuing to embed and deliver the action plan.

The Council aims to ensure that the work of the council is open, honest and transparent, and to enhance inclusion by building on our understanding of all residents' needs and perceptions, through improved customer service and community engagement. A fresh set of standards of what customers can expect in service delivery and a set of principles for staff to work to both external and internal have been created and was updated in 2022/2023 to reflect the new ways of working.

A Customer Feedback Questionnaire to capture information to help us improve access to our services and have a better understanding of residents in our communities has been developed and to be launch in May/June 2023.

The Council engages with local people and stakeholders in the following ways on a range of issues:

- Surveys
- On Line feedback
- Public Meetings / consultation
- Interviews

The Council has also undertaken work with key stakeholders such as parish councillors to try to ensure enhance participation through these types of established forums.

A Resident Engagement Strategy has been developed with residents of the Council's estates and homes.

A Corporate Complaints and Compliments policy is available which provides a framework on the council's approach to complaints, compliments and comments received from customers.

The Freedom of Information policy is designed to ensure that there are clear internal arrangements for effective management and release of information and ensure that the Councils complies with the FOI act. Data champions have been appointed and are provided with regular training. As required by the FOIA, the Council has adopted and maintains a Publication Scheme as a guide to the information that it holds which is publicly available.

Work is progressing to ensure compliance with the accessibility regulations and standards for documents currently published and to be published on the website and Intranet and mobile apps to ensure that most people can use it without needing to adapt it, while supporting those that need to adapt things.

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

The Corporate Plan - 'The Plan' is a five-year plan for the borough which is supported by four key strategic priorities:

- A strong and growing economy
- Improved housing and strong communities
- High-quality and sustainable environment
- An efficient and effective council

Our priorities are strongly focused on outcomes and 'The Plan' includes information regarding what we will achieve for our residents, visitors and business communities.

The Annual Action Plan details key projects to be delivered and aligns with the 'The Plan' and the Councils Business Strategy and incorporates Performance Indicators. The Annual Action Plan is reviewed to ensure specific activities and projects remain on track to deliver and published on an annual basis.

The Council's Executive Leadership Team, consisting of the Chief Executive, Directors and the Head of Legal and Governance (Monitoring Officer) met on a weekly basis to develop policy issues commensurate with the Council's aims, objectives and priorities. Management Team meets monthly and, also considers internal control issues, including risk management, performance management, compliances, value for money and financial management.

The Council has an effective Performance Management Framework, which is driven by the Corporate Priorities, which are cascaded through team / departmental meetings and 1:1s.

Work is progressing with the delivery of Sustainability Strategy and Action Plan and Locality Strategy Action Plan to assist the Council to further reduce its carbon footprint and become a more sustainable organisation. The Strategy details the ambitions of the Council, how we are going to work as a council to reduce our omissions, make ourselves more sustainable as well as looking at opportunities to increase biodiversity across the borough and work with our partners and businesses across the borough to make a difference.

The financial management of the Council is conducted in accordance with the financial rules set out in the Constitution and with Financial Regulations. The Council has in place a Medium-Term Financial Strategy, updated annually, to support the aims of the Corporate Plan. The Policy and Resources Committee monitor and scrutinise progress against targets and performance in priority areas affecting relevant service areas, and consider and approve corrective action where necessary, on a quarterly basis. Regular reports are taken to the Policy and Resources Committee and Service Committee to monitor progress against budget for the General Fund, Capital Programmes and the Housing Revenue Account. The reporting processes are under constant review in order to develop their maximum potential.

The report template requires that consultation with S151 Officer and Monitoring Officer is undertaken before a report is considered by Members.

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

The Council's Executive Leadership Team, consisting of the Chief Executive and Directors meet on a weekly basis to develop policy issues commensurate with the Council's aims, objectives and priorities. Management Team meet monthly and also considers internal control issues, including risk management, performance management, compliances, value for money and financial management.

The Council has an effective Performance Management Framework, which is driven by the Corporate Priorities, which are cascaded through team / departmental meetings and 1:1s.

The Project Management Office (PMO) co-ordinates and delivers corporate priority projects across the Borough. The team also offers help, support and advice in project management across the Council, encouraging a corporate approach to project management. The Project Management Framework and accompanying templates are available to assist with the delivery of small, medium and capital projects.

The Council's Risk Management Framework requires that consideration of risk is embedded in all key management processes undertaken. These include policy and decision making, service delivery planning, project and change management, revenue and capital budget management and partnership working.

The Partnership Governance Framework complies with good practice and aims to ensure that the Council maintains a structured approach to entering into new partnerships. The purpose of the framework is to assist managers to ensure that the purpose, objectives and intended outcomes are clear, achievable and sustainable including an exit plan when

the partnership is no longer effective. A Partnership Register is also maintained and reviewed to ensure it correctly reflects the Partnerships that the council are involved in.

The financial management of the Council is conducted in accordance with the financial rules set out in the Constitution and with Financial Regulations. The Council has in place a Medium-Term Financial Strategy, updated annually, to support the aims of the Corporate Plan.

A Procurement Strategy is available and will deliver a sound structure and framework to support ongoing procurement activity. This will enable the Council to maximise opportunities, minimise risks and support several of its Corporate Objectives through good procurement practice. The Council has adopted the Chartered Institute of Procurement and Supply Code of Ethics.

The Policy and Resources Committee monitor and scrutinise progress against targets and performance in priority areas affecting relevant service areas, and consider and approve corrective action where necessary, on a quarterly basis. Regular reports are taken to Policy and Resources Committee and Service Committee to monitor progress against budget for the General Fund and Capital Programmes. The Housing and Neighbourhoods Committee receive monitoring information for the Housing Revenue Account. The reporting processes are under constant review in order to develop their maximum potential.

All budget heads are allocated to a named budget officer who is responsible for controlling spend against a budget, and who is also responsible for assets used in the provision of their service. Containing spending within budget is given a high priority in performance management for individual managers.

The Council's system of internal financial control throughout the financial year 2022/23 is based on a framework of regular management information, financial regulations, administrative procedures, management supervision and a system of delegation and accountability. Development and maintenance of the system is undertaken by managers within the Council. 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;
- Formal project management disciplines, as appropriate

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 partnerships

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

The Council aims to ensure that Members and managers of the Council 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 Corporate Induction course which is available for all new Members and staff to familiarise themselves with protocols, procedures, values and aims of the Council was reviewed and launched in May 2017 and is under regular review.

An E-learning system is in place and a process setup for all staff to undertake the e-learning annually. A new E-learning system was launched in April 2023.

A Members development group has been set up and a member training and development program developed, including an induction process has been agreed and shared with existing members and prospective candidates and

regular updates provided 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.

An Organisational Development Strategy and Action Plan and People Strategy Action Plan has been and approved by Members.

A Management Development Programme has been developed and currently being delivered.

An Agile Working Policy had been developed and implemented. Agile working aims to provide greater flexibility in relation to the time and location employees can work, subject to the requirements of the service and individual job roles. The Council recognises the need to develop modern, transformative working practices, focusing on performance and outcomes, to enable the council to continue to deliver its services to the highest standards, have the ability to retain flexibility to meet business needs, to attracting and retaining staff, be able to compete for the best talent and to be an employer of choice.

The Digital Strategy was agreed by ELT and Policy and Resources Committee, an updated strategy and action plan is being developed and monitoring of this is to the IT Investment Group (ITIG).

The Performance Review (PDR) process and a Workforce Development Plan and Workforce and Development Strategy have been developed. Learning and development needs are identified through the performance review process and regular 1:1's.

The Council's Chief Executive (and Head of Paid Service) leads the Council's officers and chairs the Executive Leadership Team. All staff, including senior management, have clear conditions of employment and job descriptions which set out their roles and responsibilities.

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

The Council's Executive Leadership Team, consisting of the Chief Executive and Directors met on a weekly basis to develop policy issues commensurate with the Council's aims, objectives and priorities. Management Team meet monthly and also considers internal control issues, including risk management, performance management, compliances, value for money and financial management.

The Council has an effective Performance Management Framework, which is driven by the Corporate Priorities, which are cascaded through team / departmental meetings and 1:1s.

The Council's Risk Management Framework requires that consideration of risk is embedded in all key management processes undertaken. These include policy and decision making, service delivery planning, project and change management, revenue and capital budget management and partnership working. In addition, a Corporate Risk Register is maintained, and the Audit and Risk committee meets to review the extent to which the risks included are being effectively managed and reviews progress towards achieving the action plan. An Internal Audit report on the Risk Management arrangements in the council was undertaken during the financial year 2021/2022 where the Risk Management overall assurance assessment was deemed 'Reasonable Reassurance'. Risk Management arrangements for the year ended 31 March 2021 were considered adequate. The Corporate Risk Officer reviews and monitors the risk registers, and in addition undertakes fraud investigation and proactive fraud detection work.

In the council's day-to-day operations, a framework of internal controls (e.g. authorisation, reconciliations, separation of duties, etc.) manages the risks of fraud or error, and this framework is reviewed by internal audit. The council has appropriate arrangements in place to deal with fraud and corruption risks and is committed to maintaining its vigilance to tackle fraud.

The Project Management Framework and accompanying templates include Risk Management templates to assist with the delivery of small, medium and capital projects.

The Partnership Governance Framework complies with good practice and aims to ensure that the Council maintains a structured approach to entering into new partnerships. The purpose of the framework is to assist managers to ensure that the financial arrangements in the partnership do not conflict with the Council's own financial regulations, ensuring risks are identified and managed and support good governance.

All Committees have clear terms of reference and work programmes to set out their roles and responsibilities. The Audit and Risk 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. The Committee 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. 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 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.

Internal audit is an independent and objective service to the management of the Council who complete a programme of reviews throughout the year to provide an annual opinion on the framework of governance risk management and control. Significant weaknesses in the control environment identified by TIAA Ltd - Internal Audit, are reported to Senior Management and the Audit and Risk Committee by the Head of Internal Audit as part of the regular reporting process. Outstanding audit recommendations are discussed at senior management meetings, and issues with addressing the urgent recommendations are also discussed at Executive Leadership Team. Audit recommendations are wherever possible implemented by agreed date but occasionally there is some slippage or recommendations are overtaken by other events or revised dates submitted.

The Business Continuity function is a managed service supplied by Norfolk County Council who provide a Resilience Officer based in Great Yarmouth and out-of-hours support by the Norfolk County Council Resilience Duty Officer. The Service Agreement was renewed from 1 April 2022.

All committee and council reports require review by S151 Officer and Monitoring Officer.

A manager's health and safety handbook has been developed for new managers which will enable them to build competence in managing health and safety risks in their workplace. The Corporate Health and Safety Group meet on a quarterly basis to monitor progress with health and safety priorities and processes. The annual cycle plan assists Heads of Service to identify the areas of Health and Safety that require monitoring and is supplemented with a monthly newsletter for managers dealing with topical issues including targeted reminders about the annual cycle checks due. The Health and Safety co-ordinators assist Heads of Service to complete the monthly Health and Safety tasks.

In the Warning Marker system, the Council keeps a record of customers who have behaved in such a way that the Council believes there is an ongoing risk to the health, safety, or well-being of employees. Reports are passed to a panel of officers who were not involved in the incident to consider whether the customer should be given a warning marker. The Warning Marker Policy is to be reviewed during 2023/2024.

The Council takes part in national initiatives to reduce the potential for fraud and to identify fraud that may have occurred e.g. the Council participates in the National Fraud Initiative, an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud.

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

Internal audit is an independent and objective service to the management of the Council who complete a programme of reviews throughout the year to provide an annual opinion on the framework of governance risk management and control. Significant weaknesses in the control environment identified by TIAA Ltd - Internal Audit are reported to Senior Management and the Audit and Risk Committee by the Head of Internal Audit as part of the regular reporting process.

Outstanding audit recommendations are discussed at senior management meetings, and issues with addressing the urgent recommendations are also discussed at Executive Leadership Team. Audit recommendations are usually implemented by agreed date but occasionally there is some slippage or recommendations are overtaken by other events or revised dates submitted.

The majority of the areas reviewed by Internal Audit during the year across the Councils governance, risk management and control framework in 2022/23 have received a positive assurance grading, however control weaknesses in the areas of Housing, Procurement and Contract Management and the number of urgent and important priority recommendations outstanding from prior years has meant that the overall opinion of the Internal Auditor in relation to the framework of governance, risk management and control at GYBC for the year has been assessed as limited.

Meetings are open to the public except where personal or confidential matters are being discussed. All reports are available for the public to review on the Councils website, unless of a confidential nature, with contact details of the key officers prominently placed.

As required by the FOIA, the Council has adopted and maintains a Publication Scheme as a guide to the information that it holds which is publicly available.

The Council has established three wholly owned companies:

- Equinox Enterprises Limited
- Equinox Property Holdings (dormant but expected to start trading in 2023/24)
- Great Yarmouth Services Limited (trading to commence on 1 April 2023)

Equinox Enterprise Ltd and Equinox Property Holdings Limited	<p>Equinox Enterprise Ltd main aim is to develop good quality housing for outright sales. Equinox Property Holdings Limited main aim is to develop a rental housing</p> <p>The Council owns 100% of the company shares. Representative of the council sit on the board. Regular management meetings and quarterly board meetings are used to monitor the revenue and capital expenditure.</p> <p>Performance measuring systems both financial and non-financial are in place with management meetings and the Board providing a platform of discussion. Risk management arrangements are reviewed and discussed at the Board and management meetings.</p>
Great Yarmouth Services Limited	<p>Great Yarmouth Services Limited main aim is for the collection of non-hazardous waste, cleaning services and landscape services.</p> <p>The Council owns 100% of the company shares. Representatives of the Council sit on the board. Regular management meetings and quarterly board meetings are used to monitor the revenue and expenditure.</p> <p>Performance measuring systems both financial and non-financial are in place with management meetings and the Board providing a platform of discussion. Risk management arrangements are reviewed and discussed at the Board and management meetings.</p>

The Annual Review of effectiveness

The Council has responsibility for conducting at least annually a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by:

- the work of senior managers within the Council who have responsibility for the development and maintenances of the governance environment.
- the work of TIAA Ltd, as reported by the Head of Internal Audit

- the signed Self Assessment Assurance Statements completed by Directors and Heads of Service
- comments made by the external auditors and other review agencies and inspectorates.
- Systems and control of Great Yarmouth Borough Council as outlined in paragraph 1 above.

Both in year and year-end review processes have taken place. In year review mechanisms include:

- the Policy and Resources Committee is 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 will meet when required to consider and review issues relating to the conduct of Members including referrals from the Standards Board.
- The Audit and Risk committee meet throughout the year to provide independent assurance to the Council, approves the annual audit plan and receives reports throughout the year on audit and anti-fraud activity, as well as the annual report and opinion on the effectiveness of the governance, risk management and control framework.
- The Accounts and Audit Regulations 2015 require that “a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. Internal audit is an independent and objective service to the management of the Council who complete a risk-based programme of reviews throughout the year. The conclusions of the internal audit enable an opinion on the overall adequacy and effectiveness of the Council’s framework of governance, risk management and control to be provided and make recommendations for the improvement of the management of risk and control.

In addition, Internal Audit can undertake fraud investigation and proactive fraud detection work which includes reviewing the control environment in areas where fraud or irregularity has occurred. Significant weaknesses in the control environment identified by TIAA Ltd - Internal Audit, are reported to Senior Management, the Audit and Risk Committee and Policy and Resources by the Head of Internal Audit as part of the regular reporting process.

- The Corporate Risk Officer reviews and monitors the risk registers, and in addition undertakes fraud investigation and proactive fraud detection work.
- The External Auditors (EY) produce an Annual Audit letter upon the completion of their audit for the financial year. The External Auditors also provide a value for money conclusion which considers whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness on its use of resources. Due to the delays in External Audit resourcing and the impact of Covid the Annual Audit letter for 2020/21 has not yet been produced and the audit work is still to be completed.

The year-end review of the governance arrangements and the control environment included:

- Heads of Services and Executive Leadership Team complete a Self-Assessment Assurance statement relating to the effectiveness of the governance arrangements and systems of internal control in their service area.
- An annual report and opinion by the Head of Internal Audit on the framework of governance, risk management and control accompanied by a conclusion on the effectiveness of Internal Audit.
- A review of external inspection reports received by the Council during the year.

During 2022/2023, Great Yarmouth Borough Council continued to put in place appropriate management and reporting arrangements to enable it to be satisfied that its approach to corporate governance is both appropriate and effective in practice. Specifically, the Council's governance arrangements have been reviewed and tested against the requirements of the CIPFA/SOLACE Framework. Whilst this process of review is co-ordinated corporately and approved by the Executive Leadership Team, Directors and Heads of Service have a responsibility to ensure that their own governance arrangements are adequate and operating effectively. In line with the CIPFA/SOLACE Framework, each Director and Head of Service is required to make an annual statement confirming that this is the case.

Governance Issues

The review process has highlighted the following issues regarding the governance, risk management and internal control environment and these are described briefly in the table below. However, a number of recommendations / issues have been implemented or addressed during the course of the year to strengthen or further enhance these governance arrangements.

Annual Report and Opinion by the Head of Internal Audit

Issue	Action proposed / being taken
<p>The Head of Internal Audit Annual Report and Opinion 2022/2023, considered by the Audit and Risk Committee in July 2023, highlights a limited audit opinion in relation to the framework of governance, risk management and standards of internal control for the year ended 31 March 2023. Despite the majority of areas reviewed being given a positive assurance rating, the overall grading was due to control weaknesses identified in Housing, Procurement and Contract Management.</p> <p>The position at year end is that of the 66 recommendations raised and agreed by management so far; 28 have been implemented by the agreed date and seven (six important and one needs attention priority) are outstanding.</p> <p>A total of 19 are outstanding from 2021/22.</p> <p>A total of ten recommendations are outstanding from prior years.</p> <p>Internal Audit has issued 17 assurance reports, 16 have resulted in positive assurance and one limited assurance.</p>	<p>That all recommendations are resolved by the due dates and the Council's Executive Leadership Team and Audit and Risk Committee receive regular update reports and follow up as applicable.</p> <p>In order to ensure responsibility and accountability is appropriately assigned all recommendations will be the responsibility of Heads of Service or Directors to ensure that the appropriate action is taken and where there are resource issues these will be discussed at Executive Leadership Team.</p>

Self-Assessment Assurance Statement

Directors and Heads of Service completed an Assurance Statement relating to their service area. A total of 17 statements were requested to be completed, 14 of which were returned.

The Assurance Statement asked specific questions about; policy and procedure, effectiveness of key controls, alignment of services within the service improvement plan, human resources, finance, risks and controls, health and safety, procurement, insurance, information technology, data protection, freedom of information, business continuity, partnerships and equalities. A yes / partial / no response was required and where partial responses have been provided

actions have been identified to address these areas. This Assurance Statements have highlighted some areas of improvements required, although not significant of nature to form a recommendation within the AGS, these will be followed up with the relevant Heads of Service, for those areas that relate to the completion of Internal Audit recommendations a separate recommendation has been included to cover these.

4. Further work / areas to be addressed

The following corporate governance areas were identified in the action plan for 2022/23 and progress to address the areas that have highlighted improvements are, those ongoing will be carried forward to 2023/24:

	Further work / areas to be addressed	Responsible Officer & Due Date	Review Update
1	Internal Audit recommendations should be implemented within the agreed timeframe and adequately actioned by management to ensure we have robust internal controls environment to safeguard the council's assets in all service areas. COVID 19 has impacted on the delivery of recommendations by the agreed implementation date, although it is hoped that this work will start to be prioritised.	Management Team 31/03/2023	Work continuing to implement audit recommendations by the due date and progress is being made for those recommendations with future dates. Progress is also being made to implement outstanding recommendations. ELT and Audit and Risk Committee receive regular update reports. To ensure responsibility and accountability all recommendations are assigned to Heads of Service or Directors to ensure that the appropriate action is taken and where there are resource issues these will be discussed at ELT. Work in Progress
2	The Officer Register of Gifts and Hospitality process is to be reviewed during 2022/2023 and further work is to be undertaken to raise awareness and ensure compliance.	Corporate Services Manager 31/03/2023	Update Sept 22: Register of Gifts and Hospitality to be held electronically, process currently under review. Due to limited resources within the team it has been difficult to progress with this recommendation however once the team is fully resourced this work will re-commence. Update Feb 23: Process reviewed and new Constitution is in progress so will be aligned. Intranet form ready for distribution together with words to be added to the Loop, however availability of the web team required to progress further. Officers are reporting for inclusion on central log. Completed
3	Procurement and Contract Management - The contract management arrangements are to be reviewed by the Monitoring Officer to strengthen this area of governance.	Monitoring Officer 31/10/2022 Revised date: 31 March 2023	Areas to be addressed are to ensure that the Contract Register is updated to reflect the spend. Ensuring contracts are removed from the Contract Register when the contract has expired or ensuring followed contract procurement rules when a contract is due to expire. Update May 23: Contracts Register to be reviewed to ensure that it is accurate and up to date. Guidance available on the Loop to be reviewed and updated. Procurement training provided to management. Work in Progress

	Further work / areas to be addressed	Responsible Officer & Due Date	Review Update
4	Corporate Governance Internal Audit Report 2018/19 – The outstanding recommendation for site paper storage arrangements to be reviewed to ensure compliance with GDPR regulations is to be implemented.	Corporate Services Manager 30/06/2022 Revised date: 30/05/2023	Due to staff resources within the team it has been difficult to progress. Due to the winter period approaching a further review will be scheduled for April / May 2023. Work in Progress
5	Work to progress with the delivery of the Equality, Diversity and Inclusion Strategy Action Plan.	Head of Organisational Development 31 March 2023	Update Nov 22: Work on the action plan continues, a draft ED&I policy has been produced, staff briefings in October included an update to all staff on the strategy. There are a number of training programmes being developed by NCC, also for delivery to staff. Update May 2023: embedded and delivering – Completed
6	Work is progressing to ensure compliance with the accessibility regulations and standards for documents currently published and to be published on the website, Intranet and mobile apps to ensure that most people can use it without needing to adapt it, while supporting those that need to adapt things.	IMT Manager Ongoing	Update Set 22: Document Accessibility continues in line with the overarching project plan with an end date of 31/03/2023 for the documents highlighted under the Cabinet Office Audit. Our compliance level has increased from 78% to 95% based on the current SilkTide rankings. Ongoing work with the business to either delete/replace/amend current documents is ongoing to improve this position further. Update April 2023: GYBC ranking improved from 261 to 17 out of all compliance councils. Ongoing work to be included in individual business strategies. Work in Progress
7	Counter Fraud and Corruption Internal Audit Report 2021/22 – work to progress with the implementation of the 2 urgent and 5 important audit recommendations.	Corporate Risk Officer 31 March 2023	Work is progressing to implement the recommendations. Due to staff resources have been difficult to progress with implementation of recommendations. Work in Progress
8	Environmental Services Internal Audit Report 2021/22 – work to progress with the implementation of the 2 urgent and 8 important audit recommendations.	Head of Environment and Sustainability 31 March 2023	2 important recommendations have been implemented. Eight recommendations outstanding (two priority 1; four priority 2; two priority 3). Due to staff resources have been difficult to progress with implementation of recommendations. Work in Progress
9	GYN Invoicing Internal Audit Report – work to progress with the implementation of the 6 urgent and 7 important audit recommendations.	Director of Housing Assets 31 March 2022	A number of financial controls have been implemented into the contract which addresses a number of the recommendations identified in the audit. To date, 6 actions are complete, and the

	Further work / areas to be addressed	Responsible Officer & Due Date	Review Update
			remainder are work in progress and scheduled for completion in the year 23/24 with the publication of an options report on the future service delivery and the implementation of the NEC Housing Management System. Update May 23: All recommendations have been implemented. Completed

The following corporate governance areas have been identified to form an action plan for 2023/24 (from the review of the code of corporate governance and self-assessment assurance statements for 2022/23).

ACTION PLAN			
	Further work / areas to be addressed	Responsible Officer	Due Date
1	Internal Audit recommendations should be implemented within the agreed timeframe and adequately actioned by management to ensure we have robust internal controls environment to safeguard the council's assets in all service areas.	Management Team	31/03/2024
2	Procurement and Contract Management - The contract management arrangements are to be reviewed by the Monitoring Officer to strengthen this area of governance.	Monitoring Officer	31 March 2024
3	Corporate Governance Internal Audit Report 2018/19 – The outstanding recommendation for site paper storage arrangements to be reviewed to ensure compliance with GDPR regulations is to be implemented.	Corporate Services Manager	31 October 2023
4	Work is progressing to ensure compliance with the accessibility regulations and transparency requirements and standards for documents currently published and to be published on the website, Intranet and mobile apps to ensure that most people can use it without needing to adapt it, while supporting those that need to adapt things.	IMT Manager	Ongoing
5	Counter Fraud and Corruption Internal Audit Report 2021/22 – work to progress with the implementation of the 2 urgent and 5 important audit recommendations.	Corporate Risk Officer	31 March 2024
6	Environmental Services Internal Audit Report 2021/22 – work to progress with the implementation of the two urgent and eight important audit recommendations.	Head of Environment and Sustainability	31 March 2024
7	In response to the reliance on agency and key individuals in some service areas often due to difficulty in recruiting, options on recruitment and providing resilience within key	ELT	31 December 2023

ACTION PLAN		
Further work / areas to be addressed	Responsible Officer	Due Date
services is to be considered, for example planning and building control.		

5. Certification

To the best of our knowledge, the governance arrangements, as defined above, have been effectively operating during the year with the exception of those areas identified above.

Systems are in place for regular review and improvement of the governance and internal control environment. The Council will continue to review its corporate governance arrangements and take any additional steps as are required to further enhance these arrangements and will review their implementation and operation as part of the next annual review.

Work is continuing to ensure that there are robust governance arrangements, risk management and internal control measures in place within the Council. Policies and procedures have been reviewed and implemented throughout the Council to ensure the safety and wellbeing of officers, members and customers during the pandemic and preparation for returning to the office environment. Systems of internal control were required to be reviewed which resulted in revised working practices and processes at the start of the lockdown and the requirement to introduce alternative / additional control measures.

Leader of the Council

Cllr Carl Smith:

Date

Chief Executive Officer

Sheila Oxtoby:

Date