

Audit Committee
Minutes of the Virtual Teams Meeting held on
Thursday 21 January 2021 at 2pm

Present:

Cllr Ian Mackie – Chairman
Cllr Colin Foulger
Cllr Chris Jones
Cllr Judy Oliver – Vice-Chair
Cllr Haydn Thirtle
Cllr Karen Vincent
Cllr Brian Watkins

The Chairman welcomed Cllr Brian Watkins to his first meeting of the Audit Committee. Cllr Watkins had filled the Liberal Democrat vacancy.

The Chairman also welcomed Joshua Warnes, Trainee Auditor to the meeting.

1 Apologies for Absence

1.1 There were no apologies for absence.

2 Minutes

2.1 The minutes from the Audit Committee meeting held on 15 October 2020 were agreed as an accurate record.

3 Declaration of Interests

3.1 There were no Declarations of Interest.

4 Items of business which the chairman decides should be considered as a matter of urgency.

4.1 The Committee received a presentation (Appendix A) by the Director for People on the support Norfolk County Council provided to staff during the covid-19 pandemic. The presentation included a summary of workforce priorities; feedback from staff about working for Norfolk County Council – before and after lockdown; a summary of the well-being offer; a summary of the learning offer and communications provided to staff to keep them connected whilst working from home.

4.2 The Committee also received information on the latest data relating to staff absence (Appendix B) and noted that staff availability was currently at approximately 93.5% compared to between 90 and 95% previously. Staff being unavailable due to Covid was approximately 2-2.5%, with the percentage of staff unavailable for reasons other than covid currently at 4.2%. Members noted the position reflected the efforts put in by the Director of People and her team.

4.3 The following points were noted in response to questions from the Committee:

4.3.1 Members appreciated the increased flexibility and support shown by staff throughout the pandemic to keep services operating effectively and asked what lessons had been learned and identified that could be taken forward in the future.

The Director of People advised that a more formal analysis of the lessons learned would be undertaken in the future, but the ability of the organisation to enable people to work from home by supplying laptops and software; scale up the response across the organisation to adapt and change to be more agile; and the compassionate and supportive leadership had brought out the best in staff and this needed to continue to be built on in the future.

4.3.2 As Chair of the Corporate Select Committee, Cllr Vincent advised that the Committee had regularly reviewed the HR element of the Norfolk County Council response to the pandemic at its meetings and also praised the support the Director of People had given to colleagues. Cllr Vincent added that the Corporate Select Committee would receive a further update in July 2021.

4.3.3 The Chairman thanked the Director of People for providing the information and also expressed his thanks, on behalf of the Committee, to all staff and Managers who had worked so hard in quickly changing circumstances to ensure services provided by Norfolk County Council were delivered.

5 Norfolk Audit Services Report for the Quarter ending 31 December 2020.

5.1 The Committee received the report by the Executive Director of Finance & Commercial Services which supported the remit of the Audit Committee in providing proactive leadership and direction on audit governance and risk management issues. The report updated the Committee on the progress with the delivery of the internal audit work and advised on the overall opinion on the effectiveness of risk management and internal control. The report also set out work to support the opinion and any matters of note.

5.2 The Committee received a copy of Appendix D to the report, which had been omitted from the agenda in error. A copy is attached at Appendix C to these minutes.

5.3 The following points were noted in response to questions from the Committee:

5.3.1 The authorisation process for anyone requiring access to data centres had been tightened up to ensure only people with a proven need to access data centres was able to do so. If temporary access was needed, eg for maintenance purposes, processes had been strengthened to ensure temporary access permission was removed quickly once access was no longer needed.

5.3.2 The Committee was reassured that all the scheduled audits for the current year would be completed.

5.3.3 All high priority findings and any audits flagged red would be followed up by a second audit. If audits were flagged as amber, the Internal Audit Team would not routinely follow them up as it was the responsibility of the relevant

- department Executive Director and the senior management team to ensure audit actions were completed.
- 5.3.4 The Committee asked that Geoff Connell, Head of IMT, attend the Audit Committee meeting in April 2021 to provide an update on the work IMT had completed on cyber security and disaster recovery; phishing exercise, etc.
- 5.3.5 The Committee considered the tabled Appendix D to the report and noted that the arrangements for governance under covid were acceptable, sound and working. The information would be included in the Annual Governance Statement later in the year.
- 5.4 The Committee considered the report and **RESOLVED** to **agree**:
- the key messages featured in this quarterly report, that the work and assurance meet their requirements and advise if further information is required
 - The governance arrangements for the Covid-19 response and the Recovery (as described in Appendix D) continue to be sound and effective and will be reported in the draft Annual Governance Statement 2020-21 when it is published.

6 Risk Management

- 6.1 The Committee received the report by the Executive Director of Finance and Commercial Services referencing the corporate risk register as it stood in January 2021 following the latest review conducted during December 2020.
- 6.2 A summary of significant changes to corporate risks since they were last issued to this Committee was included in Appendix A of the report for information purposes. The latest corporate risk heat map for the generic corporate risk register was included at Appendix B providing a visual summary of corporate risks. Full details of the current generic corporate risks were included in Appendix C, including further explanations on risk scoring.
- 6.3 The following points were noted in response to questions from the Committee:
- 6.3.1 Regarding Risk 031 (NCC Funded Children's Services Overspend) and whether the risk took account of the Dedicated Schools Grant, the Executive Director of Finance & Commercial Services confirmed that the Dedicated Schools Grant was treated separately to the Norfolk County Council core funding.
- 6.3.2 Regarding Risk 28 (Risk of any failure to monitor and manage health and safety standards of third party providers of services) and how the risk could be managed during the current situation, it was confirmed close liaison took place to ensure working staff were safe, with the Health and Safety Manager, Derryth Wright, continually working closely with partners to ensure standards were met for those staff who had worked onsite throughout the pandemic.
- 6.3.3 Regarding Risk RM027 (Risk of failure of new Human Resources and Finance system implementation), Cllr Vincent welcomed the work the Internal Audit Team were doing in working closely with the Programme Director to monitor the risk and thanked the team for their work.

6.4 The Committee considered the report and **RESOLVED** to **agree**:

- a. The key messages as per section 2.1 of this report
- b. The key changes to the generic corporate risk register (Appendix A),
- c. The corporate risk heat map (Appendix B)
- d. The latest generic corporate risks (Appendix C);
- e. Scrutiny options for managing corporate risks (Appendix D)
- f. Background Information (Appendix E)

7 Counter Fraud, Bribery and Corruption Annual Report 2020-21 (including whistleblowing).

7.1 The Committee received the report by the Director of Governance providing an annual report in respect of the counter fraud activity undertaken by Norfolk Audit Services during the financial year 2020-21.

7.2 In response to a question, in order not to prejudice any ongoing investigations, it was noted that no specific information could be given about the cases currently being investigated by Norfolk Police. The Committee was reassured that the Investigative Auditor was working closely with the Police on these cases.

7.3 The Committee considered the report and **RESOLVED** to:

- **agree** that the content of the Anti-Fraud, Bribery and Corruption and Whistleblowing annual report 2020-21 (Appendix A), the key messages, that the progress is satisfactory, and arrangements are effective.

8 Internal Audit Strategy, Our Approach and the Audit Plan 2021-22.

8.1 The Committee received the report by the Executive Director of Finance & Commercial Services setting out the background, Internal Audit Strategy, Our Approach to developing the Audit Plan 2020-21, the Audit Plan for 2020-21 and the Performance of the Strategy.

8.2 The Committee considered the report and **RESOLVED** to **approve**:

- The Internal Audit Strategy, the approach to developing the Audit Plan for 2021/22 and the Audit Plan for 2020/21, supported by the 'Days Available to Deliver NAS Services 2020/21 (Appendix C) and the 'Detailed Audit Plan for the First Half of the Year for 2020/21' (Appendix D), and that this work will deliver sufficient scope for the assurances required
- That the arrangements are compliant with all applicable statutes and regulations, including the Public Sector Internal Audit Standards (2017) and the Local Authority Guidance Note of 2013, including safeguards in place to limit impairments to independence and objectivity for the roles of the Chief Internal Auditor (described at paragraph 5.7 of this report), and any other relevant statements of best practice
- That the approach to minimise the audit burden during the pandemic response (described at 5.24 in this report) is risk based, necessary, proportionate and that normal coverage will resume on a risk assessed

basis at the earliest opportunity. The reasons for deferring audits will be reported to this Committee

9 Work Programme

- 9.1 The Committee received the report by the Executive Director of Finance and Commercial Services setting out the work programme.
- 9.2 The Committee agreed to ask Geoff Connell, Head of IMT to attend the next meeting to provide an update on the work IMT was carrying out on cyber-security; disaster recovery, etc.
- 10.3 The Committee considered and **noted** the report.

The meeting ended at 3.30pm

Chairman



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Support for our people at NCC

Presentation for Audit Committee

21 January 2021

Sarah Shirtcliff
Director for People



Agenda items

1. Summary of our workforce priorities during pandemic
2. What our colleagues say about working for the Council – before and after lockdown
3. Summary of our well-being offer
4. Learning Offer
5. Communication examples to connect with workforce

Our Workforce priorities

Priorities

Helping and supporting managers to lead in exceptional circumstances, including remote working

New communication approaches to managers and colleagues – all about promoting compassion, support and clarity

Providing professional advice and support across health and safety and infection control requirements for NCC workforce and workplaces, PPE, testing and vaccination programmes

Providing learning and development offer for managers – delivered remotely

Providing digital skills training for working remotely – delivered remotely

Providing well-being support offer, with additional services including Manager Outreach, critical incident support, adult education online offer

Clear adaptable policies and practice which supported flexible working, and deployment to priorities

Tools and equipment to work at home (kit, £250 allowance)

People metrics to check availability, health and well-being

Our Staff Survey ran for 3 weeks over the local down period.

| Key Drivers | 2020 | | | 2019 |
|---|-----------------|----------------|---------|---------|
| | Before March 18 | After March 18 | Overall | Overall |
| 1. There is a clear link between my Performance Development Discussion and my team's goals | 65 | 69 | 67 | 68 |
| 2. My manager recognises that speaking openly about work related issues provides an opportunity to improve things | 74 | 78 | 75 | 77 |
| 3. NCC's Directors and Heads of Service inspire me to use my own initiative | 49 | 58 | 52 | 50 |
| 4. NCC's Leader and Executive Directors have a clear vision for the future of the organisation | 56 | 64 | 59 | 56 |
| 5. I often experience excessive pressure in my role* <i>*lower is better</i> | 66 | 63 | 65 | 69 |

Key



Good score / outcome to be celebrated.
(75+)



Moderate score / outcome.
Capable of improvement.
(51 - 74)



Relatively poor score / outcome.
A clear signal to take steps to improve.
(50 or less)

How colleagues describe NCC and changes over 2 years

| Conversational (eg Respectful, Good listener) | Innovative (e.g. Inspiring, exciting) | Capable (e.g. Competent, Resilient) | Trustworthy (e.g. Honest, Reliable) | Supportive (e.g. Compassionate, Appreciative) | Directive (e.g. Authoritarian Controlling) | Developmental (e.g Coaches, Learning) |
|--|--|--|---|--|---|--|
| 2020 | | | | | | |
| 60 | 56 | 64 | 64 | 63 | 56 | 56 |
| 2019 | | | | | | |
| 57 | 53 | 60 | 62 | 60 | 60 | 55 |

Engagement study in October identified key messages about what's most important to colleagues

- ❑ Human Connections
- ❑ Service productivity and performance
- ❑ Organisational Identity – “Supportive”
- ❑ Flexibility
- ❑ Equipment and Tools to do the job



Our well-being offer:



- ✓ 3000 employees supported to buy kit
 - ✓ 333 Mental Health First Aid champions
 - ✓ 209 wellbeing facilitators
 - ✓ Trade union engagement and positive relationships
 - ✓ 3.3% absence – below target
 - ✓ 87.5% under 2 years retention – more stayed
-
- ✓ **Key Services:**
 - ✓ Norfolk Support Line
 - ✓ Self-referral for counselling
 - ✓ Critical incident service for trauma support
 - ✓ Musculoskeletal rehab service
 - ✓ Individual risk assessments/including BAME and high risk health

Our development offer:

Leadership and Management Development Opportunities - Norfolk Development Academy 2020–2021

Welcome to the overview of all learning and development opportunities related to Leadership and Management at NCC. We have separated the offer into 4 key areas; Aspiring Managers, New Manager Experience, Leading Teams and People, Leading Services and Organisations. Below you will find a handy guide to each of our development options – to help you navigate at a glance we have used some symbols so you can quickly identify your preferred learning approach. Running throughout our core offer is access to the following: Coaching, Mentoring and access to a virtual Leadership and Management Community via MS Teams.

| WHAT'S AVAILABLE AT A GLANCE... | | | |
|---|---|--|--|
| ASPIRING MANAGERS | 'NEW MANAGER EXPERIENCE' | LEADING TEAMS AND PEOPLE | LEADING SERVICES AND ORGANISATIONS |
| <ul style="list-style-type: none"> • NCC Aspiring Manager Programme • Coaching • Mentoring | <ul style="list-style-type: none"> • New Manager Induction • Coaching for Performance • Online Manager Kit • The Fundamentals of Finance • Situational Leadership • Coaching • Mentoring • New Manager MS Teams Community | <ul style="list-style-type: none"> • Coaching for Performance • Effective Conversations: Coaching Skills for Managers • Valuing Diversity for Managers • Interview Skills for Interviewers • Managing Conflict • Managing Virtual Teams • Creating and Managing Budgets • Situational Leadership • Communicating Change • Managing Sickness & Long-Term Sickness Absence • Optimising Team Performance • Coaching • Mentoring • MS Teams Leadership and Management Community | <ul style="list-style-type: none"> • Leading Change • Creative Thinking • Building Blocks of Business Success • Quarterly Development Forum • Coaching • Mentoring • MS Teams Leadership and Management Community |

SYMBOL CODE



Blended Learning



Online Learning



Workbook



e-learning

Communicating with colleagues with myNorfolk Winter

- ❖ Communication weekly Newsletter style for all employees (weekly in December then review frequency)
 - ❖ Highlight and market the range of offers/support
 - ❖ Create upbeat, positive messaging
 - ❖ Provide easy signposting
 - ❖ Create a sense of “we have your back”
 - ❖ Emailed and on mynet
- ❖ Other comms vehicles:
Manager’s Brief will continue – keeping it short and clear on key topics managers need



Money



Working
remotely



Wellbeing
over Winter



Connecting with
Colleagues



Skills and
Learning



Management
support

Workforce Availability

HRWorkforceinsight@norfolk.gov.uk

COVID data updated daily. Sickness and assignment data updated each Monday. Data are refreshed at midday.

Last Refreshed

20/01/2021 12:04

Current Workforce Capacity

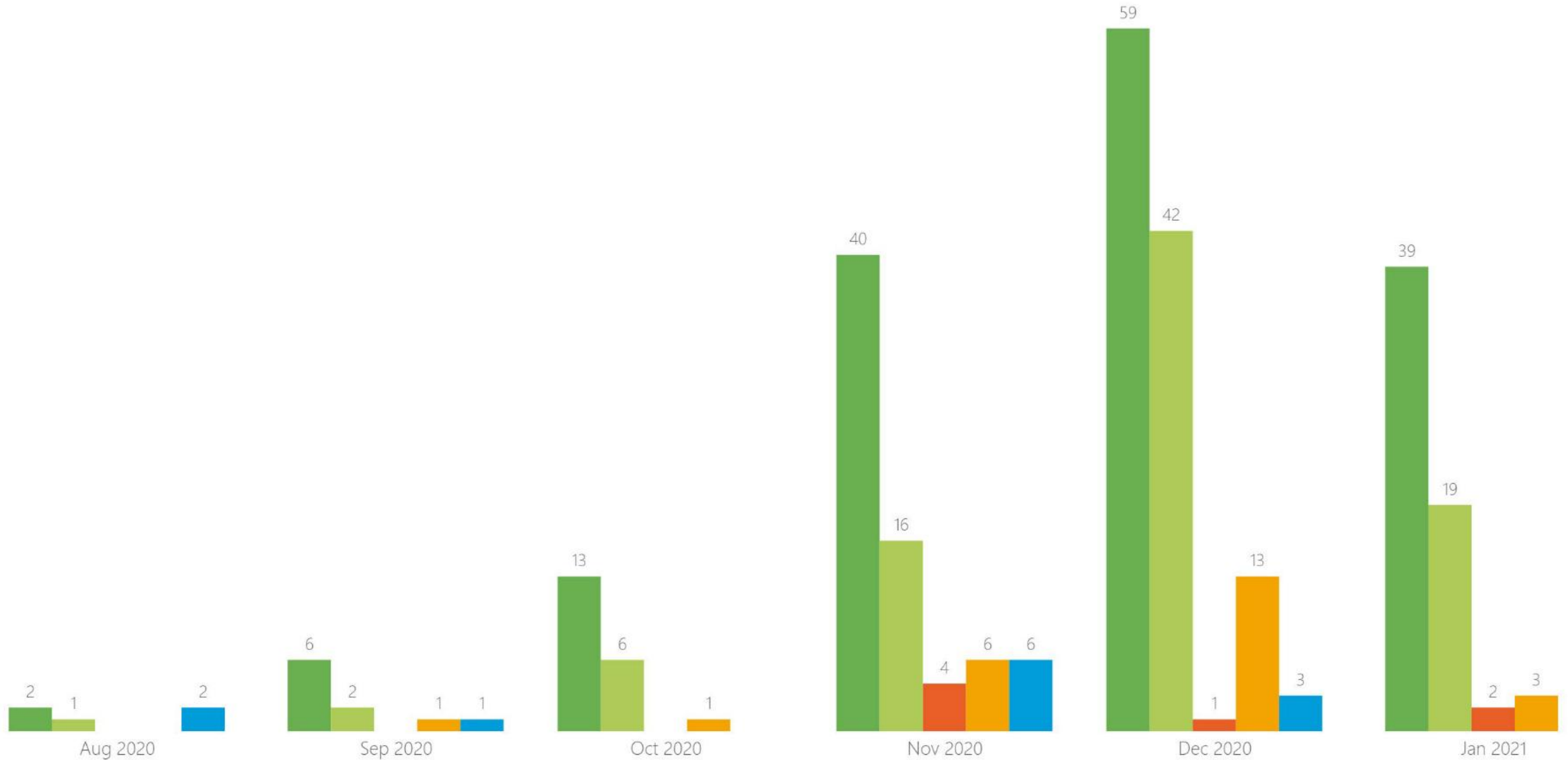
Note: Capacity rates do not include contingent or agency workers who are unable to update their status through My HR.

| | Total Staff | Staff Available | Staff Unavailable - COVID-related | Staff Unavailable - Not COVID-related |
|------------------------------------|-------------|-----------------|-----------------------------------|---------------------------------------|
| Adult Social Services | 1932 | 1709 | 100 | 123 |
| | | 88.5% | 5.2% | 6.4% |
| Children's Services | 2348 | 2217 | 30 | 101 |
| | | 94.4% | 1.3% | 4.3% |
| Community & Environmental Services | 2582 | 2447 | 51 | 84 |
| | | 94.8% | 2.0% | 3.3% |
| Finance & Commercial Services | 689 | 671 | 5 | 13 |
| | | 97.4% | 0.7% | 1.9% |
| Strategy & Governance | 525 | 503 | 4 | 18 |
| Legal & Democratic | | 95.8% | 0.8% | 3.4% |

NCC Staff COVID Cases - Health, Safety and Wellbeing Activity

Last Refreshed
20/01/2021 12:04

● Suspected Cases ● Positive Cases ● Cases to be Determined ● Case Visited a Work Location While Symptomatic ● Work Process Improvements Identified



Covid-19 Recovery Governance Update

The Audit Committee agreed that this report be included in this Quarterly Report. This Committee considers matters of governance, internal audit and risk management among other responsibilities.

The Council's [Annual Governance Statement \(AGS\) for 2019-20](#) was finalised and signed on 30 November 2020. The statement considered arrangements up to the date of approval, so it described how governance was fulfilled during most of the 2020 pandemic response, leading through into the recovery phase. The statement concluded that the arrangements were sound and effective.

The Cabinet received a report on the [NCC response to Covid-19 – initial lessons learned – progress update](#) (page 81), on 2 November 2020, and an update (Appendix D to the minutes of that meeting), which reported progress against the [initial lesson learned action plan](#) agreed by the Cabinet in August 2020.

The Annual Governance Statement for 2020-21 will be published in draft on the Council's website in May 2021, alongside the draft statement of accounts, and will then be presented to the Audit Committee after the external audit has concluded. The AGS 20-21 will be updated for the ongoing Covid-19 governance arrangements up to that point, including any changes that may have been required. The usual certification from Executive Directors regarding their departments will be completed.

The governance, internal audit and risk management arrangements at the end of 2020 have not changed significantly to those set out in the 2019-20 AGS. Since the last Audit Committee (on 15 October 2020) the Council has continued to fulfil the relevant requirements of the [Coronavirus Act 2020](#) and associated [local government regulations and enforcement](#), continued to hold remote meetings and staff work remotely where they are able to do so. The Council has also continued to fulfil the Civil Contingency requirements and supported the [Norfolk Resilience Forum - Norfolk Prepared](#). Gold and Silver Group Meetings have continued to co ordinate the response to the Covid-19 pandemic. In addition, an internal Recovery Group has met regularly to co-ordinate arrangements going forward including monitoring risks.

The Council was judged to have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020 ([page A21](#) in the draft external Audit Report to the October Audit Committee) . The ongoing governance of the Council (including the Covid-19 response and the recovery planning) is considered sound and effective.

Cont/..

Updates for the key themes relevant to this Committee are set out below:

Governance

The Council's Cabinet has received regular Financial reporting (including for Covid-19 response funding) and the full range of reports per the forward plan during 2020. The Audit Committee received its regular reports during 2020. The Corporate Board, chaired by the Leader of the Council, meets regularly. The Council has continued with Transformation work, major projects, delivery of savings and has ensured that staff are fully supported whilst working remotely.

Internal Controls

The Audit Committee has received regular updates on the delivery of the Council's Internal Audit Plan during 2020. Guidance from governing bodies such as CIPFA and IIA have been considered. The scope of the internal audit work has not been materially limited during the year however on the spot auditing of schools has been paused to recognise both the inherent risks and the burden on schools at this time. Auditing has been successfully undertaken remotely in the majority of cases using the TEAM's functionality and our electronic Teammate auditing platform. Internal Audit work has supported some specific Covid-19 response work over the last quarter. We have considered the ongoing risks from Covid-19 and the Recovery work in our internal audit planning for 2021-22.

Risk Management

The Council maintains and reports its Corporate Risk Register to the Cabinet and this Committee. The Corporate risk for the impact of Covid-19 was reported to the January 2021 Cabinet and elsewhere on this agenda to this committee.