

Audit & Governance Committee
Minutes of the Meeting held in Council Chamber, County Hall
on Tuesday 10 October 2023 at 2pm.

Present:

Cllr Robert Savage - Vice-Chairman
Cllr Karen Vincent
Cllr Tony Adams
Cllr Tony White
Cllr Terry Jermy

Christine MacDonald (independent person)

In light of apologies having been received from the Chairman, Cllr Ian Mackie, Cllr Robert Savage took the Chair.

1 Apologies for Absence

- 1.1 Apologies were received from Cllr David Sayers, Cllr Mark Kiddle-Morris and Cllr Ian Mackie, substituted by Cllr Tony Adams.

Apologies were also received from Tracy Colman (independent person)

2 Minutes

- 2.1 The minutes from the Audit & Governance Committee meeting held on Thursday 7 September 2023 were agreed as an accurate record and signed by the Chairman.

3 Declaration of Interests

- 3.1 Cllr Robert Savage declared an "Other Interest" as he was a Member of the Norfolk Pension Fund scheme.
- 3.2 Cllr Karen Vincent declared an "Other Interest" as she was a Member of the Norfolk Pension Fund scheme.

4 Items of Urgent Business

- 4.1 There were no items of urgent business.

5 Office of National Statistics Update Presentation

- 5.1 The committee received the report which introduced an update presentation on the outputs from the 2021 Census from the ONS and examples of the ways in which Norfolk County Council is using the data.
- 5.2 The Committee received a presentation from the Office for National Statistics and those slides are appended at Annex 1.
- 5.3 The Committee received a further presentation from the Head of NODA (Norfolk Office of Data Analytics) and those slides are appended at Annex 2.
- 5.4 During the discussion, the following points were noted:
 - 5.4.1 The decision on the ten-year census was still to be decided. As part of the consultation, users' needs now and in the future were being analysed, which would form part of an evidence led decision which would be submitted to Government in the new year for final approval.
 - 5.4.2 The Committee asked if the draft response from Norfolk County Council to the ONS consultation could be circulated to Members of the Committee.
- 5.5 Having considered the report, the Committee **AGREED:**
 - 1. The key messages in the report,
 - 2. That the draft response would be circulated to Members of the Committee.

6. Norfolk Audit Service Quarterly Report ended September 2023

- 6.1 The Committee received the report which introduced the results of the work that the internal audit team had completed in the period. The report enabled the Committee to fulfil their role, as those charged with governance, in accordance with their terms of reference.
- 6.2 During the discussion, the following points were noted::
 - 6.2.1 Officers reassured the Committee that problems that had been in the press concerning other Local Authorities were not a concern for Norfolk County Council. At the last meeting, the external auditors had no issues to raise regarding financial management. The Council has controls and arrangements in place to monitor spending against budget. There was also revised policy and guidance being issued by Government shortly.
 - 6.2.2 Members expressed concern regarding the discharge process across the county, with reports of different experiences dependant on the location of the county. Officers explained that this audit was being developed, however Officers in Adult Social Services would be contacted as consistency and discharge arrangements across the county were also a matter for their concern.
 - 6.2.3 Highways contract monitoring was being considered under the audit needs and it had been noted by Officers, who were already aware of this risk.

- 6.2.4 With reference to page 19, item 2.13, the saving of £400k happened due to the diligence of the team and the vice chairman expressed his gratitude for that.
- 6.2.5 With reference to appendix A, page 23, there was a large number of recommendations for action, Officers would reply to the Committee with a written response at the progress of these items.
- 6.3 **The Committee RESOLVED to AGREE that:**
- The opinion on the overall adequacy and effectiveness of the County Council's framework of risk management, governance and control, for the quarter ending 30 September 2023, is 'Acceptable'.
 - The Audit Plan for the Audit Year 2023-24 (Appendix C), and that this work will deliver sufficient scope for the required assurances.
 - The audit service provided by NAS continues to conform with the International Standards for the Professional Practice of Internal Auditing (Public Sector Internal Auditing Standards (PSIAS)) as verified via an external Quality Assurance Assessment during late 2022 and complies with the Accounts and Audit Regulations 2015 (as amended).
 - That the Committee continue to review information on the effectiveness of the management processes and corporate control functions (legal, financial, information, health and safety and human resources services performed) as provided by internal audits, self-assessment, customer feedback and any existing external performance reviews.

7 Risk Management Report

- 7.1 The Committee received the report which references Norfolk County Council's corporate risk register as it stands in October 2023, using risk data that was presented within the risk management report to Cabinet on 2nd October 2023. This report sets out the key corporate risk management messages, agreed at the October 2023 Cabinet meeting following the review of corporate risks over the second quarter of 2023/24. Corporate risks continue to be monitored and treated appropriately in line with the Council's risk management framework and the Full Council-agreed strategy 'Better Together, For Norfolk'.
- 7.2 There was not a maximum number of risks that one member of staff could be owner of. The ownership of a risk was predominantly the responsibility of the Executive Director level of the department in which that risk sat.
- 7.3 Due to there being no further news regarding the Norwich Western Link, the risk remained as part of the register and would be updated as and when there was news from Government.
- 7.4 **The Committee RESOLVED to AGREE that:**
- a. key messages as per paragraphs 2.1 and 2.2 of this report
 - b. key changes to the corporate risk register (**Appendix A**);
 - c. corporate risk heat map (**Appendix B**);

- d. corporate risks as at October 2023 (**Appendix C**);
- e. information in the report is sufficient.

8. Norfolk Pension Fund External Audit Plan 2022-23

- 8.1 The Committee received the report which introduced the External Auditor's Norfolk Pension Fund Plan for the year ended 31 March 2023, which was attached as Appendix A to the agenda. This document was one of certain communications that EY must provide to the Audit Committee of the audited client.
- 8.2 The Committee expressed concern that representatives of Ernst and Young were unable to attend to present their plan. However, Members felt that delaying approval of the plan would be a higher risk.
- 8.3 Having considered the report, the Committee **AGREED** the Norfolk Pension Fund External Audit Plan for 2022-23 and whether there are other matters, which may influence their audit.

9. Forward Work Programme

- 9.1 The committee received the report which outlined the committee's work programme. The committee's work fulfils its Terms of Reference as set out in the Council's Constitution and agreed by the Council. The terms of reference fulfil the relevant regulatory requirements of the Council for Accounts and Audit matters, including risk management, internal control and good governance. Following constitutional changes agreed by Full Council on 19th of July 2022 the Audit and Standards Committee have merged.
- 9.2 **The Committee RESOLVED**
To agree and consider the work programme for the Committee.

The meeting ended at 3.07pm

Cllr Ian Mackie – Chairman Audit & Governance Committee



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