

Governance, Risk and Audit Committee



Please contact: Matt Stembrowicz

Please email: matthew.stembrowicz@north-norfolk.gov.uk

Please direct dial on: 01263 516047

4th September 2023

A meeting of the **Governance, Risk and Audit Committee** of North Norfolk District Council will be held in the **Council Offices, Holt Road, Cromer, NR27 9EN** on **Tuesday, 12 September 2023** at **2.00 pm**.

At the discretion of the Chairman, a short break will be taken after the meeting has been running for approximately one and a half hours

Members of the public who wish to ask a question or speak on an agenda item are requested to notify the committee clerk 24 hours in advance of the meeting and arrive at least 15 minutes before the start of the meeting. This is to allow time for the Committee Chair to rearrange the order of items on the agenda for the convenience of members of the public. Further information on the procedure for public speaking can be obtained from Democratic Services, Tel: 01263 516047, Email: matthew.stembrowicz@north-norfolk.gov.uk.

Anyone attending this meeting may take photographs, film or audio-record the proceedings and report on the meeting. Anyone wishing to do so must inform the Chairman. If you are a member of the public and you wish to speak on an item on the agenda, please be aware that you may be filmed or photographed.

Please note that Committee members will be given priority to speak during the debate of agenda items

Emma Denny
Democratic Services Manager

To: Cllr J Toye, Cllr J Boyle, Cllr S Penfold, Cllr C Cushing, Cllr E Spagnola and Cllr L Vickers

All other Members of the Council for information.

Members of the Management Team, appropriate Officers, Press and Public



If you have any special requirements in order to attend this meeting, please let us know in advance

If you would like any document in large print, audio, Braille, alternative format or in a different language please contact us

Chief Executive: Steve Blatch

Tel 01263 513811 **Fax** 01263 515042 **Minicom** 01263 516005

Email districtcouncil@north-norfolk.gov.uk **Web site** www.north-norfolk.gov.uk

A G E N D A

1. TO RECEIVE APOLOGIES FOR ABSENCE

2. SUBSTITUTES

3. PUBLIC QUESTIONS

To receive public questions, if any.

4. ITEMS OF URGENT BUSINESS

To determine any items of business which the Chairman decides should be considered as a matter of urgency pursuant to section 100B(4)(b) of the Local Government Act 1972.

5. DECLARATIONS OF INTEREST

1 - 6

Members are asked at this stage to declare any interests that they may have in any of the following items on the agenda. The code of conduct for Members requires that declarations include the nature of the interest and whether it is a disclosable pecuniary interest.

6. MINUTES

7 - 16

To approve as a correct record, the minutes of the meeting of the Governance, Risk & Audit Committee held on 13th June 2022.

7. EXTERNAL AUDIT RESULTS REPORT 2020-21

17 - 70

To review and note the External Audit Results Report.

8. MONITORING OFFICER ANNUAL REPORT 2022/2023

71 - 96

To review and note the Monitoring Officer's Annual Report.

GRAC ANNUAL REPORT 2022-23	
Executive Summary	This report aims to provide the Council with an outline of the role, purpose and background of the Governance, Risk & Audit Committee, as well provide a summary of the work undertaken by the Committee throughout the 2022-23 municipal year. It will also draw attention to any issues encountered, or those that remain from previous years.
Options considered	N/A
Consultation(s)	A draft copy of the report is shared with the Committee Chairman and all officers responsible for presenting reports to GRAC throughout 2022-23.
Recommendations	It is recommended that Council notes the report, affirms the work of the Governance, Risk & Audit Committee, and considers any concerns raised within the key issues section of the report.
Reasons for recommendations	To inform Council of the work of the Governance, Risk and Audit Committee in 2022-23.
Background papers	GRAC Annual Work Programme 2022-23

Wards affected	All
Cabinet member(s)	N/A
Contact Officer	Matt Stembrowicz Democratic Services & Governance Officer Matthew.stembrowicz@north-norfolk.gov.uk 01253 516047

Links to key documents:	
Corporate Plan:	Strong, responsible & accountable Council
Medium Term Financial Strategy	N/A
Council Policies & Strategies	Relevant policies are considered by the Committee and outlined in the report.

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	N/A
Details of any previous decision(s) on this matter	N/A

Internal Audit Progress and Follow Up Report	
Executive Summary	This report examines the progress made between 31 May 2023 to 31 August 2023 in relation to delivery of the Annual Internal Audit Plan for 2023/24 and provides details of any outstanding internal audit recommendations.
Options considered	N/A
Consultation(s)	N/A
Recommendations	It is recommended that the Committee receives internal audit progress and progress against internal audit recommendations within the period covered by the report.
Reasons for recommendations	To provide the Committee with an update on internal audit plan progress, and progress on implementing outstanding internal audit recommendations.
Background papers	N/A

Wards affected	All
Cabinet member(s)	All
Contact Officer	Faye Haywood, Head of Internal Audit faye.haywood@southnorfolkandbroadland.gov.uk 01508 533873

Links to key documents:	
Corporate Plan:	All
Medium Term Financial Strategy (MTFS)	N/A
Council Policies & Strategies	Internal Audit Charter 2023/24 Internal Audit Strategy 2023/24

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	N/A
Details of any previous decision(s) on this matter	N/A

11. LOCAL CODE OF CORPORATE GOVERNANCE AND ANNUAL GOVERNANCE STATEMENT (AGS) 2022/23 113 - 168

LOCAL CODE OF CORPORATE GOVERNANCE AND ANNUAL GOVERNANCE STATEMENT (AGS) 2022/23	
Executive Summary	The Corporate Governance framework is made up of the systems and processes, culture and values by which an organisation is directed and controlled. For local authorities this includes how a Council relates to the community it serves. The Local Code of Corporate Governance is a public statement of the ways in which the Council will achieve good corporate governance. This is based on the development of the ' <i>Delivering Good Governance in Local Government: Framework</i> ' (2016) produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) and focusses on the seven core principles and sub-principles of good governance. The Annual Governance Statement (AGS) is prepared following a review of all the evidence available to the Council in seeking compliance with its Local Code.
Options considered	None – this is a statement for review and approval.
Consultation(s)	Policy and Performance Manager; S.151 and Monitoring Officer
Recommendations	Members are asked to review and approve the Annual Governance Statement (AGS) along with the updated Local Code of Corporate Governance.
Reasons for recommendations	To review and record the Council's governance
Background papers	None

Wards affected	All
Cabinet member(s)	Cllr Adams and Cllr Shires
Contact Officer	Tina.Stankley@north-norfolk.gov.uk

Links to key documents:

Corporate Plan:	<p>A Strong, Responsible and Accountable Council</p> <p>Effective and efficient delivery</p> <ul style="list-style-type: none"> • Managing our finances and contracts robustly to ensure best value for money • Ensuring that strong governance is at the heart of all we do
Medium Term Financial Strategy (MTFS)	Governance report not specifically linked to MTFS
Council Policies & Strategies	None

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	Public Report
Details of any previous decision(s) on this matter	Annual Governance Report – made yearly to the Governance Risk and Audit Committee

AUDIT COMMITTEES AND CO-OPTED INDEPENDENT MEMBERS	
Executive Summary	A Position Statement has been issued by the Chartered Institute of Public Finance and Accountancy ["CIPFA"]. It contains a number of recommendations including that local authorities include at least two co-opted independent Members on their audit committees. This is not presently a statutory requirement, but is anticipated that it will be in the future. This report considers the guidance and whether the Council wishes to commence a recruitment process in this regard. The Position Statement further recommends that there should be annual public reporting of compliance with the CIPFA Position Statement at Appendix A .
Options considered	<ul style="list-style-type: none"> • Appoint 2 independent Members to the Governance Risk and Audit Committee ["GRAC"] for a 3 year period • Appoint 1 independent Member to GRAC for a 3 year period • Continue with the status quo: not appointing any independent Member at this time
Consultation(s)	Chief Finance Officer; CLT, internal audit
Recommendations	<ol style="list-style-type: none"> 1. To recommend to Full Council that 2 co-opted independent Members be appointed to the Governance Risk and Audit Committee ["GRAC"], for a 3 year period. Delegated authority be given to the Monitoring Officer, in consultation with the Chairman of GRAC, to undertake recruitment arrangements. 2. That GRAC reports annually on how the Committee has complied with the CIPFA Position Statement [2022], to include <ul style="list-style-type: none"> • how it has discharged its responsibilities, • an assessment of its performance and that such report be made available to the public.
Reasons for	To comply with the recent CIPFA Position

recommendations	<p>Statement that:</p> <ol style="list-style-type: none"> 1. “where there is no legislative direction to include co-opted independent members [to a Council’s Audit Committee], CIPFA recommends that each authority audit committee should include at least two co-opted independent members to provide appropriate technical expertise.” 2. Further, the Position Statement outlines that, to discharge its responsibilities effectively, the Committee should provide an annual report as to compliance with the CIPFA Position Statement [2022], attached at Appendix A.
Background papers	<p>https://www.cipfa.org/-/media/Files/Services/Support-for-audit-committees/CIPFA-Audit-Committee-Position-Statement-2022.pdf</p> <p>This CIPFA guidance note is produced at Appendix A</p>

Wards affected	All wards
Cabinet member(s)	Cllr Adams & Cllr Shires
Contact Officer	<p>Cara Jordan</p> <p>Cara.jordan@north-norfolk.gov.uk</p> <p>Tel: 01263 516373</p>

Links to key documents:	
Corporate Plan:	<p>A Strong, Responsible and Accountable Council</p> <p>Effective and efficient delivery</p> <ul style="list-style-type: none"> • Managing our finances and contracts robustly to ensure best value for money • Ensuring that strong governance is at the heart of all we do
Medium Term Financial Strategy (MTFS)	N/A
Council Policies & Strategies	(CIPFA guidance detailed above)

Corporate Governance:	
Is this a key decision	No

Has the public interest test been applied	Public report
Details of any previous decision(s) on this matter	None

13. CORPORATE RISK REGISTER 181 - 222

To review and note the corporate risk register, and consider any necessary recommendations.

14. PROCUREMENT EXEMPTIONS REGISTER 26 MAY 2023 - 30 AUGUST 2023 223 - 224

To review and note the procurement exemptions.

15. GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE AND ACTION LIST 225 - 228

To monitor progress on items requiring action from the previous meeting, including progress on implementation of audit recommendations.

16. GOVERNANCE, RISK AND AUDIT COMMITTEE WORK PROGRAMME 229 - 232

To review the Governance, Risk & Audit Committee Work Programme.

17. EXCLUSION OF THE PRESS AND PUBLIC

To pass the following resolution, if necessary:

“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph _ of Part I of Schedule 12A (as amended) to the Act.”