ANNUAL GOVERNANCE STATEMENT

2019/20

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Annual Governance Statement 2019/20

SCOPE OF RESPONSIBILITY

1. Suffolk County Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards to secure continuous improvement in the way in which its functions are exercised. It is also responsible for ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.

2. In discharging this overall responsibility, the Council is responsible for putting proper arrangements for the governance of its affairs in place and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

3. The Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA (the Chartered Institute of Public Finance and Accountancy) / SOLACE (the Society of Local Authority Chief Executives and Senior Managers) Framework '*Delivering Good Governance in Local Government Framework (2016 Edition)'*.

4. This statement explains how the Council has complied with the code and meets the requirements of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control.

5. The governance arrangements over the Council's wholly owned companies: Vertas, Concertus Property & Design Consultants (Concertus), Opus People Solutions (Opus), and Sensing Change, are incorporated within this Annual Governance Statement.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

6. Governance comprises the systems and processes, culture and values by which the Council is directed and controlled and through which it is accountable to, engages with and, where appropriate, leads communities.

7. The governance framework is an inter-related system that brings together an underlying set of legislative requirements, governance principles and management processes which operate across the Council.

8. The governance framework must conform to the following principles of good governance:

   a) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of 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 the intended outcomes;

e) Developing the Council's capacity, including the capability of all its officers and councillors for leadership;

f) Managing risks and performance through robust internal control and strong public financial management; and

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

9. The framework is used to examine the services being provided and whether they are satisfying the objectives set.

10. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

11. The governance framework has been in place at the Council for the year ended 31 March 2020 and up to the date of approval of the annual report and statement of accounts.

THE GOVERNANCE FRAMEWORK

12. The key elements of the systems and processes that comprise the Council's governance arrangements are:

a) Members exercising strategic leadership by developing and keeping under review the three corporate priorities of the Council. The priorities (covering 2017-21) give a clear direction for what is important politically and how that feeds into the work the Council does every day. The three priorities focus on:

I. **Inclusive Growth** (Suffolk needs to improve its economic productivity, levels of educational attainment, and build more homes – ensuring that everyone benefits, including people who are vulnerable and facing disadvantage).

II. **Health, Care & Wellbeing** (Caring for Suffolk's vulnerable residents, enabling everyone to live long, healthy and fulfilling lives. Thriving families and communities and thriving economies support each other).

III. **Efficient & Effective Public Services** (At a time of diminishing resources, increasing demand, and changing customer expectations, we need to change the way that we operate to meet our customers' needs and balance our budget).

b) An established integrated planning process which ensures that services are delivered in accordance with the Council's objectives and represents the best use of resources (the 2019/20 Business Plan was approved at the meeting of the County Council, alongside the budget, in February 2019);

c) Measuring performance in achieving objectives through the Council's performance management;

d) Having a written Constitution which specifies the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication;

e) Having developed and embedded Codes of Conduct which define the standards of behaviour for members and employees;

f) Setting out, within the Constitution, Schemes of Delegation to members and officers, Financial Procedure Rules and other supporting procedures which clearly define how decisions are taken and the processes and controls required to manage risks. Also, having in place arrangements to ensure these are reviewed regularly;

g) Having an Audit Committee which promotes and maintains high standards in relation to the operation of the Council's Code of Corporate Governance, and ensures that the Council operates within the law, in accordance with the Council's internal procedures and follows the framework and guidance issued by CIPFA. The Committee is also responsible for monitoring and maintaining the risk management framework and the associated control environment and ensuring that the Council's financial and non-financial performance is properly monitored;

h) Appointing statutory officers to support and monitor the Council's governance arrangements, ensure expenditure is lawful and guarantee compliance with relevant laws and regulations, internal policies and procedures;

i) Having embedded arrangements for whistleblowing and for receiving and investigating complaints from the public, supporting the measurement of the quality of services for users; and

j) Having a programme of actions which aims to keep communities informed; support people to be involved in their local communities; promote local democracy; support communities in shaping places and services; improve the Council's understanding of how communities work and coordinate community engagement activity.

REVIEW OF EFFECTIVENESS

13. The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including its internal control system. The review of effectiveness is informed by the three lines of defence (i.e. from the executive managers within the Council who have responsibility for the development and maintenance of the governance environment; the Head of Internal Audit; inspections made by external auditors and other review agencies and inspectorates).

Introduction from the Deputy Chief Executive: Chris Bally

14. At the outset of 2019/20, local government was engaged in planning for Brexit, following the agreement of an extension and looking ahead to a year of financial review looking at the quantum, distribution and sourcing of local government funding through the Comprehensive Spending Review, Fair Funding Review and Business Rate Retention Review respectively. Over the summer, Local Resilience Forums (LRFs) were 'stood up' to take on the planning for a 'No-Deal' Brexit and then we had the General Election and now find LRFs centre stage as we tackle the global Coronavirus Pandemic.

15. Throughout this tumultuous year, the County Council's governance and assurance arrangements have continued to operate soundly and ensure high standards of integrity and probity. We achieved an unqualified audit and the external auditor confirmed that our arrangements to secure the efficiency and effectiveness in the use of resources are adequate. We had just undergone a LGA Corporate Peer Challenge (February 2019) and In May published our report and our action plan, which we subsequently updated on progress to Cabinet in January 2020.

16. Not only have we maintained good governance, we have put in place new strengthened arrangements in areas such as Absence Management, introducing the Bradford Factor to manage sickness, introduced a co-opted member on to the Audit Committee to strengthen transparency and recruited a new Assistant Director in the Assets and Investment function in Corporate Services. The Council's response to Fraud and Corruption has been strengthened and we continue to take a robust approach to Information Governance and Cyber Security. There is always further work to do in these areas.

17. Finally, as we enter 2020/21, we have been hit by the Coronavirus pandemic and our Local Resilience Forum has again been stood up to respond to this major incident. A major strength, noted in the Peer Challenge, is that our culture, relationships and arrangements are collaborative, and we have a strong history of multi-agency working. This has come to the fore as we have set up the Strategic and Tactical Co-ordinating Groups and a number of 'cells' to tackle issues including Excess Deaths, Health and Care, Supporting the Care Market, Testing and Information and Analytics.

18. The County Council has played a prominent role in the multi-agency arrangements and has also established its own Business Continuity arrangements. A Business Continuity Forum for the Council has been established with Tactical Management Teams active in each of the Councils' Directorates. The CLT has been meeting three times a week and briefings with the Leader, Chief Executive and Deputy Chief Executive have taken place on a daily basis. New communication arrangements have been put in place and, in consultation with all Group Leaders, new decision-making arrangements have been introduced using emergency powers.

Opinion of the Monitoring Officer: Tim Ryder

19. The Council has a Constitution made under Section 37 of the Local Government Act 2000. Its purpose is to enable the Council to set a strategic vision for the provision of public services in Suffolk and to act as champion for Suffolk. The Constitution supports development of the Council's capacity and the capability of the individuals within it; and ensures that decisions are taken whilst respecting the rule of law. Through openness and comprehensive stakeholder engagement, local people have every opportunity to know how decisions are taken and how to influence those decisions. The Council consults on major decisions, agendas and papers for meetings are published, Council and Cabinet meetings are webcast, and the public can participate by asking questions or raising petitions.

20. The role of councillors as community leaders and representatives remains central to the effective operation of the Council. A full election of all 75 councillors took place in May 2017. There has been one by-election during the year. The political groups are now represented as follows: Conservative 51; Labour 11; Liberal Democrat, Green and Independent 12; with one ungrouped Independent.

21. The Council has a strong commitment to providing services that are fair and accessible to everyone. All councillors receive an induction programme following their election, whether this is in the full elections or a by-election. This programme provides guidance on their roles & responsibilities and explains how the Council is structured and its decision-making processes which manage risk and performance. Councillor training and development is provided on relevant topics. The Councillor Development Working Group, overseen by the Audit Committee, will be developing an induction programme to follow the May 2021 elections.

22. During the year, the Council has introduced a new procedure for motions to Full Council, intended to give greater focus on key issues on the agenda. This new procedure will be reviewed in 2020/21. It was agreed that a co-opted independent member would be appointed to the Audit Committee in order: a) to bring additional knowledge and expertise; b) to reinforce political neutrality and independence; and c) to maintain continuity of committee membership. Council also agreed a Parental Leave Policy to support councillors and, by publicising this alongside other material for potential candidates about the role of a councillor, it is hoped that this will increase the number of people who are interested in standing for election. Council also agreed changes to Officer Delegations to reflect the establishment of the Peoples Services Directorate. Clarity of responsibilities within the new structure is demonstrated.

23. The Covid-19 pandemic resulted in the normal decision-making processes of the Council being suspended. Working across the political groups, a protocol was agreed that supported the Chief Executive in her use of delegated emergency powers, ensuring that transparency of decision making remained. Where possible more contentious decisions were deferred in order to allow challenge. Once Regulations were published by Government, the Council was able to adopt a procedure for meetings that complied with the legislation and continued the commitment to sound corporate governance.

24. During 2019/20, the Monitoring Officer received nine complaints that a councillor had breached the Code of Conduct. There were also nine complaints in the previous twelve months. Of the nine complaints received this year, five alleged delays by Councillors in responding to e-mails and/or lack of action over matters, one concerned alleged bullying by a councillor, one alleged undue influence being exerted by a councillor, one concerned the accuracy of a public statement made by a councillor and the other alleged inappropriate behaviour. After initial assessment and discussion by the Monitoring Officer or Deputy Monitoring Officer with an Independent Person no investigations were instigated. One complainant failed to provide any further information to substantiate their complaint, five were outside the scope of the Code and were dismissed, and three were resolved with an apology from the councillor.

25. The Local Government and Social Care Ombudsman's (LGSCO) Annual Review Letter for the year ended 31 March 2019 was discussed at Audit Committee in September 2019. During the reporting period of the Annual Review the LGSCO made final decisions on 108 complaints about the County Council. Of these decisions, 31 (29%) were forwarded for investigation of which 22 (71%) were upheld compared to 81% the previous year. The remaining nine complaints were not upheld. Whilst the Council's uphold rate is higher than the LGSCO's average of 58%, the rate has dropped this year despite the number of complaints forwarded for detailed investigation increasing (from 16 to 31).

26. The Monitoring Officer's assessment, overall, is that the Council has complied with its Constitution and that the governance arrangements are sound. This assessment also covers the period when temporary arrangements were in place during the Covid-19 emergency. Those arrangements are key to determining the interventions necessary to maximise the achievement of the Council's objectives. The values embedded in the Code of Conduct define the standards of behaviour for all councillors. The Audit Committee has played a key role in ensuring that governance systems and processes within the Council are effective.

Opinion of the Chief Finance Officer (S151 Officer): Louise Aynsley

27. The statutory role of the Chief Finance Officer (CFO) in relation to financial administration and stewardship of the Council and their role in the organisation are both key to ensuring that financial discipline and strong public financial management is maintained. The Council is fully compliant with the Chartered Institute of Public Finance and Accountancy (CIPFA) Statement on the Role of the CFO in Local Government.

28. Local authorities are subject to a range of safeguards to ensure they do not over-commit themselves financially. These safeguards include the statutory duties of the CFO which are set out in the Financial Regulations that form part of the Council's Constitution. The statutory duties include the requirement to report to Council if there is, or is likely to be, unlawful expenditure or an unbalanced budget (under Section 114 of the Local Government Act 1988).

29. Alongside the statutory role of the CFO, the Council has in place a number of financial management policies and financial controls which are set out in the Financial Regulations. Other safeguards which ensure that strong public financial management is in place include:

a)   the statutory requirement for each local authority to set and arrange their affairs to remain within prudential limits for borrowing and capital investment;

b)   the balanced budget requirement of the Local Government Finance Act 1992 (Sections 32, 43 and 93); and

c)   the external auditor's consideration of whether the authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources (the value for money conclusion).

30. The most recent Annual Audit Letter from Ernst & Young on 11th September 2019 gave the Council an unqualified opinion on its statement of accounts and concluded that the Council has in place proper arrangements to secure value for money in the use of resources. The auditors were satisfied that the accounts had been prepared properly in accordance with the CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2018/19.

31. Internal Audit has maintained a financial governance assurance framework, to gain sufficient assurance on governance, risk management and control arrangements throughout the Three Lines of Defence. More detailed audit work has been carried out in 2019/20 on financial controls where risks have been identified. Where concerns have arisen, these have been reported to the CFO, relevant Directors and Audit Committee, with actions agreed. Work has been completed by the Finance team to review the financial regulations which are part of the Constitution. In addition, the Schemes of Delegation for each Directorate have been reviewed and updated to ensure they reflect the current organisational structure within the Council.

32. The Council has delivered savings of £260m up to 2018/19 and the budget for 2019/20 included a target for planned savings of £23m. These savings have focussed the Council on delivering statutory services in the most efficient and effective way possible. Regular reports have been made to Cabinet throughout the year on the Council's financial position. During 2019/20 the Council has continued to face considerable challenges in the management of the budget. The demand pressures experienced in 2018/19 have continued in 2019/20, and whereas overall expenditure is currently forecast to be kept within budget, containing pressures remains a challenging proposition in many areas. Pressures continue to be felt most acutely in Children and Young People (CYP) where demand for high-cost support services increases year on year. This is especially true within Special Education Needs and Disabilities (SEND). The underlying trend in Adult & Community Services for demand in adult social care to increase remains a cause for concern for future years. In addition, pressures are being experienced in Operational Highways as it seeks to contain costs within its allocated budget. Action is being taken across the Council to contain spending pressures and to generate compensating areas of underspend where possible. However, the difficulty of achieving this aim, against the background of funding uncertainty and significant increases in demand, should not be underestimated. The Council responded to the financial challenges it faced in 2017 by launching a set of transformation programmes that are focused on how Council services can be delivered differently in order to provide better outcomes for individuals and the community at lower cost and managing future demand. This transformation plan continues apace, and it was agreed at a full meeting of the County Council in February 2020 that the budget for 2020/21 should incorporate £11.5m of savings from transformation. It was agreed that these savings are necessary to allows the Council to increase the budgets of both Adults and Children's Services and recognise cost pressures across the Council. The savings required from

transformation are significant and will require continued firm management to ensure their successful delivery. Details on financial risks and challenges facing the Council and the mitigation strategies are contained within the report of the CFO which accompanied the budget.

33. The financial implications of the COVID-19 virus are not yet fully known, either nationally or locally. Central Government has provided funding to local councils and the Council will provide information regularly to Central Government on the costs associated with the local response to the pandemic. The Council is putting in place mechanisms to support the local economy, ensuring that processes put in place are robust. Alongside this the Finance function is ensuring that routine financial activities, such as paying suppliers and managing the Council's cashflow, are continuing during these unprecedented times.

34. The Council acts as the accountable body for New Anglia Local Enterprise Partnership (New Anglia LEP), an organisation who works with businesses, local authority partners and education institutions to drive growth and enterprise in Norfolk and Suffolk. The Chief Finance Officer is responsible for ensuring that a Local Assurance Framework is in place and it is compliant with the National Assurance Framework and Best Practice Guidance. Jointly with New Anglia LEP, the Chief Finance Officer ensures that value for money and probity is achieved in the use of partnership funding and that all guidelines and procedures, as issued by funding bodies, are complied with. The Chief Finance Officer wrote to the Ministry of Housing, Communities & Local Government in February 2020, to confirm the financial affairs of the LEP are being properly administered.

35. The opinion of the Chief Finance Officer is that the Council continues to operate robust internal controls and good public financial management. Action is being taken to manage financial pressures and develop strategies to meet the long-term financial challenges that face the Council. This is evidenced by both internal and external audit reports together with regular reporting on budgetary control. There has been no re-course for the Chief Finance Officer to exercise her statutory powers and the Council complies with its financial regulations and procedures together with relevant codes of practice and guidance. The Finance Function continues to provide an effective and efficient service whilst enabling the Council to meet its priorities within a robust financial framework.

Opinion of the Head of Internal Audit: Peter Frost

36. The Head of Internal Audit is required to provide an independent opinion on the overall adequacy and effectiveness of the Council's governance, risk and control framework and therefore the extent to which the Council can rely on it.

37. An internal audit review of the Council's compliance to the seven core principles of good governance, underpinned by detailed risk, assurance & governance audits, has provided substantial assurance that there are sound governance arrangements in place.

38. 73% of internal audit work completed during 2019/20 has yielded an acceptable level of assurance (substantial or reasonable) over the design and operation of the services, systems and processes audited. For those audit reviews that have presented significant concern, actions have been agreed to improve controls and are closely monitored until such a time they are addressed. Any outstanding weaknesses in the governance, risk and control framework will continue to be followed up by Internal Audit.

39. Areas currently under focus are whether transformation programmes are delivering the intended savings and operational outcomes; the implementation of the Oracle Fusion project; the effect on the Council's control environment as a result of the Covid19 outbreak; and building a stronger anti-fraud culture and awareness across the Council.

40. Based on the findings of the managed audit and governance reviews carried out throughout 2019/20, and taking into account the current climate in which the Council is operating, it is the opinion of the Head of Internal Audit that the Authority's control environment provides reasonable assurance that the significant risks facing the Authority are addressed and financial administrative systems are effective. Generally, risks are well managed, but some areas require the introduction or improvement of internal controls to ensure the achievement of objectives. Whilst I have certain concerns regarding some aspects of the control environment, I do not consider there to be any areas of significant corporate concern.

41. Internal Audit is an independent and objective function with all audit work carried out in this capacity and in accordance with the Audit Charter, Code of Ethics and Public Sector Internal Audit Standards.

42. The Head of Internal Audit has performed his duties in accordance with CIPFA's guidance on the Role of the Head of Internal Audit. In giving the audit opinion, it should be noted that assurance can never be absolute. The most that can be provided is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes.

43. The opinion is based on internal audit work undertaken, and completed, prior to emergency measures being implemented as a result of the coronavirus pandemic. These measures have resulted in a significant level of strain being placed on normal procedures and control arrangements. The level of impact is also changing as the situation develops.

44. Internal Audit has carried out work to assess whether there have been any changes to the Council's key activities where workarounds to normal business practices have occurred in response to Covid19. Examples include democratic decisions, statutory responsibilities, financial systems / processes and procurement practices. Where needed, Internal Audit has been proactive in providing input, advice and assurance to services on any proposed changes.

45. It is not possible to quantify the additional risk arising from the current short-term measures or the overall impact on the framework of governance, risk management and control.

Opinion on Anti-Fraud, Bribery & Corruption: Louise Aynsley (Head of Finance)

46. The CLT are committed to tackling fraud and corruption affecting the Council, by ensuring internal controls are in place to prevent and detect fraud, as well as ensuring robust action is taken where fraud or bribery does occur. The aim is to adopt a culture in which all employees can help the organisation maintain a proactive attitude towards preventing fraud and corruption by reporting corrupt, dishonest or unethical behaviour.

47. In times of financial constraints, preventing and detecting fraud is even more important to protect the public purse and ensure that funds are used to provide services to the people of Suffolk, meeting the Council's priorities.

48. The Financial Regulations within the Council's Constitution state that the Head of Finance (Section 151 Officer) is responsible for the development and maintenance of an anti-fraud and corruption policy, and that Directors are responsible for ensuring that this policy is implemented within their Directorates. Directors are responsible for ensuring that any suspected fraud is reported to the Head of Internal Audit, who will ensure effective procedures are in place to investigate promptly. In addition, Internal Audit will support Directorates by advising on controls to prevent and detect fraud and help build anti-fraud awareness amongst staff. The Council's anti-fraud and corruption governance framework is made up of the following policies which are reviewed and updated annually:

    - Anti-Fraud and Corruption Policy (part of the Constitution);
    - Anti-Money Laundering Policy;
    - Whistleblowing Policy;
    - Code of Conduct;
    - Anti-Bribery Policy;
    - Fraud Response Plan; and
    - Sanctions Policy (Fraud).

49. CIPFA's Code of Practice for Managing the Risk of Fraud and Corruption (the Code) sets out the principles that define the governance and operational arrangements necessary for an effective counter fraud response. The Council uses the Code annually to assess the adequacy of arrangements which are reported annually to Audit Committee and action is taken where weaknesses have been identified.

50. The Council has in place the 'Counter Fraud & Corruption Strategy 2018-20', which was approved by the CLT, who requested that Internal Audit deliver it. Work by Internal Audit within 2019/20, has followed the Strategy's action plan with a specific focus on raising fraud awareness with staff and conducting proactive exercises with the specific remit of trying to identify potential fraud or theft. Internal Audit regularly provide progress updates to the Head of Finance, the Monitoring Officer, the Deputy Chief Executive and the Audit Committee.

51. During 2019/20, Internal Audit has coordinated and undertaken the review of the bi-annual Cabinet Office led National Fraud Initiative exercise, complying to all necessary statutory requirements. As a result of work undertaken, money has been recovered on behalf of SCC and notional savings made through preventing further losses.

52. Any allegations of potential fraud or irregularity that are reported to or identified by Internal Audit, are recorded on a central register and investigated as appropriate. Within 2019/20, a decision was made, which was approved by Audit Committee, that Internal Audit will now also conduct criminal investigations where appropriate and use the Council's own in-house Legal Services for prosecutions where appropriate. Internal Audit has been working closely with Trading Standards to set this capability up.

53. In November 2019, a business case was approved by the People and Finance Board to create a dedicated Counter Fraud Service within the Internal Audit Team made up of two full time equivalents who will focus solely on fraud related work in order to increase the capacity and capability to deal with fraud against SCC. This will be fully operational by the beginning of 2020/21.

54. The opinion of the Head of Finance is that there are adequate arrangements in place to manage the risks of fraud and corruption, and resource has been allocated to further strengthen the Council's response to fraud. This will be monitored, and progress reported.

Opinion on the Management of Performance & Risk: Paul Emeny (Performance & Risk Manager)

Performance

55. Managing performance is an essential part to running effective and value for money public services. The Council continues to regularly monitor how its services are performing against agreed priorities and targets to help it assess the impact of decisions on resources.

56. On a national level, all local authorities are required to provide performance data to Government, which is used as part of the regulatory process, but also to support decisions made on funding and other resources. National performance data is also used to shape policy, drive improvement, benchmark service delivery, and share best practice.

57. The Council uses both national and local performance data to inform its decision-making and budget-setting processes. Performance information is also used to assess and forecast the demand on services, review changes to the way services are delivered, and better understand the impact of operating in a more challenging financial environment.

58. A suite of key performance measures is included in the Council's Annual Business Plan, which is approved alongside the budget. Aligned to the organisation's priorities, these measures allow citizens to monitor the progress towards achieving the priorities and associated performance targets in a transparent way.

59. Performance reporting is well-established throughout the Council's various tiers of management, overseen by the Corporate Performance Reporting Board which includes representatives from directorates and various corporate functions, such as HR, Finance and Internal Audit.

60. The Corporate Performance Report is considered every quarter by the CLT and Joint Leadership Team (JLT) and is an integral part of the Council's governance arrangements and one of the key mechanisms for keeping leadership teams informed about how the organisation is achieving against its corporate priorities. The report is continually reviewed to ensure it reflects changing circumstances and brings together a wide range of performance and other management information to help determine where remedial action needs to be taken to address areas of under-performance, but also to celebrate good performance.

61. The Scrutiny Committee also receives an executive summary of the Corporate Performance Report every quarter to provide a high-level overview of performance to help inform their forward work programme. Scrutiny papers are published and accessible to the public and the performance summary is accessible on the Council's 'Open Data' portal.

62. The Council publishes data and information as part of its obligations under the Local Government Code of Transparency, including information on staff salaries and structures; councillor allowances; finance, expenditure & contracts; property & land assets; and fraud. Furthermore, the Freedom of Information Act requires every council to produce a publication scheme, approved by the Information Commissioner, and to publish information covered by the scheme. The Council is broadly compliant with these requirements. The Council also publishes a wide range of additional data through the Open Data Portal to enhance transparency and accountability.

63. Each Directorate Management Team has performance reporting arrangements, and these broadly align to the corporate approach, but are modified around business need and the unique way in which different directorates operate. The Council publishes corporate guidance on planning & performance activity on its intranet. Additional support, guidance and advice on all performance related matters is provided by the Performance and Risk Manager.

64. A number of online benchmarking resources and tools provide comparative statistical data to help local authorities monitor and assess their performance. These include the LGA's 'LG Inform' service, NHS Digital (health and social care data), the Public Health Outcomes Framework, Local Authority Interactive Tool (children's social care data), and NOMIS (local labour market and economic statistics). Locally, the Suffolk Observatory holds a variety of performance and statistical information and reports about Suffolk. Comparative data from such sources are incorporated into relevant performance reports.

65. As part of the wider collaboration agenda across public services in Suffolk, the Council works in partnership with Districts and Borough Councils, NHS and the Police. A joint approach to information, intelligence and insight is adopted whenever possible through partnership bodies (such as the Suffolk Office for Data & Analytics, SODA).

66. Most services provided by the Council are regulated by Ofsted and the Care Quality Commission (CQC), but other services are also subject to external scrutiny. In some cases, services not inspected through the statutory process can volunteer to have a peer review by industry experts, e.g. professionals from other local authorities or independent specialists. At its meeting on 05 March, the Audit Committee received the Performance and Risk Management Annual Report which sets out in more detail the regulatory processes governing local authorities and fire and rescue services.

67. In 2019, the Council volunteered to undertake a LGA Peer Review – a process that is central to the LGA's sector led improvement programme. The purpose of these reviews is to help local authorities better understand where they currently are in terms of the things they do well, and areas where they could improve going forward.

68. The review team assessed a range of information and visited many Council locations to talk with staff, councillors and external stakeholders through focus groups and interviews. The main areas that were assessed included: how effectively the organisation sets out and articulates its priorities, the strength of its leadership and governance arrangements, the robustness of resource planning, its ability to transform, and whether it is making the most of commercial opportunities. An action plan was developed as part of the review process and Cabinet recently agreed that the LGA would be invited to undertake a follow-up visit in 2021.

Risk

69. SCC follows an active risk management approach; the principles of which give managers the flexibility to adopt an appropriate level to managing and maintaining their risks.

70. This common-sense approach aligns to the Chartered Institute of Internal Auditors 'three lines of defence' Governance Framework. There is an expectation that managers proactively identify, monitor, review, and mitigate their risks according to the strategic and business needs of each service area.

71. Challenging the way services are managed and what impact different service delivery models have in achieving priorities are key to the way risks are managed effectively. A common-sense approach to risk management is about identifying what things could happen that would impact on a service area and what would that impact be. If something were to happen, what would a proportionate response look like? And what impact might this response have on other services, resources, and other priorities?

72. All staff who manage risk are aware of their responsibilities in identifying, monitoring, and mitigating their risks – this includes how actions are taken to reduce the likelihood and impact of something happening.

73. Comprehensive guidance on all aspects of risk management is provided on the intranet. Additional support and guidance is provided by the Performance and Risk Manager.

74. All Corporate risks are owned by a member of CLT or the senior manager with overall responsibility for a particular service area. All corporate risks require mitigation (control actions) to be determined and managed using JCAD (a centrally managed corporate resource that holds the Corporate Risk Register (CRR) as well as other strategic and operational risks). All actions have a designated owner who has responsibility for ensuring actions are managed effectively in the context of the overall risk. The Performance and Risk Manager has overall responsibility for ensuring JCAD is well managed and support is available to managers.

75. Every quarter, a summary of the Corporate Risk Register (CRR) is reported to CLT and JLT for review and approval. This report highlights any particular issues relating to the CRR that require review or further action to be taken.

76. The Council only asks that corporate level risks are monitored using JCAD, ensuring a consistent approach to the way the organisation manages its high-level risks. JCAD is a corporate resource and as such directorates are welcome to manage lower level risks using the system, but this is not mandatory.

77. Each Directorate Management Team has risk management arrangements in place that are proportionate to business need and consistent with directorate priorities. All the directorate risk management processes broadly align to the overall Council approach.

78. The CRR is reviewed annually to assess the relevance and suitability of each risk and, where appropriate, report back to the relevant risk owner to recommend or consider whether changes should be made. The last review (carried out in December 2019) considered each corporate risk in some detail. The review group included the Director of Corporate Services (Deputy Chief Executive), Head of Internal Audit, and Head of HR, Performance & Change.

79. Specifically, the annual review is an opportunity to consider current national policy, corporate priorities and areas of focus and check whether new risks should be added to the register to manage any potential impact of these changes. The review also considers existing risks to assess whether they are being managed appropriately, whether they should be downgraded or removed, or whether particular aspects of a risk should be challenged or amended.

80. The key outcomes and recommendations from the review are shared with CLT to provide them with an overview on potential changes, and in some cases seek approval on more significant actions.

81. In October 2019, Internal Audit reviewed the Council's risk management process to assess the effectiveness of its adopted organisational 'active risk' framework. During the audit, a sample of risk owners were consulted to test out the key principles of the approach and establish how extensively this has been adopted across the various management levels of the organisation.

82. The review concluded with an overall judgement of 'Reasonable Assurance' and highlighted some areas for improvement. However, the overall assessment was that the Council has a fairly rigorous governance structure and control arrangements in place for managing risk and this is appropriate and proportionate to the way the organisational currently operates.

83. The opinion of the Performance & Risk Manager is that the Council's arrangements for the management of business performance and risk at this current time are effective.

Opinion of the Head of Human Resources, Performance & Change: Jeanette Bray

84. The Council has in place a comprehensive set of workforce policies and procedures which are supported by a full range of detailed guidance and clear processes. These are regularly reviewed and updated to ensure that they deliver the agreed outcomes and priorities for Suffolk County Council, reflect changes in legislation and incorporate best practice. All are available and accessible to staff and line managers through askHR, with the HR service providing additional direction and guidance where needed.

85. A 4-year People Strategy was adopted for 2018-21, outlining the strategic workforce priorities for the Council, grouped by key themes including staff engagement, reward and efficient & effective public services. Planning has begun on the development of a new, longer term strategy to follow on from this and ensure a continued, proactive approach to meeting future workforce challenges.

86. A new collective agreement, effective from April 2019, established a clear link between individual performance and the reintroduction of incremental progression. Guidance and support materials for managers have been refreshed and extended to ensure a clear and consistent approach is taken to performance management. This includes the development of a 'performance conversations portal' which covers setting objectives, managing underperformance and conversation starters to aid managers.

87. The Councils ASPIRE values have been refreshed this year through wide engagement with staff resulting in some changes going forwards that will ensure they remain fit for purpose across the organisation. They will be extended to WE ASPIRE, with the addition of WE to represent Wellbeing and Equalities. A communications exercise to launch the changes was scheduled for March 2020 but has been delayed. Included in the refresh is the development of additional performance management tools linked to WE ASPIRE to ensure a close connection to ongoing conversations.

88. Workforce information reporting is provided regularly to Directorate Management Teams to monitor and review across their service including sickness absence, spend on contractors / interims, vacancy levels, turnover etc. This has informed targeted project work most notably linked to recruitment and retention issues. CLT receive quarterly workforce data as part of the corporate performance reporting.

89. Absence management has been a key priority over the past two years as it was recognised through the regular reporting mechanism that this had been steadily increasing across the Council. This resulted in the adoption, in January 2019, of a new absence policy, launched with support materials and guidance for managers and staff. This was followed by the introduction of the Bradford Factor system in April 2019 as a tool to measure and support the management of short-term absence. Implementation of the policy has been closely monitored and actively managed with regular absence reporting scrutinised by Directorate Management Teams. Sickness absence levels have consistently and gradually reduced across the year – this work continues.

90. Support for operational managers to deliver their services is provided from HR through on-line resources with more hands-on help available for the matters that managers cannot resolve for themselves. MyLearning provides a range of developmental support aligned to the 21st century public servant. These resources support the need to have capable leaders and managers who ensure delivery whilst balancing the health, safety and wellbeing needs of their teams with less people and less money. Ongoing efforts to increase the number of apprentices across the Council have seen a significant increase in numbers for both new employees and existing staff. This has included management and leadership development apprenticeships.

91. The Council continues to actively manage employment costs through a range of controls and discipline in relation to pay, recruitment and re-engagement restrictions across the Council. Compliance arrangements involve oversight either by Directors or jointly with the Head of HR.

92. Redundancy costs have been placed under greater scrutiny this year with the introduction of an early authorisation process and increased efforts to mitigate redundancy through an improved redeployment policy and process.

93. The rapid changes required to respond to Covid19 have been particularly challenging for the workforce and managers. The shift to homeworking was significantly enabled by the flexible working practices and 'free me 'working arrangements that were already in place. A full catalogue of questions and answers have been quickly established for managers and staff to provide clear direction and guidance on the changes and their implementation. These have been communicated widely and manager webinars set up to provide a dynamic opportunity to respond to concerns and issues. Key workers were identified quickly and were in receipt of letters confirming the relevance of this categorisation within days.

94. A rigorous, single redeployment process is in place which has involved on-line surveys of staff, clear arrangements on pay, required on-line training , role requirements and expectations and the establishment of a recording and risk assessment system. This system is also being utilised to redeploy staff external to the Council into priority areas such as Home First in ACS, with extensive work having been undertaken contacting leavers and responding to potential offers to ensure that there is sufficient resource to deliver critical services. Clear advice and guidance for managers and staff relating to homeworking and wellbeing, tailored to the current circumstances has been quickly made available and is continuously refreshed. The operational HR teams have adapted to ensure services continue to run including payroll and case work, with the Resourcing Team advising managers on options to continue with recruitment during this time where necessary. The i-trent system has been adapted to include Covid-19 related absences and is supporting a new process to authorise testing of staff and providing regular detailed absence reports, shared on a weekly basis with CLT. Close and ongoing liaison with Union representatives has provided assurance and reduced anxieties and challenge as issues are quickly shared and addressed.

95. The Head of Human Resources, Performance & Change is satisfied that that there are sound processes and procedures in place to ensure that the workforce is managed effectively.

Opinion of the Chief Technology Officer: Krishna Yergol

96. The Council's Technology Strategy is enabling the Council and public services in Suffolk to become modern, information orientated organisations, maximising the benefits for the people of Suffolk from the use of technology.

97. Alongside the Council, the Suffolk IT Service provides support to partners including Mid Suffolk and Babergh District Councils, Vertas and individual Schools and Academies.

98. The Council continues to collaborate with other public service organisations in Suffolk, including close ties and project work with its health colleagues. Strategic engagement by the IT Leadership Group with directorate leadership teams is providing good strategic awareness of organisational needs and pressures and is helping develop a trusted partnership with colleagues across all directorates.

99. The Suffolk IT Service continues to embed cross-directorate working models. For example, work across ACS and CYP to build a new virtual team with relevant capabilities to support the Liquidlogic system. This also helps establish a viable blueprint for similar services in the future.

100. The Council has implemented a new IT commissioning process, which ensures representation from all directorates and also facilitates robust discussions around the management of service-led priorities within the directorates and helps establish appropriate sponsorship and ownership of work that is commissioned.

101. The Council continues to innovate and embed new ways of collaborative and flexible working, facilitated through the use of new technology. Desktop devices have now been upgraded to Windows 10, which offers a more seamless, consistent and intuitive user experience to staff and partners. The use of the self-service approach, in line with our Technology Strategy, has enabled the successful completion of this major upgrade.

102. In addition to self-service capabilities, Suffolk IT Service is implementing automation services, such as Robotic Process Automation, to codify and automate simple and repeatable processes and transactions.

103. Improved asset management processes for desktop devices have now been implemented using automated network discovery tools, and the Council continues to maximise its investment in its service management tool, Freshservice.

104. The development of a new Device Management policy has laid the foundations for a bring-your-own-device model for mobile phones, which will offer staff and partners additional flexibility on the type of mobile device they wish to use.

105. Replacement of the old Genesys contact centre telephony platform with a modern, cloud hosted service is helping the Council to deliver rich, multi-channel experience to its external and internal users.

106. The Council continues to be compliant with Public Services Network (PSN) and Payment Card Industry (PCI DSS) regimes, which allows the provision of essential services such as the issuing of Blue Badges and taking card payments for services.

107. Furthermore, the Council undertakes an annual self-assessment for connectivity to the HSCN using NHS Digital's Data Security and Protection toolkit (DSP), to measure compliance with the legal rules, requirements and standards relating to all aspects of information governance, including the Data Protection Act and the Freedom of Information Act.

108. The Council has continued to develop and improve its cyber security processes, technology, and resilience during 2019/2020 and has led cyber security advice campaigns to delivery key messages to staff, such as Cyber Security snippets & phishing awareness. The IT Service conceived and managed a very successful Suffolk Schools' Cyber event in January 2020 attended by over 50 representatives covering nearly 100 schools with guest speakers from Norfolk & Suffolk Police, Microsoft, MLL Telecoms, Smoothwall Firewall & Redstor Data Management.

109. The Council's technology infrastructure has coped well with the additional, unforeseen, and sudden demands placed on it due to the COVID19 situation and has enabled the Council's staff, partners and customers to work from home and continue to maintain service levels in these unprecedented times.

110. It is the opinion of the Chief Technology Officer that the IT Services and technology assets of the Council are run effectively, efficiently and economically.

Opinion of the Head of Information Governance: Peter Knight

111. Information governance in the County Council is overseen by the Corporate Information Governance Board (CIGB) which meets quarterly and includes senior representation from all directorates. The primary purpose of the CIGB is to drive and oversee the ongoing development of strategies to ensure the Council has effective information governance and assurance arrangements in place. The CIGB is supported by service-specific information governance boards for both Children & Young People's Services and Adult & Community Services.

112. The Council has a number of key individuals who have specific roles and responsibilities with regard to information governance, including:

   - Senior Information Risk Owner – senior manager with overall responsibility for the organisation's information risk policy (this role is undertaken by the Deputy Chief Executive in the Council)
   - Head of Information Governance – leads the Information Governance team that develops the overall information policy and assurance framework, provides advice, guidance and training for staff, and monitors compliance
   - Data Protection Officer – responsible for overseeing compliance with legislative requirements and managing relationship with the Information Commissioner's Office
   - Caldicott Guardians – senior officers in Adult & Community Services and Children & Young People's responsible for protecting the confidentiality and use of people's health and care data.

113. The Council also has a network of Strategic Information Agents (SIAs) across the organisation who promote and encourage information management best practice within their service areas. They also act as the liaison officers for their service areas for the processing of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests.

114. Advice and guidance relating to information governance matters is published on the Council's intranet (mySCC), and bespoke advice is available from members of the Information Governance team. Relevant information for members of the public (such as privacy notices, and guidance on how to submit information requests) is published on the Council's website.

115. Examples of specific activities undertaken with regard to information governance in the last year include:

   - Enhanced security incident reporting and management arrangements have been implemented.
   - Revised mandatory e-learning training on information security has been developed for all staff.
   - Information risk assessment processes, including Data Protection Impact Assessments for projects and IT systems involving the use of personal data, have been revised and strengthened.
   - New guidance and procedures have been produced for staff on dealing with individuals' rights requests under data protection law.
   - A pan-organisational programme for reviews of Council records held at the Records Management Centre has commenced.
   - Contract management arrangements have been revised and strengthened in relation to all contracts involving the processing of personal data.
   - The Council has implemented the cross-organisational 'My Care Record' initiative, to inform citizens and customers about how their personal information is shared to improve the health and care services they receive.

116. Information governance has assumed a higher profile than ever before with the implementation of data protection legislation which came into force in 2018. The Council holds a vast amount of personal data, much of which is highly sensitive, and an action plan was developed and implemented to ensure the Council responded proactively to the new duties and requirements. A post-implementation compliance plan is maintained and monitored regularly.

117. The increased awareness of the rights of citizens to access information about themselves as a result of the strengthened data protection laws has resulted in an increase in the number of Subject Access Requests (SARs) received by the Council. This increased demand has placed considerable pressure on the organisation and achieving statutory compliance rates has proved a challenge. A backlog of SARs built up which resulted in a number of complaints by applicants to the Information Commissioner's Office (ICO). The ICO required the Council to develop and implement an action plan to clear this backlog by April 2020, and the Council is on track to achieve this challenging target. The ongoing demand for SARs remains a significant challenge.

118. The Council has seen a significant increase in the number of security incidents in 2019/20 compared to the previous year, and this has led to a corresponding increase in the number of confirmed data breaches. The majority of data breaches are a result of human error. A greater number of data breaches has had to be reported to the ICO as they have met the threshold for notification. All data breaches are managed through the Council's security incident reporting and management processes, and these have been reviewed and strengthened in response to the increase in data breaches. Measures have been implemented corporately to try to ensure that data breaches are prevented, such as greater emphasis on preventing breaches in the updated mandatory training module for staff, and key messages included in the Council's staff newsletter (InsideSCC). Additional measures have also been implemented in Children & Young People's Services (CYP), where data breaches have been most prevalent. These include: direct emails to all CYP staff from the Director about the need to avoid breaches occurring; additional security incident responsibilities allocated to the Assistant Director for Children's Social Care & Youth Justice and Business & Information Manager; awareness-raising sessions for all CYP service managers; and strengthening of social work practices. Learning from data breaches is used to inform awareness-raising and training activities across the organisation.

119. The Council continues to receive a high number of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests. The process for dealing with information requests is managed by the Council's FOI Manager, and is well-embedded throughout the Council. The Council's compliance with meeting statutory deadlines for responding to such requests is high.

120. Compliance with FOI/EIR requests, SARs and security incidents is monitored regularly by the Corporate Information Governance Board. This is also reported as part of the quarterly corporate performance report to the CLT and the JLT.

121. Internal Audit undertook an Assurance Review of Information Governance in 2019, which looked at a wide range of information governance control areas. The overall opinion was that there was Sufficient Assurance in place with "appropriate structure, governance and plans for information governance". Actions in response to identified areas for development identified (e.g. in relation to records management and third-party contracts) are being implemented. More in-depth audits of specific elements of information governance and security are undertaken as required.

122. There are also various forms of external assurance that the Council is subject to. IT has mandatory annual inspections to facilitate access to various networks and systems, such as the Surecloud IT Health Check, Public Service Network (PSN) Compliance and Cyber Essentials certification. In addition, the Data Security & Protection Toolkit is a comprehensive evidence-based self-assessment that has to be successfully completed annually to allow the Council to access to health information systems and networks.

123. Updated advice and guidance for staff about how to work safely with personal data during the COVID-19 pandemic has been produced. This includes advice around security incidents and the correct processes to follow should one occur whilst working away from the office. It also includes information about a new short-form Data Protection Impact Assessment (DPIA) template, which should be used during the current emergency.

124. The Head of Information Governance is satisfied that the information governance arrangements in place are effective in protecting the Council's information assets.

Opinion of the Head of Assets and Investment (Procurement): Matthew West

125. The Procurement team deliver a professional service to help Suffolk County Council procure the right goods and services safely, commercially and at minimal risk.

126. The team prioritise high value public sector spend, but also provide support to contract managers within services on lower value spend with face to face and online training via My Learning and helpdesk support with P2P and Suffolk sourcing systems.

127. This year saw new governance structures of the service come into force. A new Assistant Director post, the Head of Assets and Investment, now takes on the role of Head of Procurement. Cllr Gordon Jones has taken on responsibility for Finance and Resources, which includes Procurement.

128. Contract management is a delegated function undertaken within service directorates across the Council, with the Procurement team providing business support, as well as direct management of several corporate contracts. Effective contract management is crucial to the future success and stability of the Council.

129. Data listing contracts over the value of £5,000 is available on the Council's website to meet the Council's transparency requirements. 46% of external spend is with local suppliers.

130. An inhouse spend analysis tool has been developed using the Council's enterprise business Intelligence system to enable regular reporting and to track the Council's contracted spend going forward. Data from January 2020 shows that approximately 59% of the Council's external spend in 2019/20 is contracted. Services will be reminded that all contracts should be recorded in a consistent way to ensure this figure remains as accurate as possible.

131. During 2019/20, the Council has awarded several major contracts including:

    a) Better Broadband - £11.750m
    b) E-Auction for the Supply of Natural Gas - £2m
    c) WorkWell Suffolk Coaching Service - £2.2m
    d) Young Carer Service - £1.08m

132. The Suffolk Sourcing e-sourcing platform underwent a major upgrade in August 2019, the implementation requiring the user guides to be rewritten. As of the end of February 7,364 suppliers are registered on the Council's e-sourcing platform of whom 86% are SMEs.

133. There were 714 contract opportunities advertised on Suffolk Sourcing in 2019/20 which included quotes, tenders and call off contracts e.g. within frameworks. Of those opportunities 15 were high value (OJEU) contracts tendered by Procurement.

134. Currently 37 contract managers are completing the Government Commercial Function Contract Management Fundamentals e-learning. A further 17 colleagues have places ready to start. The Procurement team have provided training to over 70 staff in the basic principles of how to use Social Value to maximise the 'Suffolk Pound'. The workshop is now available to all staff to book via my learning as part of the corporate training offer on My Learning.

135. Other activities have continued across the Council to review and improve both the procurement and commercialism agenda. Examples include:

   a) Working with Audit to develop an assurance framework for Commissioning, Procurement and Contract Management to improve clarity regarding roles and responsibilities and identify what assurances need to be strengthened.
   b) Working to ensure supply chains are operating ethically by helping create the Suffolk County Council 'Modern Slavery Statement'.
   c) Reporting to Audit Committee on the value for money of the Pool Car service, including the development of an online cost calculator tool for staff to identify which mode of transport is the most cost effective for their journey.
   d) Working with the Health and Safety Team to update the guidance to Contract Managers regarding mitigating the Health and Safety risks in contracts.

136. The Procurement team have worked with the Suffolk Chamber of Commerce and public sector procurement leads to develop an online diagnostic tool 'Get Fit To Bid' for businesses considering bidding for public sector contracts in Suffolk.

137. The Council was acknowledged as one of the three best practise case studies regarding how Social Value has been embedded by Social Enterprise UK in its 2019 report 'Front and Centre – Putting Social Value at the heart of Inclusive Growth'.

138. The Procurement Team are supporting the Climate Change corporate priority working with the Environmental Team to raise awareness and support change within the Council's supply chains. A series of workshops with suppliers is planned for 2020.

139. The Council's Commercial Statement has been endorsed by cabinet and work has started on delivering on the commitments made in the five key areas. The Commercial Board has been restructured to have oversight of the workstreams.

140. At the time of writing the Procurement Team are working through the challenges of the Covid-19 Pandemic response. It is too soon to quantify the impacts that the Covid-19 response will have on the Council's current contracts and pipeline of procurement activity. To assist the local authority response, the Cabinet Office have issued Procurement Policy Notices (PPN) for all public sector contracting authorities providing a steer on public procurement rules. Since the start of the Pandemic, the Council has have received three PPNs.

   1. The first refers to the measures already in place within the Public Contract Regulations 2015, regarding emergency measures and provides guidance regarding how to implement them.

2. The second is the most significant and outlines the importance of prompt payment and ensuring that service continuity during and after the current crisis is maintained.
3. The final PPN refers to extending and encouraging the use of PCards as a source of immediate payment.

The Council's response to these PPNs are being considered and implemented by the 'Suffolk Economy' Covid-19 response workstream, led by the Chief Finance officer and the Executive Director of Growth and Highways, supported by the Procurement Team.

141. The Head of Assets and Investment is satisfied that procurement activities are undertaken effectively within the Council and that appropriate systems and processes are in place to enable contracts to be managed effectively.

Opinion of the Head of Communications, Consultation & Media: Andrew St Ledger

142. The Council uses a range of channels to engage with and consult residents, service users, community groups and partner organisations. Considerable thought is given when deciding which channels and methods to use, so that activities are tailored to ensure they are relevant to the audiences. Examples include the website, press releases, social media, newsletters, surgeries with councillors, public meetings, consultation booklets, community events/exhibitions and focus groups.

143. Barriers to engagement (for example understanding complex information and time) are considered when designing communications activities to encourage and support as many people as possible to take part. A need had been identified to improve the quality of 'Easy Read' material published by the Council, to support people with learning disabilities to access the Council's information. Therefore, in 2019/20, members of the communications team undertook training in the production of information in these formats, which means it can now provide this service. Upskilled staff now work closely with those teams across the Council creating Easy Read versions of documents.

144. Around 15 corporate consultations have been carried out on a wide range of services in 2019/20, including the Ipswich Northern Routes, Children's Centres review and the adult care transport review. In addition to this, a further 30 consultations have been undertaken within directorates, with support from the communications team as required. Examples of these include local road planning consultations and school planning changes. Audiences included residents, partners, services users and Council taxpayers. Through these consultation processes, the Council provided good opportunities for people to be aware of, and take part in, key decisions.

145. The communications team is represented on the Council's Strategic Equalities and Inclusion Board. This is helping to improve the approach to engagement with people with protected characteristics. The team supports the development of consultation materials to ensure communities are provided with relevant information, written in plain English, in order that they can give an informed response without becoming overburdened with complex information. Appropriate technical documents are made available to enable those who wish to explore the subject in greater detail to do so.

146. Consultations include a range of feedback methods to ensure anyone wishing to take part can have their say in a way that fits their needs. All views are collated, analysed and reported so that decision makers can consider all evidence before policies are agreed, resources are allocated, or action is taken. The most notable examples of this in 2019/20 were the Ipswich Northern Routes (4,200+ responses) and Children's Centre review (900+ responses) consultations. In both cases, a broad demographic cross section of responses was received following promotion on multiple channels, including TV, radio, social media and hard copies available in public places.

147. In 2017/18, an internal audit was carried out looking at Suffolk County Council's openness and approach to stakeholder engagement. The audit concluded that the overall level of assurance was sufficient and that "consultation guidance, covering stakeholder engagement exists and there is evidence that, where consultations have taken place, views of all groups, competing demands and needs of future generations are considered, which feed into the decision-making process". Some inconsistency in publicly available information was identified which has now been addressed. For example, a consultation and engagement charter has been developed, which sets out clearly and openly the Council's commitment to high-quality consultation and engagement practices and how they will be used to inform key discussions and actions.

148. In May 2019, Suffolk County Council's Local Government Association Corporate Peer Challenge report was published. One of the many recommendations was for the Council, with its partners, to develop a long-term strategic vision for Suffolk, drawing on the views of residents from all backgrounds, public sector organisations, the business community, charitable and voluntary sectors. This work has become known as the 'Suffolk 2050' programme. Suffolk County Council will not own this vision, or 'approve' it, but will put the resources into making it happen. The Council has committed to a significant programme of community engagement in order to develop this vision. A stakeholder engagement event was planned for March 2020, however this (and the wider programme) was proposed due to the COVID-19 pandemic. This work will continue in 2020/21.

149. I am satisfied that Suffolk County Council is effective at engaging people in Suffolk. This is achieved via a range of methods and channels, ensuring people have adequate time and opportunity to become aware of a consultation, have the necessary information to enable them to take part and appropriate channels by which to respond - in order to influence the decisions made by the Council. Among key decision makers within Suffolk County Council, there is a positive presumption towards meaningful and accessible consultation and engagement with residents, service users, partners and staff, especially when essential frontline public services are concerned. This is evidenced by the volume of consultation and engagement activity delivered in 2019/20, the decision to run a Council-wide staff survey and the expansion of the Leader's successful 'We Are Listening' engagement events programme.

150. I maintain my view that even more can and must be done to improve the way residents and service users are engaged with. The continued need for change makes engagement with people even more important. Suffolk County Council must maintain a consistent approach to engagement throughout, or risk inequality of access and opportunity being created. It must also maintain its audience-focused presumption, and not rely to a 'one size fits all' approach which is easier to deliver but often ineffective.

Opinion on the arrangements for Equalities & Inclusion: Christine Geeson (Head of Localities & Partnerships)

151. As a public authority, the Council has a duty to comply with its legal duties under Section 149 of the Equality Act 2010, the Public Sector Equality Duty (PSED); and the Equality Act 2010 (Specific Duties) Regulations 2011. The Strategic Equalities and Inclusion Board (SEIB) comprised of councillors, senior managers, Trades Union and staff network representatives, is chaired by the Cabinet Lead for Equalities and Inclusion and has oversight of the Council's activities for this area of work.

152. In order to ensure the Council is paying due regard to the PSED, the Equality Impact Assessment (EIA) process is used to support good decision-making by ensuring the Council considers how different people will be affected by its activities, helping to deliver policies and services which are efficient and effective; accessible to all; and which meet different people's needs. When appropriate, there is an expectation that EIAs will refer to stakeholder engagement and consultation to inform the changes proposed in the EIA. EIAs are reviewed, and advice provided to EIA authors, by the EIA Review Group. Data is provided to the SEIB and included in the quarterly Corporate Performance Report to demonstrate which areas of work have followed the EIA process as part of planning for service and policy changes. In 2019-20, there were 42 screenings and 2 full EIAs reviewed by the EIA Review Group. EIAs are published on the Council's website.

153. The Council recognises its statutory duties and recognises the rule of law, including that the PSED is non-delegable, so always remains the responsibility of the Council. Guidance has been provided to commissioners to include the PSED requirements during commissioning, procurement and contract management to ensure that the service provider has due regard to the obligations contemplated by section 149 of the Equality Act 2010 to eliminate discrimination, advance equality of opportunity and foster good relations, proportionate to the service being delivered as set out in the contract. This will include demonstrating equalities in employment and delivering services that are appropriate to meet service user needs.

154. The specific duties require the Council to publish relevant, proportionate information demonstrating compliance with the Equality Duty; and to set specific, measurable equality objectives. The SEIB agreed the current four corporate equality objectives in April 2018:

1) Ensure all those who form part of the Council take into consideration equalities and inclusion in every aspect of our work and how we behave towards others.
2) Ensure the needs of people with protected characteristics are considered when making changes to policies or services.
3) Ensure that within a locality working approach the voice of all communities is heard when decisions are being made.
4) Empower more people with protected characteristics to live safe, healthy and independent lives.

155. Each Directorate provides quarterly updates on activities and interventions that contribute to meeting these objectives; helping the Council to meet intended outcomes. Oversight of progress in achieving these objectives is via reporting Directorate activities in the Corporate Performance Report and at the SEIB. An annual summary of the corporate equality objectives activities is published on the Council website. Alongside this, the Workforce Equality Information Report is published in January each year, setting out the profile of the Council's workforce.

156. The Head of Localities and Partnerships is satisfied that processes are in place to enable the Council to meet the requirements of the Equality Act 2010.

Opinion of the Head of Health & Safety: Paul Butcher

157. In accordance with Section 2(7) of the Health & Safety at Work etc. Act 1974, there is a Safety, Health and Wellbeing (SHAW) Board comprised of senior managers and Trades Union representatives which is chaired by a member of the CLT. The vice chair is a member of Cabinet and their health and safety champion.

158.   The SHAW Board oversees and reviews the measures taken to ensure the health, safety and wellbeing of staff and those affected by the Council's activities on behalf of CLT. In particular, it monitors the progress of the SHAW Strategy 2019-22 which has four themes with each led by members of the Board. The themes are Procurement and Contract Management, Schools, Supporting wellbeing and culture in SCC (the Council's corporate staff health and wellbeing programme), and Assurance. The strategy includes a set of performance measures monitored by the Board. The SHAW annual report is approved by the Board and endorsed by CLT in June each year before being presented to the full Council in July.

159.   For the last six years, the Council has benchmarked its health and safety performance through the Royal Society for the Prevention of Accidents (RoSPA) Occupational Health and Safety Award scheme. In 2019, RoSPA awarded the Council the 'Highly Commended in the Public Service & Local Government Sector' Award. This is effectively second only to winning the national 'Public Service & Local Government' industry award which is in recognition of the ongoing progress made over the previous 12 months.

160.   The Health & Safety service provides the competent advice to the Council as required by Regulation 7 of the Management of Health and Safety at Work Regulations 1999.

161.   The Council's health and safety management function is subject to Health and Safety Executive (HSE) scrutiny. There is one ongoing HSE investigation relating to an asbestos incident at a school in late 2016. The Council was served with a Notice of Contravention following a HSE inspection at an industrial unit in 2019.

162.   The Head of Health & Safety is satisfied that health and safety is managed effectively as part of the Council's ongoing improvement cycle.

Management of the Council's Wholly Owned Companies: Matthew West (Head of Assets and Investment)

163.   The County Council operates 3 Wholly Owned Companies, grouped under a holding company, Suffolk Group Holdings Limited. They are:

   1) Concertus – a property design and consultancy company;
   2) Vertas – a multi-service facilities management company, including the 'Schools' Choice' service; and
   3) Opus – an end-to-end temporary recruitment solutions company.

164.   Each company in Suffolk Group Holdings Ltd has its own management team and Board and are incorporated into Suffolk Group Holdings Limited, which was established in 2015. Suffolk Group Holdings Ltd is there to support the growth, synergy opportunities and development of the three companies.

165. The companies in Suffolk Group Holdings Ltd trade and operate independently but remain closely linked with the Council as the Shareholder. They each undertake work for the Council and provide dividend payments to the Council. As well as trading with the Council, each of the companies also trade with external organisations. In each case, the provision of services to the Council is made via appropriate contract and contract management arrangements.

166. At its meeting on 27 November 2019, the Audit Committee considered the first Annual Report on the Governance and Assurance of Suffolk Group Holdings Ltd. The Committee agreed that it was satisfied with the governance and assurance arrangements currently in place for Suffolk Group Holdings Ltd and that all councillors should continue to receive regular news briefings about Suffolk Group Holdings Ltd.

167. During 2019/20, briefing arrangements have been revised to reflect new management arrangements in The Council. The new Head of Assets and Investment post has taken on responsibility of leading the working groups collecting feedback from officers and reporting back to the Shareholder Representative, Cllr Robert Whiting, and the Shareholder Advisory Group.

168. This feedback process commences with the Head of Assets and Investment meeting with the Council's contract managers and commissioners of the services from Vertas, Concertus and Opus. The notes and feedback from these meetings form a report which is provided to the Shareholder Representative, Deputy Chief Executive, Monitoring Officer and Section 151 Officer.

169. The Shareholder Representative then attends and feeds back to the quarterly Suffolk Group Holdings Board meeting. A response is prepared by the companies and the Shareholder Advisory Group are briefed by the Shareholder Representative and Deputy Chief Executive, S151 Officer and Monitoring Officer prior to the quarterly Shareholder Advisory Group meeting.

170. Suffolk Group Holdings Ltd reports to the Council's Shareholder Advisory Group, members of which are appointed by the Political Group Leaders. The key role of the Shareholder Group is to monitor performance against the business plans of the companies and strategically guide the wholly owned companies. The Shareholder Group meets quarterly with the senior executives of the wholly owned companies; papers from which are shared with the Chair of the Audit Committee and the Cabinet Member for Finance and Resources.

171. A further key change during 2019/20 was the appointment of Gordon Jones as the Cabinet Member for Finance and Resources. Cllr Jones has responsibility for the Wholly Owned Companies in his portfolio, working closely with the Deputy Chief Executive, The Section 151 Officer, Monitoring Officer and the Head of Assets and Investment.

172. The three Suffolk Group Holdings Ltd companies will deliver on their business strategy for 2019/20 along with significant achievements. All three businesses are growing their customer base beyond that of the County Council.

173. The Wholly Owned Companies are an integral part of the Council's approach to commercialism and have proved to be very successful. All of the Wholly Owned Companies have been supportive and welcomed the recently agreed Commercial Statement. This will be a key focus of the Council in 2020/21.

174. Governance and assurance arrangements continue to be transparent and robust. An annual report will be prepared to the Audit Committee, between September and November each year, to report back on the activity of the company and the operation of the governance arrangements.

175. At the time of writing, all of the Council's Wholly Owned Companies find themselves in a period of unprecedented change and uncertainty relating to the Covid-19 Pandemic. It is too soon to quantify the impacts on any business plans, governance or support that may be required. In the immediate term, the businesses are focussing on staff wellbeing and support, home working capability, the continuation of key projects and initiatives, new business opportunities and further understanding the impact of Covid-19 on current and future plans.

External Assurance

Main External Inspection Outcomes 2019/20

176. The Annual Audit Letter was issued in July 2019 by the Council's external auditors (EY) and provided assurance that the organisation has adequate arrangements in place to secure efficiency and effectiveness in its use of resources. The 2018/19 Annual Audit Letter issued the Council with an unqualified audit.

177. The CQC mainly inspects services provides by Adult Social Care, such as residential care homes, and domiciliary care, but also works in partnership with other inspectorates to regulate other community related services, e.g. community health, substance misuse and services for people with learning disabilities.

178. The CQC assesses the effectiveness of services and rates them using the same scoring system used by Ofsted (Outstanding, Good, Requires Improvement, and Inadequate). Inspections are undertaken for services commissioned by the Council, as well as those provided in-house, such as home care and reablement services.

179. The latest published CQC figures show that 93.5% of adult social care providers in Suffolk are judged Good or Outstanding.

180. Ofsted uses the Education Inspection Framework for the inspection of schools, early years, childcare providers, and further education settings. Inspections usually last 2 full days (but this depends on the size and nature of the setting). All new schools, including academies, are inspected within 3 years and inspections can be carried out without notice if this is deemed appropriate.

181. Usually settings that have been judged Outstanding will be exempt from routine inspections. A setting judged Good will not receive another inspection for at least 4 years. Settings judged as Requiring Improvement are deemed to be providing an acceptable standard of education but will still be subject to re-inspection within a period of 30 months to check improvements have been made. A setting judged Inadequate will be placed in a category of concern and could require special measures.

182.   The latest Ofsted school inspection figures (December 2019) show the number of Good or Outstanding Local Authority maintained schools in Suffolk is currently 80.4% (258 schools out of the 321 schools that have been inspected).

183.   Ofsted carries out regular inspections to evaluate the quality and standards of provision in line with its principles and requirements under the 'Statutory framework for the Early Years Foundation Stage'. The latest data (at the end of December 2019) shows that 97% of settings who deliver funded entitlement (members of Suffolk's List of Providers) are currently judged Good or Outstanding.

184.   The ILACS inspection framework covers services for children in need of help and protection, children in care, and care leavers. It takes a risk-based and proportionate approach, specific to each area and no less rigorous than the previous Single Inspection Framework (SIF). The inspection will primarily focus on social care services, early help, fostering and adoption, children leaving care, the Multi Agency Safeguarding Hub (MASH), and virtual school services. Other broader services, e.g. Special Educational Needs & Disabilities (SEND), youth justice, and transport, may also be considered as part of the 'lived experience' of every child.

185.   In 2019, Ofsted rated Children's Services as Outstanding – specifically, the impact of social work practice with children and families and the experiences and progress of children who need help and protection. This means Suffolk will not expect another inspection of this kind for at least 3 years.

186.   Ofsted and CQC also undertake joint inspections of local area SEND provision. These inspections evaluate the implementation of reforms introduced by the Children and Families Act 2014 and specifically look at how well education, social care and health services collaborate in partnership to identify those children and young people who have SEND and/or a disability. There is a particular focus on how effectively an area assesses and responds to meeting the needs of vulnerable children and young people. Suffolk was last inspected during 2016 and areas for improvement were identified.

187.   The Social Care Common Inspection Framework was updated in September 2019 and covers services such as children's homes, adoption and fostering services, and family centres. These inspections use a framework that is tailored to the unique characteristics and nature of the setting being assessed, although most inspections follow a broadly consistent approach as other inspection activity used for social care settings. The latest figures show that four of the Council's children's homes are currently rated Good and one Requires Improvement.

188.   The Safeguarding Children Board has a statutory duty to review cases where abuse or neglect of a child is known or suspected and either the child has died or been seriously injured. Since 2018, Ofsted have powers to carry out targeted inspections of Safeguarding Children Boards, a recommendation made following a national consultation. These targeted inspections can run alongside other inspection activities and allow Ofsted to act responsively in higher risk areas.

189. Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspects all Fire and Rescue Services in England. The inspection teams gather information using a range of methods including observing working practices, analysis of data, reviews of operational incidents, interviewing staff, and public feedback. Suffolk underwent its first inspection in December 2019 and against each of the three key themes (Effectiveness, Efficiency, and People) was judged to be Good.

190. Nationally, Fire and Rescue Services are required to produce and publish an annual Statement of Assurance (SoA) that sets out the financial, governance, performance information, and operational arrangements of the service. The statement is produced in accordance with the guidance published by the Department for Communities and Local Government. Much of the financial and governance information is already managed through the established arrangements for the publication of the Council's Statement of Accounts and Annual Governance Statement.

191. Suffolk Highways are subject to an external assessment by the British Standards Institution, to ensure they continue to meet the criteria for holding an ISO 44001. Each year, organisations who hold this accreditation are subject to an audit. The Street Lighting Team (within Suffolk Highways) are also subject to a Highways Electrical Association (HEA) Electrical Inspection Service electrical audit.

2019/20 SERVICE OUTCOMES

192. The Council has worked hard to improve the services it is responsible for. Examples include:

1) 9,800 people supported by Adult Social Care at any one time.

2) 88% of all adult care homes provided by the Council judged Good or Outstanding by the Care Quality Commission.

3) 220,000 hours of home care funded each month.

4) £1m invested in extending children's speech and language services.

5) £1.5 million of dividend returned to the County Council from its wholly owned companies.

6) 5,511 incidents attended by Suffolk Fire & Rescue Service in 2018/19.

7) Shared blue light stations opened in Felixstowe, Beccles, Leiston and Sudbury.

8) 306 miles of Suffolk roads resurfaced.

9) 58,619 screenings for sexually transmitted infections.

10) 8,594 adults received weight management interventions.

11) £13m worth of goods seized at Port of Felixstowe by Suffolk Trading Standards, with 75% deemed unsafe or non-compliant.

12) There are 146 'no cold calling' zones now operating across Suffolk, an increase of 15 from the previous year.

13) 96% in Suffolk now have access to superfast broadband.

ACTION PLAN / SIGNIFICANT ISSUES / KEY RISKS

193. For 2020/21, the Council's actions to be taken are set out within its Business Plan. The plan sets out how the Council will deliver against its priorities, with the new key areas of focus being under the three Council priorities:

   i) **Inclusive Growth**

   a) Economic opportunities that benefit everyone, so no-one is left behind.

   b) A healthy resilient workforce.

   c) Education and skills development opportunities at all ages.

   d) Safe, appropriate homes.

   e) Resilient, connected and sustainable communities.

   ii) **Health, Care and Wellbeing**

   a) Protect children at risk.

   b) Deliver outstanding care and support for vulnerable adults.

   c) Keep people in Suffolk safe.

   d) Support strong physical and mental health.

   e) Provide housing for our customers.

   iii) **Efficient & Effective Public Services**

   a) Stewarding public finances by setting a budget which balances investment, delivers transformation and meets growth in service demand.

   b) Investing in our assets to improve public services by using our land, building and assets to achieve a financial, social and environmental value for the people of Suffolk.

   c) Making every penny count and every minute matter through commercialism.

   d) Making the best use of technology, the internet and innovation in public services to support people in Suffolk to be connected, healthy, safe and productive.

   e) Developing our staff and work collaboratively.

194. The Council's 2020/21 Business Plan sets out, for each Priority, what will be done in 2020/21 to contribute to the achievement of the Priorities and the CLT's agenda is based on delivering these priorities.

195. In addition to delivering on the three Priorities, the Council is now moving into the third year of its four-year Transformation Programmes:

   1. Adult alliances

   2. Managing demand for adult social care

   3. Children & Young People's alliances

   4. Supporting those with mental health

   5. Special Educational Needs

   6. Managing demand in children's services

   7. Our digital business

   8. Travel choices

   9. Commercialism.

196. It is inevitable that there will be some disruption to some of these programmes as a result of the Covid-19 outbreak, but already the importance of some is being seen in supporting the Council's response, e.g. Our Digital Business and the importance of technology, the internet and innovation.

197. The Council documents and manages its key corporate risks through the Corporate Risk Register. These are reported on a quarterly basis to, and reviewed by, the CLT and the JLT. During 2020/21, the Council will review both its approaches to performance and risk management and further work is planned on this with the Audit Committee.

198. Finally, the Council will continue to implement the actions from the Peer Challenge report and address key policy issues which have been prioritised, including its response to the climate emergency.

APPROVAL OF THE ANNUAL GOVERNANCE STATEMENT

199. We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

200. The Annual Governance Statement provides good assurance of the effectiveness of the Council's system of internal control. No governance issues were found during the year. Specific opportunities for improvement in governance and internal controls contained in the opinions and key risks detailed above have been addressed or are included in action plans for the relevant managers.

201. We are satisfied that these actions will deliver, over appropriate timescales, the improvements necessary and these will continue to be monitored, evaluated and reported on as part of our next annual review.

Chief Executive – Nicola Beach

Signature: Date: 29 June 2020

Leader of the Council - Councillor Matthew Hicks

Signature: Date: 26 June 2020

on behalf of Suffolk County Council