

Annual Governance Statement 2017/18

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 2018 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 2018/19 Business Plan was approved at the meeting of the County Council, alongside the budget, in February 2018);

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

Opinion of the Chief Finance Officer (Louise Aynsley)

14. 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.

15. 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).
16. 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).
17. The most recent Annual Audit Letter from Ernst & Young on 29th September 2017 gave the Council an unqualified opinion on its statement of accounts and issued an unqualified value for money conclusion. The financial reporting framework that has been applied in the preparation of the statement of accounts is applicable in law and in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom.
18. Internal Audit have 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 2017/18 on financial controls where risks have been identified. Where concerns have arisen, these have been reported to the S151 Officer, relevant Directors and Audit Committee, with actions agreed. Work has been carried out in 2017/18 by the Finance team to review the financial regulations and procedures 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 recent changes in the organisational structure within the Council.
19. The Council has delivered savings in excess of £200m up to 2016/17 and the budget for 2017/18 included a target for planned savings of £31.3m. These savings have focussed the Council on delivering existing services in the most efficient and effective way possible but there is little scope for any further such savings without real cuts to front-line services. Regular reports have been made to Cabinet throughout the year on the Council's financial position. During 2017/18 the major risk in managing the budget has been achieving the savings of £31.3m whilst minimising the impact on front line services. In addition, demand for and the cost of providing services for the most vulnerable has put significant pressure on the Council's budget. At the end of quarter three, the Council was forecasting an £8m (1.6%) overspend for 2017/18. During the year,

recovery plans have been implemented for the areas of overspend and whilst these have made a positive contribution, Services will need to draw on reserves at the year end. Clearly this is not sustainable in the long term. The Council has responded to this challenge by launching a new set of transformation programmes that aims fundamentally to change the basis of service provision. Savings of £23.9m for 2018-19 were agreed by a full meeting of the County Council in February 2018. The savings required to deliver the budget are very significant and will required continued firm management in 2018/19 and subsequent years as the Council will continue to face financial challenges at least until 2020. Details on financial risks and challenges facing the Council and the mitigation strategies are contained within the report of the Head of Finance (S151 Officer) which accompanied the budget.

20. The opinion of the Head of Finance (S151 Officer) is that the Council continues to operate robust internal controls and good public financial management. Action is being taken to manage the short term 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 Head of Finance (S151 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 Monitoring Officer (Tim Ryder)

21. 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.
22. 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. The results of the election were such that the political parties are represented as follows: Conservative 52; Labour 11; Liberal Democrat 5; Green 3; Independent 3; West Suffolk Independents 1. The Liberal Democrat, Green and Independent (LDGI) Group has been formed of the four smaller parties. The LDGI Group decided that they did not want to be the main opposition group, this position is taken by the Labour Group. There has been one by-election, as a result of the councillor being elected to Parliament, and Labour held the seat.
23. The Council's commitment to ethical values is emphasised through an extensive induction programme delivered to new councillors, providing guidance on their roles and responsibilities, and explaining how the Council is structured and its decision-making processes which manage risk and performance. A comprehensive programme was delivered following the Council Elections in May 2017, covering both general topic areas and specific training for councillors appointed to particular roles and/or committees.

24. Councillor training and development is considered by the Councillor Development Working Group, overseen by the Audit Committee.
25. Following a comprehensive review of the Council's governance arrangements, in July 2017 it was agreed by Council that the Leader and Cabinet Model would be retained, but that 4 cabinet committees would be introduced. These are non-statutory committees, and the intention is that they would consider items before they were presented to Cabinet. Politically proportionate, these committees can act informally and flexibly, inviting experts, witnesses, customers if they wish, to discuss matters within their remit. At the same meeting in July 2017, Council agreed to combine the Development Control and Rights of Way Committees into the Development and Regulation Committee and to remove the Education and Children's Services Scrutiny Committee. In December 2017, various amendments were made throughout the Constitution to reflect changes in the senior management structure of the Council. All updates were considered by the Constitution Working Party before recommendations were made to Council.
26. Two complaints alleging that councillors had breached the Code of Conduct have been considered by the Monitoring Officer during 2017/18. One of these did not pass the initial assessment tests and no further action was taken. The other was referred for independent investigation and the result is unknown at the present time.
27. The Local Government and Social Care Ombudsman's Annual Review Letter for the year ended 31 March 2017 was discussed at Audit Committee in September 2017. During the reporting period of the Annual Letter the LGSCO made final decisions on 85 complaints about the County Council.
28. Of the 85 decisions made, 26 (31%) were forwarded for investigation. Following investigation, 16 of the 26 complaints (62%) were upheld. The remaining 10 complaints were not upheld.
29. The Monitoring Officer's assessment, overall, is that the Council has complied with its Constitution and that the governance arrangements are sound. 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. Councillors continue to attend a wide range of briefings and training sessions. The Audit Committee has played a key role in ensuring that governance systems and processes within the Council are effective.

Opinion of the Head of Internal Audit (Peter Frost)

30. Based on the findings of the managed audit and governance reviews carried out throughout 2017/18, it is the opinion of the Head of Internal Audit that the Authority's control environment provides assurance that the significant risks facing the Authority are addressed and financial administrative systems are effective.
31. 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.

32. Areas under focus are how changes to organisational structures / delivery models are impacting on expected controls; the need to ensure robust contract management processes and controls; ensuring Council employees are appropriately trained in / aware of key corporate operational areas and have been role-specific trained; GDPR compliance across the organisation; and building a stronger anti-fraud culture and awareness across the Council.
33. 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.
34. 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.

Opinion on Anti-Fraud, Bribery & Corruption: S151 Officer (Louise Aynsley)

35. The Corporate Management Team (CMT) 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.
36. In times of austerity, 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.
37. 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.
38. 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 to assess the adequacy of arrangements and action is taken where weaknesses have been identified.

39. Within 2017/18, CMT instructed all Directorate Management Teams to identify their fraud risks, ensure robust controls are in place and improve controls where needed. This exercise fed into the development of a 'Counter Fraud & Corruption Strategy 2018-20', which was approved by CMT. The aim of the Strategy is to move the Council to a position where fraud is prevented and detected proactively; and that new and existing high-risk areas of fraud are addressed effectively.
40. Internal Audit has coordinated the bi-annual National Fraud Initiative exercise which was completed within 2017/18, undertaking data analysis in areas susceptible to error and fraud. Any relevant intelligence from this, as well as allegations of possible irregularities received have been investigated by Internal Audit. The Head of Internal Audit closely monitors any emerging trends and will escalate if appropriate.
41. The opinion of the Head of Finance (Section 151 Officer) is that there are adequate arrangements in place to manage the risks of fraud and corruption, and further work is planned to strengthen these through the Strategy. This will be monitored, and progress reported.

Opinion on the Management of Performance & Risk: Deputy Chief Executive (Chris Bally)

42. Monitoring performance against agreed priorities and targets is a vital way to ensure the organisation continues to deliver efficient and effective public services. The Council uses extensive national and local performance information to inform decision-making and budget-setting processes and also to help assess customer need, review delivery models, and better understand the marketplace and financial environment.
43. A suite of key performance measures has been included in the Council's 2018/19 Business Plan, which was approved in February 2018. Aligned to the organisation's priorities, agreed in July 2017, these measures will allow citizens to monitor the progress towards achieving the priorities and in an open and transparent way. Progress will be reported in each annual business plan to be published alongside the budget.
44. Performance reporting is well-established throughout the Council's various tiers of management, overseen by the Corporate Planning & Performance Board. Corporate performance reports are considered by CMT and Leadership Team (CMT and the Cabinet) on a quarterly basis and bring together a wide range of performance data and wider intelligence relating to service performance, corporate health and change and transformation.
45. With effect from November 2017, the Council's Scrutiny Committee now receives an executive summary of the corporate performance report. This allows the Scrutiny Committee to have oversight of the Council's performance and to inform the development of its forward work programme. Furthermore, the executive summary is also now published on the Council's Open Data portal (see below). Each Directorate Management Team (DMT) has its own performance reporting arrangements that fits its business needs, but also reflects and is in line with the Council's overall approach.

46. There are a number of online benchmarking resources and tools that provide a rich source of comparative statistical information to help local authorities monitor and assess their performance. These include the LGA's 'LG Inform' service, CIPFA Statistical Services, 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 (which has this year been overhauled and re-launched), holds a wealth of performance and statistical information about Suffolk that can be used to produce bespoke reports at a very local level.
47. The Council is required to submit many statutory performance data returns to Government, which often support regulatory and inspection processes. Although there is no longer an overall regulatory process for the Council, some individual services (especially adult and children social care) continue to be routinely and robustly regulated by external bodies such as Ofsted and the Care Quality Commission (CQC). The performance data used in statutory returns is also used in directorate and corporate performance reporting and provides a reliable and comparable source of information that can be benchmarked with other areas.
48. 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 and contracts; property and land assets; and fraud. The Freedom of Information Act requires every council to produce a publication scheme, approved by the Information Commissioner's Office (ICO), and to publish information covered by the scheme. The scheme sets out the Council's commitment to making certain classes of information routinely available, such as policies and procedures, minutes of meetings, annual reports and financial information. Again, the Council is fully compliant with these requirements. Furthermore, the Council now publishes a wide variety of additional data and information through the Open Data Portal to enhance transparency and accountability.
49. 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 (e.g. through partnership bodies such as the Suffolk Information Forum), and co-ordinated plans and activities are commissioned as required (e.g. Suffolk +20). There are plans to further develop this partnership approach in the future.
50. The Council's overall approach to managing risk is based on the Active Risk Management (ARM) model which has been in operation for a number of years. ARM is a flexible and common-sense system that aligns to the Chartered Institute of Internal Auditors' 'three lines of defence' governance framework, and which allows a consistent approach to be adopted across the organisation. Guidance and support on risk management is available on the Council's intranet (mySCC), and an e-learning training package has been developed in 2017/18 which is available for all managers to access. Further bespoke support and guidance for risk owners is provided by the Council's Performance & Risk Manager.
51. Risks are categorised into three distinct levels; Corporate, Strategic, and Operational. All corporate risks are recorded on the risk management database (JCAD system), the Council's centrally managed risk register. JCAD provides a

coherent and consistent approach to managing risk across the organisation. All corporate risks either have a member of the CMT or a senior manager as the designated risk owner.

52. Each quarter, a summary of the latest corporate risk register is reported (by exception) as part of the corporate performance report to CMT and Leadership Team. Furthermore, a comprehensive review of the corporate risk register is undertaken annually to assess the continued relevance and suitability of existing risks and to ensure the register takes account of significant national and local policy developments; for example, the adoption in 2017/18 of the new corporate priorities and a new transformation programme portfolio. The outcome of the annual review is approved by both CMT and Leadership Team.
53. Each Directorate Management Team (DMT) has its own risk management arrangements, although all directorate risk management processes are aligned to the Council's agreed overall ARM approach. This allows a degree of flexibility to ensure that risk management processes align with directorate business need and circumstances.
54. The Council's Internal Audit Team recently reviewed the corporate risk management process and identified improvements to the process which will see the complete Corporate Risk Register monitored by CMT and the Leadership Team at quarterly intervals, rather than focusing on just the changes.
55. An Annual Performance and Risk Report was presented to the Council's Audit Committee in March 2018 and the Committee were satisfied with the arrangements in place.
56. The Deputy Chief Executive believes 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 (HR) (Sally Marlow)

57. To ensure that:
 - a) workforce pressures and costs are managed;
 - b) the Council's reputation is protected; and
 - c) there is a proportionate focus on staff / leadership capacity and capability to deliver Our Priorities 2017-21,

the Council sets out staff expectations through a suite of policies, guidance and procedures. Performance of relevant indicators of success such as absence rates; spend on contractors / interims; and pay bill changes are reported to CMT and subsequently the Leadership Team on a quarterly basis. Additionally, Directorates receive more detailed information pertaining to their workforce as required.

58. During 2017/18, a refreshed People Strategy has been developed to ensure alignment to Our Priorities 2017-21, as well as the new Transformation Portfolio – against the backdrop of diminished resource. The Strategy outlines the strategic workforce priorities for the Council and further articulates expectations of the workforce at a strategic level. An action plan underpins the Strategy, both of which have been signed off at Leadership Team. The planned staff survey for 2018 and 2020 will provide evidence of impact and includes a new Health,

Safety and Wellbeing index alongside the more embedded indices of employee engagement and ASPIRE. The joint People Strategy with districts, boroughs, the Police and Health includes a current focus on attracting talent to Suffolk and resourcing to 'hard to fill' roles and partnership working continues.

59. The staff performance management system is well-embedded across the Council, as evidenced from staff survey results, and a link between performance and reward will be re-established for 2018/19 as a result of a successful ballot of Unison membership. Support is provided to help people get the most from performance management in a way which focuses on outcomes as well as behaviours. The Code of Conduct, Mission and ASPIRE values are readily available to the workforce, referenced when new staff join through both the HR appointment process and local management induction. The PDR process is now managed on-line with a retained focus on the quality of conversation for people to track their personal performance in a meaningful way.
60. 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. The MyLearning portal provides a range of developmental support aligned to the 21st century public servant and a self-assessment tool is available for people to identify their development needs in order to make better decisions before spending money on external training and development. 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.
61. 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. To complement this, a more robust approach to establishment control has been implemented across all Directorates in 2017/18.
62. The Head of HR is satisfied that there are sound processes and procedures in place to ensure that the workforce is managed effectively, as evidenced by the People Management Assurance framework completed in 2017.

Opinion of the Chief Information Officer: Deputy Chief Executive (Chris Bally)

63. The Council's Information Technology (IT) Strategy continues to be delivered and is working to enable 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.
64. Alongside the Council, the Suffolk IT Service provides support to partners including Mid Suffolk and Babergh District Councils, Vertas, Schools Choice and individual Schools and Academies.
65. The IT Service has delivered against both the revenue and capital programmes and continues to progress key elements in the IT Strategy and achieved compliance with national mandated IT and Information Management regimes.
66. The Council continues to be compliant with Public Services Network (PSN) and Payment Card Industry (PCI) regimes, which allows the provision of essential services like issuing of Blue Badges and taking card payments for services.

Furthermore, the Council undertakes an annual self-assessment using the Information Governance Toolkit (operated by NHS Digital), 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. For 2017/18, Suffolk County Council achieved an 86% rating on the Toolkit, which is an improvement on the previous year's score (76%).

67. Work has continued to develop our cyber security resilience, with the implementation of additional security components to identify suspect activity within our network and the refresh of our perimeter security. An apprentice has been appointed to work with the IT Security Manager to build additional capacity.
68. During 2017/18, a considerable focus of effort and resources have been on preparing for the implementation of the EU General Data Protection Regulation (GDPR), which comes into force on 25 May 2018. The GDPR will become enshrined in UK law through a new Data Protection Act from this date, and this legislation has far-reaching implications for all organisations that hold personal data about individuals. The Council holds a vast amount of personal data, much of which is highly sensitive, and an action plan has been developed and is being implemented to ensure the Council responds proactively to the new duties and requirements. Examples of work already completed or undertaken include revised security incident management arrangements, an enhanced secure email system, mandatory training on information management and security for all staff, revision of information sharing assurance arrangements, and review of subject access request processes. The Council stands well-placed to be ready for the implementation of the new data protection laws.
69. The Council continues to collaborate with other public service organisations in Suffolk. It is currently out to tender for a new pan Suffolk network with the Council as the Anchor Tenant and 2 NHS Acute Trusts, Clinical Commissioning Group, Ipswich Borough, St Edmunds Bury, Forest Heath, Waveney, Suffolk Coastal, Mid Suffolk and Babergh District Councils in partnership to create one public sector network throughout Suffolk. This will allow for savings to the current costs of the network and allow for better collaboration between all the organisations involved in the service. Much of the preparatory work for the implementation of the GDPR has been undertaken in collaboration with other Suffolk public sector bodies, especially Health bodies (through the Clinical Information Assurance Group) and district and borough councils (through the Suffolk Local Authority Information Governance Board).
70. IT completed a review during 2017/18 of its staff resources responsible for delivering the service; this resulted in a reduction of 18 FTE following the review. Since the review, service levels have been maintained and work to automate tasks to achieve further operational efficiencies is underway. As part of the same review, a restructure of staffing bolstered resources and capacity in the data protection area through the formation of a Performance & Information Management Team.
71. The Deputy Chief Executive is satisfied that the IT Services and technology assets of the Council are run effectively, efficiently and economically. In addition, information management arrangements are effective in protecting the Council's information assets.

Opinion on the management of Commercial Services: Interim Corporate Director (Aidan Dunn)

72. Approximately 75% of the Council's spend is now made externally to suppliers through over 2,000 contracts. Effective Contract management is therefore crucial to the future success and stability of the Council. Contract management is undertaken within Directorates across the Council, with the Commercial Team providing an overview and professional support, as well as direct management of a number of corporate contracts.
73. During 2017/18, there was a concerted effort to continue to raise the standards of contract management and commercial skills across the Council. There are now over 120 staff across the Council who are identified as contract managers. They are responsible for contracts ranging from School buses through to Care homes, from IT suppliers through to stationery. Contract management of the Council's divestments are included in these responsibilities.
74. During 2017/18, the Corporate Procurement team was restructured and relaunched as the Commercial Team. The restructure has brought an enhanced professional focus on the higher value and higher risk Commercial activities of the Council, and an increased emphasis to challenging existing spend. The staffing structure within Adult Social Care (the department with the highest value of commercial spend) was also reviewed during the year, and a number of new roles were created with a specific focus on contract management.
75. Other activities have continued across the Council to assist staff with managing the commercial agenda. Examples include:
- a) Promotion of the 'licence to procure';
 - b) Provision of a range of e-learning and face to face training for staff in undertaking Quotations and Low Value Tendering;
 - c) Basic contract management training courses;
 - d) Advanced contract management training; and
 - e) Promotion of contract management guidance and training on the Council's intranet.
76. A new Electronic Contract Management System has been introduced and training has been completed for all users within the Council.
77. During 2017/18, the Council has awarded several major contracts including
- a) Housing Related Support - £24m
 - b) Supported Housing Framework - £120m
 - c) DCYP Residential Services and Crash Pad - £4m
 - d) Various contracts associated with Lake Lothing and Upper Orwell Crossings projects
 - e) Beccles Relief Road - £6m
78. The Commercial Board has continued to oversee the commercial activities of the Council and to provide an increased emphasis on Contract management. The Board's membership consists of senior officers (Assistant Directors) from each of the directorates. The Board has been chaired by the Interim Director of Resource management and meet on a bi-monthly basis with the objective of co-ordinating professional resource input across the organisation and establishing / sharing best practice in commissioning, procurement and contract management.

The Board now oversees the Commercialism programme, which is one of the Council's ten transformation programmes.

79. The Head of Procurement and Contract management 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 & Media (Andrew St Ledger)

80. 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.
81. Barriers to engagement (for example difficulties communicating and access to IT) are considered when designing communications activities to encourage and support as many people as possible to take part. A good example of this in 2017/18 was the way the Council engaged over 200 people with learning difficulties, family carers and learning disability providers as part of the My Life My Future service improvement work. Materials were produced in an easy read format, with photo symbols and a talking text alternative option. The materials were co-produced with the help of Ace Anglia. The communications team is also now represented on the Council's Strategic Equalities and Inclusion Board, a change specifically designed to improve the approach to engagement with people with protected characteristics.
82. Over 25 formal consultations have been carried out on a wide range of services in 2017/18, including the Lake Lothing Third Crossing, Raising the Bar and the Council's 2018/19 budget. Audiences included residents, partners, services users and council tax payers. Following two key reviews of the ways in which the Council consults (carried out by the Council's Scrutiny Committee and the Democratic Society), improvements have been made to software used and advice and guidance made available to staff. The communications team and consultation and engagement manager work well together to ensure the approach to consultation and engagement is as effective and inclusive as possible. The website outlines the way in which the Council consults, with whom and why.
83. 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 example of this in 2017/18 is the Home to School Transport consultation. The consultation delivered over 3,600 responses, 11 public events were held attended by over 150 people, reached tens of thousands of people via social media and created weekly headlines in Suffolk's local and regional media. The Consultation Institute was engaged to help develop and quality assure the Home to School Transport Consultation. During this work, there was a shift towards engaging relevant stakeholders prior to formal consultation, an important shift in the world of community and stakeholder engagement activities.

84. People are more likely to engage with the Council if they feel like their contribution will not only be listened to but is also likely to impact on the final outcome. There is evidence of this happening. For example:
- 1) the inclusion of a range of local solutions in the school and post-16 travel consultation which were developed following engagement with schools and key stakeholders before the formal consultation;
 - 2) three of the proposed minerals and waste sites reduced in area and additional policies were introduced on all sites before the proposed next round of formal public consultation.
85. This year, an internal audit was carried out looking at the 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.
86. The Council's communications 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. A restructure of the communications team in 2017/18, whilst primarily financially-driven, is intended to result in improvements in this area with communications officers taking more control of communications activities and consultations from start to finish.
87. The opinion of the Head of Communications is that the Council effectively engages 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 the 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 2017/18, the decision to launch the next County Council-wide staff survey (launching May 2018) and the expansion of the Leader's successful We Are Listening events programme.
88. It is also his opinion that as the Council faces continued financial pressure and, therefore, increasingly difficult decisions in the coming years, 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 affected people even more important. The 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. Proposals to improve further our approach to consultation and engagement are being developed and will inform key discussions in 2018/19.

Opinion of the Head of Health & Safety (Paul Butcher)

89. 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 CMT. The vice chair is a member of Cabinet and their health and safety champion.
90. 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 CMT. In particular, it monitors the progress of the Safety, Health and Wellbeing (SHAW) Strategy 2016-19 which has four themes with each led by members of the Board. The themes are Procurement and Contract Management, Schools, Working Well for Suffolk (the Council's corporate staff health and wellbeing programme), and SHAW Culture. The strategy includes a set of performance measures monitored by the Board. The SHAW annual report is approved by the Board and endorsed by CMT in June each year before being presented to the Full Council in July.
91. For the last four years, the Council has benchmarked its health and safety performance through the Royal Society for the Prevention of Accidents (RoSPA) Occupational Health and Safety scheme. In June 2017, the Council received its second Gold Award, in recognition of the ongoing progress made over the previous 12 months.
92. 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.
93. The Council's health and safety management function is subject to Health and Safety Executive (HSE) scrutiny. There are two ongoing investigations of the Council's activities and its contractors by the HSE. One investigation following an asbestos incident at a school in September 2016; the other an investigation following a swimming incident at a school in May 2017. The HSE have concluded their investigation into a contractor incident in May 2014, and the contractor and subcontractor were both prosecuted. Both parties pleaded guilty and were fined accordingly in December 2017. The last improvement notice served by the HSE on the County Council was in January 2011.
94. The Head of Health & Safety is satisfied that health and safety is managed effectively as part of the Council's ongoing improvement cycle.

Inspection Agencies / External Assurance

95. The External Auditor's (Ernst & Young) 2016/17 Annual Audit Letter, issued in September 2017, concluded the following:

Financial Statement Audit

"We audited the Council and Pension Fund's Statement of Accounts in line with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland) and other guidance issued by the National Audit Office and issued an unqualified audit report on 26 July 2017."

Value for money conclusion

“Clearly the scale of savings and service transformation to be delivered by the Council over the medium term are significant.

In 2017/18 the budget gap is £39.8m and the savings proposals are £31.3m and the Council plans to use £8.5m from the corporate contingency reserve to balance the budget.

The Council currently has a good level of un-earmarked general fund reserves (£50.588 million at 31 March 2017), which are above the minimum levels range set by the Council’s s151 officer. These provide the Council with the flexibility to manage its financial position over the short-to-medium term, and reduce the risk that an unexpected overspend, or unexpected one-off item of expenditure, has a detrimental impact on the Council’s financial standing. The Council plans to maintain this level of General Fund reserves indefinitely.

The Council also has in place substantial levels of earmarked reserves (£143.350 million at 31 March 2017). These have been established for a number of purposes, including the financial consequences of matters that have not yet arisen or to fund specific service areas / projects. The existence of these reserves provides further evidence of the Council’s prudent approach to financial management.

Our review of the budget setting process, assumptions used in financial planning, in year financial monitoring, and the Council’s history of delivery has not identified any significant matters that we wish to report to you.

The level of reserves is adequate to fund the future budget gaps, further savings will need to be identified to balance the 2018/19 budget as continuing to use reserves is not sustainable.”

Consequently, an unqualified value for money conclusion was issued on 26 July 2017.

96. Adult Social Care Services are regulated by the Care Quality Commission (CQC) using their revised framework introduced in 2015. Judgements are now rated using the scoring system used by Ofsted (Outstanding, Good, Requires Improvement, and Inadequate).

The CQC inspects residential & nursing care, and domiciliary care services. Inspections are undertaken for services commissioned by the Council, as well as those provided in-house, such as home care and reablement.

The latest published CQC figures show that 92% of residential & nursing care services in Suffolk are judged Good or Outstanding, and 100% of Home First services are Good.

97. Ofsted inspects all maintained and academy schools, and around half of independent schools, against its national inspection framework. Inspections are carried out using Ofsted’s common inspection framework introduced in 2015.

The frequency of inspections is proportionate to the performance and circumstances of each school. Shorter, one-day inspections for schools graded Good at their last full inspection, are now used. In 2017, Ofsted launched a

national consultation on proposed changes to the short inspection process. It is proposed that some schools graded Good will have full inspections if there is evidence to suggest standards have dropped.

During an inspection, inspectors will make a judgement on the effectiveness of leadership and management, the quality of teaching, staff development, pupil behaviour and welfare, and school performance outcomes. The focus continues to be on how well schools are meeting the needs of all its pupils, including pupils with special educational needs or disabilities (SEND).

The latest Ofsted school inspection figures (December 2017) show the number of Good or Outstanding Local Authority maintained schools in Suffolk is currently 89.5% for primary schools (128 schools out of the 143 schools that have been inspected) and 83.3% for secondary schools (5 schools out of the 6 schools that have been inspected).

98. In 2017, Ofsted carried out inspections, not only to assess services, but also to consult local areas on its new framework for children's services known as ILACS (Inspection of Local Authority Children's Services). Suffolk agreed to pilot the ILACS framework and was judged Good overall.
99. In December 2016, Suffolk received a joint inspection from Ofsted and the CQC. This judged the effectiveness in implementing the special educational needs and disability (SEND) reforms. Inspectors interviewed staff from both the Council and Health, parents, governors, practitioners, as well as children themselves. Inspectors visited a broad range of providers to seek an insight into how effectively they were implementing the reforms. Inspectors also considered performance information about the local area, talked to partner organisations, and looked at the process for commissioning services.

Since the inspection findings, which included some areas of strength but also areas for improvement, were published in 2017, Suffolk has been working very closely with the Suffolk Carer Parent Network and CCGs to continue implementing the improvements needed.

100. Ofsted inspections of Children's Homes observe settings and then make judgements based on outcomes for children and young people, the quality of care and safeguarding, as well as looking at leadership and management. Inspectors engage with families, parents, and children, using a range of activities and stakeholder interviews. The Council's accommodation programme is managed and monitored by the independent Local Safeguarding Children Board, which reviews practice in line with current legislation and good practice research. In 2017, all five of the Council's children's homes were inspected by Ofsted; three were judged as 'Good', the other two judged as 'Requiring Improvement'.
101. 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 total number of settings offering early education funding (members of Suffolk's List of Providers) at the end of January was 513, 72 of which do not currently have an Ofsted judgement (because they are exempt or have not yet been inspected). Of the 441 settings inspected in Suffolk's List of Providers, 94.6% are currently judged to be Good or higher.

102. The Safeguarding Children Board has a statutory duty to undertake reviews of cases where abuse or neglect of a child is known or suspected, or there is cause for concern as to the way in which the Council, its partners, or other relevant persons have worked together to safeguard the child. There was one serious case review authorised to be undertaken in 2017, the outcome of which is expected in Summer 2018.
103. English Fire and Rescue authorities are required to produce and publish an annual Statement of Assurance. In November 2017, the Audit Committee agreed the 2016/17 Statement of Assurance that outlined the financial, governance, and operational arrangements for the Suffolk Fire & Rescue Service (SFRS). This included a statement from Councillor Matthew Hicks (Cabinet Member for Environment & Public Protection) which stated "I am satisfied that Suffolk Fire and Rescue Authority ensured that its business was conducted in accordance with the law and proper standards, and that public money was properly accounted for and used efficiently and effectively. I am further satisfied that the requirements of the Fire and Rescue National Framework for England have been met."

In November, SFRS took part in an external peer review from the Local Government Association. The review highlighted many positive aspects of SFRS and also highlighted some key challenges. The report concluded that the Service's good operational performance has been maintained and SFRS continues to be a well-run service with a well-deserved reputation for keeping its community safe and offering good value for money. The Service understands its local context and risks and it has a good operational base with sound practices and low levels of fire-related fatalities. There was an identified need for SFRS to reprioritise existing work and analyse emerging priorities against capacity. This included consideration to how it can simplify its processes, review governance and policies and empower and up-skill staff to enable decisions to be made at the appropriate level.

In July 2017, Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) extended its remit to include inspections of England's fire & rescue services. These inspections will assess and report on efficiency, effectiveness and leadership. Whilst SFRS won't be inspected formally until Spring 2019, it is one of three FRS that has been selected to pilot the new inspection regime, with initial fieldwork conducted in March 2018.

Management of the Council's Wholly Owned Companies

104. The County Council operates 5 Wholly Owned Companies; four are 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;
 - 3) Opus – an end-to-end temporary recruitment solutions company; and
 - 4) Schools Choice - a company which provides services to schools such as payroll, HR and governor services (see paragraph 110).
105. The remaining company is Sensing Change which provides social work, rehabilitation and support to people with sight and / or hearing loss throughout Suffolk.
106. These companies have been set up to trade independently but remain closely linked with the Council. They each undertake work on behalf of the Council

providing 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.

107. Assurance and governance is managed closely. The Deputy Chief Executive and Director of Corporate Services, together with the Head of Finance (S151 Officer), provide oversight and support the Shareholder Group. The Head of Commercial Services manages the trading relationship between the companies and the Council and the Council provides an Assistant Director (Head of Property Services) who is a Non-Executive Director on the boards of the companies.
108. Each of the companies has its own management team and Board and Vertas, Concertus and Opus 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.
109. Suffolk Group Holdings Ltd reports to the Council's Shareholder 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. All the wholly owned companies will deliver on their dividend strategy for 2017/2018 along with significant business achievements. All three businesses are growing their customer base beyond that of the County Council and have become sustainable businesses in their own right helping to contribute a constant revenue stream back to the Council.
110. Schools Choice operated as a separate company between January 2017 and March 2018. With effect from 01 April 2018, the organisation will join Vertas but retains the Schools Choice brand. During the financial year 2017/18, the Board of Schools Choice consisted of two senior executives supported by the Head of Property Services in a non-executive capacity. Their activities were overseen by the Schools Choice Shareholder group, whose membership included the Interim Director of Children's Services, the Head of Commercial Services, the Cabinet Member for Finance and Transformation, and the Cabinet Member for Children's Services, Education & Skills
111. The governance arrangements for Sensing Change are different to the other wholly owned companies as its primary role is to provide cost effective statutory Social Services as opposed to generating a dividend for the County Council. Those arrangements are governed by a formal service contract, which includes the governance of the company and that contract is managed by Adult and Community Services.

OUTCOMES

112. The Council has worked hard to improve the services it is responsible for. Examples include:
 - 1) The proportion of schools judged to be good or outstanding has increased by 13% since 2015.
 - 2) Children's Services were rated as good across all areas by Ofsted in 2017 which puts the County in the top 25% of all local authorities.

- 3) 40,000 hours of home care are funded each month.
- 4) All Suffolk County & Care UK care homes are rated good by the CQC.
- 5) The Council has secured £4.5million of external funding in the last five years for projects to support the natural and historic environment.
- 6) The Council has been accepted as a 100% Business Rate Retention pilot area for 2018/19.
- 7) There are 13 fire stations that are now shared with the police and ambulance service.
- 8) There are 116 'no cold calling' zones now operating across Suffolk, covering over 4,500 households.
- 9) The proportion of the Council budget spent with local suppliers is 46%.
- 10) 132,000 additional premises are now able to access superfast broadband as a result of the Better Broadband for Suffolk programme.
- 11) 227 miles of Suffolk roads were resurfaced in 2017.
- 12) There are 8,450 16-19 year olds with an Endeavour Card, allowing discounted travel.
- 13) 13,000 people have been supported to quit smoking since 2013.

ACTION PLAN / SIGNIFICANT ISSUES / KEY RISKS

113. For 2018/19, 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 key areas of focus being:

i) Inclusive Growth

- a) Continue our transformation of educational standards in Suffolk, and work towards all of our schools being rated 'Good' or 'Outstanding' by Ofsted;
- b) Continue to champion the protection and enhancement of Suffolk's natural and historic environment and our adaptation to climate change, to ensure we maximise the benefits our environment will deliver, to our economic growth and health and wellbeing, for now and future generations;
- c) Build further on our strong relationship with the Local Enterprise Partnerships (LEPs), to support business growth and unlock potential for greater growth in Suffolk;
- d) Continue to work with business and education providers to develop the skills needed for future growth; and
- e) Deliver high-quality transport and digital networks to ensure we support growth and increase prosperity.

ii) Health, Care and Wellbeing

- a) Work with our partners to help keep Suffolk a safe and welcoming place for everyone to live in, work in and enjoy;
- b) Reduce mental and physical ill health, improving people's ability to live well for longer;
- c) Invest £1 billion to support older and disabled people and their carers in Suffolk, helping them to live safe, active and fulfilling lives;
- d) Support our most vulnerable residents and provide them with the care they need;
- e) Prioritise our spending and maintain a focus on good long-term outcomes for children at risk; and
- f) Work to reduce the different experience of health and wellbeing between our more deprived and more affluent communities.

iii) Efficient & Effective Public Services

- a) Maintain our commitment to being a low-tax county council, only asking for more contributions to provide essential services to the people of Suffolk;
- b) Make essential financial savings;
- c) Continue to reshape our workforce and join forces with other public-sector partners to maintain and improve services; and
- d) Respond to customer demand to access services differently.

114. The Council's 2018/19 Business Plan sets out, for each Priority, what will be done in 2018/19 to contribute to the achievement of the Priorities.

115. In addition to delivering on the three Priorities, over the next four years the Council will be creating savings through a suite of ten Transformation Programmes. These were launched in November 2017:

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. Infrastructure & growth
9. Travel choices
10. Commercialism.

116. 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, CMT and the Leadership team.

APPROVAL OF THE ANNUAL GOVERNANCE STATEMENT

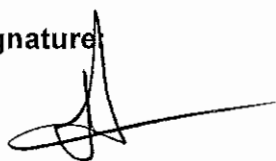
117. We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

118. 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.

119. 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.

Interim Chief Executive (as at 31 March 2018) - Sue Cook

Signature:



Date: 22 May 2018

Leader of the Council (as at 31 March 2018) - Councillor Colin Noble

Signature:



Date: 22 May 2018

on behalf of Suffolk County Council

