

AUDIT AND GOVERNANCE COMMITTEE

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| DATE | 22/07/2021 |
| REPORT OF | Executive Director Environment, Economy and Resources |
| SUBJECT | Draft Annual Governance Statement 2020/21 |
| STATUS | Open |

CONTRIBUTION TO OUR AIM

Good governance is fundamental to the effective delivery of the Council's services and achieving its strategic aims. Open and transparent decision making; financial and budgetary control; effective scrutiny arrangements; strategic risk management and effective partnership working all impact on the manner in which the Council runs its business for the benefit of local people.

EXECUTIVE SUMMARY

It is a requirement of the Accounts and Audit Regulations (2015) for the Council to annually produce, and contain within the statement of accounts, an Annual Governance Statement (AGS). The AGS lays out the Council's governance framework, how it obtains assurance that the governance framework is operating as intended, and (where applicable) those areas for further focus in 2021/22. In 2020/21 it also provides commentary on the effectiveness of the Council's response to Covid-19.

RECOMMENDATIONS

That the Audit and Governance Committee considers whether the draft AGS provides a sufficient level of assurance on the adequacy of the Council's governance arrangements to allow the Committee to fulfil its role.

REASONS FOR DECISION

The production of the AGS is a statutory requirement. It is a responsibility of the Audit and Governance Committee as the body charged with governance to review it and recommend its adoption by the Council.

1. BACKGROUND AND ISSUES

- 1.1. Under Section 2 of the Accounts and Audit Regulations (2015), councils must ensure that it has a sound system of internal control which:
 - *“Facilitates the effective exercise of its functions and the achievement of its aims and objectives;*
 - *ensures that the financial and operational management of the authority is effective; and*
 - *includes effective arrangements for the management of risk”.*
- 1.2. The regulations also state that the Council must:

- conduct a review at least once in a year of the effectiveness of its system of internal control.
 - prepare an Annual Governance Statement.
 - consider the findings of the review by Full Council or by a relevant committee.
 - following the review approve an annual governance statement, prepared in accordance with proper practices in relation to internal control.
 - a draft Annual Governance Statement is published at the same time as the publication of the draft accounts; and
 - ensure that the statement is approved in advance of the approval of the statement of accounts.
- 1.3. The AGS sets out the Council's governance arrangements in place and considers their effectiveness. The Council's governance arrangements are set out in its Code of Governance which was updated in December 2020 and subsequently approved by the Audit and Governance Committee in January 2021. The Code is based upon guidance provided by the Chartered Institute for Public Finance and Accountancy (CIPFA) and the Society for Local Government Chief Executives (SOLACE) "Delivering Good Governance in Local Government – a framework" (April 2016).
- 1.4. The Council's Local Code of Corporate Governance is framed around seven core principles of good governance for the local government sector. All councils are expected to adopt the core principles and, most importantly, demonstrate evidence of their compliance.
- 1.5. The three lines of defence assurance model is central to the review of effectiveness of the Council's governance arrangements as follows:
- First Line – (Management of the control environment at delivery/operational level).

Each Assistant Director is required to complete an annual self-assessment as to how assurances are sought to confirm that the services and functions they are responsible for comply with each of the seven principles.

In addition Directors produce reports for Cabinets, Scrutiny and Audit and Governance Committee which provide assurance on governance and the control environment in specific areas.

- Second Line - (oversight of management activity and separate from those responsible for delivery).

As part of the process for completing the AGS those responsible for the oversight of management activity, separate from those responsible for delivery were asked to provide statements on the overall operation of the control environment in their particular areas of oversight.

In addition a range of reports is produced annually or throughout the year which provide assurance from a second line perspective.

- Third line (independent oversight) - e.g. Internal Audit/External Audit/ External Inspections.
- 1.6. COVID-19 has had considerable impact on the delivery of the Council's responsibilities and governance arrangements to support them. In line with guidance from CIPFA the Council has assessed its response in three areas:
- Adaptations to reflect new ways of working and emergency arrangements.
 - Changes to 'business as usual' activities, including cessation or reduced frequency or scale of activities.
 - Longer-term changes to priorities, programmes, strategies and plans as a result of the impact of the pandemic on the organisation and the local area.
- 1.7. The draft AGS 2020/21 is attached and shows that the Council has well-established governance arrangements that are monitored and reviewed on a regular basis. However, the review of governance arrangements has identified the main areas where the Council will need to focus its efforts during 2021/22 to address changing circumstances and challenges identified. These are highlighted in section 7 of the AGS.
- 1.8. This conclusion will be updated should any significant issues arise between the date the draft is adopted and the completion of the external audit on the statement of the accounts. When the Committee receives the audited accounts, it will also receive the final version of the AGS, where it will be asked to recommend to the Leader and the Chief Executive to sign it on the Council's behalf.

2. RISKS AND OPPORTUNITES

The Annual Governance Statement is a statutory requirement and there is potential reputational risk if it was not produced, or if it fails to properly reflect any relevant issues relating to the Council's governance arrangements. Any significant issues identified in the Annual Governance Statement should be reflected in the Council's risk registers.

3. OTHER OPTIONS CONSIDERED

Not applicable. The production of an Annual Governance Statement is a requirement of the Accounts and Audit regulations 2015.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

There is inherent reputational risk related to those areas identified for focus in 2020/21. Monitoring arrangements have put in place to manage these risks. The draft AGS will be published on the Council's website.

5. FINANCIAL CONSIDERATIONS

None specifically related to the production of the Annual Governance Statement.

6. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The Council's approach the environment is included in the Council's Code of Governance and is considered as part of the annual review of the Council's governance arrangements.

7. FINANCIAL IMPLICATIONS

As part of the supporting evidence to the Annual Governance Statement there is a requirement to assess the Council's financial management arrangements against the CIFA's code of financial management. No significant gaps requiring specific reporting in the Annual Governance Statement have been identified.

It is important that governance issues are addressed as soon as practicable in order to avoid any significant financial liabilities.

8. LEGAL IMPLICATIONS

The legal implications of the contents of this report are covered in its body.

9. HUMAN RESOURCES IMPLICATIONS

The HR aspects are covered within the contents of the report.

10. WARD IMPLICATIONS

The report covers issues affecting the whole operation of the council and therefore is relevant to all wards.

11. BACKGROUND PAPERS

Accounts and Audit Regulations (2015)
Delivering Corporate Governance in Local Governance Framework (April 2016)
Local Code of Corporate Governance (January 2021)
Annual Governance Statement 2019/20

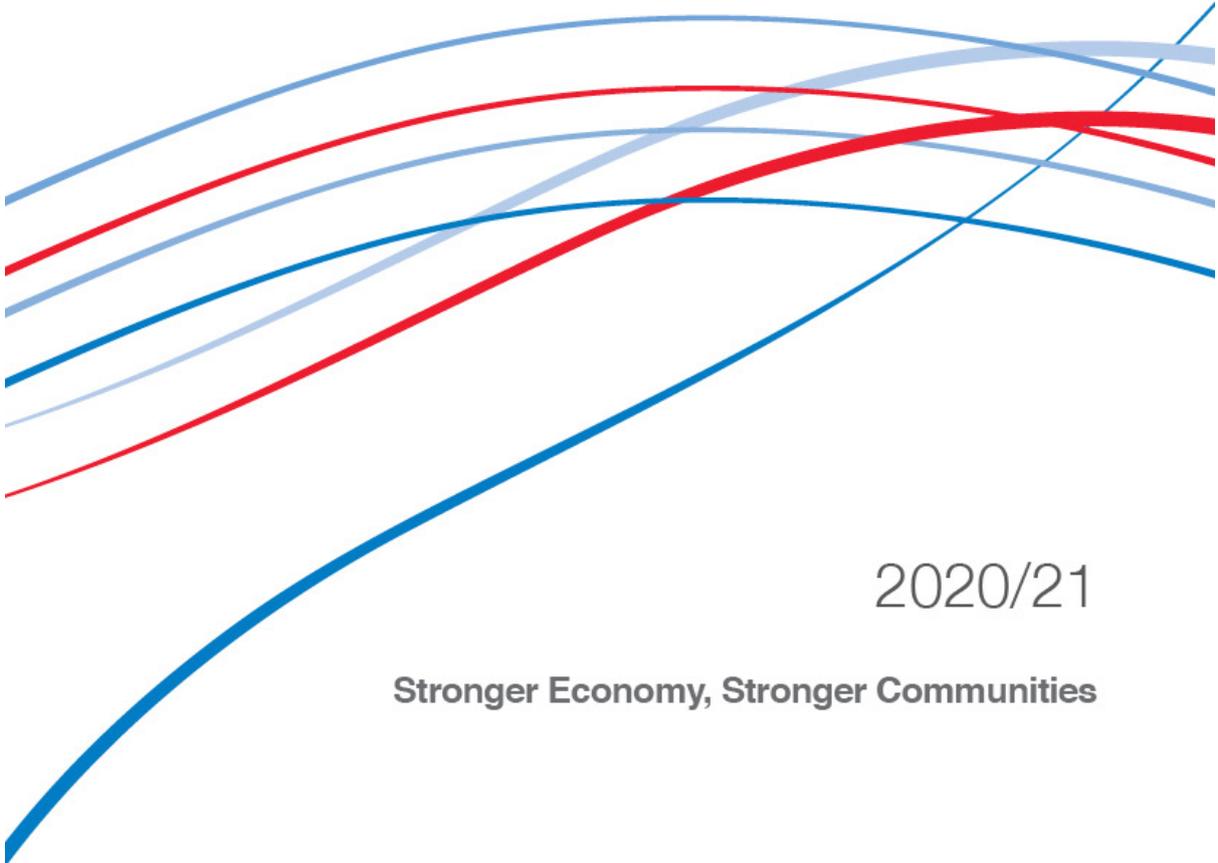
12. CONTACT OFFICER(S)

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Executive Director Environment, Economy and Resources

North East Lincolnshire Council

Annual Governance Statement



2020/21

Stronger Economy, Stronger Communities

Executive Summary

North East Lincolnshire Council fully recognises its responsibility for having effective governance and internal control arrangements in place. This is demonstrated by its commitment to the principles of good governance as identified in Delivering Good Governance in Local Government Framework 2016.

The annual review of the Council's arrangements, as described in this Annual Governance Statement, provides assurance that its governance arrangements and system of control are robust and reflect the principals of the Code of Corporate Governance. Over the coming year the Council will take steps to further, strengthen its governance arrangements as highlighted in section 7.

Signed:

Cllr. Philip Jackson
Leader of the Council

Rob Walsh
Head of Paid Service

1. Introduction

North East Lincolnshire Council (the Council) is required by the Accounts and Audit (England) Regulations 2015, regulation 10(1), to prepare and publish an Annual Governance Statement in order to report on the extent to which we comply with our Local Code of Corporate Governance. This Statement provides an overview of how the Council's governance arrangements operate, including how they are reviewed annually to ensure they remain effective. A summary of significant issues/challenges that the Council faces is also given. This provides transparency and gives assurance that the Council is committed to continuous improvement in the way in which it functions.

The 2019/20 reported that the review of governance arrangements had identified two main areas where the Council would need to focus its efforts during 2020/21 to address changing circumstances and challenges identified. These were:

- the continued response to COVID-19; and
- the response to recent OFSTED reports relating to Children's Services and the subsequent implementation of an Improvement plan

In line with CIPFA guidance there is a separate section on the impact of COVID-19 on governance arrangements (Section 6) and the outcome of the most recent OFSTED visits shown on (Section 5).

2. Scope of Responsibility

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

3. The Purpose of the Governance Framework

The governance framework comprises the systems and processes, culture and values by which the authority is directed and controlled and those activities through which it accounts to, engages with, and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

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 on-going 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.

The governance framework has been in place at North East Lincolnshire Council for the year ended 31 March 2021 and up to the date of approval of the Statement of Accounts.

4. The Governance Framework

The Council has defined its key strategic outcomes as all people:

- Enjoy and benefit from a strong economy
- Feel safe and are safe
- Enjoy good health and well being
- Benefit from sustainable communities
- Fulfil their potential through skills and learning



Good governance processes are critical in supporting the delivery of strategic outcomes. The Council operates to a Code of Corporate Governance, which forms part of the Constitution. It is based on the guidance provided by the Chartered Institute for Public Finance and Accountancy (CIPFA) and the Society of Local Government Chief Executives (SOLACE) “Delivering Good Governance in Local Government – a framework” (April 2016). It was subjected to its annual review in December 2020 to ensure that it reflected the Council’s current governance arrangements and the revisions made were approved by the Audit & Governance Committee in January 2021.

A copy of the code is on the attached link. [Code of Corporate Governance](#)

It is based on the following principles:

- 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 entity’s capacity, including the capability of its leadership and the individuals within it
- F. Managing risks and performance through robust internal control and strong public financial management
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

5. Review of the Effectiveness of the Governance Framework

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The Council's Corporate Governance Group, made up of the Council's key senior officers with governance role and chaired by the Executive Director Environment, Economy & Resources and Governance, is responsible for coordinating this review.

The three lines of defence assurance model is central to the review of effectiveness as follows:

First Line of Assurance – Management of the control environment at delivery/operational level

Each Assistant Director is annually required to complete an annual self-assessment as to how they seek assurance that their services/functions comply with each of the seven principles. This showed that the principles in the main are embedded in practice in all significant areas of the Council's operations, and there were no issues of such significance that required reporting in the AGS.

In addition Directors produce reports for Cabinets, Scrutiny and Audit Committees which provide assurance on governance and the control environment in specific areas e.g.

- **Annual Review of the Constitution** – a comprehensive review was carried out by the Monitoring Officer and reported to Full Council on 27 May 2021. Various changes were made to the Constitution including the Scheme of Delegation and Contract procedure Rules.
- **Director of Public Health Annual Report 2020** – reported to Union Board 16 March 2021. The focus of this year's annual report was health inequalities. The report explores the challenges faced by those living in more deprived areas, the way that these challenges accumulate to influence health throughout the life course, as well as the further impact on health inequalities by the pandemic. Place based recommendations have been made for how to reduce health inequalities.
- **Virtual School Headteacher Annual Report**– reported to the Children & Lifelong Learning Scrutiny Panel 19 November 2020. The Virtual School is the key education advocacy service for all Children Looked After (CLA) whether they are attending a school within North East Lincolnshire or for those placed out of area. The report provides statistics on CLA in mainstream education, attendance data and attainment.

During the year, some reports are received relating to the previous year's data. These are listed below:

- **Adult Social Care Statutory Complaints and Compliments Annual Report** – reported to the Health and Adult Social Care Scrutiny Panel 20 November 2021. It provides an overview of the activity and analysis of complaints and representations during 2019/20. It also highlights service improvements

implemented as a result of complaints and representations. Of the 54 complaint investigations concluded in 2019/20, only nine were either fully or partially upheld.

- **Safeguarding Adults Board Annual Report** - reported to the Health and Adults Scrutiny Panel 20 January 2021. This sets out the activities and work undertaken by North East Lincolnshire Safeguarding Adults Board and its members to deliver on the aims and objectives of its Strategic Plan. It also includes performance data including the number of concerns received and the number of Deprivation of Liberties authorisation requests received and processed.
- **Safeguarding Children's Partnership Annual report 2019/20** – reported to Children & Lifelong Learning Scrutiny Panel 24 September 2020. The report outlines what the Partnership has achieved, further developments and priorities for the following year.
- **Independent Reviewing Officers Annual Report** reported to the Safeguarding Children's Partnership Full Board 6 November 2020. It focuses on the work of the IROs for Children Looked After in 2019/20. It provides a context to the work of IROs and summarises key issues emerging that are relevant to Children's Services. Action Plan. A Service Improvement Plan is to be developed which will include reference to statutory requirements and capacity with areas of work being targeted.
- **Children's Social Care Statutory Complaints and Compliments Annual Report 2019/20** - reported to Cabinet 5 August 2020 – provides an overview of the activity and analysis of complaints and compliments. No issues were identified. (Anticipate updated report to go in final version).

Second Line of Assurance - (oversight of management activity and separate from those responsible for delivery)

As part of the process for completing the AGS those responsible for the oversight of management activity, separate from those responsible for deliver were asked to provide statements on the overall operation of the control environment in their particular areas of oversight:

- **Assurance provided by the Monitoring Officer in relation to operating within the rule of the law and constitutional arrangements including member code of conduct** – no material issues were identified.
- **Assurance provided by the Head of People and Culture on human resources policy frameworks and arrangements** - no material issues were identified.
- **Assurance provided by the Deputy Section 151 Officer on finance issues** - no material issues were identified.

- **Assurance provided by the Health and Safety Manager** - policies and procedures relating to occupational health and safety are reviewed to ensure that they are fit for purpose, in relation to the organisation and reflect any changes from a legal point of view.
- **Assurance provided by the Head of Procurement** - no material issues were identified.

In addition a range of reports is produced annually or throughout the year which provide assurance from a second line perspective e.g.

- **CIPFA Code of Financial Management Self-Assessment** – The Financial Management Code (FM Code) provides guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the Code authorities will be able to demonstrate their financial sustainability.

An initial self-assessment of the Council's current standing against each of the Financial Management Standards was carried out in March 2021. The self-assessment concluded that the Council has strong financial leadership and management which is underpinned by clear financial strategy. There is good engagement through the financial planning process which is underpinned by an integrated budget and commissioning process.

Positive assurance has been received in relation to the Council's system of internal control and there is a clear accountability framework in place for budgetary control with regular financial performance reporting. In terms of challenge and review processes, these are considered to be robust with challenge received through Audit and Governance Committee, star chamber and internal business case processes. The Council has a clear and affordable capital investment strategy which is underpinned by robust business development process.

However, there are a range of challenges and opportunities that the Council faces. Longer term financial planning is challenging in the absence of a clear strategy for local government funding and pressures on income collection rates are likely as we recover from COVID-19. Financial challenges linked to increasing demand particularly in relation to social care agenda are acknowledged and the Council will need to review its level of reserves in the context of fast moving and challenging economic environment. A new financial system with updated processes designed to further improve financial management information and financial governance is planned to be implemented 2022/23.

- **Annual Complaints report** – .this will likely to be produced in August and will be considered for the final version of the AGS.
- **Annual Fraud Report 2020/21** – reported to Audit and Governance Committee 22 April 2021. It highlights the work that has been undertaken for the prevention and detection of fraud, corruption and financial misconduct In

2020/21. No Major were reported. The report highlighted the work undertaken to prevent fraud in relation to business grants. It was also reported that the number of external and internal referrals relating to allegations of fraud or financial misconduct, significantly fewer than in previous years. The Council's is reviewing the content and promotion of its Whistleblowing Policy and other reporting mechanisms.

- **Annual Scrutiny report** – reported to Full Council on 27 May 2021. It provides a summary of the work undertaken by scrutiny in 2019-20 and outlines future work programmes.
- **Annual Standards and Adjudication Committee Report** – reported to the Standards and Adjudication Committee 16 December 2020. This report presents the latest annual report of the Standards and Adjudication Committee. In addition to general information about the committee, it provides an overview of the committee's work on handling complaints alleging breaches of the Members' Code of Conduct. No major issues were identified.
- **Audit and Governance Committee Annual Report 2020/21** – reported to Audit and Governance Committee 22 April 2021 and Full Council June/July 2021. It summarises the activities of the Committee and demonstrates how it has discharged its duties. It also reports on the outcome of the Audit Committee's self-assessment against good practice. No issues of non-compliance were identified.
- **Capital Programme Quarterly Update Reports** – the Estates and Business Development Manager, provides quarterly update reports on the delivery of the Capital Programme. These reports provide an update on the overall status and highlight any specific risks, including slippage on major projects, where additional mitigation may be required and further actions are agreed. In 20/21 some significant risks were identified in relation to delivery which could impact on the delivery of the Councils Economic and Financial Strategy. Several projects quoted Covid-19 as having some impact on delivery. Also, an exercise was undertaken to understand schemes in the programme which could be specifically reprioritised/reprofiled to improve the revenue position during unprecedented times.
- **Information Governance and Security Annual Governance Report 2020/21** – reported to the Audit and Governance Committee 22 April 2021. This report outlines the key Information Governance activities undertaken by the Council in 2020 and provides assurance that the Council across all of its work areas and functions remains compliant with its legal obligations and follows good practice. Only one incident met the criteria requiring reporting to the Information Commissioner's Office (ICO), who determined that no further action was necessary.
- **Risk Management Annual Report** – due to be presented to Audit and Governance Committee on 24 June 2021.

- **Treasury Management Strategy Statement** – reported to Cabinet 10 February 2021 and Full Council 18 February 2021. The Statement conformed with Treasury Management regulations and no material breaches were reported.
- **Treasury Management Annual Report** – to be reported to the Audit and Governance Committee 24 June 2021.
- **Value for Money Annual Report 2020/21**- prepared by the Deputy Section 151 Officer and reported to the Audit and Governance Committee 24 June 2021. This report summarises activity during 2020/21 and identifies additional actions for 2021/22 and beyond. Despite the impact of COVID-19, a range of service reviews have been undertaken during 2020/21. A range of service reviews are planned across all areas of the Council's activities in 2021/22. These are detailed within the Council's latest approved Finance and Commissioning Plans.

Inevitably COVID-19 will continue to have significant impact upon the Council's activities and the impacts are anticipated to continue well into 2021/22. Nevertheless, the pandemic has required the Council to work differently and in some ways more effectively. The Council plans to build upon these more effective ways of working to improve its overall value for Money.

Third Line of Assurance (independent oversight)

Head of Internal Audit Annual Report and Opinion 2020/21 – the report will be taken to Audit and Governance Committee on 22 July 2021. As of 10 June 2021 the Head of Internal Audit has indicated a satisfactory opinion on the control environment, subject to the completion of outstanding audit work. He has also concluded that Covid-19 has not had a significant impact on the Council's systems of control, whilst recognising that some planned enhancements to them have inevitably had to be delayed during 2020/21. He has also indicated that the opinion will make reference for the need for the Council to ensure there is sufficient and appropriate capacity within its governance and internal control arrangements to support its ambitious aspirations to make sustained improvements to the "Place", as well the implementation of its Post-Pandemic Recovery Programme.

External Audit – the External Auditor's opinion on the Accounts and Value for Money arrangements is scheduled to be issued by 30 September 2021. The final version of the AGS will incorporate the outcome of the audit.

The Office for Standards in Education, Children's Services and Skills (Ofsted)

Ofsted inspects and regulates services that care for children and young people and those providing education and skills for learners. As was reported previously a focused visit to the "front door" in March 2019 was carried out. A detailed improvement plan was developed by the Director of Children's Services and approved by the DfE and Ofsted, which focused improvement across four priority areas. A second visit was subsequently undertaken in October 2019. This reported

that there continued to be significant weaknesses in the quality of services for children in need and those in need of help and protection. The DfE identified a set of nine escalation measures and set a minimum target of achievement against each by the 31 March 2020. Through focused drive, the target for all escalation measures were met by the deadline set.

The Council received formal notification from the Parliamentary Under-Secretary of State for Children and Families that they were satisfied that sufficient progress had been made and that the Council could now focus on embedding quality of practice across Children's Social Care. A number of actions were put in place which were described in the 2019/20 AGS.

During 2020 South Tyneside Council carried out a "Practice in Partners Peer Review" of the Front Door and Early Help Service. It reported that the Council had come a long way at a significant pace and acknowledged "the extent and urgency of the ambition to ensure that children and families receive a high-quality service which makes a real difference to the lives". It made some suggestions for management and practice development.

In May 2021 OFSTED carried out a further focused visit of the "front door". The outcome of the inspection found that significant progress had been made and that children in NEL were safe. However, Ofsted advised that the scope of the assurance visit was relatively narrow and the DfE may not remove the Improvement Notice until Ofsted have undertaken a full ILACS inspection which scrutinises every element of the early help and social care system. Therefore, the Improvement Board, underpinned by the Transformation Plan remains in place. Governed by the DfE, with representation from Chief Executive, Portfolio Holder for Children, DCS and lead officers from partner organisations.

The Ofsted findings were positive and supported the Council's own understanding that its improvement plan has been successful, albeit slowed down by the impact of the pandemic. This has predominantly affected its ability to recruit new permanent social workers, as people have been less willing to travel across local authority areas, and NELC is reliant on a workforce supply from neighbouring authority areas.

In addition during 2020/21 the Council appointed a new Director of Children's Services reporting to the Deputy Chief Executive, whilst subsequent appointments have been made to all senior manager posts within Children's Services.

Other External Inspections and peer reviews - other Inspections have taken place in year:

- PSN Code of Connection IT Health Check
- The NHS Data Security and Protection Toolkit assessment
- Virtual inspection by Environment Agency in relation to waste transfer station and storage of waste
- General Register Office Local Authority Annual Performance Report - annual assurance to the Registrar General in relation to service delivery, performance, public protection & counter fraud and the requirements set out in the Registration Acts.

Local Government and Social Care Ombudsman - The Ombudsman is responsible for independently investigating complaints that have not been resolved by the organisation. Its Annual Letter will be issued to the Council in August 2021.

6. Response to COVID-19

COVID-19 has had considerable impact on the delivery of the Council's responsibilities and governance arrangements to support them. In line with the guidance from CIPFA the Council has assessed its response in three areas:

- *Adaptations to reflect new ways of working and emergency arrangements*
- *Changes to 'business as usual' activities, including cessation or reduced frequency or scale of activities*
- *Longer-term changes to priorities, programmes, strategies and plans as a result of the impact of the pandemic on the organisation and the local area*

The Council carried out a detailed assessment against each of three areas as shown on Appendix 1. The assessment demonstrated that:

- The Council responded quickly to the pandemic and put in new working and emergency arrangements at an early stage. Its swift and flexible approach, including the implementation of emergency decision making ensured that it was able to operate within its agreed governance framework.
- Via the enhanced use of technology, the Council managed to maintain most of its activities. Inevitably, however, there were some its activities which were impacted, particularly those requiring face to face contact.
- Early in the pandemic, the Council developed recovery plans, and these have been consolidated into updated Commissioning Plan which were approved by Cabinet in February 2021. The development of some plans and projects have been delayed due to the impact of COVID, but other elements and areas of work have been accelerated.
- Overall, no significant control issues have been identified as a result of the pandemic. The Council, however, has recognised that the continued recovery from it will remain challenging, and as a result it has been identified as an area of focus for 2021/22 as shown in section 7 of the AGS.

7. Governance Challenges for 20/21

The review of governance arrangements has identified the main areas where the Council will need to focus its efforts during 2021/22 to address changing circumstances and challenges identified. These are detailed below:

- **Children and Family Services:**
 - Following on from the notification from Ofsted that they are satisfied that progress is being made to improve services, the Improvement Board will remain in place until the improvements made have been sustained, underpinned by a refreshed transformation plan for 2021-22 which maintains the strategic position and direction of children's services, aligning to the outcome's framework and the Council Plan for 2021-24.

- The children's social care transformation action plan incorporates the areas identified for improvement through the Council's own self-assessment of social work practice, and the recommendations from the Ofsted assurance visit, to focus efforts on the priority areas for development.

Future actions identified within Children and Family Services also include:

- Refreshing of the transformation plan, to further join up Assistant Director portfolios to deliver the joint priorities; and
 - Implementing quality assurance framework to further strengthen governance across children's services
- **COVID-19 Recovery:**
The Council has recognised that the continued recovery from the impact COVID-19 will remain challenging. This is reflected in the updated Commissioning Plan approved by Cabinet in February 2021.

The Council Plan is being developed and references the impact of COVID-19 and on-going recovery. We will also revisit our business plan through the financial planning process in the coming months, as the uncertainties surrounding the on-going impact of the pandemic begins to crystallise.

- **Programme Management:**
The Council currently has a large number of key projects in place designed to support the Council's, the Place's aspirations and to capitalise on the Levelling Up Fund opportunities coming through government. The Council recognises that these projects will need to be tightly managed within its capacity constraints and, therefore, from March 2021, set up a Major Projects Group made up of senior officers to regularly review the progress of these key projects. The Group produces a regular update report for Leadership Team and, where the delivery of a project appears to be slipping, ensures actions are put in place by the relevant project sponsor and manager. In addition, progress on these projects will be regularly reported to Informal Cabinet.
- **Capacity:**
The People Strategy recognises the Council's ambitious agenda to improve the place, continue to implement the Children's Improvement Plan and manage the response and recovery from the pandemic. The Council acknowledges that capacity to deliver on our outcomes will be challenging, the People Strategy aims to address these concerns through the introduction of a robust workforce planning process, which will encompass our succession planning framework, widening our reach to trainees through well a planned and ambitious approach. We will aim to become an employer of choice by ensuring that our policies are fit for purpose and reflect the ever-changing nature of the public sector workforce through hybrid working arrangements, improvements to our terms and conditions and by ensuring that we maintain the health, safety and wellbeing of our people.

- **Health and Social Care System:**

In February 2021, the Government issued a white paper on the future of Health and Social Care. This will have significant impacts on the Health and Social Care system from 2022/23 onwards including the delivery of Public Health and the Union with CCG. The Council is already working with its NHS partners to review its partnership governance arrangements to take account of the likely changes.

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Appendix 1

What adaptations have taken place to reflect new ways of working and emergency arrangements?

The Council responded quickly to the pandemic and put in new working and emergency arrangements at an early stage, including:

- An emergency governance framework was created to address lack of committee meetings at the beginning of the pandemic and to enable a swift response in direction of resources to meet COVID-19 emergency.
- Ability to hold committee meetings and whole staff group meetings remotely via Microsoft Teams using Live Events.
- The Council accelerated ICT transformation to enable staff to work from home..
- Guidance on complying with data protection and information security requirements whilst working from home was reviewed, updated, enhanced and communicated to all staff.
- Developed and implemented policy around managing staff in an emergency situation setting out how the Council will maintain critical service delivery and employee deployment to support critical services.
- For those areas where face to face contact was required essential front-line services were re-designed to minimise the risk of infection to staff remaining at work. Relevant guidance was provided to staff on how to keep safe and Council buildings were risk assessed and made COVID-19 secure
- Provided advice, guidance, support and grants to local businesses and the voluntary community sector.
- Created Covid-19 Support Team, to provide advice, guidance, support and enforcement in businesses and public open spaces.
- Public Health took the lead role in the local response to the pandemic and all the work of the whole public health team has been focussed on our local response to it. It is impossible to detail all the adaptations that have taken place in Public Health during 2020/21 as a result of the pandemic, but these are the headlines: -
 - Public Health and the CCG have led the tactical response to the covid pandemic from a health and care perspective. New ways of work have been formed and embedded for the future.
 - Numerous new boards were established including, for example, weekly Outbreak Control Steering Group and twice weekly Care Home Infection Management team meetings.
 - A whole new team has been established focussing on community Lateral Flow Testing and contract tracing and isolation support, led by a newly recruited, TTI project manager.
 - Government funding has been received directly into public health to respond to the pandemic including contain outbreak management funding (COMF), community testing funding and funding to support those who are isolating due to either becoming infected with COVID-19 or being a close contact.
 - Briefings to the portfolio holder have been increased to fortnightly. Updates have been provided to senior leaders on a weekly basis

through leadership meetings and additional weekly COVID-19 keeping in touch meetings.

- New processes and close working relationships have been established with schools, local employers, housing providers etc. Regular tailored briefing sessions /webinars have been provided. Meetings have taken place with individual schools, employers, and care providers when and as particular outbreaks have taken place. Action plans have been put into place to contain outbreaks.
- Close working with the communications team and with the local media to ensure clear and consistent messages are provided to the public. Regular QAs with the public and appearances on local radio and TV by the DPH and public health consultants throughout 2020/21.
- There has been constant monitoring of the COVID-19 intelligence and the production of a weekly NEL COVID-19 epidemiology report.
- Production and dissemination of a rapid COVID-19 Impact Health Needs Assessment.

What changes to 'business as usual' activities, including cessation or reduced frequency or scale of activities occurred due to covid?

Via the enhanced use of technology the Council has managed to maintain most of its activities. Inevitably, however, there were some activities which were impacted, particularly those requiring face to face contact, such as:

- In Adult Social Care there was reduced face to face activity at the front line (providers), adaptations for infection control measures, and increased monitoring of providers/workforce and activity levels.
- In Children and Families there were changes to the frequency of face-to-face contacts dependent on risk assessments.
- In Public Health, following an initial cessation of front-line public health services (substance misuse, smoking cessation, sexual health, wellbeing service), they were all quickly moved onto providing targeted intervention to the most vulnerable, including virtual service delivery. They are now providing some face-to-face delivery in adherence with all COVID-19 guidance. All are continuing to adapt operating procedures based on the knowledge that they have gained over the last year and following emerging guidance.
- Many of the projects and programmes of work which form the Public Health Project Log had to be delayed in 2020/21 due to Public Health leading the response to the COVID-19 pandemic and the production, co-ordination, and delivery of the NEL Outbreak Management Plan. A number of other projects however were brought into real focus as a result of the pandemic, such as the Suicide Prevention Framework.
- Changes for registration of births, marriages, and deaths during 2020/21. Returning to normal but restrictions still in place for numbers attending marriage ceremonies and appointments with social distancing for activity not possible online.
- Some restrictions still in place at community recycling centres sites due to disruptions in waste disposal chains.
- Reduced pro-active food and trading standards inspections expected to remain until full re-opening of business economy.

- Waste and Street Cleansing Team was scaled up to manage increased demand and is expected to remain in place until September 2021.
- Significant changes were temporarily required in Bereavement Services operating hours to respond to the impact of COVID-19 at the end of 2020.
- Backlog of inquests in Coroner's Service.
- Closure of Customer Access Point with staff redeployed to the contact centre.
- Reduced on site meetings with local businesses however they are now starting to take place as COVID-19 restrictions ease.
- Closure of leisure centres, libraries and museums which have now reopened.
- A number of service improvement projects were put on hold and support staff from CSSU were redeployed to support the shielding arrangements. In the main these staff have now returned to their normal roles.
- Inevitably there was impact on some of our major projects and transformation programmes, many had to be paused or slipped into the following year. This impacted on our budget for the year, creating overspends within many areas. The impact of this is being revisited on a regular basis, and where possible and appropriate projects and programmes are running again.
- Moving to agile meetings, including Council, suspension of scrutiny initially but with a single panel meeting agilely to scrutinise decisions, Audit and Governance Committee reviewed plans and approach etc.

What longer-term changes to priorities, programmes, strategies, and plans have occurred as a result of the pandemic?

Early in the pandemic, the Council developed recovery plans, and these have been consolidated into an updated Commissioning Plan which were approved by Cabinet in February 2021. The development of some plans and projects have been delayed due to the impact of COVID-19, but other elements and areas of work have been accelerated. Examples of longer-term changes as a result of the pandemic include:

- Looking to maximise opportunities for digital enhancements within Adult Social Care, including better use of information and insight data to manage demand.
- Provider sustainability within Adult Social Care.
- Reviewing the approach to Business Continuity Planning, with a change to the response so it based on service reduction, rather than personnel reduction.
- Building on early help work to reduce the risks associated with children needing to come into care or experience harm.
- Maximising on digital opportunities to engage an increased number of children and young people in meetings where decisions are being made about them.
- Review of the children's social care recruitment and retention plan to address the reduction in recruitment to social worker posts as an impact of covid.
- Anticipating significant increased demand across Public Health services during recovery from 2021/22 onwards and expecting additional action to address increased inequalities, as a direct and indirect impact of COVID-19.
- The Public Health grant reserve will be used to progress the projects which had already started which needed to pause during the pandemic. However, it will also be used to ensure a suitable and targeted response to the impact of unemployment, social isolation, mental ill-health as well as appropriately

responding to the effect's compensatory behaviours such as over-eating, reduced exercise, increased alcohol usage and drug use.

- Ensuring the Public Health project log for 2021/22 onwards is adaptable so that plans can be reviewed and revised on an ongoing basis to enable us to respond to the health and wellbeing needs of our local communities.
- A cross council wide impact assessment has been carried out to inform priorities.
- Amending the recycling programme to manage additional amounts of paper/cards resulting from increased in internet shopping.
- Reviewing the Cleethorpes Resort plans to cater for changes in visitor patterns. Also anticipating the development of a Tourism Recovery campaign to help support the recovery of the tourism, retail, and hospitality sectors.
- Adjusting the approach to housing rough sleepers has increased the pressure on finding suitable accommodation and the need to acquire additional housing stock and increased resource to deliver positive outcomes.
- Delaying the delivery of some projects such as the business intelligence hub, and the implementation of the new finance system and human resources/ payroll system.
- Accelerating elements of the M365 programme to support remote working.
- Reviewing the impact of COVID-19 on the economy and taking this into account when renewing the Council's Economic Strategy.
- Delivering the 'Reopening the High Street' project funded by ERDF, the Welcome Back fund, and the Coastal Fund.