

BABERGH DISTRICT COUNCIL

Minutes of the meeting of the **JOINT AUDIT AND STANDARDS COMMITTEE** held in the Frink Room (Elisabeth) - Endeavour House on Monday, 28 March 2022

PRESENT:

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|--------------|-----------------|------------------------|
| Councillors: | Melanie Barrett | James Caston |
| | Rachel Eburne | Bryn Hurren (Co-Chair) |
| | Mary McLaren | Dave Muller (Co-Chair) |
| | Mike Norris | John Nunn |

In attendance:

Officers: Emily Yule – Monitoring Officer
John Snell – Corporate Manager – Internal Audit and Risk

Apologies:

Councillor Austin Davies

65 DECLARATION OF INTERESTS

65.1 There were no declarations of interests by Councillors.

66 JAC/21/19 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 29TH NOVEMBER 2021

66.1 This item was deferred to the next meeting.

67 TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH THE COUNCIL'S PETITION SCHEME

67.1 None received.

68 QUESTIONS BY THE PUBLIC

68.1 None received.

69 QUESTIONS BY COUNCILLORS

69.1 None received.

70 JAC/21/20 MANAGING THE RISK OF FRAUD AND CORRUPTION - ANNUAL REPORT

70.1 The Corporate Manager – Internal Audit and Risk Management introduced the report and made members of the committee aware of the key points within the report.

- 70.2 Councillor Norris enquired if the single resident discounts removed as detailed in paragraph 3.16 of the report were as a result of deliberate fraud or residents forgetting to inform changes of circumstance and how much had been recovered.
- 70.3 The Corporate Manager – Internal Audit and Risk replied that a mixture of deliberate and non-deliberate claimant error had resulted in the figures stated and amounts recovered would be reported back to committee when available.
- 70.4 Councillor Caston asked if more details could be given regarding the instance of administration error and what training the staff member responsible received.
- 70.5 The Corporate Manager – Internal Audit and Risk replied that more details on training received could be given outside of the meeting.
- 70.6 Councillor Caston enquired how the right to buy rejected due to funds not being able to be verified had been detected.
- 70.7 The Corporate Manager – Internal Audit and Risk Management replied that the applicant lived in the country however funds were being supplied from overseas where the regulations were not as stringent. This had been identified by a housing officer and challenged and the information supplied was not satisfactory so the right to buy application was stopped until more information had been received.
- 70.8 Councillor Caston asked if housing officers currently receive money laundering training. The Corporate Manager – Internal Audit and Risk Management confirmed that they did.
- 70.9 Councillor McLaren stated that on several occasions within the report it said that internal audit enables and empowers managers to identify fraud and asked how this could be demonstrated.
- 70.10 The Corporate Manager – Internal Audit and Risk replied that there were key controls to test robustness and there was also a fraud risk register which was helpful to internal audit and corporate managers to demonstrate controls.
- 70.11 Councillor McClaren also stated that in her experience it was not always a manager who picked up fraud and junior staff members should also be alert.
- 70.12 Councillor Eburne stated that the language within the report indicated that most instances were due to error or not understanding processes rather than deliberate fraud and asked for reassurance that training was given to officers to enable these to be identified during daily routines and could an indication be given of the workload taken to resolve the administration error that had occurred.

- 70.13 The Corporate Manager – Internal Audit and Risk Management reassured Councillor Eburne that the workload to resolve all issues were proportionate.
- 70.14 Councillor Barrett stated that studies show that fraud at works typically begins with errors which are not detected which can then develop into fraud.
- 70.15 The Corporate Manager – Internal Audit and Risk Management stated that he was familiar with profiles and that errors should not just be dismissed.
- 70.16 Councillor Hurren asked if people with two houses both claiming single resident discount was illegal, the Corporate Manager Internal Audit and Risk Management stated he would investigate and report back outside meeting.
- 70.17 Councillor Hurren enquired if the Council had sufficient funds to handle a major cyber security event.
- 70.18 The Corporate Manager – Internal Audit and Risk Management stated that the audit for cyber security would be reported at year end with reasonable assurance given.
- 70.19 Councillor McClaren said that financial hardship would lend itself to potential fraud and enquired how integrated systems were.
- 70.20 The Corporate Manager – Internal Audit and Risk Management stated that a close relationship existed with Shared Revenue Partnership which was hosted by Ipswich Borough Council and that Corporate Managers needed to manage their systems and be vigilant.
- 70.21 Councillor Muller asked if it was known when the public email address for fraud reported would be implemented. The Corporate Manager – Internal Audit and Risk Management informed the committee that it was planned for the email address to be live later in the week.

It was RESOLVED :

That the contents of report JAC/21/20 detailing the progress made in ensuring there are effective arrangements in place across both Councils to minimise the risk of fraud and corruption be noted.

71 JAC/21/21 INTERNAL AUDIT PLAN 2022/23

- 71.1 The Corporate Manager – Internal Audit and Risk Management introduced report JAC/21/21
- 71.2 Councillor Eburne asked if paragraph 5.5 in the report included CIFCO and if issues with staff vacancies had impacted the audit work.
- 71.3 The Corporate Manager – Internal Audit and Risk Management replied that the works completed on the governance of CIFCO would be included in the year end report and that SLT were consulted regarding concerns including

staff vacancies, support and additional controls.

- 71.4 Councillor Caston enquired if sufficient provision and resource had been put in place for the change of section 151 officer.
- 71.5 The Corporate Manager – Internal Audit and Risk Management replied that he had been working closely with the section 151 officer and conversations had taken place regarding the transition.
- 71.6 Councillor Barrett asked if the contract with Id Verde had been audited, the Corporate Manager – Internal Audit and Risk Management replied that he was aware of issues and was part of a working group reviewing the contract.
- 71.7 Councillor McClaren enquired if any improvements had been made to commissioning and procurement controls.
- 71.8 The Corporate Manager – Internal Audit and Risk Management replied that days had been programmed in the audit plan for next year.

It was RESOLVED:

That the contents of the Internal Audit report, supported by Appendix A, be noted.

72 JAC/21/22 COMPLAINTS MONITORING REPORT

- 72.1 The Monitoring Officer introduced report JAC/21/22 and summarised the key points within the report.
- 72.2 Councillor Eburne asked where Parish Councils could get advice from and if the number of complaints and time spent dealing with complaints had increased.
- 72.3 The Monitoring Officer replied that queries outside of the Monitoring Office remit were directed to SALC, the Information Commission or sometime advice was given by the Monitoring Office. Time spend dealing with complaints could vary, an increase in complaints had been seen during the pandemic.
- 72.4 Councillor McClaren asked if a list of the Independent Persons was available in the public domain, the Monitoring Officer replied that the details were available on the Council's website.
- 72.5 Councillor McClaren voiced her concern that there may be a lack of knowledge or experience in some parish councils.
- 72.6 The Monitoring Officer stated that some parish councils were more self sufficient than others and this sometimes depended on the parish clerk, if a correlation between vacancies and complaints is identified then support would be offered and the Monitoring Office also worked closely with SALC.

72.7 Councillor Caston stated that it was really important to support the Parish Clerk

It was RESOLVED:

That the Code of Conduct Complaints monitoring information contained in report JAC/21/22 be noted.

73 JAC/21/23 FORWARD PLAN

73.1 Comments were made regarding the Significant Risk Register item in September and differing workloads for meetings.

73.2 Councillor Hurren made the committee aware of the Eastern Regions Chairs meeting which was next meeting in July and an update would be brought to following meeting.

The business of the meeting was concluded at 11.05 am.

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Chair