

## **BABERGH AND MID SUFFOLK DISTRICT COUNCILS**

Minutes of the meeting of the **JOINT AUDIT AND STANDARDS COMMITTEE** held in the King Edmund Chamber, Endeavour House, 8 Russell Road, Ipswich on Wednesday, 22 March 2023

### **PRESENT:**

Councillors:	James Caston	Austin Davies
	Rachel Eburne	Bryn Hurren (Co-Chair)
	David Muller (Co-Chair)	Zachary Norman
	Mike Norris	John Nunn
	Alison Owen	

### **In attendance:**

Officers:	Interim Monitoring Officer (IA)
	Corporate Manager – Internal Audit (JS)
	Governance Officer (BW)

### **DECLARATION OF INTERESTS**

There were no declarations of interest.

### **JAC/21/45 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 30 JANUARY 2023**

It was **RESOLVED: -**

**That the minutes of the meeting held on the 30th January 2023 be confirmed and signed as a true record.**

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

None received.

### **QUESTIONS BY THE PUBLIC**

None received.

### **QUESTIONS BY COUNCILLORS**

None received.

### **JAC/21/46 MANAGING THE RISK OF FRAUD AND CORRUPTION ANNUAL REPORT 2022/23**

116.1 The Chair invited the Corporate Manager – Internal Audit to introduce report JAC/21/46 to the committee.

- 116.2 Councillor Norris queried who the preceptors were in relation to single resident council tax discounts. The Corporate Manager – Internal Audit responded that the precept was the money paid back to Suffolk County Council.
- 116.3 Councillor Davies queried how this report had compared to previous years. The Corporate Manager – Internal Audit responded that it was comparable to previous years and there tended to be low levels of risk, a proportional view is taken with anti-fraud work. However, if there were to be an increase more resources could be brought in if necessary.
- 116.4 Councillor Eburne questioned the money laundering training for officers, and how many had undertaken the training, and how often refresher courses would be. The Corporate Manager – Internal Audit responded that the training had been planned for this year and was compulsory for all staff. The module had a tracker to monitor the number of people who had completed the training, anyone who had not completed the training would have an email sent to their manager. Refresher training would be provided within the next year.
- 116.5 Councillor Eburne questioned whether the number of public referrals were in keeping with other councils. The Corporate Manager – Internal Audit responded that the reporting platform was new and had only been in place since December. Previously the system had been shared with Suffolk County Council and since the move to the new system there had been an increase in reports.
- 116.6 Councillor Caston queried why every Director had been trained on money laundering opposed to having one champion, and whether there was a flowchart on the reporting process. The Corporate Manager – Internal Audit responded that he was the key money laundering reporting officer. Additionally, within the prevention of financial crime policy there was a reporting process in place, where in the event that money laundering is suspected, it got reported to the Corporate Manager – Internal Audit with reports being on a need-to-know basis.
- 116.7 Councillor Caston questioned how encryption of pdfs and prevention of malware fit in the strategy and how they were dealt with. The Corporate Manager – Internal Audit responded that there was regular contact with the Corporate Manager for ICT and Programme Management and through the Annual Governance statement an overview of the systems in place is provided. Additionally, an audit in cyber security had been recently undertaken by an external audit company.
- 116.8 Councillor Hurren highlighted the rating of no concern on Right to Buy properties and queried whether the previous case of right to buy refusal was resolved satisfactorily. The Corporate Manager – Internal Audit responded that the concern was reported through the proper channels and reported to the national crime office, and whilst the council did not hear the outcome from

the national crime office, the proper council process was followed.

- 116.9 Councillor Caston questioned whether in terms of Right to Buy if there was suspicion on the source of the money whether the council had the powers to look at the source of the funds. The Corporate Manager – Internal Audit responded that in cases where there was suspicion a crime officer would be involved and it would be referred to the police.
- 116.10 Councillor Caston queried how whistleblowing was managed so that people could report it freely. The Corporate Manager – Internal Audit responded that all reports would be treated in confidence and would be anonymous. The report would go to the Monitoring Officer, the Section 151 Officer, and the Corporate Manager – Internal Audit and would be investigated to see if there was a strong case, following this HR would be liaised with and a summary of what action had been taken would be provided.
- 116.11 Councillor Muller queried whether future members of the Joint Audit and Standards Committee could receive a briefing on money laundering. The Corporate Manager – Internal Audit responded that the training module could be extended to Councillors and the slides that went to Corporate Managers could be circulated to committee members.
- 116.12 Councillor Caston proposed that the contents of this report detailing the progress made in ensuring there are effective arrangements and measures in place across both Councils to minimise the risk of fraud and corruption be noted.
- 116.13 By a unanimous vote.

**It was RESOLVED: -**

**That the contents of this report detailing the progress made in ensuring there are effective arrangements and measures in place across both Councils to minimise the risk of fraud and corruption be noted.**

#### **JAC/21/47 INTERNAL AUDIT PLAN 2023/24**

- 117.1 The Chair invited the Corporate Manager – Internal Audit to introduce report JAC/21/47 to the committee.
- 117.2 Councillor Caston questioned whether any changes or adaptations being made from an audit perspective in relation to the self-referral to the housing regulator. The Corporate Manager – Internal Audit responded that as this was an ongoing exercise it had been scheduled to be looked at on a later date. Additionally, the Corporate Manager – Internal Audit would do a health check with the Director – Housing in terms of what was recommended and how it was implemented. The Interim Monitoring Officer added that the Senior

Leadership Team had sight of the risk register and injunctions had been taken out on residents of council properties who were refusing entry for gas inspections.

117.3 Councillor Eburne queried the performance management framework and how internal audit would work with reporting on areas that were not doing well, and how this was linked with financial objectives. The Corporate Manager – Internal Audit responded that this had not been looked at in detail in the past, the providing of relative reports would link performance with financial implications and risk. These disciplines would be grouped together in a report for Members including the framework in terms of the KPIs and how they are managed and reported.

117.4 Councillor Davies questioned why the strategic plan for the council to achieve net zero by 2030 had not been included as a strategic target within the plan. The Corporate Manager – Internal Audit responded that the climate change action plan would be monitored by the director and emerging risks would be raised with directors and included within the plan as it was flexible with emerging risks.

117.5 Councillor Hurren queried the fees and charges and how they fit into Audit. The Corporate Manager – Internal Audit responded that it related to income streams and that the council's fees and charges were in line with those of other councils and not over or under charging for services.

117.6 Members thanked the Corporate Manager – Internal Audit for his report, and for his work over the last term.

117.7 Councillor Hurren proposed that the contents of the Internal Audit report, supported by Appendix A, be noted.

117.8 Councillor Caston seconded this motion.

117.9 By a unanimous vote.

**It was RESOLVED: -**

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

### **JAC/21/48 COMPLAINTS MONITORING REPORT**

118.1 The Chair invited the Interim Monitoring Officer to introduce report JAC/21/48 to the committee.

118.2 The Complaints Monitoring Report was noted.

### **JAC/21/49 FORWARD PLAN**

119.1 It was noted that the Statement of Accounts and Auditors Report 2022/23 be amended to read Statement of Accounts and Auditors Report 2020/21.

The business of the meeting was concluded at 15:20 pm.

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Chair