



## **24 QUESTIONS BY COUNCILLORS**

24.1 None received.

## **25 JAC/20/13 MANAGING THE RISK OF FRAUD AND CORRUPTION ANNUAL REPORT 2020/2021**

25.1 John Snell – Corporate Manager Internal Audit and Data Protection and Data Protection introduced report JAC/20/13 which detailed the arrangements in place and the works undertaken to deter, prevent and detect fraud and corruption.

25.2 Councillor McLaren enquired if the representation on the Suffolk Counter Fraud Group was an officer and if they produced any reports.

25.3 The Corporate Manager – Internal Audit and Data Protection and Data Protection stated that no reports were produced, the main benefit of the representation was knowledge and best practise sharing.

25.4 Councillor McLaren noted that most of the fraud investigations were Housing related and asked if the Tenant Services team had enough resources to cope.

25.5 The Corporate Manager – Internal Audit and Data Protection and Data Protection replied that although the pandemic had made identifying fraud more difficult, he was not aware from the Tenant Services team that they were under resourced.

25.6 Councillor Matthissen enquired if a report from the Suffolk Counter Fraud Group could be added to the Joint Audit and Standards Forward Plan.

25.7 The Corporate Manager – Internal Audit and Data Protection and Data Protection stated that the Managing Risk of Fraud and Corruption report was brought to Joint Audit and Standards annually and any major issues in between would be reported to the Chairs of this Committee and the Section 151 Officer for attention.

25.8 Councillor Matthissen asked if a statement specific to the discussions of the Suffolk Counter Fraud Group could be included in the next annual report to Joint Audit, which the Corporate Manager – Internal Audit and Data Protection and Data Protection agreed would be done.

25.9 Councillor McCraw queried the performance figures which the Corporate Manager – Internal Audit and Data Protection and Data Protection stated in his introduction to the report as they differed to the figures in the report.

25.10 The Corporate Manager – Internal Audit and Data Protection and Data Protection confirmed that the figures within the report were correct.

- 25.11 Councillor McCraw asked for confirmation that the amounts stated in the report for claims and over payments were correct as they seemed to be relatively small.
- 25.12 The Corporate Manager – Internal Audit and Data Protection and Data Protection confirmed that the amounts within the report were correct.

**It was RESOLVED:-**

**That the contents of report JAC/20/13 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.**

## **26 JAC/20/14 INTERNAL AUDIT AND DATA PROTECTION PLAN 2021/2022**

- 26.1 John Snell – Corporate Manager Internal Audit and Data Protection introduced report JAC/20/14 highlighting the key facts and works to be undertaken.
- 26.2 Councillor McLaren enquired if the days allocated to Deputy Monitoring Officer duties was sufficient.
- 26.3 The Corporate Manager – Internal Audit and Data Protection stated that there were 3 Officers in the Monitoring Officer team and resources were resilient.
- 26.4 Councillor McLaren asked if her previous concerns regarding the procurement processes had been addressed.
- 26.5 The Corporate Manager – Internal Audit and Data Protection stated that the proposed audit work around the procurement processes had been deferred to 2021/22 because a report had been anticipated from the East of England LGA which had been delayed. It was therefore, agreed with management to carry forward the number of days to review the external report and carry out a health check against those recommendations.
- 26.6 Councillor Matthissen sought reassurance that as there were three officers in the Monitoring Officer team, a Monitoring Officer or Deputy Monitoring Officer would always be available.
- 26.7 The Corporate Manager – Internal Audit and Data Protection replied that there were sufficient resources to provide cover 5 days a week.
- 26.8 Councillor Matthissen enquired what the current Internal Audit and Data Protection staffing arrangements were.
- 26.9 The Corporate Manager – Internal Audit and Data Protection stated that currently there were 2 full time members of staff, together with an external audit provider providing a number of audit days.

- 26.10 Councillor Hurren asked how the work programme was developed and why planning did not appear within the programme.
- 26.11 The Corporate Manager – Internal Audit and Data Protection replied that there was a robust process in place to develop the plan, including conversations with senior management to identify areas of concern and the Professional Lead for Growth and Planning had flagged planning enforcement as an area of concern which is why this was in the programme.
- 26.12 Councillor Lindsay enquired what the work on the Environment stated in paragraph 5.5 entailed.
- 26.13 The Corporate Manager – Internal Audit and Data Protection stated that there are a set of priorities in the form of an action plan and the Internal Audit and Data Protection team would carry out a health check of that action plan and produce a RAG status of the action plan.

**It was RESOLVED:-**

**That the contents of the Internal Audit and Data Protection report JAC/20/14, supported by Appendix A, be noted.**

## **27 JAC/20/15 STATEMENT OF ACCOUNTS AND AUDITORS REPORT 2019/20**

- 27.1 Rebecca Hewitt – Assistant Manager, Financial Accountant introduced report JAC/20/15 explained what was contained in the Appendices of the report before asking Suresh Patel from Ernst and Young Auditors to present the Auditors Report.
- 27.2 Suresh Patel presented an overview of the audit report contained in JAC/20/15 and explained that the 2019/20 audit was still in progress however an unqualified opinion was likely to be given with a statement of material uncertainty which was not uncommon for 2019/20.
- 27.3 Vicky Chong from Ernst and Young Auditors provided an explanation of issues with property valuations which were detailed within the audit report.
- 27.4 Suresh Patel provided an explanation of the fees position and stated that the audit was planned to be complete by the end of April but achieving this would depend upon property valuations as this was reliant on external information.
- 27.5 Councillor Lindsay asked what checks were done on valuation information regarding CIFCO properties considering the issues identified with properties within Mid Suffolk and why those issues had not been identified previously.
- 27.6 Suresh Patel stated that it would be the responsibility of the CIFCO auditors to review their property valuation information, but the CIFCO auditors work had been reviewed with no concerns raised and that there had been a change of valuers for Mid Suffolk and the issues identified had been due to the information used by the new valuers.

- 27.7 Councillor Matthissen enquired whose decision it was to change valuer and the reason why.
- 27.8 Katherine Steel, Assistant Director - Corporate Resources explained that the previous valuer was a small organisation and they were not big enough to undertake the Councils work within the required timescales.
- 27.9 Councillor Matthissen asked if these issues had been ironed out for 2020/21.
- 27.10 Suresh Patel stated that the issues had been good learning and as there was to be no change in valuer for 2020/21 all issues should be resolved.
- 27.11 Katherine Steel, Assistant Director Corporate Resources added that the finance team had been working with the auditors and improvements were being put into practice.
- 27.12 Councillor Matthissen queried if the CIL administration fee monies could be put in reserves and asked what would happen if there were any rule changes.
- 27.13 Rebecca Hewitt, Assistant Manager Financial Accountant stated that previous years were being investigated to analyse what should have happened and what did happen.
- 27.14 Councillor McCraw asked if there would be any impact on the budget.
- 27.15 Katherine Steel, Assistant Manager Corporate Resources stated that the budgets were set in the correct way so there would be no impact.
- 27.16 Councillor Lindsay enquired if the CIFCO valuer had been changed and who the auditor was for CIFCO.
- 27.17 Katherine Steel, Assistant Director Corporate Resources replied that it was the responsibility of the CIFCO Board to appoint valuers and she believed the auditors for CIFCO was Ensors and that Emily Atack the Assistant Director – Assets and Investments would be able to provide further information.
- 27.18 Emily Yule, Monitoring Officer stated that CIFCO reported to the Council and the full Council meeting would be the correct place to raise any issues.
- 27.19 Recommendations 3.1 and 3.2 were **PROPOSED** by Councillor McCraw and **SECONDED** by Councillor Hurren. By 8 votes for and 1 against.

**It was RESOLVED:-**

- 1.1 **That delegation be given to the Councils' S151 Officer and the Chairs to sign the accounts (including the auditors unqualified opinion) once completed. This will include:**

**1.2 That, once complete, the joint external auditor's report for 2019/20 be approved.**

27.20 Recommendation 3.3 was **PROPOSED** by Councillor Hurren and **SECONDED** by Councillor McCraw. By 5 votes for.

**It was RESOLVED:-**

**1.3 That the Statement of Accounts for 2019/20 for Babergh District Council, produced following the completion of the audit be approved.**

27.21 Recommendation 3.4 was **PROPOSED** by Councillor Muller and **SECONDED** by Councillor Matthissen. By 4 votes for.

**It was RESOLVED:-**

**1.4 That the Statement of Accounts for 2019/20 for Mid Suffolk District Council, produced following the completion of the audit be approved.**

## **28 JAC/20/16 COMPLAINTS MONITORING REPORT**

28.1 Emily Yule, Monitoring Officer introduced report JAC/20/16 which provided an update on Code of Conduct complaints received or determined since last reported to the Committee.

28.2 Councillor Hurren asked if the complainants were made aware of complaints made against them.

28.3 The Monitoring Officer replied that it depended on the nature of the complaint made. The complainant would normally be made aware unless it had been determined that the complaint was a code of conduct complaint or if anonymity had been requested.

28.4 Councillor McLaren noted the difference between Babergh and Mid Suffolk Councils and asked where the complaints against district councillors usually came from.

28.5 The Monitoring Officer stated that complaints could be received from other Councillors or members of the public, but it would have no impact on how the complaints are dealt with.

28.6 Councillor McCraw asked if the Monitoring Officer could clarify the response to the LGA for the new model code of conduct regarding social media and its prevalent use.

28.7 The Monitoring Office replied that both councils responded in the Autumn of last year. With regards to social media the councils felt the new model code needed to provide greater clarity on acceptable behaviour on social media and the presumption of official capacity. However, this was not brought into the revised code.

- 28.8 A revised code had been published and was available for adoption but guidance was being produced for the LGA to provide further context about how the new model code could be applied and once that guidance had been received the revised model code of conduct would be taken to council.
- 28.9 Councillor McCraw asked when the revised model code of conduct would be brought to council and would it include any points regarding the use of social media from the public.
- 28.10 The Monitoring Officer replied initial indications were that the guidance was likely to be available in the latter half of the summer and the revised code would more than likely be brought to Council in July or September. With regards to public use of social media there was no way that the code of conduct or council could regulate public use however there was guidance and support available for councillors.
- 28.11 Councillor McLaren enquired if report JAC/20/16 would also be taken to Cabinet.
- 28.11 The Monitoring Officer replied that it would not as the remit for looking at code of conduct complaints sat with the Joint Audit and Standards committee.

**It was RESOLVED:-**

**That the Code of Conduct Complaints monitoring information contained in report JAC/20/16 be noted.**

## **29 JAC/20/17 FORWARD PLAN**

- 29.1 The Assistant Director - Corporate Resources stated that changes were being made to the forward plan and a revised version would be circulated to Members. The items to be taken to the meeting in May were confirmed.

The business of the meeting was concluded at 11:20am.

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Chair