

Minutes of the meeting of the **JOINT AUDIT AND STANDARDS COMMITTEE** held in the King Edmund Chamber, Endeavour House, 8 Russell Road, Ipswich on Monday, 27 September 2021

**PRESENT:**

Councillor:

Councillors:	Oliver Amorowson	Simon Barrett
	James Caston	Bryn Hurren (Co-Chair)
	Robert Lindsay	Mary McLaren
	Dave Muller (Co-Chair)	Mike Norris

**47 DECLARATION OF INTERESTS**

There were no interests declared by Members.

**48 JAC/21/5 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 26 JULY 2021**

**It was RESOLVED:-**

**That the minutes of the meeting held on the 26 July 2021 be confirmed as a correct record.**

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

None received.

**50 QUESTIONS BY THE PUBLIC**

None received.

**51 QUESTIONS BY COUNCILLORS**

None received.

**JAC/21/6 SIGNIFICANT RISK REGISTER REPORT AND RISK MANAGEMENT ACTIVITY**

- 52.1 The Corporate Manager for Internal Audit and Data Protection introduced the report. He explained that the document was a live document and that the Committee could provide feedback to the Senior Leadership Team and Cabinet.
- 52.2 Councillor Barrett referred to Risk 7 in Appendix A in relation to the Joint Local Plan (JLP) for Babergh District, in which land had been overturned from being employment land into non allocated land. He thought that decision had conflicted with the Economics team's plans and that the amount of commercial availability of land to enable the right conditions for developers was not coming though in the JLP. He considered this as being a risk, which should be highlighted.
- 52.3 He then referred to Risk 13 in Appendix A and the variance of the scores and asked whether this was still a valid risk projection, as the financial outturn was significantly better than predicted.
- 52.4 The Assistant Director for Corporate Resources responded that there had been a better outturn than predicted in the September Financial Outturn Report. However, a financial deficit was still predicted over the next three years, partly due to the uncertainty surrounding the New Homes Bonus and the loss of income from this scheme. She confirmed that the risk reflected the worst-case scenario and would remain so until the Government decided how to progress when the New Homes Bonus ended.
- 52.5 Councillor McLaren stated that risk management encompassed fit people, fit business and fit equipment. She thought there was a large people element in the Risk Register and asked what action the Senior Leadership Team had put in place to recognise that this risk was the largest part of the Risk Register.
- 52.6 The Corporate Manager for Internal Audit and Data Protection responded that in terms of resources to provide the services to residents, the Assistant Directors meet regularly with Corporate Managers to assess whether there was sufficient resources and skills sets to deliver services. This was an ongoing risk management process to ensure that both operational and organisational resources were in place to ensure that the Council was not exposed in terms of delivering the level of services expected.
- 52.7 In a response to a further question from Councillor McLaren, he assured her that regular 121 sessions were in place throughout the organisation and that these highlighted any arising issues with regards to staff resources. However, there was also the matter of horizon scanning of what might become an issue in the future and all managers were involved in an ongoing dialogue for staff resources, and how to attract staff to the upcoming vacant job positions within the teams.

- 52.8 Councillor Muller referred to Risk 15 in Appendix A and the introduction of staff flu vaccines in autumn 2021 and whether the Councils were planning to mass vaccinate staff.
- 52.9 The Corporate Manager for Internal Audit and Data Protection and the Assistant Manager for Corporate Resources responded that staff were encouraged to follow the Government's guidelines for Flu Vaccines. The Tactical Management team had acknowledged that members of staff should automatically be offered access to a Flu Vaccine and a voucher scheme was being considered, similar to schemes adopted by neighbouring councils.
- 52.10 Councillor Lindsay referred to Risk 18 in Appendix A and that this only reflected part of the Climate Change Motion agreed at Council. He suggested that the Council's own carbon emissions were added to the Risk Register and that the risk of the impact of climate change of the workings of the Council should be included.
- 52.11 The Corporate Manager for Internal Audit and Data Protection advised Members that he had proposed to include Climate Change and Carbon Reduction risks in the internal Audit Plan and undertake a 'health check' of the plan, which would be reported back to the Committee in due course.
- 52.12 Members considered the implication of large-scale planning applications being granted in relation to the Climate Change and Carbon Reduction Motions. Some felt that opportunities were being missed to ensure that future housing developments were environment and climate compliant. Whilst this might be the aspiration of the Councils, this would not be possible to undertake until the national regulation for housing had been published. Some Members thought that the Risk Register did not include enough detail for planning and developments and found this disappointing.
- 52.13 Councillor Amorowson enquired what the two largest emitters in Risk 18, Appendix A were, and the Corporate Manager would provide a response outside the meeting.
- 52.14 Councillor Caston thought future developments ought to be compliant with the Councils' 'green' objectives to reduce the risk of houses having to be retrofitted in the future to comply with the Councils' zero carbon policies. He referred to Risk 25 (Appendix A) and asked for clarification of the term 'Duty of Care' in the Health and Safety Risk management.
- 52.15 The Corporate Manager for Internal Audit and Data Protection would provide a response outside the meeting.
- 52.16 In response to Councillor Hurren's questions regarding Risk 19 (Appendix A), the Assistant Director for Corporate Resources responded that it was difficult to provide reassurance, as there were many unknowns in relation to the Covid-19 Pandemic including that the furlough scheme would come to an end soon.

52.17 Members debated the issues, including the concerns for the implication of the Risk Register in relation to climate change and carbon reduction across the Districts and not just the Councils' own carbon admissions. There were concerns that the targets originally set could not be achieved, and that there were significant risks in the Risk Register, which required further consideration by the Cabinet and the Senior Leadership Team.

52.18 Councillor Lindsay proposed that it was recommended to Cabinet and the Senior Leadership Team that the Risk Register be reviewed as a result of significant risks identified in the Risk Register.

52.19 This was seconded by Councillor McLaren.

**It was RESOLVED: -**

**That the Joint Audit and Standards Committee recommended to Cabinet and SLT that the Risk Register be reviewed based on the minutes of the meeting held on the 27 September 2021, as significant risks had been identified.**

### **53 JAC/21/7 ANNUAL AUDIT LETTER 2019/20**

53.1 The Chair invited Vicky Chong, External Auditor – Ernst and Young to introduce Paper JAC/21/7 and the attached Annual Audit Letter.

53.2 Councillor Lindsay queried the valuation of property (page 41) in relation to the reduced valuation of the property of £1m for Babergh.

53.3 The External Auditor explained how the auditors undertook annual evaluation of property in the audit process and that the adjustment had been made to ensure a fair property value in the accounts.

The Annual Audit Letter 2019/20 was noted.

### **54 JAC/21/8 FORWARD PLAN**

54.1 Members considered the Forward Plan, and some Members were concerned that the Forward Plan was short and that reports were for noting only.

54.2 Councillor McLaren felt that was important to hold the Cabinet and Council to account.

54.3 Councillor Muller thought the Committee had been fortunate that reports so far had been unqualified due to the efforts of officers.

54.4 Councillor Amorowson queried if responses to recommendations made to Cabinet and Council would be presented to the Committee in due course.

54.5 Councillor Caston felt that it was important to check through the reports coming to Committee.

54.6 The Forward Plan was noted.

The business of the meeting was concluded at Time Not Specified.

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Chair