



Babergh & Mid Suffolk District Councils

# Annual Governance Statement

2025 - 2026

# Contents

## Overview

<b>Foreword from the Councils' Chief Executive</b>	3
<b>Scope of Responsibility</b>	4
<b>What is Corporate Governance?</b>	5
<b>The purpose of the Governance Assurance Framework</b>	6
<b>How the Councils work</b>	7
<b>Key Roles</b>	8

## Review of Effectiveness

<b>Governance Framework Assurance</b>	11
<b>Opinion of the Chief Operating Officer (Monitoring Officer)</b>	12
<b>Opinion of the Director – Finance &amp; Procurement (S151 Officer)</b>	14
<b>Opinion of the Head of Procurement</b>	23
<b>Opinion of the Head of Internal Audit</b>	28
<b>Opinion of the Director – Property, Development and Regeneration</b>	34
<b>Opinions of the Human Resources and Organisation Development</b>	36
<b>Opinion of the Head of Strategic Policy</b>	41
<b>Opinion of the Head of Information Technology and Programmes</b>	44
<b>Opinion of the Data Protection Officer</b>	46
<b>Opinion of the Head of Communications and Engagement</b>	48
<b>Opinion of the Management of Health and Safety</b>	51
<b>Actions moving forwards</b>	54
<b>Approval of the Annual Governance Statement</b>	60



## Foreword from the Councils' Chief Executive

As Chief Executive, I am pleased to present the Annual Governance Statement for 2025/26, setting out the Councils' continued commitment to robust governance, transparency, and accountability during another year marked by significant financial and service pressures.

Local government continues to operate within a highly challenging environment. The cumulative impact of sustained financial constraints, alongside rising demand for essential services—including housing and support for vulnerable residents—has required difficult decisions across the sector. Our Councils have not been exempt from these pressures. Nevertheless, we have remained resolute in upholding strong governance as the foundation for responding effectively, responsibly, and in the best interests of our communities.

Over the past year, we have taken decisive action to strengthen our governance arrangements in light of these challenges. This has included rigorous financial oversight, enhanced transparency in decision-making, and strengthened scrutiny by Members and senior officers. We have continued to review and refine our systems of internal control to ensure they remain robust, proportionate, and responsive to emerging risks.

We have also maintained a clear focus on inclusion, equality, and meaningful community engagement. Despite ongoing

financial constraints, our approach remains firmly guided by the needs and voices of our residents. Our governance framework has supported the continuation of key services, prioritised support for the most vulnerable, and enabled us to pursue innovative approaches to transformation and efficiency.

Looking ahead, the financial outlook remains uncertain, particularly in the context of forthcoming Local Government Reorganisation and Devolution. In this evolving landscape, continued resilience, adaptability, and strong partnership working will be essential. The assurance set out in this Annual Governance Statement reflects our commitment to continuous improvement, organisational learning, and the high standards of public service that our residents rightly expect.

I would like to acknowledge the dedication and professionalism of our staff, Members, and partners in sustaining and strengthening the Councils' governance framework over the past year. Together, we will continue to navigate these challenging times with integrity, openness, and a shared determination to deliver the best possible outcomes for our communities.

**Arthur Charvonja**  
Chief Executive



## Scope of Responsibility

Babergh and Mid Suffolk District Councils are responsible for ensuring that its business is conducted in accordance with the law and proper standards to secure continuous improvement in the way in which its functions are exercised. It is also responsible for ensuring that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

In discharging this overall responsibility, the Councils are responsible for putting proportionate and appropriate arrangements for the governance of its affairs in place and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Councils have approved and adopted a local code of corporate governance, which is consistent with the principles of the CIPFA (the Chartered Institute of Public Finance and Accountancy) / SOLACE (the Society of Local Authority Chief Executives) Framework: Delivering Good Governance in Local Government Framework (2016 Edition)' and the Addendum, covering the annual review of governance and the Annual Governance Statement issued in May 2025.

This document explains how the Councils have complied with the code and meet the requirements of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control.

The governance arrangements over the Councils' wholly owned companies are incorporated within this Annual Governance Statement.

Good governance is important in ensuring good decision making and leadership in local authorities. Weakness in governance can have far reaching implications for individual councils and the people they serve.

It is therefore important for councils to have a way to work through what good governance looks like for them, to understand how the risk of weak governance can be minimised and be fully aware of the attitude and behaviours that underpin this.

The Leaders of each Council and the Chief Executive all recognise the importance of having good rules, systems and information available to guide the Councils when managing and delivering services to the communities of Babergh and Mid Suffolk.

Each year the Councils are required to produce an Annual Governance Statement which describes how its corporate governance arrangements have been working.

## What is Corporate Governance?

Good governance is about: “Achieving the intended outcomes while acting in the public interest at all times.”

Governance is about how the Councils ensure that they are doing the right things, in the right way, for the right people in a timely, inclusive, open, honest, and accountable manner.

Corporate governance generally refers to the processes by which an organisation is directed, controlled, led and held to account.

The Councils’ governance framework aims to ensure that in conducting its business it:

**Operates in a lawful, open, inclusive, and honest manner**

**Makes sure public money is safeguarded, properly accounted for, and spent wisely.**

**Has effective arrangements in place to manage risk?**

**Meets the needs of both districts’ communities.**

**Strives to continuously improve the way it operates**

# The purpose of the Governance Assurance Framework?

The governance framework includes a set of legislative requirements, governance principles and management processes which the Councils follow:

## Principles of corporate governance

### Principle A: Integrity and Values

- Staying true to our strong standards of conduct.
- Respecting the rule of law.
- Creating a culture where statutory officers and other key post holders are able to fulfil their responsibilities.
- Ensuring fraud, corruption and abuse of position are dealt with effectively.
- Ensuring a safe environment to raise concerns and learning from our mistakes.

### Principle B: Openness and Engagement

- Keeping relevant information open to the public and continuing their involvement.
- Consultation feedback from the public is used to support service and budget decisions.
- Providing clear rationale for decision making – being explicit about risk, impact and benefits.
- Having effective scrutiny to constructively challenge what we do and decisions made.

### Principle C: Defining Outcomes

- Having a clear vision and strategy setting out our intended outcomes for citizens and service users.
- Balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision.

### Principle D: Optimising the Achievement of the intended Outcomes

- Ensuring best value is achieved however services are provided.
- Ensuring arrangements are flexible so that mechanisms for delivering

services can be adapted in changing circumstances.

- Monitoring key performance indicators.
- Ensuring the achievement of 'Social Value' through service planning and commissioning.

### Principle E: Capability

- Clear roles and responsibilities for Council leadership.
- Maintaining a development programme that allows Councillors and officers to gain the skills and knowledge they need to perform well in their roles.
- Evaluating Councillors' and officers' performance, complaints and compliments to enable results (outcomes) to be measured and enable learning.

### Principle F: Managing Risk and Performance

- Ensuring that effective risk management and performance systems are in place, and that these are integrated in our business systems / service units.
- Having well developed assurance arrangements in place – including any commercial activities.
- Having an effective Audit Committee.
- Effective counter-fraud arrangements in place.

### Principle G: Transparency and Accountability

- Having rigorous and transparent decision-making processes in place.
- Maintaining an effective scrutiny process.
- Publishing up to date and good quality information on our activities and decisions.
- Maintaining an effective internal and external audit function.

This framework is used to examine the services being provided and whether they are satisfying the objectives set. The governance framework has been in place at the Councils for the year ended 31st March 2024 and up to the date of approval of the annual report and Statement.

## How the Councils work

1. Elected Councillors set the Councils' strategic leadership by developing and keeping under review the corporate priorities of the Councils. The priorities give a clear direction of what is important politically and how that will drive the work of Council services every day.
2. There is an established integrated planning process which ensures the Councils' services are delivered in accordance with the Councils' priorities and represents the best use of resources.
3. Performance is measured against corporate objectives.
4. Each Council has a written Constitution in place which specifies the roles and responsibilities of the executive, non-executive, scrutiny, and officer functions, setting clear delegation arrangements and protocols for effective communication.
5. Codes of Conduct have been developed which define the standards of behaviour for Councillors and employees.
6. The Constitution, Scheme of Delegation to members and officers, Financial Procedure Rules and other supporting procedures clearly define how decisions are taken and highlight the processes and controls required to manage risks, with appropriate review procedures.
7. The Joint Audit and Standards Committee promotes and maintains high standards in relation to the operation of the Councils' Code of Corporate Governance ensuring that the Councils operate within the law, in accordance with the Councils' internal procedures and follow the framework and guidance issued by CIPFA. The Committee is also responsible for monitoring the risk management framework and control environment to ensure the Councils' financial and non-financial performance is properly monitored.
8. Statutory officers support and monitor the Councils' governance arrangements, ensuring expenditure is lawful and the Councils continue to comply with relevant laws and regulations, internal policies, and procedures.
9. There are arrangements for whistleblowing and receiving and investigating complaints from the public, supporting the measurement of the quality of services for users.
10. The Councils seek to keep communities informed, giving local people the opportunity to get involved in the decision-making process, promoting local democracy, supporting and shaping places and local communities.

## Key roles

The key roles and responsibilities for developing and maintaining the Governance Framework are:

<b>The Council</b>	<ul style="list-style-type: none"> <li>• Approves the Corporate Plan.</li> <li>• Approves the Constitution (including the Financial Regulations).</li> <li>• Approves key policies and budgetary framework.</li> </ul>
<b>Cabinet</b>	<ul style="list-style-type: none"> <li>• The main decision-making body of the Council</li> <li>• Made up of the Leader of the Council and a number of Cabinet members with responsibility for different portfolios.</li> </ul>
<b>Joint Audit and Standards Committee</b>	<ul style="list-style-type: none"> <li>• Provides independent assurance to the Council on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control environment.</li> <li>• Promotes high standards of Member conduct and approves the Annual Statement of Accounts and Annual Governance Statement.</li> </ul>
<b>Joint Scrutiny Committee</b>	<ul style="list-style-type: none"> <li>• Supports and challenges the Council in carrying out its responsibilities.</li> </ul>
<b>Senior Leadership Team</b>	<ul style="list-style-type: none"> <li>• The Chief Executive has overall accountability for the governance framework.</li> <li>• Implements the policy and budgetary framework set by the Councils and provides advice to Cabinets and the Councils on the development of future policy and budgetary issues and oversees the implementation of the Councils' policy.</li> <li>• Accountability for developing and maintaining the Councils' governance and risk framework.</li> </ul>
<b>Director of Finance and Procurement (S151 Officer)</b>	<ul style="list-style-type: none"> <li>• Leads and directs the financial strategy of the Councils and ensures the Councils' control and manage their money well, being suitably qualified and experienced, and ensures the Finance Team is fit for purpose.</li> <li>• Contributes to the effective corporate management and governance of the Councils.</li> </ul>
<b>Chief Operating Officer (Monitoring Officer)</b>	<ul style="list-style-type: none"> <li>• Advises the Councils on ethical issues, standards, and powers to ensure the Councils operate within the law and statutory Codes of Practice.</li> <li>• Contributes to the effective corporate management and governance of the Councils.</li> </ul>

The key roles of those responsible for developing and maintaining the Governance Framework are:

<p><b>Internal Audit</b></p>	<ul style="list-style-type: none"> <li>• Provides independent assurance and opinion on the adequacy and effectiveness of the Councils’ governance, risk management and control framework.</li> <li>• Delivers an annual programme of risk-based audit activity, including counter-fraud and investigation activity.</li> <li>• Makes recommendations for improvements in the management of risk.</li> </ul>
<p><b>External Audit</b></p>	<ul style="list-style-type: none"> <li>• Audits / reviews and reports on the Councils’ financial statements (including the Annual Governance Statement), providing an opinion on the accounts and use of resources, concluding on the arrangements in place for securing economy, efficiency, and effectiveness in the use of resources (the value for money conclusion).</li> </ul>
<p><b>Extended Leadership Team</b></p>	<ul style="list-style-type: none"> <li>• Responsible for developing, maintaining, and implementing the Councils’ governance, risk, and control framework.</li> <li>• Contribute to the effective corporate management and governance of the Councils.</li> </ul>

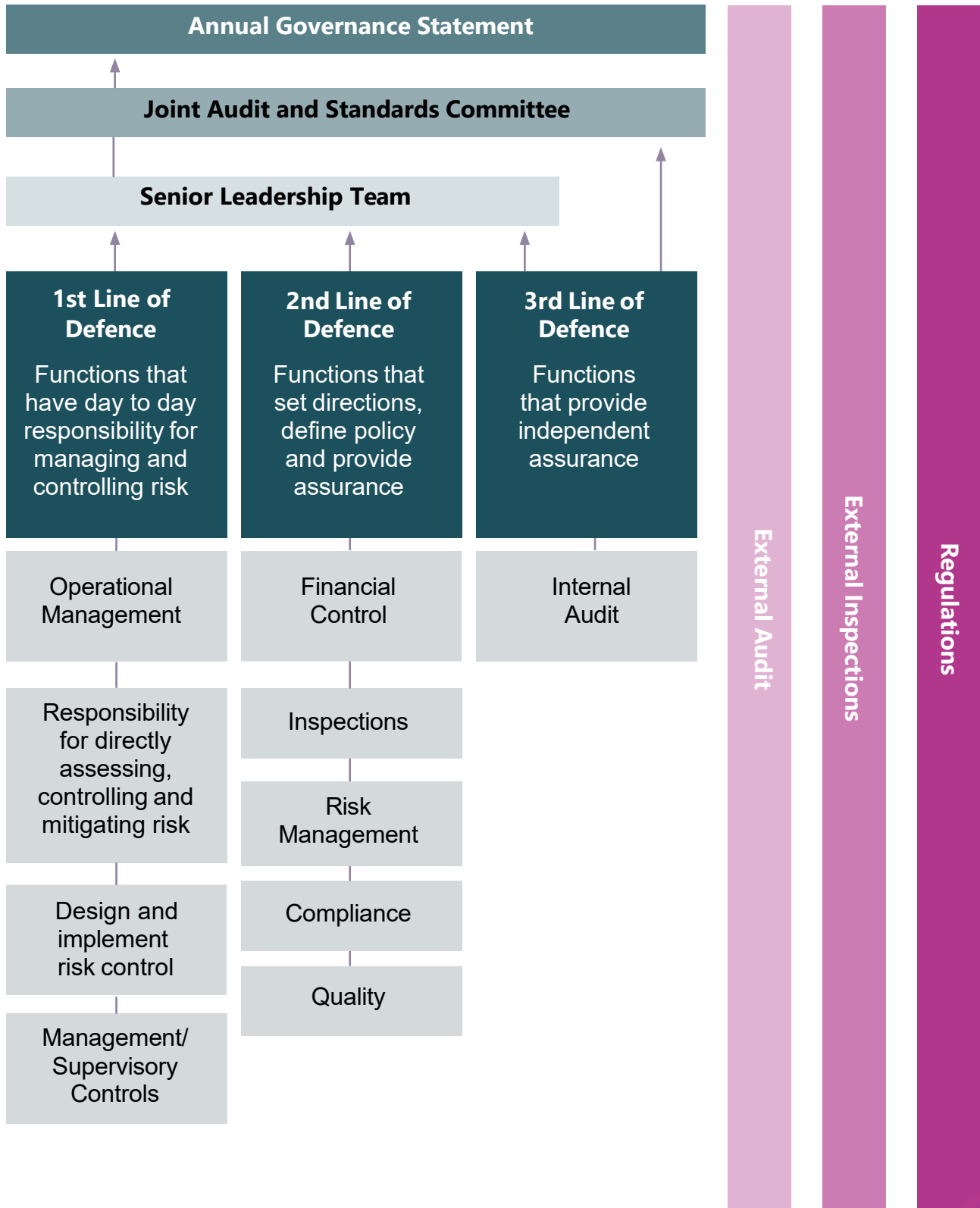
## Review of Effectiveness

In preparing the Annual Governance Statement the Councils have:

- Reviewed the Councils’ existing governance arrangements against the revised CIPFA/ SOLACE ‘Delivering Good Governance in Local Government framework – 2016 Edition’ good practice guidance and the Addendum, covering the annual review of governance and the Annual Governance Statement issued in May 2025.
- Reviewed the Councils’ Local Code of Corporate Governance to ensure it reflects this guidance, including the revised seven principles of good governance and associated required actions and behaviours taken by the Councils that demonstrate good governance.
- Assessed the effectiveness of the Councils’ governance arrangements against the revised Local Code of Corporate Governance.
- Obtained assurance statements from officers relating to their areas of responsibility, including actions from the 2024/25 Annual Governance Statement.

((The review of effectiveness is informed by the three lines of defence (i.e., from senior management within the Councils who have responsibility for the development and maintenance of the governance environment; the Corporate Manager responsible for Internal Audit; inspections made by external auditors and other review agencies and inspectorates).

This is demonstrated here:



The roles and responsibilities are applied in a pragmatic real-world manner. In reality a significant amount of policy, associated guidance, training and tools are provided at second line with a proportionate risk-based application of assurance and compliance activity.

Internal Audit use a risk-based methodology to determine their annual programme to support the application of the governance model within the organisation.

This allows the second and third lines of defence to put emphasis in the right place and work effectively and efficiently to help management achieve organisational objectives through delivery, support and challenge.

## Governance Framework Assurance

The key sources of assurance that inform this review and where they are obtained from are outlined below:

<b>WHERE DO WE NEED ASSURANCE?</b>	<b>WHERE CAN / DO WE GET ASSURANCE FROM?</b>
Compliance	Complaints System, Counter Fraud and Whistleblowing
Democratic Engagement & Public Accountability	Independent and External Sources, e.g., Published agendas and minutes of council meetings; live streaming of council meetings; external audit of the Council's Statement of Accounts.
Management of Risk	Risk Management Strategy and Framework
Financial Management	Medium Term Financial Strategy
Members and Officers Roles and Responsibilities	Constitution
Standards of Conduct and Behaviour	HR Policies and Codes of Conduct
Action Plans Approved and Reported on	Joint Audit and Standards Committee, Council, Cabinet and Joint Scrutiny Committee
Effectiveness of Internal Controls	Internal and External Audit
Services Delivered	Performance Management System



## Opinion of the Chief Operating Officer (Monitoring Officer)

The Councils each have a Constitution made under Section 37 of the Local Government Act 2000. While some tweaks are necessary to ensure these continue to reflect best practice, they nevertheless continue to provide a strong foundation for safe and legal decision making, and the effective management of the council.

The Councils' executive decision-making framework and scheme of delegations to the Cabinet, committees and senior officers are set out in full in the Councils' Constitution. The relationship between the two authorities is through an Inter Authority Agreement. The terms of reference for the Shared revenues partnership are supplemented with a written partnership agreement that sets out the decision making and management framework for the services delivered in partnership with our neighbouring authorities.

The Overview and Scrutiny committee continues to scrutinise decisions of the Cabinet and officers through pre scrutiny and post scrutiny options with a full work programme agreed annually and reviewed monthly. The committee also reviews the business plan of the Councils companies before final approval by full Council.

The role of the Monitoring Officer is now being undertaken by the Chief Operating Officer, who is an experienced local government officer with over 20 years' experience and has appointed the Head of Democratic Services as their deputy, alongside a member of the democratic services team also fulfilling a deputy role with specific focus on code of conduct matters.

During 2025/6, 47 code of conduct complaints have been investigated, determined, and, where appropriate, discussed with an Independent Person. Babergh and Mid Suffolk share a pool of 5 Independent Persons with Suffolk County Council, West Suffolk District Council, and Ipswich Borough Council to improve the resilience and range of expertise of this function. 0 complaints have been passed to the Suffolk Joint Standards Board or an external partner for investigation.

The Monitoring Officer and their deputies provide advice and training to staff and councillors regarding the principles and compliance of ethical standards on an ongoing basis. In 25/26, this expanded to include governance training and workshops on the challenges and opportunities presented by proposed local government reorganisation and governing in a unitary authority.

The Monitoring Officer, and his Deputies, continue to attend bi-monthly meetings with other Suffolk Monitoring Officers to discuss best practice, share knowledge, and give / receive advice on governance and code of conduct issues pertinent to Babergh and Mid Suffolk, or to the county as a whole. These meetings are also attended by senior officers from the Suffolk Association of Local Councils, who report on key governance issues, concerns, or successes that have been raised by Parish Councils across Suffolk to their organisation.

## Actions 2025/26

**To review delegations in place that enable officer decision making to ensure that decisions are being made lawfully.**

Delegations have now been appropriately mapped, and rationalised to ensure accuracy and need. In addition, work has now begun to review and map temporary delegations to members and officers following meetings of the council's executive (Senior Leadership Team).

**To review the implications and risks associated with Devolution and LGR to ensure good governance around the Case for Change and its subsequent implementation.**

The Monitoring Officer and deputies have been included in all relevant meetings regarding supporting delivery of the case for change and planning for reorganisation. This has included discussions around future governance arrangements, preparations for the structural change order and discussions around the activity of future joint arrangements and shadow authorities.

**Accessibility to be a key objective for the governance team to ensure that we are as democratically accessible as possible.**

The governance team continue to work both internally and alongside partners to ensure that all information provided is accessible to all residents.

## Update on Actions 2024/25

Support development of the Structural Change Order and associated governance-related activity, working in partnership with other Suffolk Local Authorities to provide quality information and make expectations around future changes clear.

Delivery of a revised constitution, working with the Constitution Working Group to build on current work, ensuring accessibility, best practice and safe and legal decision making – laying the groundwork for future work when preparing for unitarisation.

## Conclusion

**The Councils have continued to demonstrate sound decision making following the election of the new Councils in May 2023. This is testimony to the robust governance arrangements that the Councils have in place. The Monitoring Officer's overall assessment is that the Councils governance arrangements continue to be sound.**



## Opinion of the Director - Finance & Procurement (S151 Officer)

The statutory role of the Chief Finance Officer (CFO) in relation to financial administration and stewardship of the Council and their role in the organisation are both key to ensuring that financial discipline and strong public financial management is maintained. Financial management arrangements conform to the governance requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Statement on the Role of the Chief Financial Officer in Local Government (2016).

Local authorities are subject to a range of safeguards to ensure they do not over-commit themselves financially. These safeguards include the statutory duties of the Chief Finance Officer which are set out in the Financial Regulations that form part of the Councils' Constitution. The statutory duties include the requirement to report to Council if there is, or is likely to be, unlawful expenditure or an unbalanced budget (under Section 114 of the Local Government Act 1988).

Alongside the statutory role of the Chief Finance Officer, the Councils have in place several financial management policies and controls which are set out in the Financial Regulations. Internal financial controls include separation of duties, management supervision, relevant staffing structures including appropriately skilled, trained, or qualified staff, and a system of delegation and accountability.

- a) **the statutory requirement for each local authority to set and arrange their affairs to remain within prudential limits for borrowing and capital investment;**
- b) **the balanced budget requirement of the Local Government Finance Act 1992 (Sections 32, 43 and 93); and**
- c) **the external auditor's consideration of whether the authority has made proper arrangements to secure economy, efficiency, and effectiveness in its use of resources (the value for money conclusion).**

The Joint Audit and Standards Committee is responsible for undertaking the Councils' responsibilities in relation to financial governance issues, they support the Chief Financial Officer in their statutory role in connection with financial probity and they review and approve the Annual Statement of Accounts.

## Statement of Accounts and Audit

The published Annual Statement of Accounts is the statutory summary of each Councils' financial affairs for the financial year. Its purpose is to give clear information on the income and expenditure of the Councils and to demonstrate the Councils' stewardship of public money for the year.

The last Annual Audit Letter from Ernst & Young (EY) dated July 2021 gave an Councils unqualified opinion on their 2019/20 statement of accounts and issued an unqualified value for money conclusion.

The auditors were satisfied that the accounts had been prepared properly in accordance with the CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom.

In September 2024 Government laid statutory instruments to introduce backstop dates and require auditors to provide their opinion in time for local authorities to adhere to the backstop dates.

For Babergh and Mid Suffolk District councils, the backstop deadline for 2020/21, 2021/22, 2022/23 and 2023/24 historic accounts meant that a disclaimed audit opinion was issued by our external auditor (Ernst & Young) as they were unable to complete an audit due to time constraints.

The time constraints are created by backstop dates, which are part of a government initiative to clear the backlog of audited accounts.

Introducing statutory backstop dates means that the auditors may provide a modified or disclaimed opinion on a local body's financial reports if they do not have enough time to complete all audit work before that date.

The Councils' external auditors issued a disclaimed audit opinion as they were unable to determine whether the financial statements are materially misstated.

The Councils should not be unfairly judged for modified or disclaimed audit opinions beyond their control.

Joint Audit and Standards Committee approved the 2020/21, 2021/22 and 2022/23 Statement of Accounts on the 6 December 2024, which was before the Governments backstop date of the 13 December 2024.

The Councils 2023/24 Statement of Accounts were approved by Joint Audit and Standards Committee on the 24 February 2025 which was before the Governments backstop date of the 28 February 2025.

## 2024/25 Statement of Accounts

The Councils 2024/25 Statement of Accounts were published by the statutory date of 30 June 2025 and were presented to Joint Audit and Standards Committee on 18 August 2025. Several casting and consistency errors were identified during the audit period, and the amended accounts were presented to Joint Audit and Standards Committee on 23 February 2026.

The Government's 2024 statutory instrument required the 2024/25 Statement of Accounts to be approved and published along with the audit opinion by 27 February 2026, which both Councils complied with.

EY reported in their independent audit report that due to the disclaimers of opinion on the financial statements in the prior years, delays in receiving associated audit evidence and the Councils inability to support the audit in advance of the backstop date, they have not been able to complete the detailed audit procedures that would be needed to obtain sufficient appropriate audit evidence to issue an unmodified audit report on the Councils and Groups financial statements for the year ended 31 March 2025.

Therefore, a disclaimed opinion was issued on the 2024/25 financial statements.

EY reported that the weaknesses reported in 2023/24 have again been identified as significant weaknesses in 2024/25 in relation to the accounts processes and contract management. They have confirmed that they will be making a statutory recommendation under Section 7 of the Local Audit and Accountability Act 2014 in relation to the accounts process.

The Councils published draft accounts for 2024/25 by the statutory date of the end of June 2025, EY reported that this “represents an improved position compared to the We previous year. noted the action taken the to strengthen finance team through the recruitment of a new Head of Finance. However, despite these positive actions, the Council has not been able to provide the necessary information to support the completion of the audit.”

The Director – Finance & Procurement (S151 Officer) and the Head of Finance submitted a business case for approval by the Monitoring Officer and Deputy CEO for additional resources to address this for the 2025/26 year end process.

The Head of Finance has now recruited more permanent qualified officers into the team, having inherited a team with several roles covered by interims. Over the last 12 months this has included permanent recruitment of a Senior Financial Accountant and two Financial Accountants.

Due to the time required to rebuild assurance levels and return to normal acceptable practices, councils across the country are likely to receive modified or disclaimed opinions for a number of years.

The contents of the table below have been extracted from EY’s report and outline the recommendations arising from the value-for-money work undertaken for the 2024/25

Recommendations from 2024/25	Babergh Recommendations	Mid Suffolk Recommendations
<p>Financial sustainability: How the Council plans and manages its resources to ensure it can continue to deliver its service.</p>	<p>Management and members should continue to focus on the financial pressures relating to the delivery of services and encourage difficult decisions to be taken, where required, to ensure that the necessary savings and increased income is achieved to maintain financial sustainability.</p>	<p>No Recommendations.</p>
<p>Governance: How the Council ensures that it makes informed decisions and properly manages its risks.</p>	<p>The Councils should take immediate action to address the following statutory recommendations:</p> <p>Finance Function Workflow Review: Conduct a comprehensive review of the finance function workflow to identify bottlenecks in the flow of information and the completion of key finance tasks. Use the findings to confirm the appropriateness of roles and responsibilities within the finance team.</p> <p>Quality Assurance Function Review: Implement a thorough review of the quality assurance process for draft accounts and underlying workpapers. Establish clear timelines for the closedown process, ensuring appropriate segregation of duties between those preparing and those reviewing the draft accounts and workpapers.</p> <p>Monitor adherence to this process and report performance to the Joint Audit &amp; Standards Committee.</p> <p>Finance Team Capacity: The Councils should re-assess roles, responsibilities and resource requirements for financial reporting across the Councils, including an assessment of the support required from other functions within the organisation. This approach will enable the financial reporting team to fulfil its objectives efficiently, ensuring timely reporting and effective audit support.</p>	<p>The Babergh recommendation also applies to Mid Suffolk</p>

Recommendations from 2024/25	Babergh Recommendations	Mid Suffolk Recommendations
<p>Improving economy, efficiency and effectiveness: How the Council uses information about its costs and performance to improve the way it manages and delivers its services.</p>	<p>The Joint Audit &amp; Standards Committee should regularly monitor the progress of management’s planned actions to enable robust oversight of Contract Management Processes and to implement clear and effective strategies, policies and procedures that enables compliance with procurement-related laws and regulations.</p> <p>We note that Internal Audit have made recommendations in relation to contract management for several years.</p>	<p>The Babergh recommendation also applies to Mid Suffolk</p>

The table below has been extracted from EY’s report and presents the recommendations arising from value-for-money work undertaken in prior years, along with the progress achieved 2024/25.

Recommendations brought forward from previous years	Applies to Both Councils	Progress made in 2024/25
Governance	The Councils to put proper arrangements in place to ensure that its Statement of Accounts is prepared in a timely manner and that the Council meets its statutory reporting requirements by the deadlines.	<p>Although the Councils were able to submit the statement of accounts in line with the statutory deadline of 30 June 2025, they could not adequately support the audit process through the timely submission of audit information requested by EY. As a result, we could not perform the year-end audits.</p> <p>Therefore, the recommendations from the previous year have not been adequately addressed.</p> <p>A significant weakness has been identified, and we are considering issuing statutory recommendations under Section 7 of the Local Audit and Accountability Act of 2014.</p>
Improving economy, efficiency and effectiveness:	The Councils to put proper arrangements in place to ensure robust oversight of Contract Management Processes and to Implement clear and effective strategies, policies and procedures to ensure compliance with procurement related laws and regulations.	The significant weakness continues in the current year and we have made recommendations accordingly.

## Financial Planning

The Councils take an annual approach to service planning, allowing a close link between services and financial planning. The approach over the medium term is to continue to transform the Councils by continuously reviewing, remodelling, and reinventing the way the Councils operate.

The Medium-Term Financial Strategy focuses on;

- internal efficiencies and improvements
- continuously streamlining work and reducing waste in processes
- greater cross-functional working and multi-skilling
- improving ways of working to move away from 'professional silos' and toward integrated services for the public.
- customer demand understood, analysed, and met through new services and business models.
- demand is re-shaped and managed while engaging service users to ascertain priorities.

The Councils have a record of setting balanced budgets, modest increases in council tax and no significant reductions in service levels during reductions in government funding.

## Babergh

The 2026/27 budget setting commenced early in 2025 to address the challenges the Council were likely to face in setting a balanced budget. Work continued throughout the year to identify savings despite some significant financial pressures, the Council reduced its net cost of service by £1.367m.

This went a long way in addressing the issue for 2026/27 and the Council set a balanced budget with a forecast surplus of £334k, compared to a £633k budget gap in 2025/26.

The Councils core spending power is increasing by 3.5% in 2026/27, however, over the three-year spending review, core

spending power only increases by 0.3%. This means that the medium-term position is more challenging as pay and contractual inflation is not covered by increases in council tax or business rates growth. The Council is also faced with reduced funding from Government over the three years of £1.4m.

The gap over the medium-term totals £9.9m and with only £6.5m in the financial resilience and risk reserve, further work will be carried out in 2026/27 to address this.

It is also critical that the Council closely monitors against the budget set and any pressures are mitigated throughout the year.

## Mid Suffolk

The 2026/27 budget commenced early in 2025 working with the Cabinet to ensure the budget was aligned to delivering their ambitions and linked to the Councils plan.

The Council set a balanced budget for 2026/27 with a forecast surplus of £3.6m compared to £2.3m in 2025/26.

The Councils core spending power reduces by 3% over the three-year period from 2026/27. This means that the medium-term position becomes more challenging as pay and contractual inflation is not covered by increases in council tax or business rates growth. The Council is also faced with reduced funding from Government over the three years of £2.271m.

Despite this the Council is forecasting surpluses over the next three years but a cliff edge at the end of the three-year spending review in 2029/30 with a budget gap of £954k increasing to £2.2m in 2030/31.

It is also critical that the Council closely monitors against the budget set and any pressures are mitigated throughout the year.

## Both Councils

The budget process is rigorous, with all key drivers identified and scrutinised to ensure they are understood and relevant. Cabinet and Overview and Scrutiny have provided robust challenge of the budget proposals and assumptions.

Detailed scrutiny, review and challenge of budgets has been undertaken by finance officers and the Senior Leadership Team

Cost pressures and variations in key areas of income and expenditure have been carefully considered and reflected in the budget.

The Council has used the advice of expert external advisors in areas of key materiality and / or complexity including interest rate and inflationary forecasts.

The Medium-Term Financial planning process is designed to ensure that the Council is able to set balanced budgets in the short and medium term, i.e. that planned expenditure is affordable.

The Councils Section 25 report on the robustness of estimates and adequacy of reserves provides a risk-based approach to the assumptions made within the budget and the appropriate level of reserves.

The Councils Joint Investment, Capital and Treasury Strategies were approved

in February 2026. This demonstrated that the Councils Capital programmes and associated borrowing limits are set at a prudent and affordable level.

## CIPFA'S Financial Resilience

### Index

CIPFA's Financial Resilience Index, made publicly available for the first time in 2019, aims to support good practice in the planning of sustainable finance. The index does not come with CIPFA's own scoring, ranking or opinion on the financial resilience of an authority. However, users of the index can undertake comparator analysis drawing their own conclusions that compare UK local authorities based on shared social and economic characteristics.

The tool is based on a series of indicators relating to the sustainability of reserves, external debt, fees and charges and income from local taxation (business rates and council tax).

The 2024 index, which provides the relative position for the 2024/25 financial year, is the most up to date index currently available. Councils' performance is ranked relative to those in the selected 'comparator group.'

Both Councils are seen as having higher risks around the level of external debt, interest payable and the proportion of fees and charges income against total revenue expenditure. The external debt includes that associated with the HRA, so the Council will always be seen as a higher risk compared to those councils without housing stock, but it is balanced against the value of the housing stock on the Councils balance sheet.

The other elements are all linked to the investment that the Councils made in CIFCO by increasing General Fund debt levels, higher interest payments, but also higher investment income coming back to the Councils and is secured by charges on the properties acquired by CIFCO.

The Section 25 report of the 2026/27 budget report covers each element of the CIPFA financial resilience indicators in more detail.

## Financial Performance and Monitoring

The Councils report financial performance monthly to the Senior Leadership Team (SLT), quarterly to the Cabinet Members for Finance and Cabinet, and half yearly for treasury performance including the prudential indicators to Joint Audit and Standards and Full Council.

A robust system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it enforces financial discipline, strategic allocation of resources, efficient service delivery and accountability.

Future improvements have been introduced and include a finance dashboard with KPIs, improved capital spend profiling and balance sheet reporting including long-term cash flow projections to manage the Councils debt and cash positions.

## Conclusion

**The opinion of the Chief Finance Officer is that the Councils continue to operate robust internal controls and good public financial management.**

**Action is taken to manage the financial pressures and develop strategies to meet any immediate and long-term financial challenges that the Councils face.**

**There has been no re-course for the Chief Financial Officer to exercise her statutory powers, and the Councils comply with their financial regulations and procedures together with relevant codes of practice and guidance.**



## Opinion of the Head of Procurement

The total spend of both Councils in the financial year 2024/25 was £59.8m with 1201 suppliers, this spend figure excludes the spend on grants. There are 181 contracts listed on the contracts register, with a total annual value of £39m. This is an increase on the previous years when 160 contracts were recorded totalling £31.5m in 2024/25 and a significant increase on the previous year's total of £22.4m in 2023/24. Work is ongoing to continue to improve the accuracy of the data on the contracts register and to identify the non-contracted spend.

The Head of Procurement and the two Procurement Business Partners each have identified directorates to support as a business partner. So, every service has a named person to contact in the first instance who has knowledge of their service area. A list of the business partner service areas is available for all staff on the Procurement pages of the intranet Connect.

To support the use of the finance system Unit 4 system user guides are available on the intranet Connect. The team have set up 480 new suppliers on the Unit 4 Finance system in the period March 2025 to February 2026 after completing due diligence checks regarding the authentication of the organisation. Service specific checks are undertaken by the service areas prior to making a new supplier request. To remind services that their checks need to be undertaken before making a request, in the finance system an additional mandatory field has been added for requesters to confirm that this check have been undertaken.

The Contract Standing Orders have been reviewed and updated in line with the new procurement legislation the Procurement Act 2023.

Effective contract management is crucial to the future success and stability of the Councils. Contract management is devolved across the Councils, with central support, guidance and coordination. A Contract Management Network is in place to support officers with contract management responsibilities and guidance and information is available on the intranet to support them to mitigate risks which the contracts.

During the period there has been Procurement Business Partner vacancies within the team, with both posts have been recruited too during the period. One of the posts was vacant for the period until December. The challenges to recruit skilled interim and permanent posts in the current market have impacted on the capacity to provide a service and service development progress. Additional resources have been brought in to provide both commissioning and procurement capacity to write specifications and procure high value technical works contracts.

## Internal Audit

A Contract Management and Spend internal audit was undertaken in August 2025 to look at the “oversight and management of contracts that supports and builds on the transformation work” considering the following risks that:- “ Contracts are not let in accordance with procurement regulations, leading to risks to reputation and poor value for money.” And “ Lack of robust contract and performance management means the risk that services are not of high quality and do not offer value for money.” The overall finding of the audit was “Limited Assurance”.

Key strategic findings from the audit were :

- **Work is underway to improve the robustness of the procurement and contract management processes. There is a focus on Building Services as this is the highest area of Council spend.**
- **It is not possible to confirm that all services have been secured in accordance with Contract Standing Orders. Work is underway to review this.**
- **There is no overarching performance management documented mechanism and no policies to support and enhance revised processes.**
- **The Contract Standing Orders have been updated to reflect the new Procurement legislation (February 2025).**

The audit identified the following good practise:-

- The Contract Management Network has been established which is a very useful tool to proactively drive good practice across the Council
- There is much work underway to improve Contract Management within the Councils. The recommendations made enhance work that is already in progress.

A Procurement Payments Process internal audit was undertaken in September 2025 to review the payment process within the organisation to ensure that payments are processed accurately, efficiently, and in compliance with relevant policies and regulatory standards. The review covered the Payment Initiation; Authorisation Process; Documentation and Record Keeping; Reconciliation and Reporting; and Compliance and Controls processes. The overall finding of the audit was Limited Assurance. The audit included two finding under the responsibility for the Head of Procurement relating to having a procedure note for creating and amending suppliers in

the finance system and the verification of payment details set up for payments below £500. The recommendations for both have been fully actioned. The audit identified the following good practise - The approval process is clearly defined through the Authorised Signatures List which is updated by the system administrative team as and when updates are issued. The limits are implemented into the finance system Unit 4.

A Procurement Process audit was undertaken in January 2026 to check the risk that “Procurements are not completed in accordance with procurement regulations, leading to risks to reputation and poor value for money.” The overall finding of the audit was Limited Assurance. The majority of the contracts reviewed as part of the audit were completed prior to the current Head of Procurement coming into post in January 2024.

The key strategic findings were:-

- The published contracts registers do not contain all required information as per Local Government Transparency Code 2015, and do not include all required information there are six contracts which have already expired.
- The Public Contracts Regulations 2015 (PCR) set out the requirements to maintain procurement records. For the chosen sample to be reviewed, multiple documents could not be obtained, resulting in Internal Audit not being able to give assurance over some areas of the PCR. It was not possible to establish if correct procurement route had been complied with.
- Audit testing identified that the controls in place for verifying if suppliers meet the financial requirement of the procurement contract were not effective.

- A Dashboard has been developed which reports on the various procurement aspects. The Dashboard is due to go live in February 2026.

The audit identified the following good practise:-

- A Contract Module has been implemented on the Councils' finance system (Unit 4) which requires contract references to be matched to all purchase orders. This enables accurate reporting of contracted/ non contracted spend.
- A Procurement Workbook has been introduced this covers every decision made during the process and ensures it remains on track.

## Service Development Progress

- A contracts module was added to the finance system in 2025. The module which lists the current contracts enables the requisitions raised to be matched to the contract. Providing challenge of non-contracted spend at the point of raising a purchase order. The Contracts module has helped to improve the accuracy of the contracts register and provides more accurate reporting of non-contracted spend.
- A program of contract management training is underway in 2026
  - With basic contract management training to support the implementation of the Contract Management Minimum Standards mandated for all colleagues with contract management responsibilities.
  - Face to face Contract Management Training is being delivered to the Assets & Investment service in the Housing Directorate as it was recognised by the Head of Service that there had been a number of staff changes. The 2 ½ day training has been designed for works contracts and includes training regarding the JCT terms used for works and CDM.
- The Contracts Register is shared with the Senior Officers and Heads of Service on a monthly basis as a reminder to record any contract amendments or new contracts. The accuracy of the data on the Contracts Register has been improved and the scope of data extended to establish a more robust record of the Councils contracts.
- The Procurement Pipeline is used to plan resources to respond to the planned procurement work to replace and introduce contracts.
- Contracts are requested by the service areas using a Procurement Work Request, the work requests are reviewed and allocated based on resources available and skills match by the Head of Procurement.

- A Procurement Workbook is used within the Procurement Team to ensure all stages of procurement projects are completed, decisions are documented and approvals to contract have been given in line with the Council's Contract Standing Orders. The workbook includes sign off by the Head of Procurement regarding the procurement approach, before bids are advertised and before bid award.
- Conflict of Interest Forms are requested from requestors of procurement exemptions before the exemption will be considered and for all bid evaluation panel members.
- Framework direct award call off contracts are logged as exemptions to have oversight regarding conflicts of interest.
- A Contract Management Network has been established, meeting on a quarterly basis to provide support, guidance and training to officers with contract management responsibilities. Sharing internal and external best practise and establishing a peer network. Slides, a recording and tools shared at the network are available for all staff on the intranet Connect.
- Contract managers have the use of a supplier financial check tool Creditsafe to monitor the financial status of key suppliers and guidance regarding how to use the tool is available on the intranet Connect.
- Contract Management Minimum Standards have been developed working with the Contract Management Network.
- To support colleagues in contract management roles to check the effectiveness of the policies in place of our contractors an Environmental Policy, Health and Safety Policy and business Continuity checklists have been introduced with further checklists in development.
- A Social Value Policy was agreed by Cabinets in July 2024, template Social Value criteria are used in competitive quotations and tenders.

## **Actions to be taken in 2026/27**

### **Procurement**

- Continue the review of all procurement templates, guidance and training resources in line with the new Procurement Act 2023 and emerging good practice including developing additional training resources.
- Establish additional capacity within the team to support delivering more robust processes within the team, the additional work as a result of PA23 and the preparation for Local Government Reform.
- Review and update the Procurement Manual.
- Introduce Bidder Feedback forms to provide feedback to help improve practice and how we can support SME to bid.
- Further develop the Procurement Pipeline as a most robust tool in preparation for managing resources and timescales as we approach LGR.
- Review non contracted spend and action procurement strategies for the spend to ensure value for money, legislation compliance and mitigated risks for the Council.
- Review and move the contract files to SharePoint.

## **Contract Management**

- Develop a Contract Management Manual to support colleagues with contract management responsibilities supported by the tools developed for the Contract Management Network.
- Introduce an annual contract management survey to all head of service to embed understanding of the contract management responsibilities and tools and guidance available and to identify what support it needed to continue to help improve practise
- Continue to develop the Contract Management Network as an effective resource providing tools, guidance and training to support officers with contract management responsibilities.

## **Policy**

- Develop Social Value Principles to provide guidance regarding how Social Value can be delivered in Babergh and Mid Suffolk.
- Introduce Social Value training for those with commissioning and contract management responsibilities.
- Working with neighbouring Councils to develop our Environmental Ask into a joint tool used by all the Councils in Suffolk to provide a consist approach for supplier and to support the joint promotion and training.

## **Performance Review and reporting**

- Further develop the Procurement Performance Dashboard as a reporting tool to provide quarterly updates to the Senior Leadership Team and Head of Service Holders regarding procurement and commercial practise within the Councils to support compliance, cultural change and embed good commercial practise.

## **Conclusion**

**The opinion of the Head of Service for Procurement is aware that the systems and processes in place during part of 2025/26 required strengthening to enable the Councils contracts to be effectively let and managed. However significant progress in delivering service improvements have been made since the additional resource of the head of service post was introduced in January 2024 and is anticipating that the follow up audits that will be undertaken will result in a more positive outcome.**



## Opinion of the Head of Internal Audit

### Role of Internal Audit

Enhancing and protecting organisational value by providing risk-based and objective assurance, advice and insight.

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

***'Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.***

In January 2024, the Institute of Internal Auditors (the IIA) published a significant revision of their International Professional Practices Framework (IPPF) in the form of the Global Internal Audit Standards (GIAS). The revised framework became effective within the public sector on 1st April 2025. They are mandatory for all Internal Audit functions irrespective of sector. The GIAS are supported by the CIPFA Application Note: Global Internal Audit Standards in the UK Public Sector.

The role of Internal Audit is best summarised through its definition within the Global Internal Audit Standards (GIAS) as:

***'Internal auditing strengthens the organisation's ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, and foresight'.***

This definition emphasises the role of Internal Audit in supporting the organisation's strategic objectives and ensuring compliance with relevant laws and regulations.

The Councils are responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal Audit plays a vital role in advising the Councils that these arrangements are in place and operating effectively.

The Councils' response to Internal Audit activity should lead to the strengthening of the control environment and therefore contribute to the achievement of the organisation's objectives.

The GIAS are a replacement to the PSIAS and provide a single source to guide the worldwide professional practice of internal auditing and serve as a basis for evaluating the quality of the audit function.

The Head of Internal Audit presented a report to this Committee on 28th April 2025 (Paper JAC/24/37) informing Members of the new Standards and the impact on the Internal Audit function.

This annual report covers the year 2025 to 20265 and has therefore been prepared under the new GIAS.



The Head of Internal Audit has a responsibility under the Global Internal Audit Standards to provide an independent, annual, internal audit opinion on the overall adequacy and effectiveness of the Councils' governance, risk, and control framework (i.e. the control environment) and therefore the extent to which the Councils can rely on it and inform its Annual Governance Statement.

No system of control can provide absolute assurance against material misstatement/ loss or eliminate risk, nor can Internal Audit give that assurance. The work of Internal

Audit is intended only to provide reasonable assurance on controls.

The work of Internal Audit is resourced from existing staff and from an external audit partner reporting directly to the Head of Internal Audit. This arrangement still allows a direct internal provision plus the commissioning of external skills and capacity and provides a blend of resources from within the Councils and from an external partner of services. This arrangement also provides access to valuable and diverse specialised skills as needed and achieves a level of flexibility which can be critical in effectively dealing with a range of operational issues.

An internal audit review of the Councils' compliance to the seven core principles of good governance, underpinned by the risk management arrangements, assurance & governance audits, has shown that there are sound governance arrangements in place.

### **Internal Audit Approach**

To enable effective outcomes, Internal Audit provide a combination of assurance and consulting activities. Assurance work involves assessing how well the systems and processes are designed and working, with consulting activities available to help to improve those systems and processes where necessary.

The full range of work undertaken forms the annual Internal Audit opinion together with the work of other assurance providers, to the extent that it can be relied on.

To ensure internal audit work meets the needs of the Councils during these challenging times, Internal Audit seeks to ensure sufficient coverage is directed to assess identified key control areas, which involves a risk-based approach to our work.

All formal internal audit assignments result in a published report. The primary purpose of the audit report is to provide an independent and objective opinion to the Councils on the framework of internal control, risk management and governance in operation and to make recommendations for improvement.

Each audit report is given an audit opinion, which is evidence-based, and levels of assurance awarded take into account not just control issues or risks raised, but also the adequacy of evidence which has been subject to audit review and testing. The audit opinion is also subject to the professional judgement of the Head of Internal Audit.

### **Reliance on other assurance providers**

Reliance on other assurance providers Internal Audit is one element of the governance framework. In forming the annual opinion, the Head of Internal Audit must also consider material factors that they are aware of that are outside the work of Internal Audit. This must consider the extent to which reliance can be placed, and the rationales for inclusion or exclusion of the vast array of other valid assurance contributors (both internal and external).

### **The Head Internal Audit Opinion**

In accordance with the requirements of the GIAS, the Head of Internal Audit is required to provide an overall opinion on the overall adequacy and effectiveness of the Councils' framework of governance, risk management and control processes for the period 1 April 2025 to 31 March 2026. It is one of the main sources of assurance for the Annual Governance Statement.

In accordance with professional standards the Head of Internal Audit's opinion is independent and objective. The opinion reflects the work carried out during the year and summarises the main findings and conclusions together with any specific concerns that the Head of Internal Audit may have. To build a robust opinion on the adequacy of the governance, risk and control framework, the Head of Internal

Audit also reviews and, if appropriate, places reliance on the work of others.

### **The overall opinion of the Head of Internal Audit for 2025/26 is:**

I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and effectiveness of the Councils' internal control environment.

Based on the internal audit work completed during the year, together with other sources of assurance available to me, it is my opinion that the Councils' framework of governance, risk management and internal control is 'Reasonable'.

This opinion reflects that the Councils' governance, risk management and internal control processes were generally adequately designed and operating effectively to support the achievement of the Councils' objectives. While weaknesses were identified in certain areas, these were not considered to represent systemic or pervasive failures in the overall control environment.

### **Basis for Opinion**

This opinion is based upon:

- Internal Audit engagements completed in accordance with the approved risk-based Internal Audit Plan
- The results of follow-up activity assessing the implementation of agreed management actions
- Advisory and consultancy engagements undertaken during the year
- Consideration of the Councils' risk management and governance arrangements
- Other relevant assurance sources, including external audit findings, inspection reports and management assurances

The internal audit work was performed in conformance with the Global Internal Audit Standards. Sufficient, reliable and relevant information has been obtained to support this opinion.

## Limited/No Assurance Engagements

During the year, a number of individual audit engagements resulted in a 'Limited Assurance' opinion and one 'No Assurance'. These engagements related primarily to aspects of financial control processes, including areas such as:

- Financial reconciliations and monitoring
- Consistency and documentation of financial procedures

The weaknesses identified reflected deficiencies in control design and/or inconsistent operation of established controls. There was no evidence identified of material financial loss or pervasive control breakdown.

Importantly, these issues were not assessed as being systemic across the Council's governance framework.

## Management Response and Remediation

Management responded appropriately and constructively to the findings raised. Action plans were agreed for all 'Limited Assurance' and 'No Assurance' engagements.

Follow-up work and ongoing monitoring confirm that:

- Where completed follow-ups have been completed within the financial year, agreed management actions have been implemented or are substantially completed;
- Financial control processes have been strengthened;
- Oversight, review and monitoring arrangements have been enhanced; and
- Control improvements are being embedded within service areas.

As a result, the areas of weakness identified during the year have been addressed, leading to an overall improvement in the control environment and reported to the Joint Audit and Standards Committee. A small number of audits, deferred due to timing considerations, will be followed up in the first quarter of 2026/27.

## Opinion on Governance, Risk Management and Control Processes

Taking into account:

- The outcomes of individual audit engagements;
- The proportion of engagements resulting in Substantial or Reasonable/Satisfactory Assurance;
- The significance and pervasiveness of issues identified;
- The effectiveness and timeliness of management's remediation actions; and
- Other sources of assurance available to Internal Audit.

The Head of Internal Audit concludes that the Councils' governance, risk management and control processes were reasonable and effective overall during the year.

Although improvement was required in certain financial control areas, these matters have been addressed and do not represent a material weakness in the Councils' overall framework.

## Conformance Statement

Internal Audit has operated in accordance with the Global Internal Audit Standards. The Head of Internal Audit confirms that the Internal Audit activity is independent and objective, and that there were no scope limitations or resource constraints that would have a material impact on this opinion.

The Head of Internal Audit has performed their duties in accordance with CIPFA's guidance on the role of the Head of Internal Audit.

## Anti-Fraud and Corruption

The Senior Leadership Team has committed to tackling fraud and corruption affecting the Councils, aiming to adopt a culture in which all employees maintain a proactive attitude towards preventing fraud.

The Financial Regulations and Procedures within each Council's Constitution state that the Head of Internal Audit is responsible for:

- the development and maintenance of a Prevention of Financial Crime Policy and ensuring that Councillors and staff are aware of its contents.
- ensuring that there is a pro-active approach to fraud prevention, detection and investigation and promote a council-wide anti-fraud culture across both organisations.

All officers are responsible for giving immediate notification to the Head of Internal Audit on fraud matters where there are grounds to suggest that fraud or corruption have occurred.

Fraud and corruption risks are identified as part of the annual planning process and contributes to the overall formation of audit coverage. Under the Global Internal Audit Standards Internal Audit consider aspects of fraud risk in planning all audits.

The Joint Audit and Standards Committee receive an annual report entitled 'Managing the Risk of Fraud and Corruption.' This report explains the current arrangements in place across both Councils to ensure there is a proactive corporate approach to preventing fraud and corruption and creating a culture where fraud and corruption will not be tolerated. It also provides details of proactive work undertaken by Internal Audit to deter, prevent and detect fraud and corruption.

Internal Audit has an important role to play in ensuring that management has effective systems in place to detect and prevent corrupt practices within an organisation.

This is part of its normal role of supporting Management and the Joint Audit and

Standards Committee oversight of risk management.

Internal Audit has produced a Fraud Risk Register, which contains a list of areas where Internal Audit and Corporate Managers believe the Councils are susceptible to fraud. The register enables the Councils to focus on suitable internal controls to mitigate any subsequent risk. The register also influences the audit planning process.

The Head of Internal Audit is the Money Laundering Reporting Officer (MLRO) and is responsible for ensuring that proper procedures are in place to combat the possibility of the Councils being used for money laundering purposes. This has included raising Money Laundering awareness through a series of presentations to all Heads of Service, which was followed up with a compulsory online e-learning module for all staff to complete. This training will enable employees to recognise suspicious transactions and what to do if they identify them. The completed module will automatically be filed on everyone's personal records. This will also form part of the induction programme for new employees.

CIPFA's Code of Practice for Managing the Risk of Fraud and Corruption (the Code) sets out the principles that define the governance and operational arrangements necessary for an effective counter fraud response. The Councils use the Code annually to assess the adequacy of arrangements which are reported annually to the Joint Audit and Standards Committee and action is taken where weaknesses have been identified.

Internal Audit take a leading role in co-ordinating the bi-annual National Fraud Initiative (NFI) exercise across both Councils and with the Shared Revenues Partnership (SRP) working across service areas to support staff in providing data and subsequently investigating and recording the results of data matches.

Although both Councils have traditionally encountered low levels of fraud and corruption, the risk of such losses both internally and externally is fully recognised as part of each Council's operations that need to be managed proactively and effectively.

## Conclusion

**The opinion of the Head of Internal Audit is that there are adequate arrangements in place to manage the risks of fraud and corruption, and further work is planned to strengthen these through the work of Internal Audit. This will be monitored, and progress reported.**

## Looking ahead / Future developments

Some areas where a focus can be expected for 2026/27 includes:

- Continue ongoing NFI exercise;
- Supporting both Councils to improve levels of awareness of fraud risks amongst staff;
- Counter fraud presentation to Members to improve levels of awareness of fraud, fraud activities managed by Internal Audit and the current fraud environment;
- Continue collaborating with neighbouring councils to share knowledge and expertise on anti-fraud and corruption measures through the Suffolk Fraud Group; and
- Continue to coordinate and manage the online fraud referral platform on our website and through Customer Services to mitigate fraud within our districts.



## Opinion of the Director – Property, Development & Regeneration

Babergh & Mid Suffolk District Councils operate 2 Holding Companies (BDC (Suffolk Holdings) Ltd and MSDC (Suffolk Holdings) Ltd) and 5 trading companies.

1. CIFCO Capital Ltd – a company owned jointly by BDC & MSDC (Suffolk Holdings) Ltd which invests in commercial property for an income return;
2. Gateway 14 Ltd, which is wholly owned by MSDC (Suffolk Holdings) Ltd which acquired 150 acres of commercial development land on the outskirts of Stowmarket to bring forward a commercial development scheme;
3. Stowmarket Estates Limited, wholly owned by Gateway 14 Ltd to manage services for Gateway 14 Business, Innovation and Logistics Park;
4. Babergh Growth Ltd, a jointly owned company established with Norse Group Holdings Ltd as the co-owner to deliver residential and commercial development within the district including the redevelopment of the former HQ premises in Hadleigh;
5. Mid Suffolk Growth Ltd, a jointly owned company established with Norse Group Holdings Limited as the co-owner to deliver residential and commercial development within the district including the redevelopment of the former HQ premises in Needham Market.

Each of the companies has a board of directors that are supported by a common Executive Team. The Holding Companies are there to oversee the trading companies' performance against business plans and key performance indicators and to support the growth, synergy opportunities and development of the companies in alignment with the Council Shareholders.

The Council companies trade and operate independently but remain closely linked with the Councils as the Shareholders. They each support key priorities of the Councils and provide income to the Councils by way of interest payments on loans and in some cases via dividends.

The Companies use Council staff and premises to deliver services, the costs of which are fairly apportioned by the Councils and recharged to the companies. Loan agreements and equity subscriptions between the Council shareholders and companies are documented and managed.

Financial audits are undertaken by external auditors, annually for each of the companies resulting in the production of year-end accounts and financial statements being submitted to Companies House in accordance with the Companies Act 2006. In addition, the Councils' s151 officer and Head of Finance meet monthly to review the trading company management accounts and any emerging financial risks.

Assurance and governance of the Companies is managed closely ensuring that Articles of Association are followed with robust decision making and recording. A code of conduct for Directors is in place across the company structures and further training provided in respect of directors' responsibilities and financial requirements. The code includes the Nolan principles of public life. Director training is delivered to new Councillors as part of the Councillor induction programme and is a requirement for any Councillors with Council directorships.

The trading companies report quarterly to the Holding Companies with updates and present updated business plans for approval by the holding companies annually. In turn the Director for Property, Development & Regeneration reports quarterly to Joint Cabinet Briefings and Senior Leadership Team on behalf of the Holding Companies.

The Holding Companies also approve the appointment of any new directors to the

boards of the trading companies and any property acquisitions or disposals by the companies. Quarterly Holding Company meetings are attended by members of the Senior Leadership Team including the Chief Executive, Deputy Chief Executive, S151 Officer, Chief Operating Officer and Director for Property, Development & Regeneration as required.

Each trading company reviews and manages its risk registers at least quarterly, with project risk registers being reviewed on an on-going basis. In addition, the Chairs of the Holding Companies meet with the Director for Property, Development & Regeneration and the Councils' risk lead on a quarterly basis to review the collective risk registers to consider wider impacts of risk across the portfolio of companies and will direct the trading companies to consider and respond to new and emerging risks.

During 2026/27 a review of company structures and business plans will be undertaken to prepare for Local Government Reform.



## Opinions of the Head of Human Resources and Organisation Development

### Governance and Compliance

To provide clear guidance and maintain legal compliance, we offer a comprehensive set of people policies, procedures, and guidance through our intranet system, Connect. These policies are being refreshed to enhance usability, making them simple and user-friendly while ensuring a strong framework for the councils.

Our People Plan is in the process of being updated to reflect the change in landscape which LGR represents. The draft plan, which will be published imminently, aligns with the Councils' Delivery Plan and is underpinned by the organisation's values. The 2026–28 plan strengthens Governance and Compliance by ensuring the organisation is equipped with a stable, capable and well supported workforce whose actions align with clearly articulated values and evidence-based decision making. By emphasising wellbeing, core skills training, leadership capability, robust data practices, and consistent engagement with unions and partners, the plan creates a culture where accountability and transparency are embedded in everyday behaviours.

We identify and evaluate people-related risks in our HR Risk register and also inform some of the key people elements on the Strategic Risk Register.

## Data, Reporting and Planning

As part of our commitment to effective workforce planning, we carry out annual meetings between heads of service and HR and OD team members. These sessions complement our regular business-as-usual meetings, providing early visibility into planned people activities within each service area. This proactive approach allows us to create an annual plan that supports key activities such as restructuring, organisational development, upskilling, and fulfilling mandatory learning requirements.

We actively report on a range of people indicators, with absence being a key focus. Monthly updates are shared in relevant senior leadership meetings, and quarterly figures are presented at cabinet and portfolio holder meetings. Detailed breakdowns are also made available to line managers via our Management Dashboard within the HR Information System. Additionally, a weekly absence report is provided to the Employee Relations Lead, HR Partner, and HR Advisors. This report includes data on absence levels, reasons for absence, days lost, long-term cases, and mental health-related absences, ensuring that appropriate support mechanisms are in place where needed.

Our HR Information System provides a suite of people-related reports, enabling us to measure, analyse, and monitor workforce data monthly. These insights help us remain responsive and informed in managing our services effectively.

## Resourcing, Recruiting, and onboarding

We use diverse methods to source candidates, including job boards, internal and external recruitment platforms, and LinkedIn, which allows targeted advertising and candidate searches based on specific skills and experience.

Our HR information system includes a self-service recruitment platform that supports managers throughout the recruitment process—from advertising roles to making

appointments—ensuring consistency. Comprehensive policies and procedures uphold a fair, inclusive, and robust selection process.

We conduct thorough right-to-work checks and referencing to maintain legal compliance. We are a Disability Confident employer and are also committed to achieving accreditation as a menopause-friendly employer.

New employees benefit from a blend of service-specific learning, a corporate induction programme, and essential online training. We are introducing a Learning Management System, accessible via our HR Information system, to expand learning opportunities and monitor compliance. Our induction includes our code of conduct, values, and behaviours.

The HR Information system offers an onboarding journey for new employees and managers, listing induction tasks for completion.

To foster an engaged workforce, we focus on developing and retaining talent. We are enhancing our early careers approach to attract emerging talent while continuing to prioritise internal development for established staff.

## Organisational Learning and Development

Our learning and development services support the goals of the 3-year People Plan, focusing on organisational talent and learning, early careers, equality, diversity, inclusion (EDI), managing change, employee wellbeing, and engagement.

## Equality, Diversity, and Inclusion (EDI)

Following on from extensive training across the organisation, the launch of our E, D & I commitments and the recruitment of E, D & I champions to raise awareness, we have recently launched our E, D & I inclusion hub which hosts resources that further support learning and promote awareness.

We have also conducted an E, D & I audit of our employee lifecycle through policy reviews, interviews and focus groups. Next steps have now been agreed following the audit and we will progress these to further embed equality, diversity and inclusion across the councils.

## Wellbeing support

We continue to enhance our award-winning health and wellbeing offering for staff. Partnering with organisational and occupational psychologists, we deliver wellbeing webinars on diverse topics to support mental health.

Staff can access the Wellbeing Hub via Connect, featuring webinar recordings, Mental Health First Aid details, Employee Assistance Programme links, manager toolkits, and additional resources.

We also work with an Occupational Health provider to support our staff in their integration back into the workforce after a long period of illness. They also provide suggestions around reasonable adjustments within the workplace.

For inclusivity, we hold monthly wellbeing check-in sessions for frontline staff. We are also working towards menopause-friendly employer accreditation through menopause awareness training, a Menopause Network, and Champions.

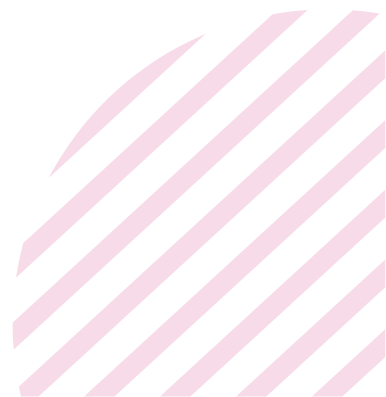
Acknowledging the cost-of-living challenges, we offer financial wellbeing support, including training programmes, online sessions, and external resources.

## Employee Engagement

To gather staff feedback and measure employee engagement, we conduct formal Staff Surveys.

Our 2024 survey showed significant improvement in all areas however, we are committed to improve further and have a Staff Survey working group, with representatives from all areas of the councils, who will work together and with their teams to give greater focus on specific areas. For future, we have taken the decision to offer comprehensive surveys bi-annually, complemented by pulse surveys in between.

Throughout the year, we host Lunch and Learn sessions, both in-person and online, alongside initiatives aligned with National and International awareness campaigns. These efforts support our priorities in Equality, Diversity, Inclusion (EDI), Wellbeing, Learning and Development, and employee engagement.



## Building our future Workplace

We remain committed to supporting new careers through our Apprenticeship, Intern, and Graduate programmes, contributing to the local economy while developing talent pipelines.

The apprenticeship levy is fully utilised to attract new employees and upskill existing staff across various levels—from entry to postgraduate—in a wide range of subjects.

As part of the overall People Plan, the Councils maintain a Learning and Development Plan. Each year, a learning needs analysis is conducted with every Head of Service to identify skills gaps and create tailored training plans for the year ahead.

We also offer development in the form of Aspiring Managers and Emerging Leaders programmes and have successfully completed 2 cohorts, combining externally supported and internally led sessions. A Senior Leaders programme has also been developed and delivered and will continue during 2025. All these programmes will not only support individuals achieve their own personal growth ambitions but also develop the councils' resilience for the future.

New training sessions on essential management topics have been introduced, offering both e-learning and in-person formats for staff with managerial responsibilities. The HR team also provides virtual bite-size learning sessions focusing on core people management measures, with plans to expand these further.

## Reward and benefits

Having completed an 18-month organisation-wide pay and reward review in 2023/2024, to ensure we are able to attract and in turn retain our staff, we continue to evaluate all job roles from our Grade 2 roles to Grade 8 Head of Service, when there are significant changes to role, or new roles are being introduced. We use the NJC-accredited Job Evaluation software to carry out this process and this ensures equal pay for equal work and reinforces our competitiveness in the

market. Additionally, we publish our annual pay statement to maintain transparency.

We have also introduced new employee benefits over the past 12 months. We operate an Electric Car Vehicle leasing scheme which supports our carbon reduction commitments. We also offer other sustainable travel options including bus, train and cycle offers and options. To support financial wellbeing, we have introduced My Money Matters, focusing on savings for the future, and a GP helpline with 24-hour access for our employees and their immediate family.

We monitor and publish gender pay data in compliance with legislation and have implemented an action plan to address any disparities. Our most recent report shows promising progress, with the pay gap continuing to narrow across the organisation.

## Supporting and managing Employee performance

We have a robust performance review process in place, designed to align measurable objectives from strategic priorities to service plans and individual goals. This system also incorporates demonstration of values and behaviours.

To provide clear guidance, a Behavioural Framework is accessible on our intranet platform, Connect, outlining the behaviours that reflect our values. Employees can now conveniently upload their reviews onto our new HR Information System, enhancing accessibility and ease of reference. The HR team conducts spot checks to ensure regular one-to-ones and reviews are being carried out effectively.

Our HR and OD Partners, HR Advisors, and HR Support Team offer hands-on assistance to teams, supported by comprehensive policies and guidance available on our intranet.

Their collaborative approach covers recruitment and transactional services, ensuring smooth operations across the organisation along with transformational support.

We continue to embrace hybrid working, guided by the principle that work is defined by what we do, not where we go. Through our flexible and agile working policies, we prioritise maintaining a healthy work-life balance for all employees.

## Leaving our organisation

To understand and address the motivations behind employees leaving, we encourage outgoing staff to complete a leaver survey or request an exit interview with a member of the HR team.

This feedback allows us to identify trends, concerns, and areas for improvement. A structured leaver journey ensures all activities are completed efficiently, and is tracked via our HR Information System, enabling line managers to retrieve equipment and information before the employee's last day.

We support employees planning their post-work lives through flexible retirement options and retirement workshops.

## Looking ahead to the future

As we plan for the future, we will be reviewing our People Strategy and plans for the next 2 to 3 years. We also aim to address several key areas in the final 12 months of our current people plan, to ensure our organisation is well-equipped to meet emerging challenges.

**Workforce Metrics:** Enhancing our understanding of workforce metrics is a priority. By analysing these effectively, we can gain valuable insights and make data-driven decisions to maximize our workforce's potential.

**Talent Management:** Developing robust plans to support talent retention and succession planning is critical to ensuring our workforce possesses the skills needed both now and in the future.

**Automation and AI:** We are exploring the impact of automation and artificial intelligence on our people processes, assessing both opportunities and challenges to optimise efficiency while maintaining a people-centred approach.

**Pay Gap Measurement:** Expanding our focus to measure pay gaps across protected characteristics will allow us to gain deeper insights and take action to promote equality and inclusivity across the organisation.

## Conclusion

**It is the opinion of the Head of HR & OD is confident that sound processes and procedures are in place to support and manage the workforce effectively. However, in light of current social and economic challenges, along with the changes that Devolution and Local Government Reform will bring, it is acknowledged that policies, processes, and support will require ongoing evaluation to remain responsive to changing needs.**





## Opinion of the Head of Strategic Policy

The Councils have continued to embed our strategic approach to demonstrate the improvements and recommendations put in place after our Local Government Association (LGA) Corporate Peer Challenge (CPC) of March 2022. Working in partnership with services across the Councils to deliver the recommendations, approaches have been embedded around use of insight and data, risk management, horizon scanning, performance and improvement across the organisation.

Developing the organisation's delivery plan has been a key workstream, reporting progress into the Change and Efficiency Programme Board to ensure strong progress is made in these areas.

Looking forward to 2026 how we ensure that we continue to deliver our strategic approach through the course of local government reorganisation will be key. Ensuring we continue to demonstrate Best Value during this time, and the organisation as a whole continue to deliver against our organisation plan are key areas of focus moving forward.

## Performance & Improvement

Performance management and continuous improvement within BMSDC extends across all areas of the Council. All teams now use our performance and risk management system, Ideagen, to provide visibility of key performance indicators and risks. This supports informed decision making and helps drive ongoing improvement.

Performance reporting is generated directly from Ideagen, where indicators are aligned to the priorities set out in Our Plan for Babergh and the Mid Suffolk Plan. Quarterly performance reports are presented to Cabinet and provide updates on progress against these priorities. All indicators will be reviewed in March 2026 to ensure that the 2026/27 quarterly reports remain relevant to the Councils' strategic objectives. An annual impact report is included within the Q4 performance pack to demonstrate how the Councils' actions have positively affected residents across both districts.

During 2025, we developed a suite of strategic reports for the Senior Leadership Team (SLT). The Strategy Day report, produced every eight weeks to coincide with SLT's strategic away day, brings together information on our people, risks, service delivery, governance and emergency planning. A similar report is produced on an eight-weekly cycle for the Statutory Officers Group, focusing on governance, finances and people related procedures. All our performance reports aim to provide clear, reliable data that complements the experience and subject matter expertise of decision makers across the organisation.

We have also closed out our TIAA Audit recommendations during 2025 in agreement with the Change and Efficiency board, Portfolio Holders, SLT and Internal Audit.

In 2026, we will extend our reporting to cover performance of Our Delivery Plan, which consolidates all priorities, outcomes and missions of the combined Councils into a single framework. As part of this work, we will also consider the new Local Government Outcome Framework launched in February 2026.

## Risk Management

Risk management provides early warning on key and emerging matters, enabling transparent and timely decision-making and intervention at appropriate levels. It supports intelligent, informed risk-taking, helps prioritise activity, protects assets, people and the Councils' reputation, strengthens good governance and internal control, and enables better-informed financial decisions that contribute to improved financial and budget management.

The Councils follow an enterprise risk management framework aligned to the HM Government Orange Book: Management of Risk – Principles and Concepts (May 2023), providing a structured, organisation-wide approach for identifying, assessing, managing and monitoring risks in support of strategic objectives. This framework is set out in our Risk Management Strategy and Policy (2025–2028).

In 2025, the Councils published a joint Risk Appetite Statement to set out the level and nature of risk each council is willing to pursue in delivering its own priorities, many of which intersect across the partnership. Developed collaboratively, the statement reflects nuanced positions for each council where appropriate, supporting clearer strategic alignment and more transparent, consistent risk-informed decision-making.

Principal risks are managed through a Strategic Risk Register, while each service maintains an Operational Risk Register. The Strategy and Policy provide a clear line of sight between strategic and operational risks, supported by defined escalation and de-escalation processes. The Councils' companies and projects also maintain their own risk registers.

In November 2024, internal audit, reported good practice in our approach to following a holistic enterprise-wide methodology aligned to the Orange Book. This is underpinned by a clear and embedded three lines of defence model.

The Councils' risk management information system, Ideagen, enables integrated reporting across risk, performance and action management, supports cross-cutting risk analysis, and provides transparency around updates to registers, demonstrating active risk management. Strategic risks are also linked to the outcomes in Our Delivery Plan, providing visibility of how risks are being managed through the work the organisation is delivering.

Quarterly reporting of strategic risks to Senior Leadership and Cabinet, together with annual reporting of the wider risk management arrangements to Joint Audit and Standards Committee, provides sustained oversight and assurance that risks are being actively monitored and managed. This reporting now also benchmarks strategic risks against the joint Risk Appetite Statement, strengthening transparency and supporting more consistent, risk-informed decision-making across the partnership.

Our learning and development programme provides training across key organisational risk areas, ensuring staff have the knowledge and confidence to manage risks effectively in their day-to-day roles. Training on core risk principles and concepts is designed and delivered in-house, enabling tailored support that reflects our evolving needs and reinforces a culture of continuous improvement.

Continuous improvement is embedded in our approach to enterprise risk management, with each cycle involving the design and delivery of a focused improvement programme, followed by the development of a subsequent programme that builds on the progress achieved. This iterative process will ensure our risk framework remains responsive, strengthens organisational capability, and supports a mature, forward-looking culture of risk management.

## Equalities

The Councils are committed to equality monitoring to improve our services and ensure all our residents can access and use them.

As a public authority, the Councils have a duty to comply with our legal duties under

Section 149 of the Equality Act 2010, the Public Sector Equality Duty (PSED); and the Equality Act 2010 (Specific Duties) Regulations 2011. To ensure the Councils are paying due regard to the PSED, the Equality Impact Assessment (EQIA) process is used to support good decision-making by ensuring the Councils consider how different people will be affected by our activities, helping to deliver policies and services which are efficient and effective; accessible to all; and which meet different people's needs. EQIAs are prepared for Council and Cabinet papers where decisions are made-these are reviewed, with advice provided to EQIA authors, and then signed off prior to the committee meeting. We also undertake EQIAs for service changes and for staff restructures. For example, the recent Pay and Reward Review for our own staff pay scales undertaken in the organisation in 2023 and Part One of the Councils' Joint Local Plan.

We also ensure neurodiversity and veterans are considered in our Equality Impact Assessments, recognising the importance of considering the impact of Council decisions and policies on both groups. We continue to refresh our guidance and provide support to the organisation to enable this duty to be effectively met.

## Conclusion

**It is the opinion of the Head of Service for Strategic Policy that subject to the continued actions outlined above being taken, they are satisfied that processes are in place to enable the Councils to meet the requirements of the Equality Act 2010.**

**It is also their opinion that processes are in place to embed our strategic approach to ensure the Councils are using insight, data, policy horizon scanning and risk management to inform the actions we take and ensure effective performance**

**management and continuous improvement to demonstrate our duties under Best Value.**



## Opinion of the Head of IT and Programmes

The IT Strategy for Babergh and Mid Suffolk District Councils was formally adopted in November 2020 and enables the wider ambitions of the two organisations, specifically focussing on key customer outcomes and the ongoing resilience of the two councils.

The strategy, being aligned with that of our key provider, Suffolk County Council, enables us to ensure relationships with partners and our opportunity to effectively collaborate in strategically important areas of ICT continues.

Cybersecurity remains the most pressing risk facing ICT, a risk that continues to increase with the wider adoption of Artificial Intelligence (AI). To assess our maturity in this space, TIAA led an advisory piece of work, reviewing our developing AI approach, governance controls, and readiness to manage AI related risks. The audit provided valuable assurance on our early progress, while also informing improvements to our AI evaluation and oversight processes.

In response to these emerging risks, we have strengthened the AI evaluation process embedded within our procurement and service adoption procedures. This ensures any system or service using AI is assessed against security, ethical and data protection expectations, and that risks associated with adversarial attacks, data quality, or algorithmic bias are identified and mitigated.

Recognising the importance of information security as one of the underpinnings of good Cyber Security significant work was undertaken with Housing Services to strengthen Business Intelligence data governance, ensuring more consistent data standards, quality controls and business reporting. This work has been tightly aligned with our Power BI approach and supports improved operational analytics, more reliable management information, and an increasingly data mature service.

Over the past year, ICT and Programmes have supported the organisation to deliver a series of modern, efficiency-driving solutions that strengthen the councils' digital foundations and prepare critical services for future regulatory and technology changes.

Much of this work has focused on modernising infrastructure, replacing legacy systems, and enabling more resilient, data-driven operations. Examples include:

- Digital Switchover Readiness: Working with colleagues in Housing and Customer Operations to assess telecare risks associated with digital switchover and deliver modernised infrastructure that mitigates risks for vulnerable tenants during the national withdrawal of analogue lines.
- DEF planning monitoring system: Bringing efficiencies to Planning Policy by digitising evidence, spatial data and monitoring processes, moving the service towards fully digital analysis and aligning with national expectations for modern planning data infrastructure.
- Implementation of Mycelia: This Biodiversity Net Gain monitoring software has strengthened ecological reporting and compliance enabling the organisation to meet emerging BNG legislative requirements more efficiently and consistently, while also supporting external partners under agreed data-sharing arrangements.

Where appropriate this work has been focussed through our Corporate Programmes, ensuring a clearer alignment of resourcing priorities and delivery to strategic priorities.

- The Housing Programme seeks to deliver Housing Services through multiple channels, prioritise tenant needs, and provide affordable, safe, and efficient homes that meet the requirements of residents. Work supporting Housing in regards Digital Switchover and

- The Change and Efficiency Programme is looking to embed key governance pillars such as Risk Management, Financial Rigour and Strategic Priorities.

As a direct result of wider behavioural and organisational impacts of digital change, the importance of information security and emerging technologies we introduced a new Acceptable Use Policy (AUP) in late 2025. This updated policy reflects modern technology usage, hybrid working practices, increased automation, and new expectations around AI assisted work. It provides clearer guidance for staff, ensures compliance obligations are met, and strengthens our organisational posture on information security and responsible technology use.

As we enter 2026/27 one of the key challenges facing ICT and Programmes is Local Government Re-organisation (LGR). It poses significant ICT challenges, including integrating fragmented systems, continuing to ensure data security and maintaining service continuity through a time of significant change. From a Programme perspective, the challenges include managing resources against shifting priorities.

## Conclusion

**It is the opinion of the Head of IT and Programmes that the technology assets of the Councils are managed effectively, efficiently, and economically, and our Programme approach is continuously maturing.**

**This positions us strongly to address the challenges of LGR, as we possess a robust and clear understanding of our ICT assets. Our commitment to innovation will facilitate a smooth transition, and our structured approach to planning and resource optimisation will ensure that LGR proceeds efficiently.**



## Opinion of the Data Protection Officer

Information Governance in Babergh and Mid Suffolk District Councils is overseen by the Councils' Statutory Officers Group which meet every two months. The primary purpose of the meeting is to drive and oversee the ongoing development of strategies to ensure the Councils have effective governance and assurance arrangements in place to meet our statutory responsibilities.

The role of Information Governance Officer was brought back into the direct employment of the Councils in July 2025 to facilitate more direct support for services and enhanced accountability so that assistance and support to services can be given more directly. The role sits within the Councils ICT and Programmes team.

The Councils have key individuals who have specific roles and responsibilities regarding information governance, including:

- Senior Information Risk Owner – Deputy Chief Executive with overall responsibility for the Councils' information risk policy.
- The Chief Operating Officer is the Data Protection Officer who is responsible for overseeing data protection strategy and ensuring compliance with legislative requirements. This role also leads the Information Governance Team that develops the overall information policy and assurance framework, provides information, advice, guidance and training for staff, and monitors compliance.
- Information Governance officer – provides a comprehensive advice service to the councils in respect of Information Governance, Data protection, Data management, Freedom of Information and Environmental Information Regulations.

The Councils also have an informal network of representatives across the organisation who promote and encourage best practice within their service areas on information management. They also act as the liaison officers for their service areas for the processing of Freedom of Information (FOI), Environmental Information Regulations (EIR) requests and maintaining and updating their datasets in the Information Asset Register. Training for them is provided on an ongoing basis.

Information, advice, guidance and support relating to different aspects of information governance is available on the Councils' intranet and internet, and bespoke advice is available for members and staff from the Information Governance Officer.

The Information Governance Officer also works closely with colleagues from other Suffolk local authorities and partners via the Suffolk Information Governance Group and the Suffolk Office of Data Analytics (SODA) to ensure that information can be shared safely and appropriately between organisations with a consistent approach to data protection being followed across the Suffolk Local Authorities.

Examples of this collaborative work is the documentation produced to cover off the Feel-Good Suffolk initiative to help our residents move towards better supported health options; and collaboration with other local authorities across the county in the drafting of a process for consideration regarding the Low-Income Family Tracker dashboard (LIFT).

## Conclusion

**The opinion of the Data Protection Officer is that Information governance continues to hold a higher profile than it did historically following the implementation of new data protection legislation which came into force in May 2018, and the Councils continue to drive improvements to data security and compliance.**



## Opinion of the Head of Communications and Engagement

The Communications team supports all council service areas with both external and internal communications.

This includes issuing proactive media releases and reactive statements, offering communications advice, posting stories on our website, creating content for our social media channels, photography and video, design services, as well as providing internal, member and stakeholder communications.

We help our residents, staff, councillors and partners feel informed about council services and priorities, and to see our positive impact on communities. We consider the specific needs of different audiences and tailor our work appropriately – so people receive the right message, in the right format, at the right time wherever possible.

Good communications are essential to build trust, enhance our reputation, and for council projects and initiatives to succeed.

All communications activities are delivered in line with our Communications Protocol. This exists to guide council officers' actions and decisions when arranging and delivering corporate communications activities involving elected members.

It is followed closely to ensure actions and decisions are consistent, clearly understandable and make appropriate use of the role of elected members in promoting and defending the work of the council.

Fairness is a fundamental principle, so the rules are applied equally, regardless of which elected member is involved or the political group they belong to.

Our communications also follow The Publicity Code for local authorities, which states publicity should: be lawful, cost effective, objective, even-handed, appropriate, have regard to equality and diversity, be issued with care during periods of heightened sensitivity.

In 2025/26, we issued around 100 media releases and managed more than 300 reactive media inquiries.

To ensure we can reach as many residents as possible with our communications, we have continued to develop our Babergh and Mid Suffolk social media channels, and this includes producing more content in the formats our audiences expect such as video. Our audience has continued to grow in the last year, particularly on our Facebook channels.

We also produce Mid Suffolk Magazine twice yearly. This was first launched in early 2025, and is delivered to every household in the district, providing useful information to residents. The most recent issue includes details of the Better Recycling changes, cost of living support, funding opportunities for local groups, and details of local investment.

We continue to manage the demands of Local Government Reorganisation comms alongside 'business as usual', ensuring our staff and councillors are updated first on any developments. We have worked collaboratively with other district and borough comms teams to inform the public and stakeholders about the proposal for three unitaries.

## **Priorities for coming year / areas for improvement**

The Communications team will continue to work with colleagues across the organisation to ensure we are keeping them, our residents, councillors and partners informed about our services and priorities.

Our work will continue to be aligned to our corporate priorities, and we will continue to help the administrations to articulate these, demonstrating the positive impact they are having in the communities we serve. We will also help our staff understand how the priorities relate to them.

We will cater for a range of audiences across multiple internal and external channels, ensuring our communications are tailored for them.

Local Government Reorganisation will continue to require significant Communications resource as we start the transition to new councils. We will ensure staff, residents and stakeholders are clearly informed throughout the process about what it means for them. There will be a requirement to work with our colleagues across the county to shape future services, while also ensuring the legacy of our existing councils are captured and celebrated.

The introduction of Better Recycling in June 2026 is a significant change affecting all residents, and we will support Suffolk Waste Partnership's communications strategy to ensure this is clearly understood.

Our communications will focus on the principles of being open, honest, and timely, using plain English. This will ensure we are transparent and our work is of the highest integrity.

With continuing changes to the way people access information, we will ensure our Communications and Engagement Strategy remains relevant – looking for new opportunities and channels to maximise our reach with residents.

In terms of challenges in 2026/27, daily operational demands continue to stretch the capacity of the team, which can often delay or hinder our strategic objectives. However, it is accepted that, much of the time, this is unavoidable due to the unpredictability of communications demands.

Capacity within the team is being reduced because of Babergh District Council's budget challenges. A greater proportion of the team's time is also now allocated to Mid Suffolk to reflect the council's stronger financial position and capacity to invest in new projects, requiring additional comms. This means it will be essential we prioritise work, focusing on the things which have the most impact.

Our success will be gauged through a series of KPIs, including measuring sentiment in media stories and social media analytics.

We remain committed to developing the skills within our team. By continuing to invest in our communications, we can ensure that our communities understand our direction, our vision and the rationale for future proposals, and understand how they can have their say, as part of a fully transparent democratic process.

## **Conclusion:**

**Opinion of the Head of Communications and Engagement - I am satisfied that the Communications team's activities are delivered within a clear framework, in line with our Communications Protocol and Communications and Engagement Strategy, and remain fair, impartial, cost-effective, appropriate and lawful.**



## Opinion of Management of Health and Safety

The Head of Public Protection, and the Health & Safety Manager (Corporate) are satisfied that governance arrangements for H&S are suitable and sufficient. Safeguarding health and safety in the workplace is a legal and moral obligation for employers. Senior Leaders have completed IOSH Safety Training for Executives and Directors and made a pledge to drive a positive health and safety culture in the organisation.

There has additionally been an increased awareness on health and safety responsibilities for leaders managing services and teams, attending IOSH training, and increased learning on risk assessment. The 3-yearly H&S service plan 2025/28 highlights the specific aspects which require ongoing improvement, and this statement focuses on 2025/26 and the team are already making plans for a review in 2026/27.

Resourcing will continue to be monitored to support the organisation going forward into the new authority following local government reform and finish with good assurance, and culture of the health and safety compliance. Assurance activity is progressing, and a H&S officer-led audit assurance program have been undertaken by the team. The organisational compliance scores have improved with audit intervention, advice, training, and increased confidence in managers.

Now we are drilling down into workstreams such as the Construction Design and Management Regulations 2015 (CDM), lone working fob usage, and contract review along with producing scorecards so directorate performance can be managed and improved. Along with this focused work, we are responding to incidents and continually improving our information, policies and procedures with Human Resources that support our workforce and those that we have health and safety responsibilities for.

We have seen requests from Services for competency-based training such as conflict resolution being one of the service priorities for front-line staff and the Health and Safety Executive (HSE) health priority campaigns such as reducing violence and aggression, asbestos-related illness, working at height, and road/working transportation. H&S is a standing agenda item at SLT quarterly meetings with a bi-monthly report being presented which includes risk, performance, and data.

A Health and Safety Working Group continues with Health and Safety Representatives from various Directorates and Union Representation. The purpose of the Group is to share knowledge, increase awareness and provide a governance network for raising matters. Compliance, Health and Safety and Regulator of Social Housing Performance in relation to Compliance and Health & Safety is routinely reported to and scrutinised by both the Senior Leadership Team (SLT) and Cabinet. The Housing Service was under self-referral to the Regulator of Social Housing for over a year.

Through sustained and diligent effort, Babergh and Mid Suffolk are no longer under self-referral, having come out of regulation in a relatively short timeframe, reflecting the progress made by the Housing Team.

Officers met monthly with the Regulator of Social Housing who continued to express satisfaction with the Councils' progress and therefore monthly meetings are no longer required. The Regulator of Social Housing are happy with the actions taken to strengthen Compliance in both the short and long term. This includes advancements in Stock Condition Data, Tenant Satisfaction Measures, and preparations for new legislative and regulatory requirements, such as Awaab's Law. Babergh and Mid Suffolk's Compliance Team remains focused on sustaining strong performance in readiness for a forthcoming regulatory inspection.

Current stock condition data coverage for BMSDC properties stands at 81%, with a target of achieving 100% by June 2026, as agreed with the Regulator of Social Housing. This enhanced dataset will underpin long term planning and support efforts to reduce levels of non-decent housing.

The Property Assets and Compliance Team has mobilised, or is in the process of mobilising, several key contracts including Damp and Mould, Fire Risk Assessments

and Fire Door Inspections, Fire Safety Remedials, Doors and Windows, and Roofing. These contracts are designed to ensure consistency, programme adherence, value for money, and the continued improvement of council properties.

The Health and Safety Manager for Housing provides oversight of both the Property Assets and the Compliance and Housing Repairs and Maintenance Team's. Engagement with colleagues is being strengthened through toolbox talks, structured training programmes, and comprehensive contractor audits, including verification of documentation and compliance with the Construction (Design and Management) Regulations 2015.

Recent initiatives include enhanced contract management training to ensure compliance with updated procurement legislation and effective oversight of the range of contract types in use. Following the 'Getting to Know You' project, the Health and Safety Team is working closely with Asset Information Coordinators to ensure that tenant vulnerabilities and specific health conditions can be shared securely. This will support an improved, efficient system for arranging and managing tenant appointments, with the aim of reducing no accesses and increasing successful appointments. 53 Targeted safety campaigns for the DLO continue to drive engagement across all levels. Should his be there?

The Housing Repairs and Maintenance and Property Assets and Compliance Teams have a substantial cohort of colleagues undertaking CIH Level 3 and 4 qualifications in Housing and Property Management.

Colleagues in the DLO are also completing trade specific NVQ's and specialist training, such as G3 Unvented Hot Water Systems Certification and Water Regulation training for Plumbers.

Across the Housing service, team members have been proactively engaging with residents about safety in their homes and identifying opportunities for improvement, including resident meetings and attendance at the resident board. A dedicated “Keeping Your Home Safe” section has been launched on the Councils’ website to provide accessible information, guidance, and signposting.

All materials are available in alternative formats and languages on request to support inclusivity.

## **Conclusion**

**It is the opinion of the Head of Public Protection and Health and Safety Manager that there is a positive attitude and culture towards health and safety across the Councils, and employees are actively pro-actively engaging with learning, and improving how they can address health and safety in their teams.**

**The Health and Safety arrangements across the Councils during 2025/26 have been effective and priorities such as training and competency of health and safety leadership will help us to continually develop improvements in 2026/27 where topics such as CDM, risk assessments, lone working, use of transport at work and customer alert updates are being reviewed to enable managers to drive up performance.**

**Whilst some significant work has been done on delivering and improving identifying key skills, however there is still work to do to achieve higher compliance with**

## Actions moving forward

Outcomes achieved during 2024/25 to further strengthen the Councils' governance, alongside the standing arrangements already in place:

Actions captured in 2024/25	Outcomes achieved during 2025/26
<p><b>Resetting our Plan</b> - Actions captured during 24/25</p> <p>Work was ongoing in 2023 to refresh our existing corporate plan, which resulted in Our Plan for Babergh and the Mid Suffolk Plan. Both plans set out the priorities both Councils are looking to deliver by 2027. These two plans set out the priorities, which were followed up with detailed plans in the form of Action Plans, detailing which priorities will be delivered in 2024-25 and beyond.</p> <p>It was recognised however that a broader plan was needed to articulate what we want to achieve in the totality of all Councils' service delivery, for our residents, businesses, visitors, stakeholders and partners, and all Councillors and staff. It also needed to identify how we would achieve our outcomes, providing that golden thread through our organisation to give a clear vision on how we all achieve our shared outcomes.</p>	<p><b>Resetting our Plan</b></p> <p>Following the agreement of our strategic priorities in Our Plan for Babergh and the Mid Suffolk Plan, work was completed in 2024 to bring all the Councils' work and priorities into one plan. Our Delivery Plan encompasses the above strategic plans, specific actions to deliver those plans and all the work the Councils undertake.</p> <p>Some of the principles that went into inform Our Delivery Plan were:</p> <ul style="list-style-type: none"> <li>• Longer term planning, not just immediate goals, and political-term thinking</li> <li>• Consider the role of local authorities, and whilst providing direct services also consider how we can also be stewards and leaders to engage more to achieve wider outcomes with our communities, partners, and stakeholders</li> <li>• Focus on our places, their uniqueness and how we respond to the challenges they face</li> <li>• How we can collectively deliver on our missions whilst ensuring our foundations are strong to enable that delivery</li> <li>• Delivering quality, reliable council services</li> <li>• Ensuring financial responsibility and viability</li> <li>• Putting sustainability and social justice at the heart of everything we do</li> <li>• Working with residents and partners to nurture engaged and resilient communities</li> </ul>

Actions captured in 2024/25	Outcomes achieved during 2025/26
	<p>Our Delivery Plan identifies 14 outcomes, which are connected into what we deliver through our service plans, and key performance indicators to demonstrate whether we are on track for delivery. Service Plans for 2025-28 have been created, providing that connection between outcomes and showing how progress will be monitored through actions and key performance indicators.</p> <p>We continue to review and renew our strategies and plans to ensure they are aligned with Our Delivery Plan, outcomes and performance reporting, to ensure that a clear golden thread can be seen through the organisation from priorities of the Councils through to our actions on a daily basis to deliver these for our communities.</p>
<p><b>Councillor Development</b></p> <p>The training plan for 2025/26 will focus on refreshing councillor training undertaken in the successful induction carried out in 2023. A detailed training programme for each committee continues to be formulated and rolled out across the next municipal year.</p> <p>A plan of regular member briefings on a wide range of topics is being formulated for 2025/26 to be held on a regular basis across the year.</p> <p>Councillors will continue to be offered a comprehensive suite of training from external organisations such as the LGA and LGiU as well as internal training for Planning and Licensing Committees.</p>	<p><b>Councillor Development</b></p> <p>Broader councillor development is delivered through regular dialogue with relevant service areas and prioritized where appropriate through the member development steering group. Over the course of the 25/26 members have undertaken development on a range of topics, from training on systems such as the incoming member enquiries software, to an update on Operation Ford from Norfolk and Suffolk Police.</p> <p>Committee specific councillor development is embedded as part of the regular annual cycle, enabling councillors to carry out their roles effectively, and with an up-to-date knowledge of best practice and relevant legislation.</p> <p>Councillors will continue to be offered a comprehensive suite of training from external organisations such as the LGA and LGiU as well as internal training for Planning and Licensing Committees.</p>

Actions captured in 2024/25	Outcomes achieved during 2025/26
<p><b>Building Services Transformation and Improvement Programme</b></p> <p>Building Services Transformation and Improvement Programme update</p> <p>Following the completion of our compliance restructure and our period of reflection, we have now carried out a full restructure of building services, which we have renamed Housing, Repairs, and Maintenance.</p> <p>This was done in consultation with the unions.</p> <p>The new structure focuses on prioritizing the right skills, knowledge, and experience. A new management structure has been implemented to provide more support for trades and office colleagues.</p> <p>The restructuring of the trades team followed a thorough analysis of the jobs carried out over the previous years.</p> <p>This enabled the team to understand the requirements based on accurate data. Additional posts were also recruited to ensure tenants had support, particularly around any dissatisfaction. IT has also improved with the procurement of a new job management system, which is currently being implemented. A new fleet was procured, and a new logo and uniform were purchased.</p> <p>All policies and procedures have been updated and agreed upon by the Tenant Board.</p> <p>Our new repairs policy clearly sets out our commitment to tenants and the time frames we are legally obliged to meet. It also outlines the expectations of tenants and their obligations. The team worked with the support of a consultant to design repairs pledges, which form the framework for the service. Each member of the team was involved in the final draft, and these were also put through our tenant governance program.</p> <p>Our performance has improved, and within 18 months, we feel confident that we will reach the upper performance quartile.</p>	<p><b>Building Services Transformation and Improvement Programme</b></p> <p>The transformation of our Building Services function is now complete, resulting in two distinct services: the Assets and Compliance Team, and the Repairs and Maintenance Team.</p> <p>Following the removal of our Regulatory Notice, we have continued to closely monitor compliance to ensure adherence to all quality and safety standards. In addition, a comprehensive policy review project has been completed to ensure alignment with changes in legislation. The team continues to monitor and implement legislative requirements, including Awaab’s Law.</p> <p>All contracts have now been procured, enabling the delivery of our planned programme of works. This is expected to generate efficiencies and cost savings within the Repairs and Maintenance service.</p> <p>The Repairs and Maintenance service continues to improve and is performing at a high level, with key performance indicators exceeding 95% across most areas. Operative productivity is improving, and efficiencies introduced through the implementation of the new job management system have contributed to a reduction in complaints and an increase in customer satisfaction.</p>

Actions captured in 2024/25	Outcomes achieved during 2025/26
<p><b>Peer Review</b></p> <p>In March 2022, the LGA CPC Review team reviewed the Councils and identified that we are well run and deliver good core services to our residents. They described our officers as being highly dedicated, committed, and loyal to the organisation; and praised the workforce for delivering above and beyond, particularly during the pandemic.</p> <p>The team found excellent partnership working at strategic level to deliver positive outcomes on health, wellbeing, housing, stimulating economic growth and shared services – and we were described by our partners as “punching above our weight.” This was reflected in being awarded UK Council of the Year at the iESE Public Sector Transformation Awards in 2024.</p> <p>The CPC Review team made a follow-up visit in January 2023, where they reported substantial progress against their recommendations. They identified that the improvement plan is a serious indication of the continuous improvement journey the Councils are on and there is clear evidence of resourcing and delivering the plan. The Councils have continued to ensure the recommendations made by the Peer Review team have been progressed and reviewed on a regular basis with the Senior Leadership Team.</p>	<p><b>Peer Review</b></p> <p>From the CPC review in March 2022</p> <p>During 2025 we have continued to implement improvements based on the recommendations received. The majority of actions are now complete or have been incorporated into our revised working practices, and as such the Corporate Peer Challenge has drawn to a close in 2025.</p>

Actions captured in 2024/25	Outcomes achieved during 2025/26
<p><b>Social Value</b></p> <p>The Councils are intent on demonstrating Social Value. A Social Value Policy was agreed by Cabinet in June 2024.</p> <p>The Policy focuses on demonstrating Social Value in Procurement, but also how we demonstrate Social Value within the delivery of the Councils' priorities. A new Head of Procurement Post was appointed who started in post in January 2024. The post has been appointed to drive the work to embed Social Value within the Councils' externally purchased contracts.</p> <p>To embed the Social Value Policy into practise a template Social Value evaluation criteria has been introduced with separate weightings for social, economic and environmental benefits. We allocate weightings for Social Value on a case-by case basis, aiming to use a total Social Value weighting of 10%. We monitor the weightings used in procurements to ensure that where less than a 10% weighting is used, there is oversight of the reason why.</p> <p>An Environmental Ask of our supply chain was introduced in 2024 which is included in our tender and quote documentation. The Ask provides guidance both to our supply chain regarding the steps to be taken to reduce emissions and to our bid evaluation panels regarding the evaluation of social Value environmental offers.</p> <p>Our Contract Standing Orders which were updated and agreed by Full Council came into force in February 2025.</p>	<p><b>Social Value</b></p> <p>The Councils are intent on demonstrating Social Value working to the Councils' Social Value Policy. The Policy focuses on demonstrating Social Value in Procurement, but also how we demonstrate Social Value within the delivery of the Councils' priorities.</p> <p>To embed the Social Value Policy into practice a template Social Value evaluation criteria has been introduced with separate weightings for social, economic and environmental benefits. We allocate weightings for Social Value on a case-by case basis, aiming to use a total Social Value weighting of 10%. We monitor the weightings used in procurements to ensure that where less than a 10% weighting is used, there is oversight of the reason why.</p> <p>The Social Value Weighting and any variance if less than 10% is used are recorded in the Procurement Workbook, which documents the decisions during the procurement. The Social Value criteria are used for tenders, competitive quotes and where a framework mini competition is undertaken and the framework facilitates the Councils to add criteria.</p> <p>Contract Management Minimum Standards were introduced in 2025 providing clear guidance to colleagues with contract management responsibilities. Which included the requirement to manage performance of the delivery of the contract including the added value of the Social Value Offer and any benefits realisation.</p> <p>A programme of Basic Contract Management training is currently being rolled out which is mandated for all colleagues with contract management responsibilities. The training outlines the Contract Management Minimum Standards and is intended to facilitate embedding the minimum standards into contract management practice within the Councils.</p> <p>Managing the environmental impact of contracts have been a key opportunity/ risk addressed at the Contract Management Network (CMN) which is held on a quarterly basis.</p>

Actions captured in 2024/25	Outcomes achieved during 2025/26
	<p>The Q2 CMN included peer group discussions regarding “Identifying environmental risks and opportunities”. An Environmental Policy Check List has been introduced to support colleagues to review contractor’s Environmental Policies.</p> <p>Internal training in the format of a 90-minute workshop for colleagues who commission, procure or contract manage contracts and for those linked to organisations who are recipient of Social Value offers from our contractors is planned for Q2. This will follow the programme of contract management training which is currently being delivered.</p> <p>The Council have reviewed their Environmental Ask developing a mutual Environmental Ask working with neighbouring councils in Suffolk. So that there is a clear and consistent ask for suppliers locally in Suffolk when working with local government. The updated ask is in the final stages of approval from the participating councils and is due to be published in May 2026.</p> <p>Social Value Principles are currently being developed working with internal stakeholders, to provide examples of how Social Value can be delivered to the Councils within the local area.</p> <p>The first annual statement has been delayed due to staffing resources within the Procurement Team. The first annual statement is due to be published in Q1 of 2026/27.</p> <p>The Head of Procurement is an active member of the National Social Value Taskforce, was asked to present at the National Social Value Conference 2025 and to be one of the judges for the National Social Value Awards 2025.</p> <p>The LGA have formed a National Advisory Group for Social Value in 2025 and requested that BMSDC are a district council representative on the group.</p> <p>The Councils are committed to using Social Value to maximise the economic, social, and environmental benefits to our communities of every pound spent on delivering the Councils’ priorities.</p>

## Approval of the Annual Governance Statement

We have been advised of the result of the review of the effectiveness of the governance framework by the Joint Audit and Standards Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

The governance arrangements as defined within the Councils' Local Code of Corporate Governance have continued to operate effectively.

The Annual Governance Statement shows that our high standards have been maintained and no significant issues are reported.

Specific opportunities for improvement in governance and internal controls are detailed within the Statement. We propose, over the coming year, to take steps to address these opportunities to further enhance our governance arrangements.

We are satisfied that these steps will continue to address the need for any improvements that are required and that arrangements are in place to monitor the issues raised as part of each Council's annual review.



**Cllr John Ward**  
Deputy Leader of  
Babergh District Council  
(former Leader for 2025/26)

*John Ward*  
1st July 2026



**Cllr Andrew Mellen**  
Leader of Mid Suffolk  
District Council

*Andrew Mellen*  
1st July 2026



**Arthur Charvonja**  
Chief Executive of Babergh  
and Mid Suffolk  
District Councils

*Arthur Charvonja*  
1st July 2026



# Annual Governance Statement

2025 - 2026