

# Annual Governance Statement 2025/2026



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## **FOREWORD**

### **from Andrew Cook (Joint Chief Executive)**

I am delighted to contribute this foreword to the Annual Governance Statement - my first as Joint Chief Executive. My predecessor, Nicola Beach, left the legacy of a well-governed council and, with my colleague and Joint Chief Executive Mark Ash, I am focussed on ensuring that continues.

The County Council's governance arrangements have stood up well during a year where the UK's economic growth remained sluggish, and geopolitical uncertainty continued. Locally, continuing to have robust governance arrangements will help support newly elected Councillors and the new Administration to deliver their priorities and governance duties following the County Council elections on 7 May.

The Government has provided greater financial certainty for councils with the publication in February 2026 of the first multi-year Local Government Finance Settlement in a decade. Although the settlement, covering 2026-2027 to 2028-2029, enables longer-term planning, it does not counteract rising costs, growing demand, and more complex patterns of need. Suffolk County Council has developed a substantial savings programme of £46.5 million to enable setting a balanced budget for 2026-27. As we work to meet this significant challenge, compliance with governance controls remains critical, such as assiduous budget management, effective use of technology, and establishment change control and Intend to Spend processes.

On 25 March 2026, the Secretary of State for Housing, Communities and Local Government announced his decision on local government reorganisation (LGR) for Suffolk. Three unitary councils will replace the current arrangements of Suffolk County Council and five district and borough councils. The new authorities will cover western Suffolk, central and eastern Suffolk, and Ipswich and southern Suffolk. Elections to the shadow authorities will be held in May 2027, and the new councils will begin operations in April 2028. This is the biggest change to local government in Suffolk for over 50 years and we now have the responsibility of creating three new councils which, from day one, will continue to deliver the critical services our residents and communities need.

With the departure of our Chief Executive Nicola Beach, on 31 March 2026, it was important to act effectively and quickly to ensure strong and steady leadership is in place until April 2028. On 19 March 2026, Council approved the appointment of myself and Mark Ash as new Joint Chief Executive from 1 April 2026. This will build crucial capacity, minimise the risk of overload, and maximise the ability to deliver key priorities over the next two years. It also presents a financial saving for the Council.

Suffolk remains part of Government's Devolution Priority Programme, with the aim of establishing a Mayoral Combined County Authority (MCCA) with Norfolk County Council. On 4 December 2025, the Government announced that the inaugural mayoral elections for Norfolk and Suffolk, Sussex and Brighton, Hampshire and the Solent, and Greater Essex will be held in May 2028, rather than May 2026, with areas completing the

LGR process before Mayors take office. The Government still intends to establish Mayoral Strategic Authorities in all the Devolution Priority Programme areas as soon as possible. The next milestone is for Suffolk and Norfolk County Councils to consent to government laying the Statutory Instrument to establish the Norfolk and Suffolk MCCA. This has been delayed until new Administrations are in place at the two county councils after the elections on 7 May.

External assurance continues to provide independent verification of the Council's governance, financial sustainability, and service delivery. The Council is currently on a significant improvement journey with special educational needs and disabilities (SEND) and across children and young people services. Following our Inspection of Local Authority Children's Services (ILACS) in 2024, Ofsted carried out a Focused Visit in September 2025 to assess the progress of our 'front door' services. Their report sets out areas to focus on moving forward, but notes "early signs of improvement beginning to emerge". In November 2025, the Department for Education reviewed the progress of Suffolk's SEND Local Area Partnership. A published letter recognises improvements in governance, quality assurance, timeliness, leadership and multi-agency working, while setting clear expectations for the next phase of improvement. A further Area SEND monitoring visit inspection of SEND services took place in March 2026, and we await that report.

In October 2025, His Majesty's Inspectorate of Constabulary and Fire & Rescue Services carried out a revisit to review progress against the action plan developed by Suffolk Fire and Rescue in response to its inspection in 2024. In his revisit letter, the Inspector states he is satisfied with the service's current progress. Our Adult Social Care service is currently being assessed under the Care Quality Commission's (CQC) new Single Assessment Framework. The CQC's onsite visit took place in December 2025, and we anticipate the final outcome report being published in the summer.

The Government has also launched the Local Outcomes Framework. This will provide outcomes-based performance measurement against key national priorities, delivered at the local level and driven by councils as local leaders of place. The framework is intended to bring together existing data in one place, rather than introduce a new set of reporting requirements for councils. The outcomes and metrics for each local authority area will be published on gov.uk. This will improve transparency and enable the public, Government, local government and local partners to have a shared view of progress. Suffolk County Council is currently examining how the framework fits with our existing corporate plans and performance monitoring systems.

Risk management, throughout the organisation, remains a priority. The strategic risk register is reviewed regularly at a senior political and officer level to ensure it is dynamic and relevant for responding to the wider operating context.

To assess the Council's effectiveness, the AGS draws on a structured range of assurance sources across the three lines of defence, supported where relevant by the external inspections, and concludes that governance arrangements are proportionate,

embedded and operating effectively. This is corroborated by Internal Audit's compliance review of the Council's compliance with the principles of good governance, and second-line assurance statements from officers relating to their areas of responsibility.

Where actions from the 2024/25 Annual Governance Statement (AGS) have been implemented, these are covered in this document in the assurance statements from officers relating to their areas of responsibility. The Action Plan at the end of the document sets out the ongoing and new actions we will be taking, alongside our ongoing stewardship of the Authority.

This year's Annual Governance Statement conveys the ongoing efforts of staff and Councillors to uphold the core principles of good governance for the Council. As we undertake generational change for local governance across Suffolk, that good governance will be paramount. The assurance mechanisms and actions described in this year's AGS are, therefore, vital in securing more effective, sustainable local governance and better outcomes for Suffolk. I am grateful for the ongoing efforts and diligence from staff and Councillors in ensuring that the Council remains well governed and provides Best Value to its residents and communities.

## **APPROVAL OF THE ANNUAL GOVERNANCE STATEMENT**

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

To the best of our knowledge, the governance arrangements as defined within the Council's 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 action plan. We propose, over the coming year, to take steps to address these opportunities to further enhance our governance arrangements.

We are satisfied that these actions will deliver, over appropriate timescales, the improvements necessary and these will continue to be monitored, evaluated, and reported on as part of our next annual review.



**Councillor Matthew Hicks  
Leader of the Council**



**Andrew Cook  
Joint Chief Executive  
(Head of Paid Service)**

## SCOPE OF RESPONSIBILITY

Suffolk County Council is 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 Council is responsible for putting in place proportionate and appropriate arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA (Chartered Institute of Public Finance and Accountancy)/SOLACE (Society of Local Authority Chief Executives and Senior Managers) framework '*Delivering Good Governance in Local Government Framework (2016 Edition)*', and a subsequent addendum issued in May 2025.

This document explains how the Council has complied with the Code and meets 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 Council's wholly owned companies (Concertus, Vertas, and Opus People Solutions - operating under the trading name 'Vertas Group'), and partially owned company (housing joint venture – Edmundham Developments), are incorporated within this Annual Governance Statement.

## WHAT IS GOVERNANCE?

Good governance is about *achieving the intended outcomes while acting in the public interest at all times*.

Governance is about how the Council ensures that it is 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 Council's 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 Suffolk communities.
- Secures continuous improvements in the way it operates.

The Council concurs with the view that:

“Good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes for citizens and service users. Good governance enables an authority to pursue its vision effectively as well as underpinning that vision with mechanisms for control and management of risk ... and governance arrangements should not only be sound but also be seen to be sound.”

## THE PURPOSE OF THE GOVERNANCE FRAMEWORK

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

### Principles of corporate governance

#### Principle A: Integrity and Values

- Staying true to our strong ethical 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
- Using consultation feedback from the public to support services 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: Working Together

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

#### Principle D: Making a Difference

- Having a clear vision and strategy setting out our intended outcomes for citizens and service users

#### Principle E: Capability

- Having 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 Councillor and officers' performance, compliments and complaints 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
- Having 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 Council for the year ended 31 March 2026 and up to the date of approval of the statement of accounts.

## THE GOVERNANCE FRAMEWORK: HOW THE COUNCIL WORKS

- Elected Councillors set the Council's strategic direction by developing and keeping under review the corporate ambitions of the Council. The ambitions give a clear direction for what is important politically and drive the work of Council services every day.

The ambitions for 2025/26 were:

- I. Looking after our health and wellbeing** – maximising our ability to innovate, adapt and work in partnership with individuals, communities, and partners.
  - II. Strengthening our local economy** – maximising economic opportunities that benefit everyone, so that no one is left behind.
  - III. Protecting and enhancing our environment** – working to protect and enhance Suffolk's environment and biodiversity, while also reducing harmful carbon emissions.
  - IV. Providing value for money for our residents** – being bold and challenging in ensuring value for money and accountability to local people in everything that we do.
- There is an established, integrated planning process, which ensures Council services are delivered in accordance with the Council's ambitions and represent the best use of resources. The Annual Plan (interim statement), published in October 2025, provides an overview of how the Council has delivered against its ambitions and how it proposes to continue delivering on them.
  - Performance is measured against corporate ambitions.
  - There is 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.
  - Codes of Conduct have been developed, which define the standards of behaviour for Councillors and employees.
  - The Constitution, Schemes 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.

- The County Council is the senior decision-making body and the principal forum for political debate. All County Council meetings take place in public and are webcast. The County Council sets the strategic aims that form the Policy Framework. It also determines the Council Plan and budget, following a well-developed process of member engagement and internal scrutiny.
- The Cabinet (Leader and Portfolio Holders) takes decisions on most matters of Council policy and service delivery. Collective Cabinet decisions are taken at a meeting held in public.
- The County Council appoints members to Scrutiny Committees, by which the Cabinet is held to account. Chairmen of the Scrutiny Committees are appointed by Council, and vice-chairmen are appointed by the relevant Scrutiny Committee. Scrutiny Committees are politically proportionate. They meet in public and meetings are webcast.
- Other meetings of significant public interest are webcast, including the Development & Regulation Committee and the Suffolk Health and Wellbeing Board.
- The Audit Committee promotes and maintains high standards in relation to the operation of the Council's Code of Corporate Governance, ensuring that the Council operates within the law, in accordance with the Council's internal procedures, and follows the framework and guidance issued by CIPFA/SOLACE. The Committee is also responsible for monitoring the risk management framework and control environment, to ensure the Council's financial and non-financial performance is properly monitored.
- Statutory officers support and monitor the Council's governance arrangements, ensuring expenditure is lawful and the Council continues to comply with relevant laws and regulations, internal policies, and procedures.
- There are mechanisms for whistleblowing and handling public complaints, which help measure service quality for users.
- The Council seeks to keep communities informed, giving local people the opportunity to get involved in the decision-making process, promoting local democracy, and supporting and shaping places and local communities. The Forward Plan describes all significant (key) decisions planned to be taken in the following four months and is published and updated at least monthly. The Forward Plan gives the public, press and elected members notice of forthcoming key decisions and is used by Scrutiny Committees to help plan their business.

## KEY ROLES

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

The Council	<ul style="list-style-type: none"> <li>• Approves the Annual Plan.</li> <li>• Approves the Constitution, including the Financial Regulations.</li> <li>• Approves key policies and budgetary framework.</li> </ul>
Cabinet	<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 Cabinet members with responsibility for different portfolios.</li> </ul>
Audit Committee	<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>
Scrutiny Committees	<ul style="list-style-type: none"> <li>• Holds the Council to account by reviewing decisions, policies, and service performance to ensure transparency, effectiveness, and value for money.</li> </ul>
Corporate Leadership Team	<ul style="list-style-type: none"> <li>• The Joint Chief Executives have overall accountability for the governance framework.</li> <li>• Implements the policy and budgetary framework set by the Council, provides advice to Cabinet and the Council on the development of future policy and budgetary issues, and oversees the implementation of Council policy.</li> <li>• Accountable for developing and maintaining the Council's governance and risk framework.</li> </ul>
Chief Financial Officer (S151)	<ul style="list-style-type: none"> <li>• Leads and directs the financial strategy of the Council and ensures the Council controls and manages its money well. Is suitably qualified and experienced and ensures the Finance Team is fit for purpose.</li> <li>• Accountable for developing and maintaining the Council's internal control and counter fraud framework.</li> <li>• Contributes to the effective corporate management and governance of the Council.</li> </ul>

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Monitoring Officer	<ul style="list-style-type: none"><li>• Advises the Council on ethical issues, standards, and powers to ensure the Council operates within the law and statutory Codes of Practice.</li><li>• Overall responsibility for the maintenance and operation of the Whistleblowing Policy and contributes to the effective corporate management and governance of the Council.</li></ul>
Head of Internal Audit & Counter Fraud	<ul style="list-style-type: none"><li>• Provides independent assurance and opinion on the adequacy and effectiveness of the Council's 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>
External Audit	<ul style="list-style-type: none"><li>• Audits/reviews and reports on the Council's 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>
Directors & Managers	<ul style="list-style-type: none"><li>• Responsible for developing, maintaining, and implementing the Council's governance, risk, and control framework.</li><li>• Contribute to the effective corporate management and governance of the Council.</li></ul>

## HOW WE REVIEW OUR EFFECTIVENESS

In preparing the Annual Governance Statement the Council has:

- Reviewed the Council’s existing governance arrangements against the CIPFA/SOLACE ‘Delivering Good Governance in Local Government framework - 2016 Edition’ good practice guidance, including the addendum issued in May 2025.
- Reviewed the Council’s Local Code of Corporate Governance to ensure it reflects this guidance, including the seven principles of good governance and associated required actions and behaviours taken by the Council that demonstrate good governance.
- Assessed the effectiveness of the Council’s governance arrangements against the 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., the relationship between managers responsible for the operational delivery; accountable managers who have responsibility for the development and maintenance of the governance environment; and the Head of Internal Audit’s independent risk assurance role) and inspections made by external auditors and other review agencies and inspectorates/regulators.

This is demonstrated here:



The roles and responsibilities are applied in a pragmatic, real-world manner. A significant amount of policy, associated guidance, training, and tools are provided by the second line who operate a proportionate, risk-based application of assurance and compliance activity. Internal Audit uses 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 place emphasis in the right place and work effectively and efficiently to help management achieve organisational objectives through delivery, support, and challenge.

### **Internal Audit – Corporate Governance Assurance Framework**

An internal audit of the County Council’s compliance with the core principles of Good Governance in February 2026 concluded that **arrangements are in place, and operating effectively, to support and deliver each of the principles of good governance.**

<b>Principle A</b>	The Council behaves with integrity, demonstrates a strong commitment to ethical values, and respects the rule of the law.
<b>Principle B</b>	The Council ensures openness and comprehensive stakeholder engagement.
<b>Principle C</b>	The Council defines outcomes in terms of sustainable economic, social, and environmental benefits.
<b>Principle D</b>	The Council determines the interventions necessary to optimise the achievement of the intended outcomes.
<b>Principle E</b>	The Council develops its capacity, including the capability of its leadership and the individuals within it.
<b>Principle F</b>	The Council manages its risks and performance through robust internal control and strong public financial management.
<b>Principle G</b>	The Council implements good practices in transparency, reporting, and audit to deliver effective accountability.

As a result of the internal audit, Procurement Regulations in the Constitution have been updated in line with the requirements of the Procurement Act 2023, and the Employee Code of Conduct has been reviewed, updated and will be made more accessible to Council staff.

# GOVERNANCE FRAMEWORK ASSURANCE

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

WHERE DO WE NEED ASSURANCE?	WHERE CAN / DO WE GET ASSURANCE FROM?
 Compliance	 Constitution
 Democratic Engagement & Public Accountability	 Audit Committee, Council Executive & Scrutiny
 Management of Risk	 Internal & External Audit
 Financial Management	 Independent & External Sources
 Members & Officers Roles & Responsibilities	 Financial Strategy
 Standards of Conduct & Behaviour	 Complaints System, Counter Fraud & Whistle Blowing
 Action Plan Approved & Reported on	 HR Policies & Codes of Conduct
 Effectiveness of Internal Controls	 Risk Management Strategy & Framework
 Services Delivered	 Performance Management System

## ASSURANCE STATEMENTS

### **Governance**

**Nigel Inniss (Assistant Director Governance, Legal & Assurance, & Monitoring Officer)**



The Council has a Constitution made under Section 37 of the Local Government Act 2000. Its purpose is to enable the Council to set a strategic vision for the provision of local public services, and to function as a champion for Suffolk. The Constitution supports development of the Council’s capacity, and the capability of the individuals within it, and ensures that decisions are taken while respecting the rule of law.

Through openness and comprehensive stakeholder engagement, local people have every opportunity to know how decisions are made, and how to influence those decisions. The Council consults on major decisions, agendas and papers for meetings are published, Council and Cabinet meetings are webcast, and the public can participate in such meetings by asking questions or raising petitions.

### **Elections**

By-elections were held in April 2025 for St John’s Ipswich, in July 2025 for Tower Bury St Edmunds, and in December 2025 for Pakefield Lowestoft.

The Government announced in December 2025 that it was ‘minded to’ move the inaugural mayoral elections for the Norfolk and Suffolk Mayoral Combined County Authority from May 2026 to May 2028. Preparations for the May 2026 County Council elections recommenced after the Government announced in February 2026 that it had withdrawn its decision to postpone the elections of 30 local councils, including Suffolk County Council.

On 25 March 2026, the Secretary of State, the Rt Hon Steven Reid, announced his decision on local government reorganisation in Suffolk. The Government has decided to implement the three unitary authority proposal submitted by West Suffolk Council, Mid Suffolk District Council, East Suffolk Council, Babergh District Council, and Ipswich Borough Council. The Council will now plan for the disaggregation of its services and for the Structural Change Order, which will give legal effect to the government’s decision.

### **Council Scrutiny and Monitoring**

The County Council, Cabinet, and other committee meetings continue to be held face-to-face, in line with legislative requirements.

The Council has undertaken prerequisite training with chairmen and committee members to ensure they have a full understanding of their roles and responsibilities, and how these contribute to the governance of the Council. The Councillor Development Training plan will provide for the mapping of Councillor training over the next 12 calendar months.

The Council faced numerous challenges in 2025/26, including ensuring its financial resilience, and improving the delivery of SEND services following OFSTED/CQC inspections. Various committees ensure that the Council is subject to rigorous scrutiny and held to account in its work by robustly challenging the Council's plans and overarching decision-making for the people of Suffolk.

The main Scrutiny Committee consists of 12 Councillors from different political groups, who are not members of the Council's Cabinet. The Scrutiny Committee is part of the arrangements for ensuring the Council carries out its responsibilities properly. During 2025/26 the Scrutiny Committee has considered various topics, including the outcomes of the CQC Pilot Inspection of Adult Social Care, the state of Suffolk's roads, and how the Council supports young people with very complex needs as they transition from children's to adult services. It also plays a key governance role in the Council's annual budget setting and provides its recommendations to Cabinet.

The Audit Committee consists of seven Councillors, plus two independent co-opted members. The Audit Committee is responsible for reviewing the Council's corporate governance arrangements and critically analysing opportunities for improvement in governance, risk management and internal controls. In addition to reports from the Council's external and internal auditors, the Committee has considered the Council's corporate risks; counter fraud arrangements; customer compliments, comments, and complaints (including the Local Government and Social Care Ombudsman's Annual Review Letter); and the Council's joint venture housing development company.

The Annual Standards Report for 2025/26 will be considered by the Audit Committee at their meeting in June 2026. During the 2025/26 municipal period, the Monitoring Officer received eight complaints about instances when a Councillor had allegedly breached the Code of Conduct. In all eight instances, no breach was found to have occurred. Counting the multiple complaints regarding a former Councillor in 2020/21 as one complaint, this gives a total of 94 complaints since the current arrangements prescribed by the Localism Act 2011 were introduced in July 2012. A dedicated Whistleblowing webpage for the County Council is now in place and, during 2025/26, six complaints under the corporate whistleblowing policy were received.

***In conclusion, the Council continues to demonstrate sound decision-making. It is the opinion of the Monitoring Officer that the Council has complied with its Constitution, and its corporate governance arrangements continue to be sound and are subject to critical review, in accordance with good governance.***

## **Financial Governance - Value for Money**

**Louise Aynsley (Chief Financial (S151) Officer)**



The Chief Financial (S151) Officer (CFO) is responsible for the prudent use of the Council’s financial resources, effective management of financial risks, successful delivery of strategic outcomes, and upholding robust financial discipline and strong financial management practices. The Council has robust financial control arrangements, including accounting procedures, financial regulations and procedural responsibilities, key financial systems, and compliance with accounting and auditing standards. Effective management of the Council’s budgets is delegated to designated managers within its directorates.

The Council’s financial statements and value for money (VFM) arrangements are reviewed annually by the external auditor, Ernst & Young (EY). The draft, unaudited financial statements for the year ended 31 March 2025 (2024-25 financial statements) were completed and published in advance of the 30 June 2025 statutory deadline. Due to national delays in the completion of local authority audits in recent years, Government agreed a series of statutory backstop dates to clear the audit of financial statements. The backstop date for publication of the audited 2024-25 financial statements was 27 February 2026. EY completed its external audit prior to this date, enabling the Council to publish its audited 2024-25 financial statements on 26 January 2026. In line with expectations, EY provided a qualified opinion on the 2024-25 financial statements; a development from the disclaimed opinion provided on the 2023-24 financial statements. The qualified opinion was a result of outstanding assurance work that EY has yet to complete on prior year balances, as a result of the national audit delay, rather than any issue identified by EY in the audit of the 2024-25 financial statements.

In accordance with the Code of Audit Practice 2024, EY reviewed whether the Council had proper arrangements to secure value for money in its use of resources. Whereas this review identified two significant risks related to the findings of the January 2024 Children’s Services inspection focussing on special educational needs and disabilities (SEND), and His Majesty’s Inspectorate of Constabulary and Fire and Rescue Services inspection in September 2024, EY did not identify any weaknesses in the Council’s overall arrangements. Moreover, EY did not identify any adverse issues in relation to its review of value for money arrangements that required reporting.

The Council’s 2025-26 budget, approved in February 2025, was set against the backdrop of the election of a new Government in July 2024, sluggish economic growth and constrained

public finances. All this in the midst of a turbulent geo-political environment, with a new U.S. President and conflicts continuing in Ukraine, the Middle-East, and elsewhere. Although Government increased funding for local government for 2025-26, a combination of continuing increases in demand and tax rises meant that a balanced budget was only possible through setting a £28.4 million savings target and maximising income from Council Tax.

The Council monitored and managed its 2025-26 budget closely over the financial year, with quarterly reports provided to Cabinet detailing forecast variances. Cost pressures in excess of budget emerged early in 2025-26, leading to Cabinet requiring Directors to work with their Cabinet Member(s) and services to take necessary measures to mitigate expenditure wherever possible to help reduce the Council's forecast overspend position, and to continue monitoring their services closely to ensure any further budgetary issues were swiftly identified, understood and mitigated. Despite work to control and mitigate costs, the Council is reporting an overspend on its Net Revenue Budget of £15.0 million for 2025-26, with the bulk of this relating to an increase in pressures within Adult Social Care and Children and Young People.

The Council's Unallocated Reserves were £47.4 million as of 31 March 2026, including the £15.0 million reduction due to the overspend against the revenue budget during 2025-26. Whereas the balance on Unallocated Reserves is above 5% of annual net expenditure in 2025-26 (a key threshold used by the Chief Financial Officer to assess financial resilience) the margins are tight. The Council's Corporate Leadership Team recognises the importance of managing within budget in 2026-27 to ensure the Council holds sufficient reserves to cover the financial risks to which it is exposed, especially given the forthcoming challenges of local government reorganisation and devolution.

In addition to pressures on the 2025-26 Budget resourced from core funding, the Council has continued to experience acute pressures on its budgets funded from Dedicated Schools Grant (DSG) due to continuing rising costs for SEND provision. The DSG Reserve fell to negative £163.9 million as of 31 March 2026. Although the Council is expecting 90% of this deficit to be paid in 2026-27 via the High Needs Stability Grant, announced as part of the Final Local Government Financial Settlement for 2026-27, this is subject to approval by Government of the Council's Local SEND Reform Plan. Moreover, uncertainty remains around deficits set to accumulate from 2026-27. As a result, this remains a significant financial risk for the Council to manage.

The affordability of the Council's capital programme remains under regular review, with effective cost management continuing to be essential given that the Council has limited scope to increase its borrowing. To assist with this, the Capital Strategy Group has met regularly during 2025-26 to ensure accountability and visibility of all projects in the capital programme.

Resources available for capital investment remain scarce, especially given that interest rates continue to be above levels experienced during the preceding decade. So, not all requests for investment by directorates can be accepted by the Capital Strategy Group for inclusion in the Capital Programme. Where there is a sound case for progressing with a scheme, but a lack of

resources to finance it, the scheme is incorporated into the Council's capital pipeline. This pipeline contains schemes planned for up to ten years into the future and is reviewed periodically to assess whether there is scope for transferring such schemes into the capital programme. During 2025-26, there was a net increase in the capital programme of £55.6 million, with this largely corresponding to projects funded from additional external grants or contributions. However, there were two additions that were assessed to be key decisions requiring Cabinet approval. The first was a £14.7 million capital investment approved in April 2025, using Government grant funding to ensure places are created within Suffolk to support meeting the growing demand for SEND provision. The second was a £5.9 million allocation approved in July 2025. This was provided on an invest-to-save basis to upgrade the Council's materials recycling facility, and to ensure the Council meets new statutory requirements to separately collect a prescribed range of materials from all households and businesses.

Planning for 2026-27 began early in the 2025-26 financial year. With significant uncertainties arising from the Fair Funding Review and proposed local government reorganisation, alongside continuing demand and demographic pressures across services, it was recognised that significant savings and mitigations would need to be developed to set a balanced budget for 2026-27. This led to £25.8 million of transformational savings being identified, alongside a further £20.7 million of other mitigations, such as a reduction in employer pension fund contributions. Despite these considerable savings and mitigations, and a decision by Council to increase Council Tax by the maximum 4.99%, a £0.9 million drawdown from Unallocated Reserves was still identified as being required in 2026-27 to balance the budget. Despite this drawdown, Unallocated Reserves are forecast to remain above the threshold set by the Chief Financial Officer of 5% of annual net expenditure in 2026-27. However, there is insufficient headroom to remain above this threshold should an overspend occur in 2026-27, similar to the one reported in 2025-26. As a result, it is essential that the Council manages within its budgets if it is to maintain a stable and sustainable financial position.

The Council recognises that there will be additional costs in 2026-27 to prepare for local government reorganisation (LGR). Due to the lack of available reserves to support this, the Council approved a flexible use of capital receipts strategy as part of its 2026-27 Budget. It is expected that sufficient capital receipts will be generated to fund the transitional costs relating to LGR during 2026-27.

The Council has continued to consolidate its use of Oracle Fusion, the integrated system for human resources and payroll, finance and purchasing. Over 2025-26, the Council has continued to explore ways to develop the quality of its reporting, with a view to improving further the financial information available to support effective decision-making.

The CIPFA Financial Management Code (FM Code) provides guidance for good and sustainable financial management in local authorities, in particular that authorities are managing their resources effectively. The Code sets out the principles local authorities should be guided by in managing their finances, and the specific standards that they should seek to achieve. The Council continues to monitor compliance with the Code, identifying actions for further improvement to ensure that the Code's standards are more fully met, and that financial management is optimised.

***In my view, the Council has maintained a sound framework of financial governance, with robust controls and effective value for money arrangements, supported by the timely publication of the 2024-25 accounts and the external auditor’s qualified opinion (reflecting the national audit backlog rather than issues in the 2024-25 audit). However, financial sustainability remains under pressure: the 2025-26 overspend and demand-led costs in Adult Social Care and Children’s Services have reduced reserves and limited headroom (albeit above the CFO’s 5% threshold), while the DSG/SEND deficit continues to present a material risk. Continued budget discipline, delivery of 2026-27 savings and mitigations, and tight management of the capital programme will be critical as the Council prepares for local government reorganisation and devolution, building on progress against the CIPFA Financial Management Code action plan.***

## **Internal Audit**

**Peter Frost (Head of Internal Audit & Counter Fraud)**



The Internal Audit service operates independently and objectively, conducting all audit work in line with the Audit Charter (incorporating the mandate), ethical responsibilities (including the Nolan Principles), and Internal Audit Standards.

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

Throughout 2025/26, the Council’s governance, risk management and internal control framework has, overall, remained sound and has generally stood up well in a challenging operating environment.

Audit activities conducted throughout 2025/26 have been determined using multiple methods, with the flexible planning methodology used enabling optimal allocation of limited internal audit resources and prioritisation of high-risk areas. Audits resulting in an overall opinion show that 71% of audits provided either ‘high’ or ‘reasonable’ assurance, demonstrating that the governance, risk management, and control framework remains robust despite the challenges currently facing local government.

An internal audit review of the Council’s compliance with the seven core principles of good governance, underpinned by detailed risk, assurance and governance audits, has provided a good level of assurance that there are sound arrangements in place.

Where internal audit work has identified concerns, these have generally related to specific services or systems rather than indicating a pervasive breakdown in controls across the Council. There has been an increase in ‘limited assurance’ opinion audit outcomes during 2025/26 (no audits were assessed as having ‘no assurance’), which does indicate pressure on elements of the control environment and, in forming my opinion, these are viewed in the context of the Council’s wider risk landscape. Individual limited assurance reports do not automatically indicate an adverse overall annual opinion when considered alongside the wider evidence base and the Council’s operating context.

Ongoing financial pressures, workforce capacity constraints and increasing organisational complexity continue to place strain on services. As services respond to rising demand, implement new legislation and deliver transformation and transition activity, routine processes can be disrupted, and the consistency and resilience of controls can be affected. It is therefore important in forming my opinion that I consider whether mitigation and control arrangements remain proportionate and effective in the circumstances, recognising that they may be reasonable and risk-based, even where they are not yet fully mature.

Where audit work has identified weaknesses, actions have been agreed with management to strengthen controls and address the underlying causes. Progress against these actions is closely monitored until completion, and any outstanding issues within the governance, risk and control framework will continue to be followed up by Internal Audit.

During 2025/26, audit activities have revealed several recurring root causes, such as the extent to which established processes are operating effectively and are supported by defined procedures; questions regarding whether systems sufficiently support operational effectiveness; and shortcomings in internal mechanisms designed to monitor performance and ensure service quality. The objective of root cause analysis is to go beyond isolated findings to determine the underlying reasons for control weaknesses. This enables the identification of more systemic issues that may impact both the specific area under review and the wider Council at a corporate level. These observed trends help highlight broader areas of risk by prompting further examination into their origins and can inform future audits.

In developing my year-end opinion, I have also drawn upon other relevant and credible sources of assurance. These include management assurance processes, the Council's risk management frameworks, and, where available, the findings of external reviews and inspections, including both the overall inspection results and any subsequent actions undertaken by the Council.

For 2025/26, Internal Audit resources have been maintained against the approved establishment. This matters because there is a direct correlation between available resources and the Internal Audit function's ability to provide a robust overall assurance opinion. Any reduction in capacity, for example through staff illness or vacancies, can have a direct impact on audit coverage and the breadth and depth of assurance that can be delivered.

In October 2025, Suffolk County Council's Internal Audit Function was the first local authority to be independently assessed against the requirements of the GIAS in the UK Public Sector (effective from 01 April 2025), resulting in an assessment of **substantial compliance**. This positive outcome shows that senior management and the Audit Committee can rely on the work of the Internal Audit function.

After considering all relevant factors, I conclude that there is adequate and appropriate evidence to provide an overall opinion of **reasonable assurance** regarding the effectiveness and sufficiency of the Council's governance, risk management, and internal control systems.

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.

My annual report for 2025/26, which includes a summary of the work carried out and a review of effectiveness of the Internal Audit Service, has been presented to, and approved by, the Corporate Leadership Team and the Audit Committee.

**Head of Internal Audit Opinion:**

***Based on the findings from managed audits and governance reviews conducted during 2025/26, together with evidence from other assurance providers and consideration of the Council's current operating environment, it is my opinion that Suffolk County Council's governance, risk management, and internal control framework is 'Reasonable'.***

***Audit work has demonstrated that controls are generally effective and operate as intended.***

***While identified weaknesses are limited to specific areas and do not reflect widespread failures within the control environment, Internal Audit has collaborated with management to implement remedial actions and set agreed timelines for their resolution.***

***All internal audit work has been performed in accordance with the Global Internal Audit Standards in the UK Public Sector and, in addition, the requirements of the Code of Practice for the Governance of Internal Audit in UK Local Government have been adhered to.***

## **Counter Fraud**

**Christos Constantinou (Counter Fraud Manager)**



The Corporate Leadership Team (CLT) has committed to tackling fraud and corruption affecting the Council, aiming to adopt a culture in which all employees maintain a proactive attitude towards preventing fraud. The Council’s Constitution states that the Chief Finance Officer is responsible for the development and maintenance of an anti-fraud and corruption policy, and that Directors are responsible for ensuring that this policy is implemented within their Directorates. A number of policies that make up the Council’s anti-fraud governance arrangements are in place and regularly reviewed.

The Audit Committee, through its Terms of Reference, have responsibility to monitor the counter-fraud strategy, actions and resources, including reviewing the assessment of fraud risks and potential harm to the Council from fraud and corruption and issuing guidance and best practice advice regarding probity and ethics. The Audit Committee receive progress reports and an annual report on the Council’s Anti-Fraud and Corruption arrangements.

As part of the Council’s arrangements to tackle fraud, the Counter Fraud Service, working within the Internal Audit Team, works solely on fraud related matters, providing the capacity and capability to deal with such matters.

The Council has in place a Counter Fraud & Corruption Strategy 2025-27, approved by CLT and the Audit Committee. The Strategy is in line with best practice and based on the National Fighting Fraud & Corruption Locally Strategy for the 2020s. The Strategy directs the work of the Counter Fraud Service under four workstreams:

1. Governance and strategy
2. Fraud awareness and prevention
3. Proactive exercises
4. Investigation and redress.

The Counter Fraud Service develops annual action plans which are approved by the Chief Finance Officer and the Audit Committee, who receive progress updates against the plans. A key action related to ensuring the Council has adequate procedures in place following the introduction of the new corporate offence of ‘failure to prevent fraud’. The action, which was also part of the AGS action plan for 2025/26, was completed.

Delivery of the 2025/26 action plan included delivering various fraud awareness initiatives to staff, with a specific project to raise awareness of polygamous working fraud which has become an emerging risk for local authorities in recent years.

The Counter Fraud Service coordinated the review of data matches from the Cabinet Office National Fraud Initiative, resulting in a high number of blue badges and concessionary travel passes being cancelled and monies being recovered from social care providers and overpaid pensions. Furthermore, internal data matching and data analysis was undertaken to proactively identify fraud or error. Advice was provided to service areas implementing new processes or systems, and intelligence alerts were circulated when fraudsters were known to be targeting specific local authority services.

Investigations were carried out in line with the Council’s Fraud Response Plan, with a slight increase in the number of investigations – continuing the trend over the last few years.

Decisions on any action to be taken following an investigation are made in line with the Council’s Sanctions Policy, and these can include criminal prosecutions, disciplinary action, civil action, cautions or warning letters. These outcomes are reported to the Audit Committee. Taking appropriate action shows that fraud against the public purse will not be tolerated and perpetrators will be held to account.

An annual review is conducted against the Fighting Fraud and Corruption Locally checklist, and the Local Government Counter Fraud Standards to ensure best practice is followed.

The Counter Fraud Service continues to build strong working relationships with other local authorities, particularly through the Suffolk Fraud Group and the South East Fraud Hub, which share best practice and act as a support network.

## **Risk Management & Corporate Performance**

**Caroline Davison (Head of Corporate Strategy)**



### **Risk Management**

The Council follows an ‘Active Risk Management’ approach through a framework that aligns with the Chartered Institute of Internal Auditors’ ‘Three Lines Model.’ This model promotes the delegation of risk management to those with the appropriate responsibility and oversight. It encourages managers to:

- Take ownership of their risks.
- Assess the likelihood and potential impact on service delivery and outcomes.
- Establish appropriate controls.

All risk owners are required to periodically review their risks (as outlined in the corporate risk management strategy) and assess whether appropriate controls (mitigation) actions are in place to reduce the likelihood and impact. The Council’s corporate risk management system (JCAD CORE 5, JC Applications Development) automatically emails risk managers when a review of their risk is due (typically every three months). However, managers can access their risks and adjust risk controls at any point, as relevant. Risk management is embedded in regular governance, along with strategic planning, financial management, and performance management.

The organisation manages all its high-level risks using a corporate risk register (managed using JCAD). This is reinforced by the corporate risk management strategy, which is themed around good practice published by HM Government: The Orange Book. The JCAD system is a live, real-time platform that records, monitors, and reports risks in a structured and consistent way. It is a system that is used by similar local authorities and is constantly evolving and adapting to service need.

The Corporate Leadership Team and Cabinet Members have regular oversight of the corporate risk register on a quarterly reporting cycle. In addition to the quarterly reporting process, all corporate risks are reviewed annually. This annual review is an opportunity to consider each risk and moderate across themes, scores, and processes. Recommendations are shared with Corporate Leadership Team and, where relevant, Cabinet Members. Any required changes are then actioned by the relevant risk owner.

The Council's approach to risk management is also reviewed by the Audit Committee and compliance is regularly reviewed by Internal Audit.

### **Corporate Performance**

The Council regularly monitors how its services are performing against agreed priorities and targets to assess the impact of decisions on resources, identify areas for improvement and provide assurance that services are managed effectively. The corporate performance dashboard is a Power BI tool used to report and manage performance information. The dashboard is reviewed every quarter at Corporate Leadership Team and with Cabinet Members. The corporate performance reporting process is supported by a corporate performance and planning framework that is kept up to date and is published on the staff intranet. The framework sets out organisational expectations and describes the process for managing performance and effective reporting.

Directorate leadership teams report and review performance issues within their respective areas of responsibility. The directorate process aligns to the corporate model but enables reporting frameworks to reflect business need and adjust as relevant. Performance information is also used to support benchmarking activity. The Scrutiny Committee uses the corporate performance dashboard to inform its forward work programme. The corporate approach to performance management is also regularly reviewed by the Audit Committee.

In accordance with the Local Government Transparency Code 2015, the Council publishes the corporate performance dashboard on its website, which is updated as part of the quarterly performance management process. The Council also provides statutory data returns to Government that comply with Single Data List requirements. This process provides accountability, transparency, and evidence to support the regulatory and external inspection processes.

The Local Outcomes Framework (LOF) is a Ministry of Housing, Communities and Local Government (MHCLG) initiative launched, following government consultation, in February 2026. The Performance and Risk Manager co-ordinated a Suffolk County Council response to the consultation, working with directorate performance leads. Those leads, particularly from Public Health & Communities, attended some of the MHCLG-hosted online workshops on the LOF.

The LOF sets out sixteen national priority outcomes and is intended to enable government, local government, and their partners to manage performance in a consistent way. Drawing on existing metrics that are nationally reported, it aims to improve transparency and enable the public, Government, local government, and partners to have a publicly available, shared view of progress. Outcomes for each local area will be comparable against that area's statistical neighbours (as determined by a new national methodology). Following the launch of the LOF, the corporate performance dashboard has been reviewed to ensure that there is appropriate connectivity between them.

## Human Resources

**Tim Jermyn (Interim Assistant Director, Human Resources & Organisational Development)**



The introduction of the Employment Rights Bill, by the Labour Government, has required significant amendments to a range of HR policies and procedures. In addition to new policies, like the Sexual Harassment and Menopause policies, the Employee Relations team have led updates and revisions to our Probation, Maternity and Paternity policies and guidance to reflect the new requirements for all employers. Alongside this, the team have continued to proactively support managers across the spectrum of employee relations topics (absence and capability management, disciplinary and grievance) through the provision of face-to-face People Manager training modules.

The updated performance and development review (PDR) process and guidance have been introduced and well received. The new performance framework is much clearer, easier to apply consistently, and has seen the intended outcome of more evenly distributed performance outcomes across the organisation.



The Centre for Learning Team successfully launched the “Reimagine Leadership and Management” programme, with 400 aspiring, first-line or middle managers completing 45 courses so far. A further

150 are either currently completing modules or scheduled to commence in the near future. The programme focuses on participants acquiring core management and leadership skills.

For the third year running, the Centre for Learning Team have had an increase in completion of our statutory and mandatory e-learning programme, with a 96% completion rate this year. Modules covered a variety of topics, including safeguarding; safety, health and wellbeing; information governance; and emergency planning and business continuity. The direct link between non-completion and pay progression has continued to drive compliance rates, alongside active reporting to services and line managers to ensure full visibility of completion rates throughout the year.

HR have continued to facilitate the effective delivery of staff changes and restructures linked to service improvement, transformation and/or achieving benefit realisation and

budget savings. Most notable was the insourcing of the Libraries Service, with over 400 individuals TUPE transferring into SCC. Public Health and Communities subsequently completed a restructure of central personnel within Libraries, which was supported fully by the HR Change Team. Significant support has also been provided by the HR Change Team to the service transformation across Children and Young People (CYP), specifically the Families First programme.

To support existing and planned change and transformation, and in preparation for LGR and devolution, the HR Change Team have also launched a dedicated “Understanding Organisational Change” hub on the SCC intranet. This enables quick and easy signposting of individuals going through change to practical tools, resources and guidance, designed to build their understanding, support wellbeing and encourage professional development.

## Reimagine the possibilities

Following the introduction of our “Reimagine the possibilities” employer branding in 2024, the Recruitment Team have continued to see increases in both the number of applicants applying for advertised roles and the number of roles being successfully recruited to first time. They’ve provided expert, professional recruitment support for a variety of senior roles, in SEND and more widely across CYP, reducing the reliance and spend on recruitment agencies.

The Early Career’s Team have had their second highest year of apprenticeship starts since the introduction of the Apprenticeship Levy in 2017, with over 140 individuals commencing an apprenticeship. They also held the inaugural SCC Apprenticeship Awards to highlight the significant commitment of those undertaking an apprenticeship and to recognise the brilliant support apprentices receive from their line managers.

A new establishment control process was introduced during 2025, with the previously manual process being replaced with an online process. A full data cleanse of the establishment data held in Oracle was completed, allowing accurate and timely reporting of vacancies within the organisation. Dashboards and reports have been made available to line managers to review their own establishment records at any time.

New notification functionality has been released in Oracle Fusion to remind line managers to close periods of sickness for their staff in the system, and to remind them to record the date they undertook the Return-to-Work interview following every period of sickness. This has seen the overall organisational sickness level improve and improved the timeliness and accuracy of sickness absence reporting.

## **Information Technology**

**Mark Burgess (Assistant Director, Customer Experience & Digital)**



The delivery of efficient and effective council services that provide good outcomes and value for money is increasingly underpinned by a modern, flexible and secure IT service that keeps pace with technological advancements, supports innovation, and protects the Councils' systems and data.

The Council's IT team continue to support all directorates to maximise the collective potential of digital, data and technology in service delivery, transformation, and continuous improvement. Modern technology and the latest digital tools present major productivity and efficiency opportunities that can support the Council's financial sustainability. The organisation is starting to harness this by integrating technologies such as artificial intelligence (AI) and automation safely and securely within the design and delivery of Council services. These transformative capabilities are being increasingly deployed across the Council to support staff to work more productively and deliver more efficient services.

In the past year, the Council has introduced a new AI policy to set out the framework for responsible, lawful and ethical use of AI tools, and scaled the use of generative AI-powered assistants to help staff work faster and smarter. Tasks such as transcription and summarisation, document creation and editing, data analysis, research and information retrieval are increasingly supported by AI-powered tools that free up staff capacity to focus on work that requires human relationships, judgement, and empathy. AI and automation are being integrated into customer journeys and used to facilitate easier and quicker access to Council information and services via digital channels. Going forward, these modern toolsets and capabilities will be scaled further across the Council, with dedicated capacity and staff training in place to help broaden use and adoption across the organisation.

As the Council becomes more reliant on digital infrastructure to deliver services and enable change, protecting these systems, data, and users from evolving threats is strategically vital. The Council faces the most hostile threat landscape ever, at a time when it is ever more dependent on the stability and integrity of its services, and cyber defences and technical resilience must evolve to cope. The Council follows industry best practices by employing the principle of 'secure by design' across all its systems and infrastructure. By following guidance from bodies such as the National Cyber Security Centre (NCSC) and working with partners and peers to share intelligence and good practice, the Council has continued to improve the security of the services it provides. Security assessments are conducted to

ensure newly purchased systems meet minimum security standards and supplier best practices. Annual technology health checks are performed to provide independent and impartial testing of Council systems and regular vulnerability scans and remediation processes are in place to maintain security standards throughout product lifecycles. Enhanced Distributed Denial of Service (DDoS) protections have been implemented to protect the availability of the Council's websites. Endpoint protection and device management capabilities have been enhanced to strengthen security, and multi-factor authentication is enforced when accessing Council services from unmanaged devices. The Council is adopting 'Zero Trust' principles across all its services and operates a least privilege, role-based access model for identity and access management.

Cyber vigilance is now a crucial cornerstone of the Council's culture. Mandatory awareness training has been introduced and regular exercises, such as phishing simulations and cyber escape rooms are carried out to continually elevate the levels of awareness and vigilance across the Council's workforce. A suite of IT policies set out the standards, compliance and security requirements when using the Council's IT systems. The Acceptable Use of Information and Systems Policy instructs the Council's workforce in the safe use of all corporate IT systems, tools, and information, and applies to Council employees, Councillors and external third parties who access the Council's systems. Weekly IT updates are provided to the organisation to make staff aware of best practices, upcoming changes and new technologies as they are introduced.

Priorities for the coming year include further measures to enhance the Council's cyber security posture. Modern authentication methods such as passwordless and biometrics are being introduced and AI will be increasingly leveraged to detect and respond to ever-evolving and more sophisticated threats. The Council is in the process of adopting the Cyber Assessment Framework (CAF) - a structured tool designed to help councils assess and improve cyber resilience, identify risks to essential services, and align with national cyber security standards.

Finally, it is recognised that Information Technology (IT) will be critical to the success of local government reorganisation in Suffolk, and work is already underway in the IT service to prepare for this, focusing on reducing technical debt, modernising infrastructure and exploring application consolidation opportunities. Moving into next year, this work will increasingly be done in collaboration with Suffolk's district and borough councils as joint working arrangements become established.

## **Information Governance**

**Peter Knight (Head of Information Governance)**



Information governance in the County Council is overseen by the Corporate Information Governance Board, which is the lead body for ensuring the Council has effective information governance arrangements in place. The Corporate Board is supported by service-specific information governance boards (Adult Social Care and Children & Young People's Services), or information governance lead officers. Matters of importance are escalated to the Corporate Leadership Team (CLT) when required, and key performance measures relating to information governance measures are included in the Council's Corporate Performance Report. The Council also has a network of Strategic Information Agents (SIAs) across the organisation who promote and encourage information governance best practice within their service areas.

The Council has a number of key individuals with specific roles and responsibilities regarding elements of information governance, including Senior Information Risk Owner (SIRO); Head of Information Governance; Data Protection Officer & Compliance Manager; IT Security Manager; and Caldicott Guardians in Adult Social Care and Children & Young People's Services.

The Council is subject to a number of external information security and IT assurance regimes. This includes various mandatory inspections to facilitate access to various external networks and systems, such as the Public Service Network (PSN) Compliance and the Data Security & Protection Toolkit (DSPT). All external assurance validations have been successfully achieved in 2025/26.

The Council has seen an increase in the overall number of information security incidents this year compared to the previous year (794 in 2025/26 compared to 724 in 2024/25). Of these, 444 resulted in a personal data breach in 2025/26 compared to 340 in 2024/25. However, only one of these personal data breaches was serious enough to require notification to the Information Commissioner's Office (ICO), compared to five in the previous year. The majority of security incidents are the result of human error, the most prevalent being information being sent to the wrong person either via email or in the post.

There has been a very substantial increase in the number of Subject Access Requests (SARs) submitted to the Council, with 568 received in 2025/26 compared to 382 in 2024/25 (an increase of 48.7%). Despite the big increase in the volume of requests, the compliance rate

for meeting statutory SAR deadlines has improved to 95% in 2025/26 compared to 91% the previous year.

There has also been an increase in the number of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests submitted to the Council this year, with 1,477 information requests received in 2025/26 compared to 1,356 in 2024/25 (an increase of 9%). As a result of the high volumes, the compliance rate for meeting statutory FOI/EIR deadlines has decreased slightly to 98.5% compared to last year's 99.3%. However, the compliance rate continues to exceed the ICO's minimum threshold of 90%.

Responding to the demand for requests to the Council for personal or organisational information, combined with the management of a greater number of information security incidents and personal data breaches, continues to place considerable strain on the resources of the Information Governance Team as well as the wider organisation.

**Some of the specific information governance activities undertaken in 2025/26 include:**

- Reviewed and updated the Council's suite of information governance policies and Privacy Notices.
- Produced updated mandatory e-learning training on information management and data security for all Council staff.
- Implemented measures to further improve the Council's compliance rate for responding to Subject Access Requests (SARs).
- Implemented an online system for registering and managing Data Protection Impact Assessments (DPIAs).
- Implemented a number of process changes in line with the requirements of the Data (Use & Access) Act 2025.
- Published an online library of responses to FOI/EIR requests on the Council's website.
- Hosted an Information Governance Week to raise awareness of information management and data security matters within the Council.

**Priority actions for 2026/27 include:**

- Implement additional measures that seek to minimise the number of security incidents and data breaches occurring, including technical measures and targeting additional training where incidents are most prevalent.
- Provide information governance training and associated guidance for the new cohort of County Councillors following the elections in May 2026.
- Conduct a comprehensive review of the Council's Registers of Datasets (Record of Processing Activities).
- Develop an FOI case management system to improve the efficiency of managing information requests.

- Review and update the agreements and charges for external customers of the Council's Records Management Centre.
- Publish a Records Management Handbook to support Council staff in managing the Council's information securely and effectively.
- Ensure sound information governance policies and processes are in place to assist with the transition to three unitary councils.

The Head of Information Governance is satisfied that the information governance arrangements in place are effective in protecting the Council's information assets.

## **Procurement**

**Matt West (Assistant Director for Assets and Investment)**



The Assets and Investment Procurement Team deliver a professional service to help the Council procure goods and services commercially, legally and at minimal risk, while supporting the Council's policies, and in accordance with the Procurement Act 2023 and the Healthcare Services (Provider Selection Regime) Regulations 2023.

Following the introduction of the Procurement Act 2023, the Council's internal procurement rules have been updated to reflect the changes in legislation and are maintained in line with the national Procurement Policy Notices and guidance issued by the Cabinet Office.

A range of advice and support developed by the Procurement Team in relation to the new Procurement Act is available on the Council's Intranet. This includes comprehensive guidance on how to carry out lower-value procurements.

Data is being collected from services via the 'Intend to Spend' process for expenditure of £30,000 and over. The data is being used by the Procurement Team to review purchasing intentions and ensure that the most effective route to market is being taken, or to identify where more support is required. A 'Gateway Process' has also been developed to collect essential business information at key stages of procurement. While still in the early stages of development, both processes support meeting the new requirements of the Procurement Act and will, in time, capture benefits from the procurement process, including potential savings.

Over the past year, a new governance board has been created to oversee the Council's strategic commissioning and commercial approaches. The board include Corporate Leadership Team members and helps to provide additional leadership and assurance across these two key areas.

The Procurement Team provides advice and guidance relating to how best to process payments and orders on the Council's electronic system, 'Oracle Fusion'. This helps ensure Council staff deal with their purchase orders promptly and that invoices are paid in good time.

Quarterly updates to the Oracle Fusion system are reviewed for relevance, and any improvements are implemented during the upgrade or scheduled in the future roadmaps. All Oracle user guides, and additional supporting documents, are kept up to date and

available for all staff to access. One significant improvement to the Oracle Fusion system has been the implementation of the 'Help desk' module. This module helps staff access the information they need simply and efficiently.

The Suffolk Procurement team currently offers two training courses for the organisation. Suffolk Sourcing contract management system training supports staff to effectively and accurately record contracts on our database, and E-tendering training supports staff to run their own procurements. These courses are offered on a monthly basis throughout the year.

The use of Credit Safe (an online credit and business information service) continues to be promoted to service contract managers to help them carry out risk assessments of our suppliers' financial security. The team have also been working with finance colleagues to create rules around how to assess the financial stability of potential suppliers.

Maintaining Suffolk County Council's Social Value Ask is a responsibility of the Procurement Team. The Ask provides a comprehensive list of ideas for ways suppliers can deliver social value when the Council contract and do business with them. This enables the Council to get maximum value out of the money it spends. The Social Value Ask is published on the Council's website.

There are likely to be specific governance changes to the way in which the procurement team operates as we approach vesting day for the new unitary councils. Arrangements will be adjusted and amended as the situation develops. For example, once the Section 24 direction is in effect, the team will have to ensure that approval is gained for key spend that can affect the new unitary authorities.

## **Communications**

**Andrew St. Ledger (Assistant Director – Communications & Public Affairs)**



Once again, 2025/26 saw both the start and continuation of significant projects, requiring communications and engagement activity with Suffolk residents, stakeholders and staff.

When Suffolk was selected by central government to be on the Devolution Priority Programme - a fast-track to local government reorganisation (LGR) - communications and engagement activity was central to supporting this fast-paced piece of work.

The County Council prepared and published the One Suffolk business case, while also delivering an extensive programme of stakeholder engagement that reached every household in Suffolk. The engagement and consultation included a survey that received 8,189 responses, the highest in over a decade. We also held more than 70 engagement events - ensuring as many people as possible could help shape the future direction of local government in Suffolk. The impact of their contributions is clearly demonstrated in Suffolk County Council's business case.

Suffolk County Council also designed and ran a very successful and well-attended Suffolk Show stand in 2025 - under the theme of 'Transforming Suffolk'. Hundreds of people engaged with our event, which saw people register interest in fostering and adoption, contribute to our LGR proposals, and find out more about the services we deliver. Plans for 2026 are currently underway.

Suffolk County Council's 2026/27 budget consultation once again had an excellent response, with 1,211 individuals responding. This provided senior leaders with a clear steer on public opinion regarding required savings and future council tax changes.

The Communications and Public Affairs team provided ongoing communications and engagement support to Suffolk County Council directorates throughout the year. This including producing a series of video case studies as part of Adult Social Care's "Coffee and Care" engagement programme.

Suffolk Highways has delivered schemes across the county, including at Tollgate in Bury St Edmunds. In terms of engagement, regular updates on progress were shared with residents, businesses and the wider community. A similar approach will be taken as major works start on active travel enhancements for pedestrians and cyclists on the route between Ipswich Hospital and the Waterfront.

Extensive communications and engagement were also carried out around the highways surface dressing programme, including stakeholder engagement and regularly sharing programme updates through a range of channels. Similar communications work has been undertaken to inform residents and motorists at sites featuring in the trial scheme to remove vehicles blocking road surfacing works across Suffolk.

Other notable consultation work in 2025/26 included the annual Travel to Work survey, Active Travel Woodbridge, Active Travel Princes Street, and other active travel projects across Suffolk.

Communications and engagement activity underpinned Public Health priorities, particularly around reducing health inequalities. This included youth-led engagement through the 2025 Annual Public Health Report, which ensured young people's voices were actively heard and reflected in action on Suffolk's key health challenges. Ongoing promotion and partnership working also supported the continued growth of Feel Good Suffolk, helping to increase awareness and uptake of healthy lifestyle support among residents.

Effective communications and engagement supported change and investment within Suffolk Fire and Rescue Service, including engagement with staff, partners and stakeholders around improvements to frontline capability and the return of Fire Control services to Suffolk. This helped to build confidence and understanding and strengthen operational resilience.

Trading Standards' work to protect vulnerable residents was reinforced through proactive, public-facing communications and community engagement, raising awareness of fraud, scams, illegal vapes and illicit tobacco, alongside clear messaging during avian influenza outbreaks to support compliance with essential biosecurity measures.

Alongside this, coordinated communication and engagement through the Suffolk Resilience Forum played a key role in strengthened multi-agency emergency planning. Clear, consistent information-sharing with partners and the public has supported preparedness for risks including severe weather, coastal erosion, cyber incidents and industrial accidents.

Moving into 2026/27, Suffolk County Council is closely involved in progressing the Suffolk LGR programme - including supporting joint communications and engagement activity with district and borough partners. A new website explaining the transition towards three councils for Suffolk has now been launched.

In my opinion, Suffolk County Council remains fully committed to meaningful community, stakeholder and staff consultation that actively seeks to inform decision-making and service delivery.

## Equality, Diversity, and Inclusion

**Molly Thomas-Meyer (Assistant Director of Public Health and Communities)**



Suffolk County Council is committed to equality, diversity and inclusion (EDI), in line with its statutory duties under the Equality Act 2010 and the Public Sector Equality Duty. Our aim is to ensure that Council services are accessible, fair and inclusive for all Suffolk residents.

Overall oversight for EDI sits with the Corporate Leadership Team (CLT) and is underpinned by the Council’s corporate EDI Action Plan. The delivery of this plan is supported by Strategic Leads in each Directorate with activity to address uneven access to services and outcomes. These leads meet quarterly to embed a consistent EDI approach across the organisation, respond to emerging service needs, and share learning and good practice.

The corporate equalities vision statement and objectives (2022-2026) guide this work. These focus on:

1. Delivering the corporate EDI Action Plan
2. Meeting our Public Sector Equality Duty
3. Increasing inclusion for both staff and service users.

Over the past year, the scope of EDI activity has been broadened so that all protected characteristics are addressed within a single, clear plan. This work is focused on understanding and responding to the needs of Suffolk’s diverse population and is structured around the Cultural Inclusion through Voice, Insights and Community (C.I.V.I.C) framework. The framework provides a shared approach across the organisation and supports consistency in how services consider equality and inclusion.

**The four C.I.V.I.C pillars are:**

**1. Cultural competency**

Supporting staff to deliver fair and responsive services. This includes the development of a cultural competency learning hub and an organisation-wide self-assessment survey.

**2. Data and insight**

Using demographic and service user data to identify where access or outcomes differ between groups, and to inform action. This includes work with services to better understand who is – and who is not – accessing Council services.

### 3. **Voice**

Increasing engagement and codesign with diverse communities, so that lived experience informs decision-making. This is supported by strengthening how engagement activity is captured through the Equality Impact Assessment (EIA) process and sharing learning through case studies.

### 4. **Community**

Building understanding of, and stronger relationships with, communities and community organisations. This is about understanding where Suffolk County Council sit within the broader Suffolk picture, including greater promotion of community organisations that support those with protected characteristics.

Compliance with the Public Sector Equality Duty continues to be delivered through an established pre-screening phase in our Equality Impact Assessment (EIA) process and monitoring of impact after implementation, supported by a volunteer EIA Review Group.

Staff networks continue to play an important role in providing representation, support and safe spaces for staff to share experiences. Each network has a Corporate Leadership Team (CLT) champion to provide senior sponsorship. Networks are also supported through the Staff Network Reference Group, which includes HR and CLT representation and provides an escalation route for concerns faced by network members.

In addition, more than two hundred volunteer Race Equality and EDI Champions, EDI Directorate Leads and EIA Review Group members support this work alongside their substantive roles. Together, they help reinforce the message that equality, diversity and inclusion are the responsibility of everyone across the organisation.

## **Safety, Health & Wellbeing**

**Mike Leake (Head of Health & Safety)**



The Council has robust Safety, Health, and Wellbeing (SHAW) Strategy and performance monitoring arrangements through both internal assurance activities and externally through routine benchmarking with the Local Government Association and other local authorities.

The Safety, Health and Wellbeing service provides competent advice to the Council as required by Regulation 7 of the Management of Health and Safety at Work Regulations 1999.

In accordance with Section 2(7) of the Health & Safety at Work Act 1974 the Council has high levels of Corporate Health & Safety communication arrangements through the provision of a SHAW Board, which comprises of representation from the Corporate Leadership Team, senior managers and union representation. These quarterly events continue to deliver clear strategic outcomes and appropriate Health and Safety communication channels to all staff and Councillors.

The SHAW Strategy for 2026-28 continues to drive measured continuous improvements in our arrangements through appropriate trend analysis, specifically relating to two key priorities: a Supporting Wellbeing culture in SCC (the Council's corporate staff health and wellbeing agenda); and internal/external assurance and governance.

The first key priority will consider and enhance the Health and Wellbeing support provided to staff as part of dealing with the ongoing uncertainty and change because of local government reorganisation. This links to the second priority, which will consider and identify opportunities to maintain and fulfil our legal, moral and financial obligations to good Health and Safety governance and assurance, through ongoing collaboration with other local authorities.

## **Wholly Owned Companies**

**Matt West (Assistant Director for Assets and Investment)**



Suffolk Group Holdings Limited, trading as Vertas Group Ltd, is a group of companies wholly owned by Suffolk County Council comprising Vertas (facilities management), Concertus (property design and consultancy services) and Opus (recruitment). In December 2025, the Vertas Group were presented with the King’s Award for Enterprise, in the category of Sustainable Development, in recognition of the Group’s exceptional commitment to sustainability and environmental responsibility.

The Suffolk Group Holdings Limited Board met in June, September and December 2025, and in February 2026. Councillor James Reeder replaced Councillor Robert Everitt as the Council’s representative on the Suffolk Group Holdings Board in August 2025. The Chief Financial (S151) Officer and the Executive Director of Organisational Change and Local Government Reorganisation have also attended as observers. Following Board meetings, the senior managers from Vertas, Concertus and Opus meet with the Suffolk County Council Shareholder Group.

The Shareholder Group met in June and December 2025, and February 2026. This group is chaired by Councillor Lance Stanbury and made up of five Conservative Councillors and one Councillor from the Green, Liberal Democrat, and Independent opposition group. The purpose of the Shareholder Group is to ensure a consistent strategic view is taken across all the wholly owned companies, and to review and monitor the performance of the companies.

To inform the Suffolk Group Holdings Board and the Shareholder Group there are quarterly partnership governance meetings between the companies and the Council. These are held to discuss areas for development, upcoming requirements, and performance issues across each of the wholly owned companies and are attended by key clients from across Suffolk County Council. This approach provides transparency and accountability on the quality of services provided by the Vertas Group to Suffolk County Council and informs the feedback provided to the Board via the Shareholder Group. Furthermore, the Council’s representatives, the Chief Financial (S151) Officer and the Joint Chief Executive (LGR, Devolution and Change) are briefed ahead of the Shareholder and Board meetings by the Assistant Director for Assets and Investment. This written briefing is then shared with senior managers from Suffolk Group Holdings to consider its contents.

This process has been reviewed and improved in the last twelve months, with Suffolk Group Holdings invited to provide feedback on the report, which is then shared back to the Council to ensure everyone has all the information.

The Assistant Director for Assets and Investment continues to meet with the Chief Executive of the Vertas Group to discuss shareholder feedback at key times during the year, alongside regular meetings with senior managers in Vertas, Concertus and OPUS to help resolve issues and develop the services offered to the Council.

As part of the continuous improvement process, an external ‘health check’ of the operations and partnership with Suffolk Group Holdings was commissioned. The scope of the report included the business model; leadership capacity and capability; the delivery model for services to Suffolk; Group governance; and the future relationship options between SCC and Suffolk Group Holdings.

The report concluded that the companies in the Vertas Group are well run and governance arrangements are broadly in line with the CIPFA standards for local authorities running wholly owned companies. The partnership was recognised as having improved over the past two years.

The report also identified 25 wide-ranging recommendations to develop and improve the relationship further. Work is underway with Suffolk Group Holdings to develop a delivery plan to implement the recommendations. This work will refine and improve the governance arrangements in place.

The Audit and Risk Committee for Suffolk Group Holdings is chaired by Non-Executive Director, Geoff Dobson. The committee meets on a quarterly basis, with additional meetings as and when required.

Suffolk Group Holdings continue to appoint Grant Thornton as their external auditors, to assist in the final accounts sign off. They have also appointed RSM as internal auditors who report back to the Audit and Risk Committee on key business matters over the year.

In March 2026, the Council’s Audit Committee considered the annual report on the governance and assurance of Suffolk Group Holdings Limited. The 25 recommendations arising from the ‘health check’ were noted and it was agreed that the Audit Committee should maintain appropriate oversight. It was also agreed that the Audit Committee will keep under review liaison and governance arrangements between the Cabinet Member, the Shareholder Group and the Board, and that the incoming administration should be provided with an early briefing on Suffolk Group Holdings Limited and the Council’s approach to wholly owned companies.

## **Housing Joint Venture – Edmundham Developments**

**Rob Hancock (Assistant Director, Planning, Housing & Growth)**



Edmundham Developments is a 50-50 limited liability partnership between the Council and Lovell Partnerships. The structure and legal provisions of Edmundham Developments have been established to provide protection for the Council (e.g. to protect its land interests) and commercial certainty for both parties. Edmundham Developments is steered by a Board, with three representatives from each of the two partners. The chairing of the Board is rotated annually, with Lovell having chaired since September 2025. The Board meets every two months. The Council has both Member and senior officer representation across its three seats on the Board, with the Member being nominated by the Leader of the Council. The Council’s internal governance processes include its internal Housing Board (including Members and senior officers), and regular Portfolio Holder updates to Council.

During 2025/26, extensive build work has taken place at the first site in Newmarket. The former St Felix Middle school site is being redeveloped for 50 homes, with new tennis courts and extensive open space to allow for further future sports provision. All 50 homes are under construction, 10 are completed and 6 are ‘under offer’. All remaining construction work will complete in 2026/27. In line with the agreed governance processes, the Edmundham Board have received regular updates and have taken key decisions such as sale pricing for homes, and contract awards for suppliers.

Work is also underway at the second site at West Row, for 100 homes. The Site Settled Business Plan for this site was approved by the Edmundham Board, and the site transferred from the Council to Edmundham in April 2026. The governance process was particularly required for the West Row site, as a land ownership issue was discovered during the course of the business planning, which meant the Board had to consider alternative proposals to deliver the site. Fortunately, this issue was resolved, and the site is now being delivered in line with the originally agreed Business Plan.

An Outline Planning Consent was secured for the West Mildenhall site in 2025/26. This means 1,000 homes now have planning consent at this site. From a governance perspective, the outline planning consent has triggered the hand-over of responsibilities for the site to Edmundham Developments. Edmundham are funding and leading the next stage of planning work (Reserved Matters and Design Code) and the first transfer of land will take place in early 2027.

Planning work continues for other sites, the largest being North Lowestoft. The Edmundham Board has signed off early expenditure (funded via Lovell) for a full planning application for the first 100 dwellings at this site, and the Council are funding the outline planning consent, with work delivered via Concertus, for 1,000 further dwellings. These planning applications have been significantly delayed and will be submitted in May 2026.

In November 2025, the third annual report was prepared for the Council’s Audit Committee regarding the governance of Edmundham Developments. The Audit Committee did not identify material findings, and noted the work done to close actions identified in 2024.

In summary, the governance for Edmundham Development has operated effectively and as designed. On the Council side, there were some changes to Board personnel in 2025/26, with further changes expected in 2026/27 due to the elections. However, the role of Board members has not changed during the year.

The main challenge for Edmundham Developments in 2025/26 has been the speed of the planning process, as opposed to any governance challenges. Nonetheless, construction work is now underway at two sites, in Newmarket and West Row.

During 2026/27, planning for local government reorganisation (LGR) will take place. This will include an assessment of not only Edmundham Developments, but also the other local authority-controlled housing companies in Suffolk, of which there are five, all with different structures. Future operating models and governance processes for Edmundham Developments will be developed through the LGR programme and will also be reviewed via the Edmundham Board. However, any changes identified through this process will not be implemented until at least 2027/28.

## **External Assurance**

All local authorities are subject to external scrutiny from regulatory bodies. The most notable external inspection processes are those undertaken by OFSTED and the Care Quality Commission (CQC) across education services and social care. However, other service areas of the Council are regularly inspected or regulated.

The following outlines the main external inspections that the Council was subject to in 2025/26:

- In 2025/26, His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) conducted a revisit inspection to evaluate progress against the Suffolk Fire and Rescue Service (SFRS) action plan developed from the initial 2024 inspection. Although further improvements are required, the inspector acknowledged satisfactory progress by SFRS.
- In September 2025, Ofsted carried out a focused visit to assess the progress of 'front door services' following the ILACS (Inspection of Local Authority Children's Services) in May 2024. The inspectors stated that leadership "have responded through strengthened oversight, investment in quality assurance and a commitment to external challenge. This has fostered a culture of learning and development, with early signs of improvement beginning to emerge".
- The CQC performed an onsite inspection of Adult Social Care in December 2025, with outcomes expected in June 2026.
- Ofsted and the CQC also undertook an Area SEND monitoring visit in late March 2026, and formal reporting of these results is anticipated during 2026/27.

The External Auditor's Audit Results report for 2024/25, reported to the Audit Committee in November 2025, identified two significant risk areas in relation to governance – SEND and SFRS. Their work to address these risks concluded that, despite the risks identified, they were satisfied that there are no significant weaknesses in the Council's overall arrangements. The External Auditor reported no significant risk areas under financial sustainability and improving economy, efficiency and effectiveness.

The Council's Finance Section maintains robust internal controls and strong public finance management. This is substantiated by the work of Internal Audit as well as External Audit evaluations and reports. Furthermore, in their annual report to the Audit Committee in November 2025, the External Auditor RAG-rated all key areas of accounts preparation by the Finance Service as 'Effective'.

The outcomes from all external inspections are published and shared with the relevant Director, the Chief Executive and Cabinet Member. Each inspection usually has associated recommendations, and an action plan will be developed and then monitored by senior leadership and, where relevant, Councillors to ensure areas identified for improvement are implemented within agreed timescales.

## OUR ASSESSMENT OF EFFECTIVENESS

The County Council’s review of effectiveness is informed by a range of assurance sources and is designed to provide confidence that governance arrangements are proportionate, embedded and operating as intended. The review draws together evidence from management’s ongoing oversight (first line), assurance statements provided by the second line of defence (including relevant compliance and risk management functions), and independent assurance from Internal Audit (third line), together with the outcomes of external inspections and other assurance providers, where applicable.

In forming this assessment, the Council has considered whether its arrangements are aligned to support delivery of planned outcomes and to meet its responsibilities for value for money/best value.

Assurance obtained indicates that appropriate arrangements are in place to support and deliver the key principles of good governance. In particular, an Internal Audit review of compliance against the key principles of good governance concludes that the Council’s arrangements are operating effectively. Second line of defence assurance statements also provide corroborating evidence of how we have improved our governance arrangements in 2025/26, and that key controls and monitoring activities are in place and functioning as expected across the relevant areas of responsibility.

**Overall, based on the evidence and assurance considered, we are satisfied that the County Council has effective governance arrangements in place and that these are operating effectively.**

The overall opinion has been agreed through discussion with senior management and the Council’s governance forums, taking account of the balance of evidence across assurance sources, the significance of any issues identified, and the actions in place to address them.

The Council will focus on targeted actions to enhance governance arrangements (see Action Plan), address any gaps identified through assurance activity, and further embed consistent practice across the organisation.

## ACTION PLAN FOR 2026/27

Actions planned for 2026/27 to further strengthen the Council's governance, alongside the standing arrangements already in place are:

	Area	Governance Matters	Lead Officer
1.	Local Government Reorganisation	Ensure the County Council continues to be well governed and deliver effectively so that it leaves a constructive legacy for the start of the new unitary councils.	Mark Ash
2.	Local Government Reorganisation	Through accountable and effective governance, enable the County Council to deliver its priorities as well as contributing as relevant to the transition programme to establish successful unitary councils.	Mark Ash
3.	Devolution	Advise the new Administration on the governance implications of implementing devolution and ensure that any associated actions are supported by rigorous, appropriate and proportionate governance.	Mark Ash
4.	Devolution	Preparation for Mayoral elections in 2028.	Nigel Inniss
5.	Governance	Implementation of comprehensive programme of induction training for new Councillors.	Nigel Inniss
6.	Finance	Maintain robust financial oversight and control to deliver the 2026-27 budget and strengthen recovery plans, as required, to safeguard the Council's financial sustainability and resilience.	Louise Aynsley
7.	Internal Audit	Arrange and provide training to newly appointed Audit Committee members, following elections in May 2025. Training to involve different officers and to be based around CIPFA guidance for Audit Committees.	Peter Frost
8.	Internal Audit	Implement actions set out within the 2026-28 Internal Audit Strategy and 2025/26 review of effectiveness.	Peter Frost

Area	Governance Matters	Lead Officer
9. Performance	Keep senior leadership updated on future Local Outcomes Framework (LOF) developments, including how LOF performance data and outcomes (as presented in the new LOF data tool) will be incorporated into the existing corporate performance process.	Caroline Davison
10. Information Technology	Continue to leverage and scale the use of AI and automation toolsets to improve efficiency and productivity, and to detect and respond to ever evolving and more sophisticated threats.	Mark Burgess
11. Information Technology	Adopt the Cyber Assessment Framework (CAF) to systematically assess and enhance the council’s cyber resilience, identify risks to essential services, and ensure alignment with national cyber security standards.	Mark Burgess
12. Information Governance	Implement additional measures to seek to minimise the number of security incidents and data breaches occurring, including technical measures and targeting additional training for those services where incidents are most prevalent.	Peter Knight
13. Information Governance	Review the Council’s Registers of Datasets (Record of Processing Activities) to ensure accuracy and comprehensiveness.	Peter Knight
14. Information Governance	Implement an FOI case management system to enhance the efficiency of processing information requests.	Peter Knight
15. Information Governance	Publish a Records Management Handbook to support Council staff in managing the Council’s information securely and effectively.	Peter Knight
16. Procurement	Ensure contracts and procurements processes are carried out in line with requirements for an effective LGR transition to three unitaries.	Matt West
17. Procurement	Ensure all procurement modules of the Oracle Fusion database are kept up to date and ensure opportunities to implement updates to improve its effectiveness are taken.	Matt West

Area	Governance Matters	Lead Officer
18. Wholly Owned Companies	Implement the recommendations from Human Engines report on Suffolk’s Wholly Owned Companies. A joint delivery group between Vertas Group and Suffolk County Council has been stood up to oversee this.	Matt West
19. Edmundham Developments	<ul style="list-style-type: none"> <li>• Complete Bacton land transfer to Joint Venture.</li> <li>• Complete Site Settled Business Plan for Phase 1 of West Mildenhall.</li> <li>• Complete early Site Business Plan for Phase 1 of North Lowestoft.</li> <li>• Conclude delivery arrangements for Great Barton site.</li> </ul>	Rob Hancock
20. Edmundham Homes	Complete LGR discovery work and future operating model design for Edmundham Developments under the three unitary system.	Rob Hancock
21. External Inspections	Deliver any actions arising from the Ofsted/CQC Area SEND monitoring visit (March 2026), of which the outcomes are anticipated during 2026/27. Also, delivery of SEND Priority Action Plan and implementation of SEND Strategy 2024-29.	Sarah-Jane Smedmor
22. External Inspections	Deliver any actions arising from the CQC inspection of Adult Social Care, of which the outcomes are anticipated in June 2026.	Gareth Everton
23. External Inspections	Deliver actions arising from the Inspection of Local Authority Children’s Services.	Sarah-Jane Smedmor
24. External Inspections	Deliver actions arising from the HMICFRS inspection of Suffolk Fire & Rescue Service.	Jon Lacey
25. External Inspections	Implement actions arising from 2025/26 external inspections.	Various officers

## LOOKING AHEAD

### **Local Government Reorganisation**

As one of the six areas on the Government's Devolution Priority Programme, Suffolk councils have committed to implementing local government reorganisation – the change from the existing 'two tier' form of local government to unitary councils. On 25 March 2026, the Minister confirmed his 'minded to' decision to implement three unitary councils in Suffolk. These new councils will begin on 1 April 2028, with existing councils ceasing on 31 March 2028.

The transition from existing council arrangements to the new three unitary councils is instigated by government laying a Structural Change Order (SCO) in parliament. This secondary legislation specifies how the transition will be governed, the existing, 'predecessor councils' roles in that transition, and how the new unitary councils will be established. The transition arrangements include establishing an Implementation Team that is responsible for delivering the implementation plan and three Joint Committees (one for each new unitary council area) that provide political oversight for specific elements of the transition. Suffolk County Council's Joint Chief Executive will be designated in the SCO as the Senior Responsible Officer for the transition programme.

The Implementation Team will deliver the transition from the 'minded to' decision until the 01 April 2028 vesting day for the new unitary councils. The Joint Committees are constituted through the SCO and exist until shortly after the elections for the shadow unitary councils in May 2027, after which, the Implementation Team will work with those shadow unitary councils to continue the transition.

During the transition period until 1 April 2028, existing councils continue to be responsible for all local government governance, statutory duties and service delivery.

### **Devolution**

As part of the Government's Devolution Priority Programme, in addition to undertaking local government reorganisation, Suffolk committed to implementing devolution by establishing a Mayoral County Combined Authority for Suffolk and Norfolk with a directly elected mayor.

The original timetable for establishing these devolved governance arrangements was for the authority to be established in time for inaugural mayoral elections in May 2026. However, on 4 December 2025, the Secretary of State announced his 'minded to' decision to delay the election for directly elected mayors from May 2026 to May 2028.

To establish these devolution arrangements, requires an Executive decision by both Suffolk and Norfolk County Councils to consent to government laying secondary legislation through a statutory instrument. This decision was taken in October 2025. However, since the Ministerial decision to change the election date for the mayor and the

progress of the English Devolution and Community Empowerment Bill, a new statutory instrument requiring new consent is needed to progress devolution.

### **The Next Two Years**

Looking ahead, the Council's governance arrangements will need to remain strong and adaptable as we move from the 'minded to' decision into formal implementation of local government reorganisation (LGR).

While LGR is the most significant governance challenge in a generation, it must not detract from our core duty to maintain business as usual: continuing to deliver critical services, meeting all statutory responsibilities, safeguarding public money, and upholding high standards of conduct, risk management, assurance and scrutiny. Over the transition period, the Council will therefore maintain a disciplined focus on robust financial and contract controls, strong information governance, effective performance and risk oversight, and clear accountability across the three lines of defence, so that residents and partners experience continuity and confidence as Suffolk's local government arrangements change.