Huntingdonshire DISTRICT COUNCIL

A meeting of the **CORPORATE GOVERNANCE COMMITTEE** will be held in **CIVIC SUITE (LANCASTER/STIRLING ROOMS), PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, CAMBS, PE29 3TN** on **WEDNESDAY, 26 NOVEMBER 2025** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

## AGENDA

**APOLOGIES**

**1. MINUTES** (Pages 5 - 12)

To approve as a correct record the Minutes of the meeting of the Committee held on 24 September 2025.

**Contact Officer: Democratic Services - (01480) 388169**

**2. MEMBERS' INTERESTS**

To receive from Members declarations as to disclosable pecuniary, other registerable and non-registerable interests in relation to any Agenda item. See Notes below.

**Contact Officer: Democratic Services - (01480) 388169**

**3. CHANGES TO THE CONSTITUTION**

To receive a report to amend the Council's Constitution to update the Council Procedure Rules and to establish a mechanism for any Councillor to act as a substitute on a Council body.

**Contact Officer: L Jablonska**
**(01480) 388004**

**4. CORPORATE RISK REGISTER** (Pages 13 - 24)

To receive a report informing of the approach and work undertaken on the Corporate Risk Register including the latest heat maps relating to the corporate risks.

**Contact Officer: L Morrison**
**(01480) 388178**

5. **INTERNAL AUDIT UPDATE REPORT** (Pages 25 - 60)

To receive a report providing an update of the work of the Internal Audit Service since the last meeting.

**Contact Officer: L Morrison**
**(01480) 388178**
**D Harris**
**07792 948767**

6. **INTERNAL AUDIT ACTIONS UPDATE** (Pages 61 - 90)

To receive a report set out the current position with respect to implementation of actions arising from Internal Audit reports.

**Contact Officer: L Morrison**
**(01480) 388178**

7. **CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT** (Pages 91 - 94)

To receive the Corporate Governance Committee Progress Report.

**Contact Officer: Democratic Services - (01480) 388169**

18 day of November 2025

***Michelle Sacks***

Chief Executive and Head of Paid Service

**Disclosable Pecuniary Interests and other Registerable and Non-Registerable Interests.**

Further information on Disclosable Pecuniary Interests and other Registerable and Non-Registerable Interests is available in the Council's Constitution

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| **Please contact Democratic Services, Tel: (01480) 388169 / email: Democratic.Services@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.**<br>Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.<br>Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business**.** |

Agenda and enclosures can be viewed on the District Council's website.

| **Emergency Procedure** |
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| In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit. |

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# HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CORPORATE GOVERNANCE COMMITTEE held in the CIVIC SUITE (LANCASTER/STIRLING ROOMS), PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, CAMBS, PE29 3TN on Wednesday, 24 September 2025

PRESENT: Councillor M J Burke – Chair.

Councillors J A Gray, P J Hodgson-Jones, A R Jennings and N Wells.

APOLOGY(IES): Apologies for absence from the meeting were submitted on behalf of Councillors I P Taylor and P Webb.

## 21 MINUTES

The Minutes of the meeting of the Committee held on 9 July 2025 were approved as a correct record and signed by the Chair.

## 22 MEMBERS' INTERESTS

No declarations were received.

## 23 CODE OF CONDUCT - ANNUAL UPDATE

The Committee received a report (a copy of which is appended in the Minute Book) which provided a summary and update of completed or ongoing complaints received regarding alleged breaches of the Code of Conduct under the Localism Act 2011 since the start of the year.

The Elections & Democratic Services Manager set out the report, making particular reference to case number 25/67. A report published by the Local Government & Social Care Ombudsman (LGO), resulting in an apology which was issued to the complainant, some further training for statutory officers undertaken, and a slight tweak to the Monitoring Officer protocol. The tweak did not dilute down the purpose of the protocol, and ultimately it was the Council's responsibility to maintain high standards of Code of Conduct for Town/Parish Council's, but equally the onus was also on them to uphold these high standards.

In response to questions from the Committee, the Elections & Democratic Services Manager advised that in this case, the matter was referred to the Council without investigation by the respective body. Generally, if complaints were received Parish & Town Councils were encouraged to see if matters could be resolved locally, but in this instance it was referred to the Council and required further investigation.

In relation to the table at 3.1 in the report, information regarding how long investigations had been ongoing was something that could incorporated in future.

Furthermore, information around the documented process for complaints was detailed in the Constitution which set out the procedure expected to be followed.

Whereupon, it was

RESOLVED

that the Committee noted the progress of any outstanding Code of Conduct complaints and the conclusion of cases resolved to date.

**24 ANNUAL COMPLAINTS AND FEEDBACK REPORT 2024/25**

The Committee received a report (a copy of which is appended in the Minute Book) which provided information on complaints and compliments received by the Council between April 2024 – March 2025, and complaints referred to the LGO.

The Customer Service Complaints & Project Lead set out the report, clarifying that 21 complaints had been received by the LGO, not 22 as listed in the report in error. This figure did include the complaint referred to by the Head of Elections & Democratic Services Manager in the previous item.

The Committee was of the opinion that it would be useful to have a comparison of where the Council was in relation to neighbouring authorities in dealing Stage 1 and 2 complaints that do not go to the LGO. Such information would be included in the report next year, however there might be some gaps if some authorities did not have all information published or accessible.

In response to a question from the Committee regarding how easy it was for complaints to be made, the Customer Service Complaints & Project Lead advised that the website was quite comprehensive; complaints could be submitted via an online form, via letter, via email or by calling the customer service team.

Whereupon, it was

RESOLVED

that the Committee noted the data relating to formal Stage One and Stage Two complaints received (2024/25), compliments received and the LGO local authority report for Huntingdonshire District Council (2024/25).

**25 ANNUAL REPORT ON HDC COMPLIANCE WITH THE INFORMATION RIGHTS ACT (FREEDOM OF INFORMATION ACT, ENVIRONMENTAL INFORMATION REGULATIONS AND UK GDPR) AND INFORMATION GOVERNANCE**

The Committee received a report (a copy of which is appended in the Minute Book) which provided an update on Information Governance activity and performance during 2024/25, highlighted any issues encountered and actions to be undertaken to improve performance.

The Information Governance Manager set out the report, noting that the report represented the final piece of a two-year review to bring the entire policy base up to date.

In response to questions from the Committee, the Information Governance Manager advised that the term “Exceeded Reasonable Limits” was specified within the legislation as a matter that required over 18 hours of work to collage the necessary information. He and his team had been trying to pick up those target areas where there were breaches by a specific service, and why these might have occurred; either because of resources, if training was not there or if any additional pressures may have contributed. Specific targeted training had been given to some services, and the Information Governance team had been increasing knowledge base with removing auto-complete off email addresses, which had caused some of the instances.

Futhermore, the Chief Executive commented that the profile had been raised around self-referral in the organisation. Manager’s had been talking about data breaches and learning opportunities, encouraging officers to self-report than be fearful.

Whereupon, it was

RESOLVED

that the Committee noted the contents of the report.

## 26 CORPORATE RISK REGISTER

The Committee received a report (a copy of which is appended in the Minute Book) which provided an update on the Corporate Risk Register and presented a heat map relating to the current residual risk scores and a summary report. It also provided the Committee with the opportunity to comment on and offer challenge to the Corporate Leadership Team as part of the active management of risk.

The Head of Democratic Services and Monitoring Officer set out the report, making reference to the addition of noting any unchanged scores being set out clearly, as the Committee had previously requested. The Committee noted that the summary of risks were very helpful and were much clearer than they used to be.

In response to a question from the Committee regarding the trade-off between the resources put in to mitigate risks, and the impact of not mitigating those risks and using those resources somewhere else, the Head of Democratic Services and Monitoring Officer would provide the Committee with a written answer around this matter. The Committee also commented that it was helpful to know which risks where actions taken to mitigate that risk had looked at the likelihood or how to reduce the likelihood; in reducing the likelihood the impact would be reduced. The Chief Executive agreed and assured the Committee that officers were of that same mindset; it was not necessarily about removing all risk as that was often not cost effective for the level of resource required, when an impact might be tolerated as business as usual.

The Chief Executive further responded to questions from the Committee, advising that earlier in the day there had been a workshop session around the Workforce Strategy; one of the pillars of that was recruitment and retention and this had been received in the context of the LGR framework. Further discussions had taken place in terms of proposals around recruitment, succession planning and personal development, to help reduce leaving, retain talent and make the Council an attractive organisation. When recruiting, the Council had a strong brand and there had been high numbers of quality candidates. Though there were some niche areas that were problematic, broadly the Council had seen positive recruitment.

Whereupon, it was

RESOLVED

that the Committee commented on the reports in the appendices and progress with risk management.

**27 INTERNAL AUDIT UPDATE REPORT**

The Committee received a report (a copy of which is appended in the Minute Book) presenting an update of the work of the Internal Audit Service since the last meeting.

The Audit Manager – RSM set out the report, advising that there had been minor changes to the timings of some reviews in appendix B, but no audits had been cancelled or replaced. Training and the management support of the in-house team continued. Furthermore, he noted that the previous request of the Committee to include details of high priority actions had now been incorporated. It was key to note that with the exception of one of the reports, all had implementation dates between October and December so there were rigorous and tight dates agreed to get on top of some issues.

In response to questions from the Committee, the Audit Manager – RSM commented that officers agreed the actions and dates, but RSM would provide a challenge if a high priority action had an implementation date that was particularly far in the future. It was important to note that there were a significant number of audits, a significant number of actions and therefore a head of steam being built. In terms of whether target dates were realistic, the year-end will give a of whether these had been overly ambitious, and it would be clear during the next few Committee meetings whether those targets were on track.

The Chief Executive also commented that when officers were agreeing outcomes with auditors, it was a conversation rather than a date being imposed. Furthermore, it would have been remiss not to comment that LGR might affect capacity. However, through the work with RSM and through the training of managers, accountability was much more owned now than when she had first joined the Council when there was an enormous amount of non-complete actions.

The Committee noted that it was good to see the Scrutiny Panel's insistence on getting involved in setting targets at an early stage recognised in the report. In terms of the discrepancies for two of the performance indicators in terms of data quality, there was nothing about going back to the Scrutiny Panel that looked at them to let them know there had been data quality issues in the indicators they had been scrutinising which it was felt pertinent. The Chief Executive commented that she would take that as an action herself to make sure that was fed back to the appropriate Scrutiny Panel.

The Committee were of the opinion that there had been a big step forward in the right direction recently and thanked the Audit Manager – RSM and the Corporate Director – Finance and Resources.

The Audit Manager – RSM advised the Committee that he had briefed the Executive Councillor – Governance and Democratic Services earlier in the year on the programme of work. There was also a direct line to the Chief Executive and to statutory officers for them to feed in, and the Committee had a key rule in ensuring the programme of work delivered against the plan the Committee approved, so there was a strong line of communication.

Whereupon, it was

RESOLVED

that the Committee commented on and noted the update on work undertaken by Internal Audit up to end of September 2025.

## 28 INTERNAL AUDIT ACTIONS - UPDATE REPORT

The Committee received a report (a copy of which is appended in the Minute Book) which set out the current position with respect to implementation of actions arising from Internal Audit reports.

The Head of Democratic Services and Monitoring Officer set out the report, noting that as per the Committee's request, action titles fully captured the actions summary; there had been some training on this and officers had worked on their understanding and enhanced the appendix as such. She further commented that the Committee had previously expressed interest in Procurement, and significant detail had been provided on the work she had undertaken since joining the Council. Since the Committee last met, an experienced Procurement Manager had been appointed, to begin in December, tasked with supporting her in the delivery of audit related actions.

In response to questions from the Committee regarding Action 1625, Overtime, and whether this had come from the Retention & Recruitment audit or the Home and Hybrid Working audit the Head of Democratic Services and Monitoring Officer would provide a written response to the Committee. Furthermore, she agreed with the suggestion from the Committee that it was helpful to know how many open actions were closed in the last quarter, and would take that away as a helpful suggestion. There was confidence that the revised dates would not be pushed back again, although there was a significant amount of work ongoing to be accommodated. The Revised Code of Procurement had been moved back until the end of December, and with the new Procurement Manager incoming, this would be a key priority for them.

Whereupon, it was

RESOLVED

that the Committee commented on and noted the current position regarding actions arising from internal audit reports.

## 29 APPROVAL FOR THE PUBLICATION OF THE ANNUAL GOVERNANCE STATEMENT 2024 25 AND ANNUAL FINANCIAL REPORT 2024 25

The Committee received a report (a copy of which is appended in the Minute Book) which set out the processes for finalising and publishing the Council's Annual Governance Statement (AGS) and Annual Financial Report (AFR) for 2024/25.

Clare Mellons – Partner EY – External Auditors set out the report, advising the Committee that they did expect to receive substantial assurance over every element of the balance sheet, other than property, plant and equipment and reserves. There was a potential timeline based on the national audit office guidance, and 2027/28 was where they would like to get to in terms of being able to issue a completely clean opinion. Furthermore, over the next couple of years the Committee should see a change in the format of the opinion. An awful lot of work had been undertaken by the Head of Finance, and the Council was on a good track to getting back to a clean financial statement's opinion again.

In response to questions from the Committee, Clare Mellons – Partner EY – External Auditors, advised that they were trying to prioritise and look at who was going to be the most impacted by LGR. That would be refined over the coming months to be specific about which authorities going into a new body, who would be the main body, noting that it was difficult for a new authority if they had a host of disclaimed opinions. The team were conscious this was coming down the line.

The Committee commented that with LGR, just because an entity had clean accounts before-hand, that did not mean they would remain so in the new body if it does not adapt to or be compatible with the introduction of new systems/culture. Clare Mellons – Partner EY – External Auditors responded that experiences in the past had seen that, however it was the sort of thing the auditors would be picking up in terms of value for money thinking as LGR approached. It was challenging for management to realign systems, but they would have an eye on this over the next few years. The Chief Executive further commented that as the implementation plan came in to being between the present time and vesting day, as part of that it would be expected that there would be a five-year transformation plan for the new unitary, and that is where those key component pieces of work would come into play. There was a sub-committee of the governance democracy risk workstream around procurement because one of the risks of the new unitary was not having sufficiently mapped out existing contracts, not having looked to take economies of scale prior to vesting day, and letting longer contracts than would be good practice before vesting day that would bind the new unitary. That was one aspect of the value for money consideration officers were already thinking of. It was going to be complex but she gave the Committee assurance that officers were already in that space and seeking to undertake due diligence of what could be done now.

Whereupon, it was

RESOLVED

that the Committee

(1) received and discussed the Completion Report for Those Charged with Governance 2024/25 (Appendix 1);

(2) approved the Annual Governance Statement (Appendix 2) and authorised the Executive Leader and Chief Executive Officer to sign the Statement on behalf of the Council;

(3) approved the Letter of Representation (Appendix 3) and authorised the Corporate Director (Finance and Resources), as Section 151 Officer to sign it on behalf of the Council;

(4) gave delegated powers to the Chairman of the Committee and the Corporate Director (Finance and Resources), as Section 151 Officer to authorise and sign the Annual Financial Report for 2024/25 (Appendix 4) on behalf of the Council; and

(5) gave delegated powers to the Corporate Director of Finance and Resources, in conjunction with the Chairman of the Committee, to ensure that any minor amendments to the statement of accounts are completed before final publication.

## 30 ANNUAL REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

Consideration was given to the Committee's draft Annual Report to Council summarising the work it had undertaken during 2024/25 and any issues that arose in the year. The report had been prepared by the Chair of the Committee during the period covered by the report and was scheduled to be presented at the next full Council meeting. A copy of the report is appended in the Minute Book.

The Committee requested that the report should include headings around Audit Committee Membership and Impact as had been in previous reports. It also felt that the report glossed over the disclaimed audit and what was breakdown in the third line of defence. Further detail was also requested on internal audit, which needed to be more explicit, and to include a reference to the Constitutional Working Group and the work it had undertaken.

The view of the Committee was that it had become more effective, with more focus and more prodding, and a large part of that was down to the effectiveness of the Chair.

Accordingly, it was

RESOLVED

that the Committee

(1) reviewed the draft annual report and decided what changes to make; and

(2) authorised the Chair of the Committee to approve any amendments to the draft report.

**31 CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT**

The Committee received and noted a report (a copy of which is appended in the Minute Book) on progress of actions in response to any decisions taken at previous meetings. The Committee noted that the Constitutional Working Group had met on 4 September and there was now a timeline on bringing something through to the Committee in November.

**32 NOTE OF THANKS TO THE HEAD OF FINANCE**

The Committee wished to pass on its sincere thanks to the outgoing Head of Finance, Sharon Russell-Surtees, in her final Corporate Governance Committee meeting. The Chief Executive similarly praised the Head of Finance's work and approach and for being a real asset to the Council.

Chair

**Public**
**Key Decision – No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

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|---|---|
| **Title/Subject Matter:** | Corporate Risk Register |
| **Meeting/Date:** | Corporate Governance Committee<br>26 November 2025 |
| **Executive Portfolio:** | Executive Councillor for Governance & Democratic Services<br>Cllr Jo Harvey |
| **Report by:** | Corporate Director – Finance and Resources |
| **Wards affected:** | All |

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**Executive Summary:**

This report provides an update on the Corporate Risk Register and presents a heat map relating to the current residual risk scores and a summary report. It provides the Committee with the opportunity to comment on and offer challenge to the Corporate Leadership Team as part of the active management of risks.

The Committee is

**RECOMMENDED**

To comment on the reports in the appendices and progress with risk management.

## 1. PURPOSE OF THE REPORT

1.1 This report informs the Committee of the approach and work undertaken on the Corporate Risk Register including the latest heat maps relating to the corporate risks.

## 2. WHY IS THIS REPORT NECESSARY

2.1 Effective Risk Management is a critical part of the organisation's governance. The Corporate Risk Register identifies those areas where the Council should take action to mitigate its exposure and informs the annual plan for Internal Audit.

2.2 Presenting the Risk Register to each meeting of the Committee is an integral part of the overall governance process as set out in the Council's Risk Management Strategy.

## 3. CURRENT CORPORATE RISK REGISTER

3.1 There has been no change to the Corporate Risk Register scoring since the last reporting period. This is not a reflection on the lack of activities being undertaken to improve or introduce new controls. A breakdown of the actions and/or activities that have taken place for those risks with targets has been provided below:

3.1.1 **CORP0006 Resilience** - Bronze level Local Authority Liaison Officer (LALO) training was conducted on the 16 October 2025 to 20 staff members who were selected for their skill sets. The training forms the completion of having trained emergency response personnel at the Gold (strategic), Silver (tactical) and Bronze (operational) levels, forming the command structure for decision making during an emergency which requires a joint services response. Continuous training will be taking place to ensure a skilled workforce for emergency response remains. Testing of business continuity plans has started with Exercise Running Duck being conducted on 18 September 2025 with more being planned. However, due to being in the early stages of the testing phase and further training being rolled out to staff the likelihood score of 3 which is "may occur only occasionally" will remain until confidence within the response is built and any lessons learnt communicated and acted upon. As the response matures through testing the likelihood rating shall be reviewed for feasibility of reducing the score to 2 which is "do not expect it to happen but it is possible".

3.1.2 **CORP0008 Regulatory** - The Council will maintain strategic oversight of legislative changes through horizon scanning, Statutory Officer meetings, regular meetings of an internal Governance Board and the Senior Leadership Team, ensuring timely updates to governance frameworks and reporting to the Corporate Governance Committee. Monitoring of these activities will be ongoing for effectiveness.

3.1.3 **CORP0009 Fraud** - Fraud, bribery and corruption risk workshops have been planned and will be ran from November throughout December 2025 to equip staff with the knowledge and skills with identifying, assessing and treating fraud, bribery and corruption activities that could occur within their service areas. This forms part of the Anti-fraud, Bribery and Corruption Strategy 2025 -2028.

3.1.4 **CORP0010 Data Protection** – Internal Audit actions 3702 and 3703 that can be seen in item 6 Appendix 3 are linked to this risk, both actions are currently in progress and being monitored by the internal audit team for action owners to provide regular updates. The risk scores shall be reviewed on the completion of these actions.

3.1.5 **CORP0012 Staffing** – A Workforce Strategy to proactively address the evolving skills and capabilities required in the future workforce is in progress. The strategy is designed to ensure the Council remains competitive in attracting, retaining, and nurturing talent, while fostering a culture of well-being, happiness, and inclusion. It aims to offer varied and fulfilling career pathways that are adaptable to the dynamic nature of the modern workplace. Recognising that investing in our people is key to securing the best talent, the strategy places a strong emphasis on staff development and growth. The Workforce Strategy is structured around three core pillars which are Attraction and Retention, Engagement, and Well-being which collectively support the Council's ambition to be an employer of choice. The Workforce Strategy is being rolled out with a target date of August 2026 to become a business-as-usual activity.

3.1.6 **CORP0017 Safeguarding** - Mandatory safeguarding training for both children and adults has been implemented for all employees. Completion rates are actively monitored by the Learning and Development team and regularly reported to the Safeguarding Governance Board. In addition, specialist safeguarding training is being delivered to designated employees where role-specific responsibilities require enhanced knowledge and capability.

3.1.7 **CORP0018 Equality, Diversity and Inclusion (EDI) -** An EDI group is currently being formed with a target date 31 December 2025. The EDI group will assist and support the monitoring and reviewing of this risk.

3.1.8 **CORP0019 Local Government Reorganisation (LGR) -** As reported to the Committee at its last meeting, Officers have undertaken an enterprise-wide review of the risks arising from LGR. An LGR risk register has been established with 12 risks documented with associated controls and risk actions appointed to owners. The Democracy, Governance & Risk Workstream continues to meet regularly, and is chaired by the Chief Executive of Huntingdonshire District Council. Full Council met on 15 October 2025 and approved the establishment of a new LGR decision making forum.

3.2 The Risk Manager has undertaken enhancements to the 4Risk and 4Action platforms to strengthen the overall risk management process. System resilience has been improved through the identification of appropriate risk assignees and the allocation of additional support roles to assist risk owners in monitoring and reviewing risks effectively.

3.3 Training on the 4Risk system is currently being rolled out across services to ensure that service-level risk registers remain accurate and up to date. This is a critical step in supporting the Risk Consolidation, Aggregation, and Assessment activities outlined in Section 4.2.2.

## 4. RISK MANAGEMENT STRATEGY

4.1 A review of the current Risk Management strategy is currently being undertaken by the appointed Risk Manager and is currently being shared with Managers and Heads of Service for comments and feedback. This approach is intended to obtain buy-in to the strategy at a service level.

4.2 As part of the review of the current strategy three areas for refinement were identified. The Orange Book: Management of Risk – Principles and Concepts include these areas as part of the risk management. The areas that were identified were:

4.2.1 **Risk Appetite** - Provides a structured framework for informed decision-making, enabling the organisation to pursue its strategic objectives with clarity and confidence. By defining optimal, tolerable and exceeded risk levels, it supports consistent governance, reduces uncertainty, and ensures resources are prioritised effectively.

4.2.2 **Risk Consolidation, Aggregation and Assessment** - Refers to the systematic process of bringing together individual risks from across the council's operations, combining them to understand their cumulative impact, and evaluating their significance in relation to strategic objectives. This approach is essential for effective governance as it enables the Council to identify interdependencies, spot emerging risk trends, and ensure that risk exposure is within acceptable levels. By consolidating and assessing risks holistically, the Council can make more informed decisions, allocate resources more efficiently, and enhance resilience against potential disruptions ultimately supporting better service delivery and public accountability.

4.2.3 **Risk Assurance** – As part of the organisation's increased utilisation of specialist risk management software, the Risk Manager is undertaking work to document the first, second and third lines of defences within 4Risk software to aid the reporting process. This will be reported to Corporate Governance Committee in due course.

## 5. RISK APPETITE

5.1 The risk appetite is currently defined as "The Council's appetite for risk will be considered as 'exceeded' when the residual risk score has a score of 15 or above in accordance with the Council's risk scoring matrix.

5.2 Work is currently ongoing to define the suitable risk appetite scales for each risk category and will be submitted to the Governance Board and subsequently this Committee for review and approval once complete.

## 6. RISK CONSOLIDATION, AGGREGATION AND ASSESSMENT

6.1 Risk consolidation, aggregation and assessment are essential components of a robust governance framework. Risk consolidation refers to the process of gathering all identified risks from across the Council's departments, services and projects into a single, unified register which is managed on the 4Risk software. This approach will ensure that no significant risk is overlooked and provides a comprehensive view of potential threats to the council's objectives. By maintaining a consolidated risk register, the Council can monitor risks consistently and ensure accountability for their management.

6.2 Risk aggregation builds on this by grouping related risks to understand their combined impact. For example, several risks affecting financial stability may individually appear manageable, but when aggregated, they could represent a significant threat to the Council's budget and service delivery. Aggregation will allow the Council to identify common themes and interdependencies, enabling more strategic and efficient mitigation measures. This approach helps prevent services from managing risks in isolation, particularly where certain risks may have a cross-cutting impact on multiple service areas. By consolidating and aggregating risks, the council ensures a coordinated response and avoids duplication of effort. Reports can be generated directly from the 4Risk system and distributed to relevant subject matter experts and Heads of Service for review, promoting accountability and informed decision-making across the Council.

## 7. RISK ASSURANCE

7.1 The Three Lines Assurance Model in the Orange Book provides a structured approach to clarify roles and responsibilities for managing risk and delivering assurance. It divides activities into three distinct layers: the first line (management and operational teams) owns and manages risks as part of day-to-day operations; the second line (oversight functions) provides guidance, monitoring, and challenge to ensure risk management practices are effective; and the third line (independent assurance, typically Internal Audit, Committees or Boards) offers objective evaluation of governance, risk, and control processes. This model promotes accountability, reduces duplication, and ensures comprehensive coverage of risks. Its benefits include improved transparency, stronger governance, and better alignment of assurance activities with organisational objectives, enabling informed decision-making and efficient use of resources.

7.2 However, while the three lines of assurance model provides an ideal framework for effective risk management, its successful implementation depends on the availability of appropriate resources to support the second and third line activities. Assurance over risk controls requires not only clear roles and responsibilities but also sufficient capacity and capability to deliver independent oversight and validation. Therefore, resource allocation will be strategically aligned with priority risk areas, ensuring that assurance efforts are focused where they are most needed and can deliver the greatest value.

## 8. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

8.1 Effective risk management is a key aspect of ensuring that the Council is efficient and sustainable service delivery.

## 9. RESOURCE IMPLICATIONS

9.1 Risk Management is now provided by the Risk Team.

## LIST OF APPENDICES INCLUDED

Appendix 1 – Corporate Risk Summary
Appendix 2 - Heat Maps

## CONTACT OFFICER

Name/Job Title: Lydia Morrison, Interim Corporate Director – Finance and Resources
Telephone: 01480 388178
Email: Lydia.Morrison@huntingdonshire.gov.uk

# Corporate Risk Register - Summary

Huntingdonshire DISTRICT COUNCIL

**Risk Register**

| Prefix | Risk Title | Risk Description | Risk Owner | Inherent Priority | Residual Priority | Target Priority |
|---|---|---|---|---|---|---|
| CORP0001 | Cyber | Successful / serious cyber security attack on the Council | Corporate Director (Finance and Resources) Section 151 Officer | Very High (5:4=20) | High (5:2=10) | High (5:2=10) |
| CORP0002 | Service Quality | Unable to maintain and build quality and consistency in service provision by the Council | Corporate Director (People) | Very High (4:4=16) | High (3:3=9) | High (3:3=9) |
| CORP0003 | Political | Unable to effectively respond to changes in political priorities and policies | Chief Executive | High (3:4=12) | Medium (3:2=6) | Medium (3:2=6) |
| CORP0004 | Financial | Failure to preserve Council's financial position | Corporate Director (Finance and Resources) Section 151 Officer | Very High (4:4=16) | Medium (3:1=3) | Medium (3:1=3) |
| CORP0005 | Governance | Governance failure | Chief Executive | High (4:3=12) | Medium (3:2=6) | Medium (3:2=6) |
| CORP0006 | Resilience | Inability to effectively respond to a major disruption / critical event | Corporate Director (People) | High (4:3=12) | High (3:3=9) | Medium (3:2=6) |
| CORP0007 | Health & Safety | Serious health, safety, and well-being failure by the Council | Chief Executive | Very High (5:3=15) | High (5:2=10) | High (5:2=10) |
| CORP0008 | Regulatory | Unable to meet requirements of new regulations and legislation affecting the Council | Chief Executive | Very High (4:4=16) | High (3:3=9) | Medium (3:2=6) |
| CORP0009 | Fraud | Significant fraud/ theft successfully committed against the Council | Corporate Director (Finance and Resources) Section 151 Officer | High (4:3=12) | Medium (3:2=6) | Low (2:2=4) |
| CORP0010 | Data Protection | Major confidentiality breach on the part of the Council. | Corporate Director (Finance and Resources) Section 151 Officer | Very High (4:4=16) | High (4:2=8) | Medium (3:2=6) |
| CORP0011 | Environmental | Failure to ensure that the Council responds effectively to its environmental obligations (both legislative and policy); undertakes its activities whilst ensure environment compliance where appropriate; and effectively responds to the climate change challenge in so far as it relates to the Councils policies and obligations to the District. | Corporate Director (Place) | High (4:3=12) | High (4:2=8) | High (4:2=8) |
| CORP0012 | Staffing | Failure to recruit, develop, support and retain high quality / calibre staff across all Council services. | Chief Executive | Very High (4:4=16) | High (3:3=9) | Low (2:2=4) |
| CORP0013 | Partnerships / Collaboration | Not maintaining and developing fruitful partnerships and collaborations | Chief Executive | Very High (4:4=16) | Medium (3:2=6) | Medium (3:2=6) |
| CORP0014 | Stakeholder Engagement | Not effectively engaging with our key external stakeholders | Chief Executive | Very High (4:4=16) | Medium (3:2=6) | Medium (3:2=6) |
| CORP0015 | Housing and Infrastructure | Failing to effectively plan for and manage the current and future housing demands and infrastructure development - resulting in a barrier to growth and investment, or detrimental impact on communities. | Corporate Director (Place) | Very High (4:4=16) | High (4:2=8) | High (4:2=8) |
| CORP0016 | Transformation | The Council fails to manage its transformation strategy (including digital) | Corporate Director (People) | Very High (4:4=16) | High (3:3=9) | High (3:3=9) |
| CORP0017 | Safeguarding | Failure to ensure there are robust systems in place to address safeguarding and prevent duty concerns | Chief Executive | High (4:3=12) | High (3:3=9) | Medium (3:2=6) |
| CORP0018 | Equality, Diversity and Inclusion | The Council fails to support and embed its equality, diversity and inclusion ethos. | Chief Executive | High (4:3=12) | Medium (2:3=6) | Low (2:2=4) |
| CORP0019 | Local Government Reorganisation (LGR) | Failure to effectively plan for Local Government Reorganisation (LGR) | Chief Executive | Very High (4:5=20) | High (3:4=12) | High (3:3=9) |

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**RISK HEAT MAPS**
**INHERENT RISK RATING**

**RISK HEAT MAPS**
**RESIDUAL RISK RATING**

| Impact / Likelihood | 1 = Improbable | 2 = Unlikely | 3 = Occasional | 4 = Likely | 5 = Almost Certain |
|---|---|---|---|---|---|
| 5 = Critical | | 2, 12 | | | |
| 4 = Major | | 7, 8, 15 | | | |
| 3 = Significant | 11 | 9, 10, 16, 17, 18 | 3, 4, 5, 6, 13, 14 | 1 | |
| 2 = Minor | | | 19 | | |
| 1 = Trivial | | | | | |

RISK HEAT MAPS
TARGET RISK RATING

| Impact | 1 = Improbable | 2 = Unlikely | 3 = Occasional | 4 = Likely | 5 = Almost Certain |
|---|---|---|---|---|---|
| 5 = Critical | | 2, 12 | | | |
| 4 = Major | | 7, 15 | | | |
| 3 = Significant | 11 | 5, 8, 9, 10, 13, 14, 16, 17 | 1, 3, 4 | | |
| 2 = Minor | | 6, 18, 19 | | | |
| 1 = Trivial | | | | | |
| Likelihood | 1 = Improbable | 2 = Unlikely | 3 = Occasional | 4 = Likely | 5 = Almost Certain |

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**Public**
**Key Decision – No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

| | |
|---|---|
| **Title/Subject Matter:** | Internal Audit Update Report |
| **Meeting/Date:** | Corporate Governance Committee<br>26 November 2025 |
| **Executive Portfolio:** | Executive Councillor for Governance & Democratic Services<br>Cllr Jo Harvey |
| **Report by:** | Internal Audit Manager – Dan Harris (RSM)<br>(Corporate Director – Finance and Resources) |
| **Wards affected:** | All |

---

**Executive Summary:**

This report sets out a summary of the work undertaken by the Internal Audit Service since the Committee last met in September 2025. RSM have prepared the update which will be presented by them.

Committee Members will find some updates on some of the actions reported here in the paper in the agenda item titled “Update on Internal Audit Actions”.

**Recommendation:**

The Committee is

**RECOMMENDED**

To comment on and note the update on work undertaken by Internal Audit up to end of November 2025.

## 1. PURPOSE OF THE REPORT

1.1 This report gives the Committee an update of the work of the Internal Audit Service since the last meeting.

## 2. BACKGROUND

2.1 The activities of the Internal Audit team are pivotal to the organisation's governance and control processes. The findings of audit reviews demonstrate compliance with controls and processes or identify where improvements need to be made. This is an inherent element of Priority 3 of the Corporate Plan (2023-2028) which is about 'doing our core work well' through 'delivering good quality, high value-for-money services with good control and compliance with statutory obligations'.

2.2 RSM will, in the capacity of Head of Internal Audit be at the meeting to present the update on the work that had been carried out.

## 3. LEGAL IMPLICATIONS

3.1 None

## 4. RESOURCE IMPLICATIONS

4.1 No additional resource requirements arise from this report.

## LIST OF APPENDICES INCLUDED

Appendix 1 – Internal Audit Update Report from RSM LLP

## CONTACT OFFICER


| | |
|---|---|
| Name/Job Title: | Lydia Morrison, Interim Corporate Director – Finance and Resources |
| Telephone: | 01480 388178 |
| Email: | Lydia.Morrison@huntingdonshire.gov.uk |



# HUNTINGDONSHIRE DISTRICT COUNCIL

Internal Audit Progress Report

Corporate Governance Committee – 26 November 2025

This report is solely for the use of the persons to whom it is addressed.
To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM

# CONTENTS



## Appendices

# KEY MESSAGES

The internal audit plan for 2025/26 was approved by the Corporate Governance Committee (CGC) on 25 March 2025. This report provides an update on progress against that plan and summarises the results of the work completed by to date.

**2025/26 Internal Audit Plan** - Since the last CGC meeting in September 2025, we have finalised the following four final internal audit reports:

- **Payroll (Reasonable Assurance)**
- **Complaints and Compliments (Reasonable Assurance)**
- **Business Rates (Reasonable Assurance)**
- **Creditor Payments (Partial Assurance)**

In addition, we have undertaken some work in relation to the Disabled Facility Grant (DFG) Verfication, and this has been signed off by the CEO. This assignment is therefore also completed.

Fieldwork for the following reviews is currently in progress:

- Capacity Planning
- General Ledger. **[to note]**

Details of the progress made and scheduling of the 2025/26 internal audit plan are included at Appendix A. **[To note]**

We have also included two client briefings appended to this progress report on:

- Failure To Prevent Fraud
- RSM Risk Radar Publication. **[To note]**

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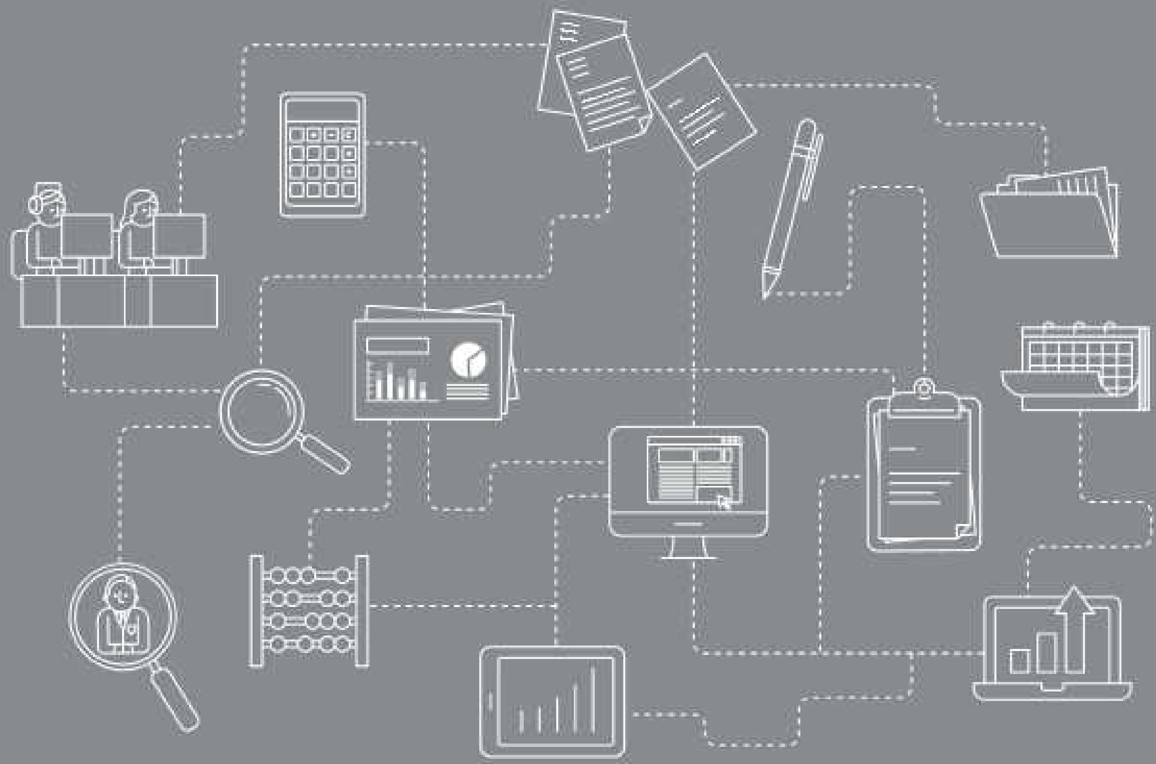
# Final Reports

# 01



# 1. FINAL REPORTS

## 1.1 Summary of the key issues arising from the final reports being presented to this Committee

This section summarises the reports that have been finalised since the last meeting.

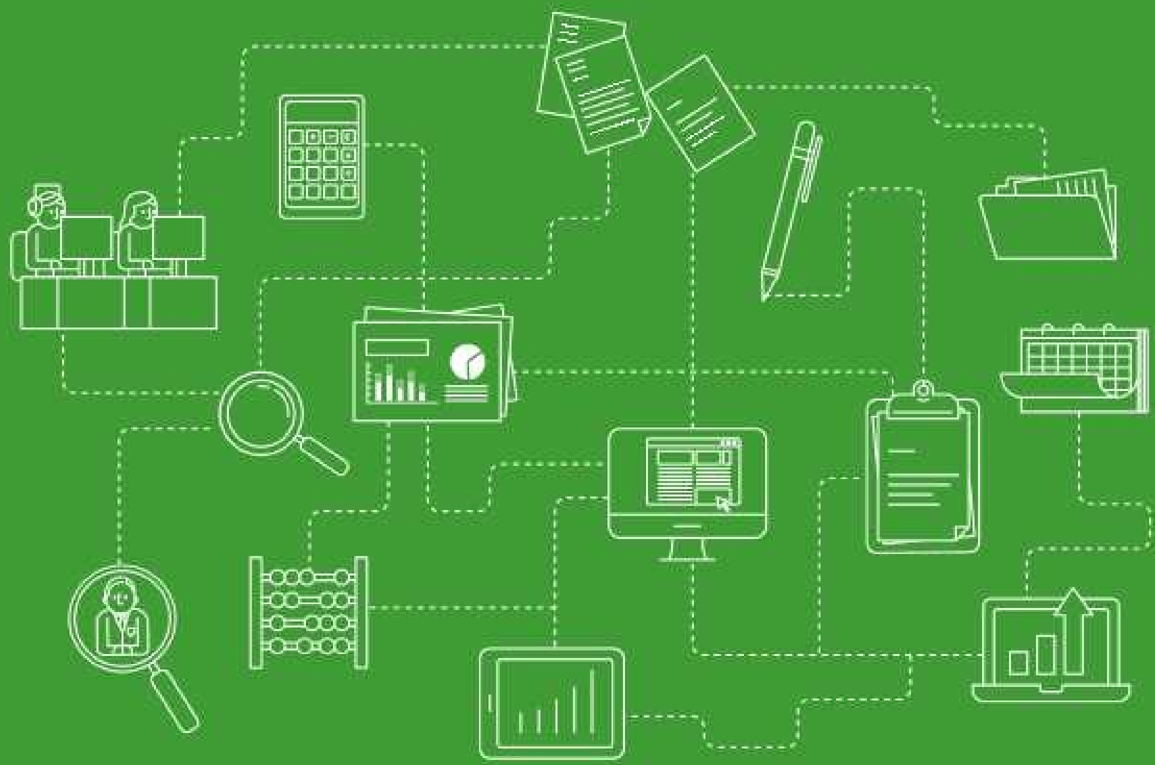
| Assignment | Opinion issued | Actions agreed L | M | H |
|---|---|---|---|---|
| **Payroll 2025/26:**<br><br>Our review found that payroll controls are generally well established, with documented policies and procedures in place and complied with. The Council has a comprehensive Pay Policy and payroll procedures that guide its operations. Sample testing of leavers, new starters, and overtime payments confirmed that transactions were processed appropriately, with records updated in iTrent and payments made in a timely manner. Monthly payroll monitoring sheets are completed, and payroll output reports are generated and signed off by the Head of HR, including BACS run approvals.<br><br>However, some control weaknesses were identified. The Pay Policy and payroll procedures lacked version control, making it difficult to confirm whether the most current guidance was being applied. Overtime guidance remains in draft form and requires updates and formal approval. One staff change was authorised after the effective date, increasing the risk of retrospective transactions. Of five overpayment cases reviewed, two lacked payment plans and had not been adequately pursued for recovery by the Finance Team. Additionally, there was no documented evidence of segregation of duties in payroll reconciliations, and monthly reconciliations were not consistently completed, limiting oversight and increasing the risk of undetected errors or discrepancies.<br><br>No high priority management actions. | Reasonable Assurance | 1 | 4 | 0 |
| **Complaints and Compliments 2025/26:**<br><br>Overall, we found that although HDC has a well-designed processes with clear timeliness and documentation expectations, we identified pertinent control weaknesses which require addressing to ensure it is functioning as designed. Specifically, we found that evidence of acknowledgments is not being consistently recorded while some acknowledgments were also being sent late, and responses are not always provided within the current timeliness expectations., the Council's policies lack version control and formal approval, there is no clear process for sharing compliments and good practices, and planning for the new Complaints Handling Code was a work in progress. Management was working on developing a project initiation document, business and workstream plan.<br><br>HDC is performing well regarding the consistency of reporting, the use of templates for responding to complaints and the appropriate assigning of individuals to deal with stage one and stage two complaints as per Policy.<br><br>No high priority management actions. | Reasonable Assurance | 2 | 4 | 0 |

| Assignment | Opinion issued | Actions agreed L | M | H |
|---|---|---|---|---|
| **Business Rates 2025/26:**<br><br>Key controls across Business Rates billing, collection, and recovery processes were found to be broadly well-designed and effectively implemented. Positive findings included robust procedures to ensure the accurate system input of annual billing parameters and effective controls to verify that each property has an assigned liable party and rateable value. The Council also maintains a live spreadsheet of outstanding Valuation Office Agency (VOA) valuations, regarded as good practice to facilitate timely follow-up of unresolved cases.<br><br>Debt recovery follows a clear timetable with appropriate court approvals obtained where necessary. Write-offs are properly authorised and subject to regular independent sample checking by a member of the Systems and Development team. NEC system access is well managed, with thorough user onboarding, timely deactivation, and annual reviews. The collection rate is monitored as a KPI and reported monthly to the Operations, Performance and Effectiveness Board.<br><br>Some control design weaknesses and instances of non-compliance were identified, notably the NEC system does not enforce approval hierarchies for refunds based on value, creating a risk of unauthorised or inappropriate refunds. Although the Council Tax and Business Rates Manager is taking steps to introduce retrospective audits of processed refunds, this control has not yet been implemented. In addition, documented procedures are still in the process of being migrated to a new format, and some gaps in procedural coverage were observed. Sample testing identified one instance of non-compliance whereby a bill suppression exception report had not been run and reviewed for one month sampled.<br><br>No high priority management actions. | Reasonable Assurance | 3 | 1 | 0 |
| **Creditor Payments 2025/26:**<br><br>This audit has identified a number of control weaknesses resulting in two high, nine medium and one low priority management actions. | Partial Assurance | 1 | 9 | 2 |

# Appendices



# 02



# APPENDIX A: PROGRESS AGAINST THE INTERNAL AUDIT PLAN 2025/26

| | Assignment | Status / Opinion issued / Start date | Actions agreed H | Actions agreed M | Actions agreed L | Target CGC | Actual CGC meeting |
|---|---|---|---|---|---|---|---|
| 1 | Human Resources – Recruitment and Retention | Final Report – Partial Assurance | 1 | 6 | 1 | July 2025 | July 2025 |
| **2** | **Payroll** | **Final Report – Reasonable Assurance** | **1** | **4** | **0** | **September 2025 (now Nov 2025)** | **November 2025** |
| 3 | Capital Expenditure | Final Report – Partial Assurance | 0 | 7 | 2 | September 2025 | September 2025 |
| 4 | Data Quality and Performance Management | Final Report – Partial Assurance | 1 | 4 | 3 | September 2025 | September 2025 |
| 5 | Contract Management | Final Report – Partial Assurance | 1 | 5 | 1 | September 2025 | September 2025 |
| 6 | Procurement | Final Report – Partial Assurance | 1 | 4 | 6 | March 2026 | September 2025 |
| | Transformation | Final Report – Partial Assurance | 1 | 8 | 2 | September 2025 | September 2025 |
| 8 | Council Tax | Final Report – Reasonable Assurance | 0 | 1 | 7 | September 2025 | September 2025 |
| 9 | Housing Benefits | Final Report – Reasonable Assurance | 0 | 0 | 7 | September 2025 | September 2025 |
| **10** | **Complaints and Compliments** | **Final Report – Reasonable Assurance** | **0** | **4** | **2** | **November 2025** | **November 2025** |
| **11** | **Business Rates** | **Final Report – Reasonable Assurance** | **0** | **1** | **3** | **November 2025** | **November 2025** |
| **12** | **Creditor Payments** | **Final Report – Partial Assurance** | **2** | **9** | **1** | **November 2025** | **November 2025** |
| **13** | **Disabled Facility Grant (DFG) Verification** | **Assignment Complete** | **-** | **-** | **-** | **N/A** | **N/A** |
| 14 | Capacity Planning | Fieldwork in progress | | | | Nov 2025 (now Jan 2026) | |
| 15 | General Ledger | Fiedlwork in progress | | | | January 2026 | |
| 16 | Market Towns Programme | December 2025 – planning | | | | March 2026 | |
| 17 | Workforce Development Strategy | December 2025 – planning | | | | March 2026 | |
| 18 | Follow Ups | Dec 2025 / Mar 2026 – planning | | | | March / June 2026 | |
| 19 | Effectiveness of CDIO Role | December 2025 – planning | | | | March 2026 | |

| | Assignment | Status / Opinion issued / Start date | Actions agreed H | M | L | Target CGC | Actual CGC meeting |
|---|---|---|---|---|---|---|---|
| 20 | Risk Management | January 2026 - planning | | | | Jan 2026 (now Mar 2026) | |
| 21 | Democratic Services | January 2026 – planning | | | | March 2026 | |
| 22 | Artificial Intelligence (AI) | January 2026 - planning | | | | March 2026 | |
| 23 | GDPR (Advisory) | February 2026 – planning | | | | June 2026 | |

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# APPENDIX B: OTHER MATTERS

**There have been the following changes to the Internal Audit Plan for 2025/26 since the last meeting in September 2025.**

<table>
<tr><th>Note</th><th>Auditable area</th><th>Reason for change</th></tr>
<tr><td colspan="3">The Risk Management review is now scheduled for Q4 at the request of the previous S151 Officer and the Monitoring Officer. RSM have been to asked to move this assignment to an advisory review to provide forward looking advice in respect of methods to further develop and enhance risk management arrangements. Given the Risk Manager is relatively new in post, it was agreed that a review in Q4 would add most value.</td></tr>
<tr><td colspan="3">Following further scoping meetings we have amended some timeframes for audits with audit sponsors. These amendments in timing were made in respect of the technology risk related audits, including Artificial Intelligence (AI), Effectiveness of CDIO Role and GDPR reviews. This is a result of scoping meetings with the relevant 3C Shared Services Director.</td></tr>
</table>

**Detailed below are the changes to the 2025/26 plan previously reported to the Committee.**

<table>
<tr><th>Note</th><th>Auditable area</th><th>Reason for change</th></tr>
<tr><td colspan="3">The Risk Management review is now scheduled for Q3 at the request of the S151 Officer, with the Complaints and Compliments audit being brought forward into Q2 in response to this request.</td></tr>
<tr><td colspan="3">We have commenced the scheduling process for the 2025/26 internal audits and there have been some minor changes to timing of reviews. This includes Capital Expendture moved to Q1, Data Quality and Performance Reporting moved to Q1 and Workforce Development Strategy has moved to commence in Q3.</td></tr>
</table>

### Head of Internal Audit opinion 2025/26

The Committee should note that the assurances given in our audit assignments are included within our Annual Assurance report. In particular the Committee should note that any negative assurance opinions will need to be noted in the annual report and may result in a qualified / negative annual opinion.

We have issued seven negative (partial) assurance reports for the year to date. We agreed with the CEO and S151 that this was possible given some of these areas have not been subject to review in recent years, and we have agreed wider scopes of work. These seven opinions will impact the year end opinion. We do have two follow up audits to carry out (December 2025 and Q4) to determine if these actions have been implemented promptly in year, which will also be taken into account when preparing our opinion.

We will keep the S151 Officer, and the wider CLT appraised of the potential impact on the year end opinion as more reports are finalised. We will also advise the Committee at the next meeting, and we have also recently briefed the lead Councillor for Governance, and have further briefings scheduled in 2025/26.

We have provided the definitions of our assurance opinions at Appendix C to this report.

## Quality assurance and continual improvement

To ensure that RSM remains compliant with the IIA standards and the financial services recommendations for Internal Audit we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews being used to inform the training needs of our audit teams. The Quality Assurance Team is made up of; the Head of the Quality Assurance Department (FCA qualified) and an Associate Director (FCCA qualified), with support from other team members across the department. This is in addition to any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments.

## Added value work

We have issued the following client briefings since the last Committee.

- Failure To Prevent Fraud
- RSM Emerging Risk Radar – Autumn 2025

# APPENDIX C: ASSURANCE OPINIONS

**Minimal Assurance**

Taking account of the issues identified, the board cannot take assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Urgent action is needed to strengthen the control framework to manage the identified risk(s).

**Reasonable Assurance**

Taking account of the issues identified, the board can take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).

**Partial Assurance**

Taking account of the issues identified, the board can take partial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Action is needed to strengthen the control framework to manage the identified risk(s).

**Substantial Assurance**

Taking account of the issues identified, the board can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

# FOR FURTHER INFORMATION CONTACT

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Telephone: 07792 948767

**Alastair Foster, Associate Director**

Email: Alastair.Foster@rsmuk.com

Telephone: 01908 687800



**rsmuk.com**

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of Huntingdonshire District Council, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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of the Local Government Act 1972.

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# Emerging Risk Radar

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## Emerging risk considerations

Autumn 2025



# Emerging risk radar – Autumn 2025

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Given your strategic objectives, what do you see as the **emerging events or threats that could impact on your business,** either negatively or positively, and that you believe should be watched?

We received **201 survey responses** from board members & senior management across all industries/sectors as well as drawing on our current emerging risk knowledge.

## Key emerging risks in summary



There are 26 emerging risks identified, an increase of 2 since the last publication. New emerging risks in the form of **misinformation spread via social media platforms and a loss of trust in institutions** – impacting private, public and not for profit sectors, both new risks being intrinsically linked. In addition, there have been updates in wording in many of the previous emerging risks.

**6 emerging risks identified as more prevalent** being 2 more since the last emerging risk radar publication, including **geo-political instability, cyber attacks increasing, artificial intelligence governance lag, threats to operational resilience of technology, continued economic slow down** and **affordability and cost pressures**.

Many of these emerging risks are already recognised and being tackled by businesses. These risks, however, are constantly changing and therefore their management should be kept under review by the Board or equivalent. Furthermore, these emerging risks rarely exist in isolation so it is important that a holistic view is taken to understand their connectivity and how best to tackle these emerging risks.

## The top 3 most prevalent emerging risks

**01**

**Geo-political instability**
Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the impact on businesses and society.

**02**

**Cyber attacks increasing**
Cyber-attacks increasing in frequency and complexity. Unable to sufficiently invest in defence – attacks more disabling, coupled with loss of data in serious targeted attacks.

**03**

**Artificial Intelligence (AI) governance lag**
Increasing use of and reliance on AI without sufficient checks and balances to ensure strengths, weaknesses, threats and opportunities are understood.

# Emerging risk – why and what?

**Why?**
The board should establish and keep under review the risk and internal control framework and determine the nature and extent of the emerging and principal risks it is willing to take to achieve its strategic objectives.

**What?**
An emerging risk might be defined as:
"a new or unforeseen level of uncertainty driven by external events – the risk may still be forming, and it may not be clear as to the implications for the business, be these negative or positive."

To be watchful of these emerging risks and how they might play through is an important element of preparedness and the business management of risk.

We have framed the emerging risks as:

**Most prevalent:** risk themes that were more regularly identified in responses and discussions.

**Keep monitoring:** to represent the risk themes that had a moderate prevalence in responses and discussions

**Worth watching:** those emerging risk themes that were less prevalent.

**These risk themes are constantly evolving and shifting, so are all worthy of consideration.**

# Emerging risk considerations

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What do you see as the emerging risks?

How far will these emerging risks affect your business?

How far will these emerging risks play through into your existing strategic risks?

How far will they change the way you currently manage your strategic risks?

How will you respond?

How will you continue to review the emerging risks?

# Emerging areas of risk

## Autumn 2025

RSM

Consistent →
Increasing ↑
Decreasing ↓

**Direction of travel since previous emerging risk radar publication.**

| | Most prevalent | |
|---|---|---|
| 2.2 | Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the impact on businesses and society e.g. trade and travel barriers. | → |
| 4.1 | Cyber-attacks increasing in frequency, complexity with greater levels of disruption, including targeted ransomware attacks across all sectors. Coupled with loss / theft of data. Businesses being unable to invest in defence or afford cost of recovery leading to business failure. | → |
| 4.2 | Artificial Intelligence (AI) governance lag – increasing use of and reliance on AI without sufficient checks and balances to ensure strengths, weaknesses, threats and opportunities are understood. | ↑ |
| 4.3 | Operational resilience of technology increasingly threatened e.g. power outage, IT infrastructure age, cost of maintenance / lack of investment, sabotage (be this physical or digital via cyber attack), as well as reliance on AI going un-checked. | ↑ |
| 5.1 | Continued economic slow-down. Persistent inflation. Reduced spending by consumers. Reduced and / or changes in spending by Government impacting all sectors. | → |
| 6.1 | Affordability and cost pressures e.g. employment costs, energy costs etc. Creating financial pressure impacting investment and discretionary spend. Impacting longer term plans. | → |

# Emerging areas of risk

## Autumn 2025

**Direction of travel since previous emerging risk radar publication.**

| | Keep monitoring | |
|---|---|---|
| 1.1 | Availability and effectiveness of public services are reduced due to under investment, lack of resources, strategic change e.g. devolution, local government review and police reform. Further, likely increased industrial action and increasing demand from the public. | ↑ |
| 1.3 | Societal tensions created, stemming from, by example, racial, ethnicity, diversity, wealth, age, cultural differences as well as fall out from global geo-political tensions and instability, as well as social media. These can spill-over into the working environment. | ↑ |
| 2.1 | Change in government priorities resulting in new or changes to laws, policies, regulations and consequences affecting businesses across all sectors. | ↓ |
| 2.3 | Increasing level of regulation, compliance and inspection / enforcement. e.g. Economic Crime and Corporate Transparency Act etc. | → |
| 3.1 | Ability to effectively engage with and leverage off the sustainability agenda, including ability to meet green agenda targets (coupled with potential for Green Washing). | → |
| 3.2 | Increasing weather pattern shifts / extreme weather impacting all sectors – storms, floods, temperature changes impacting supply chains, productivity and continuity / recovery of operations. | → |
| 5.2 | Reduced investment in research and development - businesses take a short-term approach and focus on business as usual (reducing agility and innovation) due to macro-economic conditions including geo-political challenges. | → |

# Emerging areas of risk

## Autumn 2025

**Direction of travel since previous emerging risk radar publication.**

| | Keep monitoring | |
|---|---|---|
| 6.2 | Supply chain resilience across all ranges of goods and services, including having supply chain knowledge and visibility e.g. unknown child labour practices. | → |
| 6.3 | Access to and availability of finance and funding – impacting both private, public and not for profit sectors, including cost of finance, funding changes - including funding and grants provided by Government. | → |
| 6.4 | Increasing levels of fraudulent activity making use of technology as a tool for doing so including use of AI. | ↑ |
| 7.1 | Loss of access to skills, knowledge and experience – reduced investment in staff development / apprenticeships, temporary contracts more frequent, reduced pool of skilled / experienced staff available with movement between employers coupled with changes in the working landscape. Increased use of AI / technologies in the workplace replacing human roles – likely impacting all sectors and professions in medium / longer term. | → |
| 8.1 | Loss of accountability and oversight - lip service to standards / codes, lack of transparency in decision making, conflicts of interest justified. | ↑ |
| 8.2 | Developing the board member capacity and capability - fitness for future, including availability of non-executives for appointment and holding modern world insights. | → |

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# Emerging areas of risk
## Autumn 2025

Direction of travel since previous emerging risk radar publication.

| | Worth watching | |
|---|---|---|
| 1.2 | Increasing awareness of mental health and physical well-being issues impacting individuals stemming from post pandemic fall-out e.g. remote working fatigue, expectation of business v individuals. Further, being increasing poverty etc. Also impacting on public services and employers (creating potential duty of care implications). | › |
| 1.4 | Access to affordable housing. Increasing homelessness and poor housing conditions. e.g. damp and mould hazards. Access to affordable housing and the impact on individuals, families, society more widely and business in the form of access to / availability of staff due to location or ill-health. | › |
| 1.5 | Epidemic / further pandemic (and lock down) impacting public health / productivity. | › |
| 4.4 | **NEW**: Misinformation spread via social media platforms impacting businesses. | New |
| 5.3 | Various factors leading to market changes impacting business e.g. access to materials and labour, global trade embargos, restrictions, tariffs, business re-location, competition, ownership / acquisition and merger. | › |
| 8.3 | Shifts in business culture due to external influence and attitudes creating conflicts and tensions amongst leadership in all sectors. | › |
| 8.4 | **NEW**: Loss of trust in institutions, both large businesses, government and public sector bodies. | New |

# Emerging risk radar
# Autumn 2025

RSM

## Societal and Community

1.1 – Availability and effectiveness of public services are reduced.

1.2 – Increasing awareness of mental health and physical well-being issues.

1.3 – Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural differences, spilling over into the work environment.

1.4 – Access to affordable housing, homelessness and poor housing conditions.

1.5 – Epidemic / further pandemic (and lock down) impacting productivity.

## Governance

8.1 – Loss of accountability and oversight – lip service to standards / codes, lack of transparency in decision making, conflicts of interest justified.

8.2 – Developing the board capacity and capability – fitness for future, availability of NEDs and having real world insights.

8.3 – Shifts in business culture due to external influence and attitudes creating conflicts / tensions amongst leadership.

8.4 – **NEW** Loss of trust in institutions, both large businesses, government and public sector bodies.

## Economic and Financial

6.1 – Affordability & cost pressures e.g. staff, energy etc.

6.2 – Supply chain resilience across all ranges of goods and services, including supply chain visibility.

6.3 – Access to and availability of finance and funding including cost of finance and funding changes.

6.4 – Increasing levels of fraudulent activity making use of technology as a tool for doing so, including AI.

## People Resources

7.1 – Loss of access to skills, knowledge and experience – reduced investment in staff development / apprenticeships, temporary contracts more frequent, reduced pool of skilled / experienced staff available with movement between employers and increased use of AI replacing human roles.


## Political, Policy and Regulation

2.1 – Change in government priorities resulting in new or changes to laws, policies, regulations affecting businesses.

2.2 – Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the influence on society and business.

2.3 – Increasing level of regulation, compliance and inspection.

## Environmental

3.1 – Ability to effectively engage with and leverage off the sustainability agenda.

3.2 – Increasing weather pattern shifts / extreme weather impacting businesses productivity and continuity / recovery of operations.

## Technological

4.1 – Cyber-attacks increasing in frequency and complexity.

4.2 – Artificial Intelligence (AI) governance lag – increasing use of and reliance on AI without sufficient checks and balances.

4.3 – Operational resilience of technology increasingly threatened e.g. power outage, IT infrastructure age, cost of maintenance / lack of investment, sabotage etc.

4.4 – **NEW** Misinformation spread via social media platforms impacting businesses.

## Commercial

5.1 – Continued economic slow-down. Persistent inflation. Reduced spending by consumers. Reduced / changes in spending by Government.

5.2 – Reduced investment in research and development, reducing agility and innovation due to macro-economic conditions.

5.3 – Various factors leading to market changes e.g. access to materials and labour, global trade restrictions, location, competition, ownership, acquisition & merger.

# Emerging risk radar Spring 2025

## Societal and Community

1.1 – Availability and effectiveness of public services are reduced.

1.2 – Increasing awareness of mental health and physical well-being issues.

1.3 – Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural extremes.

1.4 – Access to affordable housing, homelessness and poor housing conditions.

1.5 – Epidemic / further pandemic impacting public health / productivity.

## Governance

8.1 – Tick box governance – lip service to standards / codes, lack of transparency in decision making, conflicts of interest justified, and loss of accountability.

8.2 – Developing the board capacity and capability – fitness for future.

8.3 – Shifts in business culture due to external influence and attitudes.

## Economic and Financial

6.1 – Shifts in employee costs, energy costs etc.

6.2 – Supply chain resilience across all ranges of goods and services.

6.3 – Access to and availability of finance and funding including cost of finance and funding changes.

6.4 – Increasing levels of fraudulent activity making use of technology as a tool for doing so.

## People Resources

7.1 – Shortages in skills and experience – reduced investment in staff development / apprenticeships, temporary contracts more frequent, reduced pool of skilled / experienced staff available with movement between employers.


## Political, Policy and Regulation

2.1 – Change in government priorities resulting in new or changes to laws, policies, regulations affecting businesses.

2.2 – Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the influence on society and business.

2.3 – Increasing level of regulation, compliance and inspection.

## Environmental

3.1 – Ability to effectively engage with and leverage off the sustainability agenda.

3.2 – Increasing weather pattern shifts / extreme weather impacting businesses and supply chain (nationally and globally).

## Technological

4.1 – Cyber-attacks increasing in frequency and complexity.

4.2 – Digital transformation including Impact of artificial intelligence on business – capacity, capabilities and funding available to understand, keep-up with, explore and develop digital.

4.3 – Operational resilience of technology e.g. power outage, IT infrastructure age, sabotage etc.

## Commercial

5.1 – Continued economic slow-down. Reduced spending by consumers and reduced / changes in spending by Government.

5.2 – Reduced investment in research and development due to macro-economic conditions.

5.3 – Access to markets - global trade embargos, restrictions, tariffs and competition.

# Further insights

**Insight4GRC™**
RSM's Governance, Risk Management and Compliance Digital Solution.
www.insight4grc.com

**4risk:** https://youtu.be/12NyJhSNK3o

**4action:** https://youtu.be/xEuFSwzbzvw

**4policies:** https://youtu.be/ufXYt1juwhA

**4questionnaires:** https://youtu.be/NW17EoRJsjs

**This is our 6th emerging risk radar publication. We know from feedback that this lands well with boards and management in all sectors, with the publication being used for comparison with existing risk information, as well as helping strengthen and improve controls and risk mitigation plans, with the publication often being used to stimulate board, committee and management discussion – including at away days as part of board and organisation development. We are now offering a facilitated emerging risk discussion / workshop so that individual businesses may get more from the emerging risk radar. If you would like to know more about this service then please make contact.**

# Contact


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*If you would like to participate in the next emerging risk radar survey, please contact matthew.humphrey@rsmuk.com*

**Note re contents of the emerging risk radar:**

- **This is not subject to any form of validation. RSM cannot guarantee the completeness, accuracy or validity of the contents.**
- **The content is based on the views of board members and others with whom RSM have interacted as part of this process with the information gathered being collated, interpreted and summarised by RSM.**
- **The views are not necessarily representative of all sectors.**
- **There is no relationship of any kind created between RSM and the recipient / user of the emerging risk radar publication. The publication is for purposes of reference, compare, contrast and discussion as required by the recipient / user.**

# Failure to Prevent Fraud

**1 September 2025**

The government issued guidance on the new corporate offence of failure to prevent fraud (under s199 of the Economic Crime and Corporate Transparency Act), on 6 November 2024.

Relevant organisations must implement fraud prevention procedures or risk an unlimited fine.

### What organisations are in scope?

The offence applies to '**large organisations**', defined in the legislation as those meeting at least two of the following conditions, a turnover of more than £36m, more than £18m in total assets, or more than 250 employees. It also applies to their **subsidiaries** regardless of where the organisation is headquartered or where subsidiaries are located.

However, **smaller organisations** should be aware that they may fall under the definition of an 'associated person' (a person or entity whose actions, in effect, may lead to the prosecution of a large organisation) while they provide services for or on behalf of large organisations. In these circumstances, small organisations may be subject to contractual or other requirements imposed by large organisations in respect of the failure to prevent fraud offence.

### Recap on the offence

A relevant organisation will be criminally liable where a specified fraud offence is committed by a person associated with the organisation (such as an employee or agent) with the **intention** of **benefiting** the organisation or its clients. If the organisation is a victim of the offence, it is not criminally liable.

It is a strict liability offence, meaning that there is no requirement to prove the organisation, or its senior managers had any prior knowledge of the fraud, for the offence to be committed.

The definition of a 'specified fraud offence' (or 'base fraud') captures the fraud and false accounting offences most relevant to large organisations, such as fraud by false representation, false accounting, false statements by company directors and cheating the public revenue.

### How does a large organisation defend itself?

The only defence is that at the time of the offence, the organisation had reasonable fraud prevention procedures in place. Failure to implement a robust, proportionate fraud prevention framework may lead to dire consequences for a large organisation – the maximum penalty for a conviction under the offence is an unlimited fine.

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## Organisations need to act now

The focus on fraud committed for the intended **benefit** of the organisation is significant and may mean that existing fraud risk assessments and associated procedures are no longer sufficient to meet the requirements of the new legislation. Up until now, organisations have generally concentrated their attention and resources on fraud that could harm their businesses. The new legislation means that organisations should review their existing fraud prevention frameworks to ensure that they are fit for purpose and could protect them from potential prosecution.

The [government guidance] outlines **six principles** that organisations should implement, to prevent a specified fraud offence from being committed and to protect themselves from potential prosecution for the failure to prevent it. The principles are consistent with the prevention procedures already found in the other corporate 'failure to prevent' offences (bribery and the facilitation of tax evasion):

- Top level commitment.
- Risk assessment.
- Proportionate, risk-based prevention procedures.
- Due diligence.
- Communication (including training).
- Monitoring and review.

Organisations should act now to ensure that they have sufficient time to undertake the fraud risk assessment and make the appropriate changes, to rely on the defence by 1 September 2025.

Organisations may already have existing procedures for investigating frauds or attempted frauds against them. However, it is likely that they need to extend them to cover frauds that are intended to benefit the organisation.

**Questions to consider:**

- Could your organisation be in scope of this offence?
- Do you have a steering committee set up to drive this agenda?
- Have you commenced a risk assessment to consider fraud risks as a potential beneficiary of fraud?
- Is your organisation clear on the identity of its 'associated persons'?
- Have you updated policies, communicated the approach and updated controls?

**Further details please contact:**

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**Public**
**Key Decision – No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

| | |
|---|---|
| **Title/Subject Matter:** | Internal Audit Actions – update report |
| **Meeting/Date:** | Corporate Governance Committee<br>26 November 2025 |
| **Executive Portfolio:** | Executive Councillor for Governance & Democratic Services<br>Cllr Jo Harvey |
| **Report by:** | Corporate Director – Finance and Resources<br>(On behalf of Corporate Leadership Team) |
| **Wards affected:** | All |

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**Executive Summary:**

This report summarises the progress in implementing management actions arising from final internal audit reports. Implementation of the actions are the responsibility of the relevant managers with oversight from Corporate Leadership Team.

Further information relating to the Internal Audits carried out will be reported in a separate paper.

**Recommendation:**

The Committee is

**RECOMMENDED**

To comment on and note the current position regarding actions arising from internal audit reports.

## 1. PURPOSE OF THE REPORT

1.1 This report sets out the current position with respect to implementation of actions arising from Internal Audit reports.

## 2. WHY IS THIS REPORT NECESSARY/BACKGROUND

2.1 This report summarises the position regarding open actions arising from final internal audits.

## 3. ANALYSIS OF OPEN ACTIONS

3.1 Appendix 1 sets out all the actions that remain open from final internal audit reports. It contains brief updates on actions provided by the action assignees.

3.2 The 55 open actions are summarised below by audit and priority rating.

| Audit | High | Medium | Low | Total |
|---|---|---|---|---|
| Capital Programme | 0 | 3 | 0 | **3** |
| Contract Management | 0 | 1 | 0 | **1** |
| Council Tax | 0 | 0 | 1 | **1** |
| Creditor Payments | 2 | 9 | 1 | **12** |
| Housing Benefits | 0 | 0 | 2 | **2** |
| Payroll | 0 | 2 | 0 | **2** |
| Procurement | 0 | 2 | 1 | **3** |
| Recruitment and Retention | 0 | 1 | 0 | **1** |
| Transformation | 1 | 8 | 2 | **11** |
| Code Of Procurement | 1 | 1 | 0 | **2** |
| Committee Governance Structure | 0 | 1 | 0 | **1** |
| Home and Hybrid Working | 2 | 4 | 0 | **6** |
| Key Financial Controls | 1 | 0 | 0 | **1** |
| Cyber Essentials Assessment | 2 | 5 | 1 | **8** |
| Overtime | 0 | 1 | 0 | **1** |
| **Grand Total** | **9** | **38** | **8** | **55** |

3.3 Within the currently open actions, five have been re-dated from their original target dates, as detailed below.

| Action Ref | Audit | Original Date | Revised Date | Action Summary | Update |
|---|---|---|---|---|---|
| 1625 | Overtime | 31 Mar 2025 | 28 Feb 2026 | Published policy for Expenses and Allowances (including Overtime) will be reviewed and updated to ensure that it is fit for purpose, and accessible to staff and managers. | 04 Nov 2025:<br>Policy is being drafted<br><br>08 Sep 2025:<br>Delayed due to work that has been carried out aligning contracts for all permanent members of staff' |
| 3375 | Code of Procurement | 31 May 2025 | 31 Dec 2025 | Regular review a sample of higher value / strategic contracts previously awarded to understand how they are being managed post award | 11 Nov 2025:<br>This has been discussed at the last CGC, the action remains on track.<br><br>16 Sep 2025:<br>The Procurement Lead has been asked to arrange for a quarterly review of contracts, covering both high risk and high value partnerships. |
| 3371 | Code of Procurement | 28 Apr 2025 | 30 Dec 2025 | Revised Code of Procurement | 11 Nov 2025:<br>This was discussed at last CGC. New procurement Manager is joining HDC on 1st December and will be tasked with taking this forward<br><br>03 Sep 2025:<br>The Code of procurement has been revised and updated to reflect the change in the Procurement Act |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | 2023. This will need to be approved by members and incorporated in the Constitution. |
| 3738 | Procurement | 31 Oct 2025 | 31 Dec 2025 | We will update the draft Code of Procurement in line with the new Procurement Act 2023 and all procedures and forms affected by it. | <u>11 Nov 2025:</u><br>The action date has been amended to bring it in line with action 3371. New Procurement Manager is starting on 1st December and will be taking this action forward. |
| 3381 | Key Financial Controls | 31 Mar 2025 | 31 Oct 2025 | Reconciliation of Debtors has a technical issue which has been raised with supplier | <u>11 Nov 2025:</u><br>T1 advised that the upgrade to the next version of T1 in November 2025 may help the reconciliation process. Changing the target date allows time to test this to ensure the system is working as expected<br><br><u>05 Sep 2025:</u><br>TechOne is continuing to work on resolving the differences and identifying the root cause. (Revised timeline agreed by RSM and sighted by the Head of Audit). |

## 4. ANALYSIS OF CLOSED ACTIONS SINCE LAST REPORTING PERIOD

4.1 Appendix 2 provides details of all actions that have been closed in the last 90 days The 62 actions closed during this period are summarised below by audit and priority.

| Audit | High | Medium | Low | Total |
|---|---|---|---|---|
| Capital Programme | 0 | 3 | 1 | **4** |
| Contract Management | 1 | 1 | 0 | **2** |
| Council Tax | 0 | 1 | 6 | **7** |
| Data Quality and Performance Management | 1 | 4 | 3 | **8** |
| Housing Benefits | 0 | 0 | 5 | **5** |
| Payroll | 0 | 2 | 1 | **3** |
| Procurement | 1 | 2 | 2 | **5** |
| Recruitment and Retention | 1 | 2 | 1 | **4** |
| Commercial Estates Rent Review Processes and Invoicing | 2 | 2 | 0 | **4** |
| Operations Vehicle Maintenance | 0 | 1 | 0 | **1** |
| Committee Governance Structure | 0 | 4 | 3 | **7** |
| Home and Hybrid Working | 0 | 5 | 3 | **8** |
| Cyber Essentials Assessment | 0 | 0 | 1 | **1** |
| PCI-DSS: Payment Card Security Standards | 0 | 1 | 0 | **1** |
| Fuel Usage and Payments | 0 | 1 | 1 | **2** |
| **Grand Total** | 6 | 29 | 27 | **62** |

## 5. KEY IMPACTS / RISKS

5.1 Each monthly meeting of CLT that reviews governance matters, now receives a report of any actions overdue for implementation and those due in the coming three months. CLT can ensure that action to ensure that actions are implemented or that the date is revised with good reason.

## 6. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

6.1 Corporate Priority 3 – Doing our core work well.

## 7. RESOURCE IMPLICATIONS

7.1 There are no additional resource requirements arising from this paper.

## 8. REASONS FOR THE RECOMMENDED DECISIONS

8.1 This report advises the Committee of the proposed action that SLT will agree with Internal Audit which is operational. It is reported to the committee that for assurance and oversight.

## LIST OF APPENDICES INCLUDED

Appendix 1 - Outstanding Internal Audit Actions
Appendix 2 - Closed Internal Audit Actions
Appendix 3 - Outstanding Internal Audit Actions (Restricted)

## BACKGROUND PAPERS

None

## CONTACT OFFICER


| | |
|---|---|
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| Telephone: | 01480 388178 |
| Email: | Lydia.Morrison@huntingdonshire.gov.uk |

# Open IA Report

| | |
|---|---|
| **Generated Date** | Nov-25 |
| **Action Criteria** | |
| **Project** | Internal Audit |

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## Capital Programme

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3733 | Medium | Management will introduce a review and sign off of the draft annual Capital Programme to reduce risk of reporting errors | 31 Dec 2025 | 31 Dec 2025 | Description: The capital programme spreadsheet is not complete yet. Sign off will be actioned once spreadsheet is complete, likely November/December Further Information: **Update Date: 28 Oct 2025**<br><br>Description: Additional sign off process, alongside the current review processes. Further Information: Finance will introduce a sign off process for the Capital Programme once it is complete, this will not require extensive set up procedures. The Capital Programme is not a stand alone report but forms part of the Budget and MTFS, and as such is already subject to the reviews of the Budget/MTFS that take place - management, budget managers, partners, Overview and Scrutiny, Cabinet, and Council. **Update Date: 03 Sep 2025** |
| 3734 | Medium | We will review and formalise the capital programme governance framework by:<br>• Updating The Financial Procedures (included within the Constitution) and Budget Process: A Guide for Budget Managers to reflect current practices, including the role of the Informal Cabinet in capital bid review.<br>• Ensuring both documents are subject to formal approval and made readily accessible (e.g. via the Council intranet).<br>• Developing comprehensive procedures that clearly outline the end-to-end capital programme process, including capital bid approvals, in-year amendments and monitoring procedures, record keeping and roles and responsibilities | 31 Dec 2025 | 31 Dec 2025 | Description: The existing document The Budget Process 2026/27 A Guide for Budget Managers, will be enhanced to include further detail on the capital programme process. The role of informal Cabinet in the bid approval process is already covered but will be reviewed to ensure that it is sufficiently detailed. Further Information: **Update Date: 12 Nov 2025**<br><br>Description: This action will be taken forward by the new Head of Service. Further Information: **Update Date: 16 Sep 2025** |
| 3735 | Medium | Management will establish a centralised repository for pre-project outline business cases and their respective approvals | 01 Dec 2025 | 01 Dec 2025 | Description: The PMO service is redesigning its processes, documentation and procedures to align to other internal audit and maturity review actions. This includes the completion of business cases for capital projects plus all major projects and programmes. This work has commenced, but the overall additional work activity may push back the completion date from 1 Dec 25 to 1 Mar 26. Further Information: **Update Date: 14 Nov 2025**<br><br>Description: This aligns to the Transformation PMO audit action with the delivery of all projects requiring a business case to be completed that strategically aligns to Transformation vision and goals. The majority of capital bids projects will be included as part of this audit action. There are a few remaining that are BAU projects, generally in relation to annual funding provision processes, and these will be covered separately. Further Information: **Update Date: 10 Sep 2025** |

## Contract Management

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3752 | Medium | Procurement will ensure the accuracy of the contract register. | 31 Mar 2026 | 31 Mar 2026 | Description: A significant amount of work has been undertaken by the Procurement Team over the last few months to refine the Contract Register. The Contracts Register has now been launched on specialist software. This will enable accuracy with automatic alerts sent to Contract Manager/Procurement Officer periodically in advance of key extension/expiry dates to ensure action is taken to update the system and re-procure contracts where necessary. Further Information: **Update Date: 11 Nov 2025**<br><br>Description: Work in progress Further Information: Contract register being updated in collaboration with all stakeholder **Update Date: 03 Sep 2025** |

## Council Tax

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3936 | Low | Management will continue to:<br>• Complete the procedure index for Council Tax, ensuring all necessary procedures are included<br>• Address any subsequent gaps in procedures identified<br>• Update refund procedures to clearly document approval levels based on refund value<br>• Implement a process to periodically review and update procedures | 31 Dec 2025 | 31 Dec 2025 | Description: Work is progressing on the action, and on track to complete Further Information: **Update Date: 04 Nov 2025**<br>Description: This is a work in progress, work to complete in December Further Information: **Update Date: 11 Sep 2025**<br>Description: Not started Further Information: **Update Date: 11 Sep 2025** |

## Creditor Payments

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 4178 | High | With regards to the setup of new suppliers, management will:<br>•Ensure supporting documentation (letterheaded paper or invoice) is always retained.<br>•Update the New Supplier Form to record the phone number used and how it was validated.<br>•Require the New Supplier Form to be fully completed or formally allow emails where they capture the same information.<br>•Consider requiring verification by someone other than the New Supplier Form signatory to strengthen | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4179 | High | With regards to changes made to supplier standing information, management will:<br>•Ensure supporting documentation (letterheaded paper or invoice) is always retained.<br>•Require the SAF to be fully completed or formally allow emails where they capture the same information. Consider requiring verification by someone other than the SAF signatory to strengthen independence.<br>•Ensure the correct amendment form is used in all cases.<br>•Ensure amendment form aligns with procedure notes.<br>•Where Experian checks are inconclusive, ensure additional verification steps are documented. | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4170 | Medium | Management will undertake a review of creditor procedure notes, including supplier setup and amendment guidance, to ensure they are complete, accurate, and up to date. As part of this review, management will:<br>-Consolidate all guidance into a single, central location accessible to both accounts payable and non-accounts payable staff<br>-Remove duplication and outdated versions and apply clear version control<br>-Address gaps in coverage, including documenting payment run approval responsibilities, providing further guidance on credit notes for both accounts payable and non-accounts payable staff<br>-Introduce a process for periodic review and update of the suite of procedure notes | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4171 | Medium | Management will:<br>•Develop and maintain a formally documented scheme of delegation and financial approval register, setting out the authorised approval limits for each role.<br>•Ensure the document is approved by senior management, reviewed periodically, and updated where changes occur, with all amendments documented and approved.<br>•Share the approved register with Heads of Service so they can confirm staff limits are appropriate for their teams | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4172 | Medium | Management will develop and document a list of valid exceptions where retrospective ordering is acceptable and ensure AP staff understand and apply it consistently so that invoices are processed correctly and urgent but valid cases are paid on time.<br>In addition, management will document payment types which do not require a purchase order and the corresponding approval process. | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4173 | Medium | The Head of Finance will introduce regular monitoring reports in TechOne comparing invoice date to PO approval date and review the results. Exceptions will be escalated to the Corporate Director (Finance and Resources), who will present them to CLT for review. CLT will be responsible for challenging services and reinforcing compliance with the No PO No Pay policy.<br>In the meantime, communications will be issued to services advising staff that retrospective ordering is not permitted under the No PO No Pay policy and that this will be monitored and reported to CLT. | 31 Mar 2026 | 31 Mar 2026 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |

| | | | | | |
|---|---|---|---|---|---|
| 4174 | Medium | Management will:<br>•Save instruction emails from the Revenues & Benefits Recovery Team Leader authorising Council Tax and NNDR payments in a shared network folder or directly into TechOne to ensure there is a clear and accessible audit trail.<br>•Enhance the process for Payment Request Forms to obtain independent evidence of approval. Either the approver will be copied into the submission email to AP team, or a separate approval email will be obtained and saved in a shared network folder or directly into TechOne. | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4175 | Medium | Management will ensure that payment run authorisations are signed and dated at the point of approval, with the signed BACS Transmission Document and supporting reports consistently retained in the designated folder. | 30 Nov 2025 | 30 Nov 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4176 | Medium | We will strengthen the credit notes process by communicating to services the requirement to include the original invoice reference on credit notes and ensuring AP staff consistently record invoice references within TechOne, so that each credit can be traced back to the related payment. | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4177 | Medium | We will work with system administrators to explore options for making authorisation details visible in TechOne. If this is not possible, a process will be introduced to ensure authorisation evidence is approved via email and uploaded to TechOne. | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4181 | Medium | As part of the wider review of procedure notes, as well as including expectations for the approver's review and sign-off, management will also set out the required documentation to be retained for each payment run. The Accounts Payable team will ensure the agreed documents are consistently saved in the designated folder to provide a complete audit trail. | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |
| 4180 | Low | Management will investigate the replacement of the inactive external user account with a dedicated system account, removing the dependency on a legacy login and ensuring that all active accounts accurately reflect current users. | 31 Dec 2025 | 31 Dec 2025 | Description: Following the recent completion of the Creditor Payments audit (28/10/2025), the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 30 Oct 2025** |



## Housing Benefits

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3929 | Low | We will continue to:<br>• Complete the update and migration of all Housing Benefit procedures into the new standardised format and template<br>• Address any remaining gaps in procedures identified during the update process<br>• Implement and follow a clear timeline to coordinate the completion of this work, using the central tracking spreadsheet to monitor progress | 31 Mar 2026 | 31 Mar 2026 | Description: Work is ongoing and in progress as planned Further Information: **Update Date: 30 Oct 2025**<br>Description: Following the recent completion of the audit, the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 12 Sep 2025** |
| 3931 | Low | Once parameters are input, both managers will sign the parameter record, and a scanned copy of the signature sheet will be held as evidence of this two-stage verification process | 31 Mar 2026 | 31 Mar 2026 | Description: This action can only be carried out as part of the annual billing processes in March 2026. However, annual billing procedures have already been updated in advance to include this action. No further updates to this audit action will be applied until the action has been completed in March 2026. This has been agreed with Internal Auditor and Monitoring Officer: **Update Date: 07 Nov 2025**<br>Description: Following the recent completion of the audit, the resulting action has now been uploaded for monitoring. Updates will be provided by the assigned owner as the action progresses Further Information: **Update Date: 12 Sep 2025** |

## Payroll

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3974 | Medium | The Council will finalise and approve the Claiming Additional Hours and Overtime guidance, incorporating clear procedures for claim submission, authorisation, thresholds, and TOIL agreements, and ensure it is effectively communicated to all staff. | 31 Mar 2026 | 31 Mar 2026 | Description: Update provide by Head of HR & OD - 'policy is being drafted to be endorsed at February employment committee' Further Information: **Update Date: 06 Nov 2025** |
| 3977 | Medium | The Council will assess the feasibility of completing payroll reconciliations on a monthly basis and implement a formal process for independent review and sign-off to ensure appropriate segregation of duties. | 31 Dec 2025 | 31 Dec 2025 | Description: Currently implementing a payroll reconciliation process that can be completed on a monthly basis. Further Information: **Update Date: 28 Oct 2025** |

## Procurement

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3738 | Medium | We will update the draft Code of Procurement in line with the new Procurement Act 2023 and all procedures and forms affected by it. | 31 Oct 2025 | 31 Dec 2025 | Description: As per below comments, due date has been moved with agreement from Interim S151 Officer Further Information: **Update Date: 11 Nov 2025** |
| | | | | | Description: This action duplicates action number 3371 which has the target date of 31/12/25; please could the target date for this action be amended to align with 3371. Officers are continuing to work on updating the Code of Procurement. As discussed at the Corporate Governance Committee at their meeting in September 2025, the Head of Democratic Services has appointed a new Procurement Manager, who will be joining the organisation on 1 December 2025. The new Procurement Manager will be tasked with taking this work forward. It will be taking through the appropriate governance touch points in due course. Further Information: **Update Date: 23 Oct 2025** |
| | | | | | Description: Code of procurement drafted and send to the Monitoring officer to review. Further Information: Once the code of procurement is reviewed, it will be forwarded to members for approval. Once members have approved the Code of Procurement, it will be incorporated in the constitution **Update Date: 03 Sep 2025** |
| | | | | | Description: Code of Procurement updated to reflect changed in the procurement Act 2023. Further Information: **Update Date: 03 Sep 2025** |
| 3745 | Medium | We will ensure the contracts register includes all payments over £10,000 as required by guidance. | 31 Oct 2025 | 31 Oct 2025 | Description: All payments against contracts are now linked to the contract record on TechOne. There is still a risk that a high value PO could be raised for a supplier that is not on the Contract Register and this has been discussed with the Systems and Transactional Accountant. Changing the TechOne system to enable Procurement to review PO/Invoices that are not linked to a contract may be possible however there would be cost implications to this. Further Information: **Update Date: 23 Oct 2025** |
| | | | | | Description: System being put in place to capture all the spend. Further Information: Technology 1- new contract register linked to finance system being implemented to capture all third party spend **Update Date: 03 Sep 2025** |
| 3742 | Low | We will update all new guidance documents that are adopted, and they will be reviewed by the Procurement Board. | 31 Oct 2025 | 31 Oct 2025 | Description: This action is on track and ongoing. The Interim Procurement Manager is undertaking an extensive review and refresh of the existing guidance documents. Updating documentation will continue to go to the Procurement Board for approval. Further Information: **Update Date: 23 Oct 2025** |
| | | | | | Description: The Toolkit has been review and update being dne. Further Information: **Update Date: 10 Sep 2025** |

## Recruitment and Retention

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3709 | Medium | We will consider ways in which they can improve the completion rate of the Leaver Questionnaire. | 31 Dec 2025 | 31 Dec 2025 | Description: No further progress at this point Further Information: **Update Date: 04 Nov 2025**<br><br>Description: This is currently under review Further Information: **Update Date: 11 Sep 2025** |

## Transformation

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3756 | High | The PMO will create a standardised project management toolkit, which will include including templates and guidance for consistent project management. This could be supported by training for Project Managers to ensure consistent application and continuous improvement of project management practices. | 31 Mar 2026 | 31 Mar 2026 | Description: Templates available for use, and being implemented for Business Case and PID creation, Project categorisation approved at transformation Board and training being arranged for team to create a consistent baseline knowledge. Further Information: **Update Date: 11 Nov 2025**<br><br>Description: The toolkit has started to be developed. The templates have been completed in draft ready for reflection with teams. The project category criteria shall be presented to Transformation bord in September. And the framework is being reviewed and will be presented in October for approval. Further Information: **Update Date: 10 Sep 2025**<br><br>Description: Staff now recruited in the team to support delivery Further Information: A Programme Manager has now been recruited in the team and started early Aug. The planning around the audit actions will commence from Sept 25. **Update Date: 22 Aug 2025** |
| 3757 | Medium | Management will explore ways in which a project management system can be utilised to aid in the planning, tracking, and monitoring of all projects, which will aid in the standardization of project management within the Council. Options analysis should take place to understand potential benefits and risks. | 31 Mar 2026 | 31 Mar 2026 | Description: Reviewing requirements on the back of ICT Audit report. Further Information: **Update Date: 11 Nov 2025**<br><br>Description: ICT are looking at Microsoft Accelerator solution, and HDC PMO will consider this as an option along with Smartsheets used by SCDC and CCity. We will be starting these conversations and development of requirements and solution comparisons end of September. Further Information: **Update Date: 10 Sep 2025** |
| 3758 | Medium | The PMO will ensure that a business case is completed and formally approved prior to the initiation of a project where significant investment is required. The business case should clearly articulate the project's strategic alignment, objectives, expected benefits, costs, risks, and resource requirements. | 31 Dec 2025 | 31 Dec 2025 | Description: Business case audit and creation ongoing. BA team to be engaged to support. Further Information: **Update Date: 11 Nov 2025**<br><br>Description: Assessment of all major Projects currently under way is ongoing - PMO team will support in creation of BC if not in place currently. At a minimum for all Major Projects. Further Information: **Update Date: 29 Oct 2025**<br><br>Description: The project initiation phase documentations (business case and PID) have been finalised, and the PMO are planning how to develop and complete the business cases for all programmes, major projects and operational projects. Further Information: **Update Date: 10 Sep 2025** |

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|---|---|---|---|---|---|
| 3760 | Medium | The PMO will ensure that financial assessments are completed and signed-off by the Finance Business Partner prior to project initiation. | 31 Mar 2026 | 31 Mar 2026 | Description: Business cases (subject of other action) will contain clear financial impact, review and sign/0ff from Finance Business partner. This is ongoing and on track as per other action. Further Information: **Update Date: 11 Nov 2025**<br>Description: This aligns to other audit actions in relation to completion of business cases and PIDS for active projects, and completion of business cases for capital projects and new initiatives. The templates will now include collaboration with Corporate Services, including financial services, and copies will be shared with Finance for comment before approval is sought. Further Information: **Update Date: 10 Sep 2025** |
| 3761 | Medium | The PMO should ensure that a risk register is developed, maintained, and regularly reviewed for each project. The register should capture identified risks, their potential impact and likelihood, assigned risk owners, risk scores and mitigation or response plans. | 31 Mar 2026 | 31 Mar 2026 | Description: Standardized risk register is drafted, and will be promoted for use with revised SharePoint site. risk is also looking to be standardised and reported at Transformation Board on Programs and Major projects. Further Information: **Update Date: 11 Nov 2025**<br>Description: This has started with individual projects, and registers will be reviewed collectively once a central project solution is embedded. We have started the conversation regarding possible solutions for a central system. Further Information: **Update Date: 10 Sep 2025** |
| 3762 | Medium | The PMO will ensure that regular progress reports are completed by all Project Managers. | 31 Mar 2026 | 31 Mar 2026 | Description: Process in place to report on Major Projects and programs. PMO team alignment to Major Projects and Programs in place, with 1-2-1 relationships. Further Information: **Update Date: 11 Nov 2025**<br>Description: This has started. The PMO is now fully recruited, and the team are building relationships with teams across the Council. The initial request is for light progress updates being requested from Sept, with further development of full progress reports being expected once the project initiation document has been completed. Further Information: **Update Date: 10 Sep 2025** |
| 3764 | Medium | The PMO will ensure that all Project Managers have completed a Benefits Realisation Plan, including benefit owners, measurable outcomes, and timelines for realisation. | 31 Mar 2026 | 31 Mar 2026 | Description: Benefits are clearly articulated within the Business case and updated project flow now contains a benefits realisation phase to monitor and review benefits against Business Case when implementation completed. Further Information: **Update Date: 11 Nov 2025**<br>Description: The templates for initiation phase have been updated and the PMO team are starting to use them, including the benefit realisation. this is currently on an individual basis and will be collectively managed once a new project solution has been implemented. Further Information: **Update Date: 10 Sep 2025** |
| 3765 | Medium | The Transformation Team will consider ways in which a top-down planning approach can be incorporated into the Transformation Plan. This could include the development of a corporate-level project prioritisation and approval process to ensure that all projects are strategically aligned and governed consistently. | 31 Dec 2025 | 31 Dec 2025 | Description: Service plan collection ongoing and expected to completed mid Nov for analysis and reporting back on alignment against transformational strategy / targets. Further Information: **Update Date: 11 Nov 2025**<br>Description: This is in progress. The development of the Transformation Analysis Tool has been completed. The next steps is to share the information for reference with Service Managers and HoS for mid-year service planning review. The top-down analysis and ranking will be used once initial submission of service plans has been completed. Further Information: **Update Date: 10 Sep 2025** |
| 3766 | Medium | The PMO will consider ways in which a live dashboard can be implemented to provide real-time visibility into all projects within the Transformation Programme to ensure continuous monitoring and accountability. | 31 Mar 2026 | 31 Mar 2026 | Description: Transformation Board Dashboards continue to evolve to report at a Program and major Project level. These will then also be used to allow instant update on a single project or program if required. New Service plan will enable risk and benefit reporting within the dashboards once available. Further Information: **Update Date: 11 Nov 2025**<br>Description: The collation of progress updates for the Transformation Plan projects are now managed in MS Power Lists, and dashboards in MS Power BI have been created for Sept Transformation Brd. Further Information: **Update Date: 10 Sep 2025** |

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|---|---|---|---|---|---|
| 3759 | Low | The PMO should ensure that a project initiation document is completed prior to project initiation. The document should include planned aspects of the project, such as the scope, benefits, agreed milestones and tolerances, budget, risks and governance structures. | 31 Mar 2026 | 31 Mar 2026 | Description: Ongoing Audit of BC and PID, focus is to provide BC initially to ensure consistent information available for PID creation based upon clear business case. PIDs will be in place for all Major Projects as a minimum. Further Information: **Update Date: 11 Nov 2025**<br><br>Description: The priority is to first address the controls and relevant documentation for active projects, then to promote the new PMO framework across the council, providing direct support for services and regular 'in the loop' sessions. This will help with the promotion of the support provided, and clear communication regarding expectations and process. Further Information: **Update Date: 10 Sep 2025** |
| 3763 | Low | The PMO will ensure that each project has an identified Finance Business Partner and that areas of future financial implications and costs, such as efficiency savings are identified prior as part of the project planning process prior to project initiation. | 31 Mar 2026 | 31 Mar 2026 | Description: This will be captured as part of the Business case Action and is progressing on plan. Further Information: **Update Date: 11 Nov 2025**<br><br>Description: This aligns to other audit actions in relation to completion of business cases and PIDS for active projects, and completion of business cases for capital projects and new initiatives. The templates will now include collaboration with Corporate Services, including financial services, and copies will be shared with Finance for comment before approval is sought. Further Information: **Update Date: 10 Sep 2025** |

**Code of Procurement Audit 24.25**

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3375 | High | Periodically, the Procurement Lead shall review a sample of higher value / strategic contracts previously awarded to understand how they are being managed post award, to include performance monitoring, compliance verification and issue resolution. (High-Red). | 31 May 2025 | 31 Dec 2025 | Description: This action remains on track. The Procurement Team continue to engage with services and collate contract documentation for the Council's top contracts by value. The incoming permanent Procurement Manager will be engaged going forwards on this work. Further Information: **Update Date: 11 Nov 2025**<br><br>Description: Reopened: The Procurement Lead has been asked to arrange for a quarterly review of contracts, covering both high risk and and high value partnerships. The Procurement Lead has been asked to give consideration and planning for the following: - Confirming that service is monitoring KPIs and SLAs- Check that meetings with suppliers are taking place and issues are discussed and logged- Confirming that service has obtained required documentation and is up to date - Checking that financial obligations are being metFurther Information: **Update Date: 16 Sep 2025**<br><br>Description: processes in place and recommendations fully implemented Further Information: Fully implemented **Update Date: 03 Sep 2025**<br><br>Description: To be implemented now more resource in available in the team Further Information: **Update Date: 01 Jul 2025** |

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| 3371 | Medium | The Code of Procurement reform changes need to be expedited on the back of this audit and the Procurement Act 2023 updates due to happen in early 2025 to ensure effective and efficient procurement thresholds.<br><br>The Procurement Lead with the support of the Monitoring Officer to document, review and update (as applicable) a full suite of Procurement documentation to include the Code of Procurement, the Procurement Aide Memoire and supporting procedure notes.<br><br>Internal Audit recommends that this documentation is reviewed (and is subject to appropriate approval) once every 3 years, or when regulations change (if they change before 3 years).<br><br>The procurement documentation will be updated by the Procurement Lead/team after discussions with the Monitoring officer and will be reviewed and approved by Director of Finance and Corporate Services. (Amber-Medium). | 28 Apr 2025 | 31 Dec 2025 | Description: As discussed at the Corporate Governance Committee at their meeting in September 2025, the Head of Democratic Services has appointed a new Procurement Manager, who will be joining the organisation on 1 December 2025. The new Procurement Manager will be tasked with taking this work forward in consultation with relevant stakeholders and the Monitoring Officer . A refreshed Code of Procurement will be taken through the appropriate governance touch points in due course. Further Information: **Update Date: 11 Nov 2025**<br><br>Description: This date has been revised to reflect the necessary governance touchpoints of the Constitution Working Group, Corporate Governance Committee, and Full Council Approval. The Monitoring Officer also intends to engage the incoming Procurement Manager in the drafted of this chapter. Further Information: **Update Date: 11 Sep 2025**<br><br>Description: The Code of procurement hs been revised and updated to reflect the change in the Procurement Act 2023. This will need to be approved by members and incorporated in the Constitution. Further Information: Updated and on target **Update Date: 03 Sep 2025**<br><br>Description: First draft prepared to be reviewed with newly appointed Monitoring Officer Further Information: **Update Date: 01 Jul 2025** |

## Committee Governance Structure 24.25

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3716 | Medium | The Constitution Review Working Group will evaluate the current scheme of delegation to identify gaps, ambiguities and areas where further detail is needed. This should include an assessment of roles, responsibilities, and authority at each level of the Council. Key stakeholders may need to be engaged throughout the process.Specific delegated authorities should be clearly defined within a clear, structured document. The authority, responsibilities and limits of decision making for each individual, committee or department should be clearly outlined. The delegation should include levels of financial authority, operational decisions and strategic responsibilities as appropriate. | 31 Mar 2026 | 31 Mar 2026 | Description: The Constitution Review Working Group continues to work with the Association of Democratic Service Officers who are currently undertaking a review of this chapter of the Constitution. Further engagement is planned with key stakeholders. This will be presented to the Working Group in due course. Current draft has been provided by ADSO for further review internally with SLT and HoS Further Information: **Update Date: 11 Nov 2025**<br><br>Description: The Constitution Review Working Group is working with the Association of Democratic Service Officers who are currently undertaking a review of this chapter of the Constitution. Further engagement is planned with key stakeholders. Further Information: **Update Date: 04 Sep 2025** |

## Home and Hybrid Working 24.25

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3511 | High | HDC will develop a formal Hybrid Working Policy and framework that sets out corporate expectations for teams and departments across the organisation. The policy framework should recognise there is ‘no one size fits all’ and allow for a degree of flexibility, in line with organisation risk appetite. The policy should provide guidance on roles and responsibilities for human resources, line managers and departmental heads. | 31 Mar 2026 | 31 Mar 2026 | Description: Policy has been approved at Employment Committee and work is now being undertaken on implementation Further Information: **Update Date: 04 Nov 2025**<br><br>Description: Hybrid working policy has been drafted and will be going to employment committee in October to be ratified Further Information: **Update Date: 08 Sep 2025** |
| 3512 | High | Once the corporate framework is defined, HR will issue clear, Council-wide communications outlining hybrid working expectations, office attendance policies, and department and team’s variations. HR will also ensure that staff receive regular updates about any changes or clarifications regarding hybrid working and attendance. | 31 Mar 2026 | 31 Mar 2026 | Description: Staff continue to be updated in line with progress of policy and any key changes towards it Further Information: **Update Date: 04 Nov 2025**<br><br>Description: This is in progress, staff are being updated with the progress of the hybrid working policy Further Information: **Update Date: 11 Sep 2025** |

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| 3514 | Medium | 4/1 Management will conduct a review of IT equipment in the office locations so that all necessary technology is available and in proper working condition. | 31 Dec 2025 | 31 Dec 2025 | Description: Reopened: Action Assignee requested for the action to be re-opened as IT have advised that further work needs to be done Further Information: **Update Date: 12 Nov 2025**<br>Description: Confirmation that all available desks in Pathfinder & Eastfield House are now fully populated with equipment and ready to use. Caretakers are holding stock on both sites of keyboards, mice and cables. Sweeps will be carried out every evening in Pathfinder House with all desks being checked and replenished if necessary.Sweeps in EFH will be carried out by a caretakers every Mon, Weds & Fri with an additional sweep being carried out by 3CICT on Tuesdays. Further Information: **Update Date: 07 Nov 2025**<br>Description: Backfill of Eastfield House 95% complete as of 05/11/2025 and Pathfinder House still to start. Task still on track for December completion. All reliant on availability of 3CICT staff to carry out the task. Further Information: **Update Date: 06 Nov 2025**<br>Description: Equipment ordered for PFH & EFH on ticket SR00253228. This has been delivered and stored.New ticket SR00256604 raised for ICT to install on desks in PFH & EFH to ensure maximum number of functional desks. Further Information: **Update Date: 17 Sep 2025**<br>Description: An assessment has been (or is currently being) performed, and a revised process to expedite replacement equipment when it is found missing/faulty has been adopted. Further Information: **Update Date: 11 Sep 2025** |
| 3519 | Medium | The Council will review the Flexible Working Policy and guidance following the introduction of the Hybrid Working Policy to ensure consistency. | 31 Mar 2026 | 31 Mar 2026 | Description: Policy updates are being worked on Further Information: **Update Date: 04 Nov 2025**<br>Description: This will be started following the approval of the hybrid working policy Further Information: **Update Date: 11 Sep 2025** |
| 3520 | Medium | The Council consider an appropriate monitoring KPI to be reported to Employment Committee as part of the current reporting suite of documents. | 31 Mar 2026 | 31 Mar 2026 | Description: Work not started on this as other actions in relation to this take priority Further Information: **Update Date: 04 Nov 2025**<br>Description: This will be agreed following approval of the Hybrid Working Policy at Employment Committee Further Information: **Update Date: 11 Sep 2025**<br>Description: Action due date not agreed as depending on action 3517 Further Information: Action due date not agreed as depending on implementation of action 3517. Selected currently to match the due date of action 3517 as 31/03/2026 however this is likely going to be changed at later stage **Update Date: 07 May 2025** |

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| 3692 | Medium | Management will introduce a consistent organisational approach to planning and achieving optimum productivity levels. Guidance in this area will be provided to line managers and departmental heads to ensure that there is consistency and that optimal levels of employee performance are maintained. This approach could include a productivity plan per department that sets out the controls for monitoring productivity. This should define HDC's expectations for regular 121s. (Note - HR has confirmed that the need for performance management framework and regular 121's has been identified as part of the Workforce Strategy, and work is already underway to implement them.) | 31 Mar 2026 | 31 Mar 2026 | Description: Ongoing work on this. 121s now rolled out across HDC and Service Plans are in place for all service areas to capture key items of work and relevant measures of productivity. Services are also working up Team Charters that will identify how teams work within the aims of the Policy, to be rolled out in Q4 as part of the the implementation of the Policy Further Information: **Update Date: 05 Nov 2025** |
| | | | | | Description: Monitoring Framework for 121 completion implemented Further Information: Consistency of 121s assured through 'My Conversation' training as part of the Management Development Programme in Q2. The 2025 staff survey will include question for all staff regarding 121 completion - outcome will be compared to last year to measure progress. Performance Appraisal forms include requirement to confirm 121s undertaken. **Update Date: 04 Sep 2025** |
| | | | | | Description: Scoping Underway, draft scheduled for officer review in October, implementation in Q4 so metrics and indicators are formally tracked and reported quarterly as management information from 1st April 2026. Further Information: Approaches for a productivity plan framework by department is underway with a draft framework to be proposed at the end of September. Guidance on 121s including format and frequency has been rolled out to managers through the manager's forum a standard template is now in use and linked directly to the performance management (pay and reward) of officers. **Update Date: 04 Sep 2025** |
| | | | | | Description: Audit completed, fed back to CLT and HOS, Action Plan in Place Further Information: The Audit on Home and Hybrid working has been concluded with the findings presented for Heads of service to consider in the way they manage their teams. The draft action plan is attached with key actions set for monitoring the completion of 121s and also the requirement for service level productivity planning to be proposed and in place by March 2026. the timing is linked to the formal adoption of a Home Working Policy across the Council **Update Date: 29 Aug 2025** |
| | | | | | Description: Incorrect date shown Further Information: **Update Date: 19 Jun 2025** |

## Key Financial Controls 24.25

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 3381 | High | The finance team should engage with Tech 1 to agree on a clear resolution plan, including a timeline for when and how the issue will be resolved. If Tech 1 fails to offer a satisfactory outcome within the agreed timeframe, senior management involvement may be necessary to escalate the matter and ensure a prompt resolution. | 31 Mar 2025 | 31 Jan 2026 | Description: As per below comments, due date has been moved to January 2026 with agreement from Interim S151 Officer Further Information: **Update Date: 11 Nov 2025**<br><br>Description: T1 support have run process that proved transactions have posted correctly and no transactions are missing which may have been part of the issue. They closed the case in September and advised that we would have to use AMS to check the configuration of the system. I have contacted REDACTED at T1 as she has advised that the upgrade to the next version of T1 in November 2025 may help the reconciliation process. Bearing this in mind, can the target date be amended to 31 January 2026. Further Information: **Update Date: 28 Oct 2025**<br><br>Description: TechOne is continuing to work on resolving the differences and identifying the root cause. At Management's request, the action due date has been extended to 31/10/2025. Further Information: Revised timeline agreed by RSM and sighted by the Head of Audit. Update Date: 05 Sep 2025<br><br>Description: T1 are still working on the differences Further Information: Need to review the variable date to 30 October 2025 **Update Date: 29 Aug 2025**<br><br>Description: Meeting with T1 support 1 August 2025 Further Information: T1 are going through April to June 2025 differences. July differences were identified as £505.10, of which 3 transactions did not transfer correctly and have now been posted. Debtors to look at nine 10p transactions to identify if corrections are required. These are receipts that have been transferred or dishonoured **Update Date: 04 Aug 2025** |

## Overtime 21.22

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Update Details |
|---|---|---|---|---|---|
| 1625 | Medium | The published policy for Expenses and Allowances (including Overtime) will be reviewed and updated to ensure that it is fit for purpose, and accessible to staff and managers. This will support working arrangements prior to a longer term, fundamental review of our policy. | 31 Mar 2025 | 28 Feb 2026 | Description: Policy being drafted Further Information: **Update Date: 04 Nov 2025**<br><br>Description: This action has been delayed due to work that has been carried out aligning contracts for all permanent members of staff' Further Information: As per request from Head of HR, action has been moved to 28/02/2026 **Update Date: 08 Sep 2025**<br><br>Description: To be considered by Employment Committee on 15 July 2025 Further Information: **Update Date: 01 Jul 2025**<br><br>Description: As per CGC 29.01.2025 Further Information: There has been a changeover of Strategic HR Manager sincethe revised date was agreed who has been reviewing somewider policy aspects taking account of external factors relatingto pay across the local government sector.As a result, this action will be carried out in April / May 2025 andrevised policy will be taken to the first Employment Committeeof the new civic year for approval and then communicated tomanagers. This fits with the overall Heads of Servicerestructure that the Chief Executive has conducted and thetraining / development approach that is being implemented tosupport the Heads of Service.Revised target date proposed to be 31 June 2025 **Update Date: 12 Mar 2025**<br><br>Description: Policy will not be updated until March 2025 as per time scales Further Information: Due to other associated work the Pay policy will not be updated until other actions have taken place, this will be at least 18 months away **Update Date: 02 Oct 2023** |

# Closed IA Report

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|---|---|
| **Generated Date** | Nov-25 |
| **Action Criteria** | |
| **Project** | Internal Audit |
| **Closed** | Within the Last 90 Days |

## Capital Programme

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3729 | Medium | To ensure robust governance and compliance with the capital budgeting process, management will implement controls to ensure a capital bid form is completed for all capital items. In cases where the expenditure relates to a recurring asset replacement programme, management will ensure that the anticipated annual replacement is either:<br>• Approved via a completed Capital bid form<br>• Clearly documented as part of an appropriately approved rolling capital programme<br>• Covered under a pre-approved budget or contract framework | 31 Jul 2025 | 31 Jul 2025 | 22 Aug 2025 | Closure Details: Closed: Update Further Information: Capital bid forms disseminated to all budget holders including for rolling capital programmes |
| 3730 | Medium | Management will ensure capital bids are reviewed and approved by an appropriate forum. The capital bid form will be updated to include a section for documenting the forum's review and endorsement decision. | 30 Jun 2025 | 30 Jun 2025 | 22 Aug 2025 | Closure Details: Closed: Action completed Further Information: Capital bid forms updated to include details of approvals/rejections |
| 3732 | Medium | Management will define a formal process for in-year capital programme additions, including:<br>• A requirement for documented approval for all in-year additions, clearly specifying the authorising officer/body.<br>• A defined communication protocol to ensure the Financial and Treasury Accountant is notified promptly of any approved additions.<br>• Maintenance of a central register of in-year capital additions, including supporting documentation and approval evidence. | 31 Oct 2025 | 31 Oct 2025 | 12 Nov 2025 | Closure Details: Closed: An additional paragraph has been drafted to be added to The Budget Process 2026/27 A Guide for Budget Managers documenting the process of capital programme additions approvals and the associated requirements, documentation, communication, and records. |
| 3731 | Low | Management will consider developing and implementing a formal scoring or appraisal framework to assess capital bids against defined criteria, including alignment with the Corporate Plan. | 31 Oct 2025 | 31 Oct 2025 | 12 Nov 2025 | Closure Details: Closed: As part of the completion of the 2026/27 Capital Programme capital bids will be scored against the corporate plan, and these scores presented as part of the MTFS process. |



## Contract Management

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3751 | High | A formal action plan will be implemented, outlining the Council's actions around re-tendering for expiring contracts. The contract register will be updated, removing the contracts the Council will not re-tender for, in a timely manner. Where appropriate, expiring contracts that are not longer needed and there is no recurring need for services should be archived. | 30 Sep 2025 | 30 Sep 2025 | 03 Sep 2025 | Closure Details: Closed: Processes in place Further Information: Process map in place for all procedures |
| 3749 | Medium | The Council will ensure the Contract Management Toolkit is formally approved by the Procurement Board. The toolkit should also reference the Procurement Act 2023 to ensure it is consistent with the legislation. Version control will be added to the guidance. | 31 Aug 2025 | 31 Aug 2025 | 03 Sep 2025 | Closure Details: Closed: presented to the Procurement Board twice for feedback and feedback recived. |

## Council Tax

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3938 | Medium | We will formalise and evidence the process of sample checking of refunds. | 30 Sep 2025 | 30 Sep 2025 | 01 Oct 2025 | Closure Details: Closed: Completed |
| 3937 | Low | Staff responsible for checking suppression reports will consistently evidence their review through clear annotation, initials, or electronic sign-off. | 30 Sep 2025 | 30 Sep 2025 | 11 Sep 2025 | Closure Details: Closed: See notes |
| 3941 | Low | Systems and Development Manager will ensure staff evidence that the 3C ICT report is signed and dated to evidence that it has been reviewed against the master data spreadsheet of system user accounts. | 30 Sep 2025 | 30 Sep 2025 | 22 Sep 2025 | Closure Details: Closed: Procedures have been updated so that reports are initialled and dated. Further Information: |

| | | | | | | |
|---|---|---|---|---|---|---|
| 3942 | Low | The Council Tax and Business Rates Manager will ensure that monthly cash reconciliations are reviewed, evidenced as such, and forwarded to the Reconciliation and Technical Officer in Finance within a defined and reasonable timeframe following month end (e.g., within 10 working days). | 06 Sep 2025 | 06 Sep 2025 | 05 Sep 2025 | Closure Details: Closed: Notes as closed on final audit report Further Information: Notes as closed on final audit report |
| 3943 | Low | The Council Tax and Business Rates Manager will ensure that monthly refund reconciliations are reviewed, evidenced as such, and forwarded to the Reconciliation and Technical Officer in Finance within a defined and reasonable timeframe following month end (e.g., within 10 working days). | 06 Sep 2025 | 06 Sep 2025 | 05 Sep 2025 | Closure Details: Closed: Reported as closed on final report Further Information: Reported as closed on final report |
| 3944 | Low | A formal agenda and minutes will be produced for each bailiff meeting. | 06 Sep 2025 | 06 Sep 2025 | 05 Sep 2025 | Closure Details: Closed: Reported as closed in internal audit report Further Information: Reported as closed in internal audit report |
| 3945 | Low | We will ensure the bailiff account reconciliation is subject to formal review and sign off periodically | 31 Oct 2025 | 31 Oct 2025 | 12 Sep 2025 | Closure Details: Closed: Complete |

## Data Quality and Performance Management

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3721 | High | We will update the 2023 Performance Management Framework to reflect current practices and incorporate data quality into a single, integrated document. The new framework will:<br>• Document the target-setting process, including roles and data<br>• Standardise expectations for Data Quality Templates<br>• Clarify reporting timelines and responsibilities<br>• Establish document ownership and review procedures<br>• Be communicated to staff for consistent application | 31 Oct 2025 | 31 Oct 2025 | 29 Oct 2025 | Closure Details: Closed: Upload of Finalised PMF |
| 3724 | Medium | We will establish a documented governance process which defines key steps in the annual target setting process. Each key step will outline responsibilities and expected outcomes, as well as what documentation needs to be retained for audit trail.<br>The process will be reflected in the revised Performance Management and Data Quality Framework. | 31 Oct 2025 | 31 Oct 2025 | 29 Oct 2025 | Closure Details: Closed: Finalised PMF is agreed - see information update on 16/10/2025 |
| 3725 | Medium | A process will be implemented to double check that reported figures reflect what has been submitted by PI owners. If any changes have to be made due to late submission or any other reasons, then this needs to be documented and saved. | 31 Oct 2025 | 31 Oct 2025 | 29 Oct 2025 | Closure Details: Closed: Finalised PMF is agreed - see information update on 16/10/2025 |
| 3726 | Medium | A reminder should be issued to officers that information needs to be updated promptly in the relevant systems. | 31 Oct 2025 | 31 Oct 2025 | 03 Oct 2025 | Closure Details: Closed: Reminder process is laid out in the attached. Information is requested at the end of the month, with a reminder 1 week prior to the Performance Board, and a follow up on that Friday; first through email and then with a Teams message. Escalation higher has not been required, though it is laid out in the Performance Management Framework |
| 3727 | Medium | The Terms of Reference (ToR) for the Operations, Performance and Effectiveness (OPE) Board will be reviewed and updated to ensure it remains current and reflects the correct membership. Version control will be introduced to document any changes, and approval of any updates by the Corporate Leadership Team will be documented.<br>The ToR will also confirm that services are responsible for the accuracy of performance data and must ensure appropriate representation at OPE meetings, where data is reviewed and any issues can be raised.<br>In addition, an action log will be introduced to track all actions arising from meetings, with responsible officers, dates, and status recorded. Reviewing open actions will be a standing agenda item, with progress captured in meeting minutes to ensure consistent follow-up and accountability. | 31 Oct 2025 | 31 Oct 2025 | 05 Nov 2025 | Closure Details: Closed: Actions implemented and in place. This was signed off by the OPE Brd in Oct25 |
| 3722 | Low | Handover notes and the Corporate Reporting Process documents will be reviewed and updated to incorporate any new practices introduced since the original notes were made.<br>The documents will be formalised as official Standard Operating Procedures, with clearly defined review cycles and designated owners. | 31 Oct 2025 | 31 Oct 2025 | 29 Oct 2025 | Closure Details: Closed: Finalised PMF is agreed - see information update on 16/10/2025 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 3723 | Low | Process notes will be developed for 2025/26, or existing data quality templates will be enhanced, to clearly document the annual target-setting process for each performance indicator (PI). This should include details on the data to be reviewed for each PI, the key factors to be considered in setting the targets, and the required approvals before submission. | 31 Oct 2025 | 31 Oct 2025 | 03 Oct 2025 | Closure Details: Closed: Attachments have demonstrated the process and this has been implemented and assessed in two successive months. This process is also highlighted in the Performance Management Framework |
| 3728 | Low | Performance reporting will be carried out in line with the agreed reporting schedule. Appropriate evidence will be retained to demonstrate that performance information has been presented and discussed as scheduled. | 31 Oct 2025 | 31 Oct 2025 | 29 Oct 2025 | Closure Details: Closed: Finalised PMF is agreed - see information update on 16/10/2025 |

**Housing Benefits**

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3930 | Low | We will add a version history section to the Overpayment Policy that records the version number, date of revision, the person responsible for the update, and the approval details. This version control process will be applied to all future policy updates to ensure transparency and accountability. | 31 Oct 2025 | 31 Oct 2025 | 31 Oct 2025 | Closure Details: Closed: Version Control added to Housing Benefit Overpayment Policy |
| 3932 | Low | We will remind staff responsible for reviewing high-value payments to consistently complete all required fields on the Large Payments Analysis spreadsheet, ensuring the audit trail fully evidences the review undertaken. | 02 Sep 2025 | 02 Sep 2025 | 02 Sep 2025 | Closure Details: Closed: Service confirmed the action has been completed Further Information: Not verified by IA |
| 3933 | Low | Management will consider if there is additional value to be obtained by viewing how the two individual processes (performance statistics via team and assessor) are aligned. | 31 Oct 2025 | 31 Oct 2025 | 31 Oct 2025 | Closure Details: Closed: Following audit recommendation, the additional checks spreadsheet has been updated to record who the additional checks relate to. This enables us to monitor how many checks each assessor has received and whether theses are proportionate across the team. Implemented since 01/09/25. |
| 3934 | Low | We will establish a process to ensure that feedback on errors is issued promptly and without unnecessary delays. This will ensure assessors are made aware of errors quickly, reducing the risk of repeated mistakes. Prompt feedback will also allow staff to discuss any additional support, training, or guidance they may require for improving their performance. | 31 Oct 2025 | 31 Oct 2025 | 31 Oct 2025 | Closure Details: Closed: Housing Benefit Assessment - Accuracy feedback process document has been created and communicated to the Team Leaders |
| 3935 | Low | Management will ensure that the correct Housing Benefit Overpayment report is run for each review. This will help ensure all overpayments are captured and manual notifications are issued to customers as required. In addition, assessment officers will be reminded of the requirement to issue manual overpayment letters promptly upon identification of an overpayment in line with procedures. | 07 Sep 2025 | 07 Sep 2025 | 05 Sep 2025 | Closure Details: Closed: Action complete, Process in place |



**Payroll**

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3975 | Medium | The Council will ensure that amendment forms are signed prior to the staffing change taking effect. | 31 Dec 2025 | 31 Dec 2025 | 03 Nov 2025 | Closure Details: Closed: Action Completed |
| 3976 | Medium | The Finance Team will implement a monthly monitoring process to ensure timely follow-up on outstanding overpayments, supported by a centralised tracker and escalation protocol to prevent delays due to staffing changes or operational disruptions. | 31 Oct 2025 | 31 Oct 2025 | 26 Oct 2025 | Closure Details: Closed: Monthly reports in progress and collaboration with Payroll and HR. Best course of action advised is prevention and failure of managers completing leavers forms in good time |
| 3973 | Low | The Council will add a version control onto the Pay Policy, and the procedure documents showing the date of the last review. | 31 Oct 2025 | 31 Oct 2025 | 17 Oct 2025 | Closure Details: Closed: Policy and procedure updated to include date reviews |

## Procurement

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3746 | High | We will ensure the Procurement Team has oversight of the process and verifies that sufficientdocumented quotations are obtained, or waivers are completed, in line with guidance in the Code of Procurement | 30 Sep 2025 | 30 Sep 2025 | 03 Sep 2025 | Closure Details: Closed: Fully implemented Further Information: System in place to ensure compliance with quotation process |
| 3747 | Medium | We will follow due diligence with all contracts and keep a signed and dated copy for the Council's records. | 31 Aug 2025 | 31 Aug 2025 | 03 Sep 2025 | Closure Details: Closed: Processs in place and fully implemented Further Information: Fully implemented |
| 3748 | Medium | We will review and update all procedures and documents for the waiver process, to ensure clear guidance is in place. Training will be provided to all staff who could require using the process. | 31 Aug 2025 | 31 Aug 2025 | 03 Sep 2025 | Closure Details: Closed: Fully implemented Further Information: Fully Implemented |
| 3739 | Low | We will adopt a document control system, and all documents will be updated to clearly show date issued/revised and when the next review will take place. Only the latest approved versionwill be shared on SharePoint. | 31 Aug 2025 | 31 Aug 2025 | 03 Sep 2025 | Closure Details: Closed: Complete Further Information: Complete |
| 3744 | Low | The Procurement Team will ensure all guidance documents are available through SharePoint to all staff who make purchases. | 30 Sep 2025 | 30 Sep 2025 | 03 Sep 2025 | Closure Details: Closed: Task completed Further Information: Fully implemented |

## Recruitment and Retention

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3704 | High | We will update the Recruitment & Selection Policy and ensure that it is subject to regular review with formal version control by the Senior Leadership Team. We will ensure that the Recruitment Process Guide for Hiring Managers is up-to-date, subject to regular review with formal version control and complimentary to the Recruitment & Selection Policy | 31 Jul 2025 | 31 Jul 2025 | 03 Sep 2025 | Closure Details: Closed: Action now complete. New Policy approved at employment committee on Wednesday 23 July and policy launched Further Information: Action now complete. New Policy approved at employment committee on Wednesday 23 July and policy launched |
| 3705 | Medium | We will create a Retention Policy to include guidelines and procedures for employee retention. This could cover areas such as onboarding practices, career development opportunities, recognition and rewards, work environment, staff compensation and benefits. | 31 Oct 2025 | 31 Oct 2025 | 05 Sep 2025 | Closure Details: Closed: Update has been added 4.9.25 Further Information: Action has been completed |
| 3711 | Medium | We will report on recruitment KPIs to an appropriate forum or include recruitment KPIs within the Workforce Report. | 31 Oct 2025 | 31 Oct 2025 | 09 Oct 2025 | Closure Details: Closed: The Corporate Director, Communities, who chairs the Operational Performance Board, has decided not to incorporate KKPI's for recruitment at this time. This decision is based on the understanding that KPIs are established by members in relation to key risks facing the council, and during a recent review, recruitment was not identified as a priority area for inclusion. Additionally, relevant data is reported quarterly to the Employment Committee, where any concerns raised by members are duly addressed and acted upon. |
| 3710 | Low | We will ensure that all temperature check surveys are subject to review by the Corporate Leadership Team and this is evidenced. | 31 Dec 2025 | 31 Dec 2025 | 05 Sep 2025 | Closure Details: Closed: Action Completed and evidence added 5.9.25 Further Information: Action Completed |

## Committee Governance Structure 24.25

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3712 | Medium | The Council will review and update the Constitution on a regular basis so that the governance document is fit for purpose. A frequency of formal review and a cycle of this review process will be established and evidenced, including version and change control. | 31 Mar 2026 | 31 Mar 2026 | 11 Nov 2025 | Closure Details: Closed: The Working Group is meeting regularly, and last met on 23 October 2025. It is scheduled to meet again on 8 January 2026 |
| 3713 | Medium | Management will extend the remit of the centralised action log to include actions arising from all Committees. Status and outcomes of actions to be reported to Committees as a standing agenda item. | 30 Sep 2025 | 30 Sep 2025 | 04 Sep 2025 | Closure Details: Closed: An action tracker has been established which contains a record for actions arising from all formal Committees. |
| 3714 | Medium | The Council will review the meeting frequency of the Constitution Review Working Group. | 30 Sep 2025 | 30 Sep 2025 | 11 Nov 2025 | Closure Details: Closed: The Working Group is meeting regularly, and last met on 23 October 2025. It is scheduled to meet again on 8 January 2026. As reported previously, the Working Group has agreed to schedule its meetings to take place in advance of Corporate Governance Committee and meetings of Full Council. |
| 3715 | Medium | Management will give consideration as to whether the Employment Committee should produce an annual report to self-assess its own effectiveness and delivery of its agreed terms of reference. | 30 Sep 2025 | 30 Sep 2025 | 11 Nov 2025 | Closure Details: Closed: Action closed as requested by Monitoring Officer |
| 3717 | Low | Management should define and document expected TOR standards and required content to provide a framework for TOR development any newly constituted forums and working groups. | 31 Mar 2026 | 31 Mar 2026 | 04 Sep 2025 | Closure Details: Closed: A "house style" template for Terms of Reference for newly constituted forums and working groups has been produced and is now in use. |
| 3718 | Low | Management will ensure the TOR of governing forums are subject to formal and evidenced annual review and approval as part of annual Constitution update. | 31 Mar 2026 | 31 Mar 2026 | 11 Nov 2025 | Closure Details: Closed: Reviewed as appropriate and ToR refer to statutory meetings that do not require any further updates currently so can be closed |
| 3719 | Low | Management to introduce a Constitution version control document to log Constitution versions, amendments, dates and approvals of amendments (for example whether they were approved by the Monitoring Officer or Full Council). | 30 Sep 2025 | 30 Sep 2025 | 11 Nov 2025 | Closure Details: Closed: Action closed as requested by Monitoring Officer, the version control is in place and will be amended as changes are being made |



## Home and Hybrid Working 24.25

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3515 | Medium | Additionally, a review of cleanliness standards should be undertaken to ensure all desks and shared spaces are regularly cleaned and maintained to an acceptable standard. | 31 Aug 2025 | 31 Aug 2025 | 01 Sep 2025 | Closure Details: Closed: Sani Stations in place Further Information: Sani stations have now been installed |
| 3516 | Medium | Consideration will be given to what system/approach should be implemented to maximise the use of available desk spaces over the five day working week. | 31 Dec 2025 | 31 Dec 2025 | 09 Sep 2025 | Closure Details: Closed: CLT decision taken that a desk booking system is not wanted at this stage |
| 3518 | Medium | We will implement a consistent method for tracking working hours across all teams. | 30 Sep 2025 | 30 Sep 2025 | 08 Sep 2025 | Closure Details: Closed: This is in place via I trent and managers are being supported on accessing this Further Information: This is in place via I trent and managers are being supported on accessing this |
| 3521 | Medium | The Corporate Induction Programme will cover corporate policy in relation to home and hybrid working and reference that the policy is under review / development to meet the needs of the service. | 31 Jul 2025 | 31 Jul 2025 | 04 Sep 2025 | Closure Details: Closed: This has been embedded in the Corporate Induction Programme |

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|---|---|---|---|---|---|---|
| 3767 | Medium | A clear desk policy should be introduced to address potential GDPR breaches, ensuring that all documents are securely stored away. True hot-desking should be implemented to reduce desk ‘ownership’ and encourage staff to keep their workspaces clear. Teams requiring physical storage for paperwork should be provided with secure office cupboards or storage solutions to safeguard sensitive documents. | 31 Jul 2025 | 31 Dec 2025 | 11 Nov 2025 | Closure Details: Closed: The 3C ICT Clear Desk Policy (reference IG09) was ratified by the joint Information Security and Governance Board on 21st July 2025 and published to the staff sharepoint. This has been circulated to all staff in Hybrid Working Policy FAQs as of 9th September 2025. The council has sufficient secure storage to reduce the risk of breaches of unsecured confidential data. The hybrid Working Group has drafted zoned areas to ensure there is clear ownership of desk areas, and teams are able to request additional storage via facilities if required, but as of 11th November 2025 no requests have been made currently. |
| 3522 | Low | The Remote Working and Stress in the Workplace e-learning modules should be mandatory for all staff. Additionally, Positive Mental Health at Work for Managers and the Managing Remote Teams e-learning modules should be mandatory for Managers. | 30 Sep 2025 | 30 Sep 2025 | 04 Nov 2025 | Closure Details: Closed: Modules currently on system are optional as other sessions overlap and cover the same topics. These remain optional as refreshers for managers |
| 3523 | Low | An additional e-learning session covering productivity in the workplace and when working remotely should be introduced for staff. | 30 Sep 2025 | 30 Sep 2025 | 11 Nov 2025 | Closure Details: Closed: Productivity is covered in the My Conversation 121 instructor led session. To be made available to all staff after initial roll out. |
| 3524 | Low | HR should ensure that completion rates for all mandatory training modules, including Positive Mental Health at Work (individual), are accurately tracked, with clear visibility on the number of staff who have and have not completed the training. | 30 Sep 2025 | 30 Sep 2025 | 10 Sep 2025 | Closure Details: Closed: This is in progress |

**Commercial Estates Rent Review Processes and Invoicing 24.25**

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3545 | High | Head of Property and Facilities to draft a guidance document on the implementation of rent reviews. The guidance should provide a hierarchy of the types and values of rent reviews and who may complete / approve these. The guidance will be subject to appropriate approval (Director of Finance and Corporate Resources). | 30 Sep 2025 | 30 Sep 2025 | 07 Oct 2025 | Closure Details: Closed: Document completed September 2025. Approved by S151 October 2025. |
| 3546 | High | Action will be to bring the master data spreadsheet up to date and ensure that it remains so. Property entries will be allocated to appropriate staff to check and correct errors once these are identified. | 30 Sep 2025 | 30 Sep 2025 | 09 Sep 2025 | Closure Details: Closed: Action has been taken to bring MASTERDATA up to date and the team know the importance of keeping it up to date. |
| 3547 | Medium | The Head of Property and Facilities will introduce periodic portfolio wide reporting of the completion status of rent reviews to enable oversight by Director of Finance and Corporate Resources. Once the Masterdata sheet is up to date and complete, quarterly reports will be issued that will note how many reviews have been completed, and how many are outstanding. Of those outstanding the numbers intentionally not implemented for tactical reasons will be noted. | 30 Sep 2025 | 30 Sep 2025 | 09 Sep 2025 | Closure Details: Closed: Update issued to S151. Future reports will presumably be done by my successor. |
| 3548 | Medium | Rent and Estates Officer to ensure invoicing controls are appropriately evidenced as follows:<br>•The reconciliation of total amount invoiced between prior quarter and current quarter will more clearly documented for both modern and traditional invoices on the invoicing spreadsheet.<br>•The total of all invoices raised on Tech 1 will be agreed to the total per the invoicing spreadsheets and a screenshot from Tech 1 saved to the spreadsheet as evidence.<br>•Line by line check between current month and previous month rent amounts for monthly invoiced tenants will be evidenced within additional column added to spreadsheet. | 30 Sep 2025 | 30 Sep 2025 | 09 Sep 2025 | Closure Details: Closed: All 3 points are now actioned and are evidenced clearly on the invoicing spreadsheets. I've attached a copy of the previous quarters completed spreadsheet which shows this. The reconciliation mentioned in point 1 can be found below the list of invoicing and the totals. I now include a screenshot of Tech1 on the 'pre-run' tab which shows the total on T1 matching the spreadsheet. Finally, column O shows that a line by line check has been completed comparing to the previous invoicing spreadsheet, if it doesn't match a comment is provided in Column Q explaining why. |

## Operations Vehicle Maintenance 24.25

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 1754 | Medium | Create a training matrix for each member of staff, including managers, within the service. Training matrix should list all training which has been completed internally and externally, when these skills need to be refreshed, and the data analysed to highlight any training gaps. | 31 Jan 2025 | 30 Sep 2025 | 12 Nov 2025 | Closure Details: Closed: Implemented 31/10/2025, now accessible by several people |

## Cyber Essentials Assessment

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 3695 | Low | We will ensure that a business case is documented and recorded for enabling external network access through the use of a VPN connection.<br>A business case must be signed off at board level and the associated risks should be reviewed regularly. | 31 Dec 2025 | 31 Dec 2025 | 04 Nov 2025 | Closure Details: Closed: Business case has been created and approved at the councils information assurance baord. |

## Fuel Usage and Payments 22.23

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 1680 | Medium | New Action - The Council should clarify as to whether the decision on the availability of the 50,000-litre tank is a CLT or departmental issue.<br><br>Old Action - The need for the spare 50,000 litre tank will be reviewed in terms of cost and value, and the decision to continue or otherwise made at SLT.<br>It will be made clear to SLT that only limited controls can be applied to this part of the fuel supply. | 30 Sep 2023 | 30 Sep 2025 | 11 Nov 2025 | Closure Details: Closed: As decision has been made CLT approved procurement, action can be closed<br><br>Closure Details: Closed: as per CGC report 29.01.2025 Further Information: 3 See comment above re Ref No 1678.The requirement for any additional fuel storage is part of theproposed HVO implementation |
| 1678 | Low | Now that the decision on fuel has been made, the Council will complete re-letting of the contract in line with procurement policies and procedures. | 30 Sep 2023 | 31 Aug 2025 | 03 Sep 2025 | Closure Details: Closed: Completed Further Information: Completed<br><br>Closure Details: Closed: as per CGC report 29/01/2025 Further Information: Following the pilot project agreed in November 2023, acomprehensive trial was undertaken with HVO which concludedin June 2024. Outcomes are now being formally communicatedto relevant O&S Panel (February 2025) and then to beconsidered by Cabinet (February 2025) for decision onimplementation. This will then allow for an appropriate fuelcontract to be let and added to the contract register. |

## PCI-DSS : Payment card security standards 18.19

| Reference | Priority Level | Action Detail | Original Target | Revised Target | Closed | Closure Update |
|---|---|---|---|---|---|---|
| 1707 | Medium | THIS ACTION REPLACES THE ORIGINAL ACTIONS 1-3 OF THE PCI-DSS 18.19 ALL OF WHICH WERE OUTSTANDING AT CLOSURE IN JUNE 2023.<br><br>Launch a PCI-DSS compliance programme to achieve compliance for all channels across the organisation including business change were required.<br><br>A long implementation date (Sep 24) has been given until phases of the programme have been determined, at which point it is hoped each phase will have a date attached. Regular progress updates will be provided in 4Action and to Corporate Governance Committee. | 30 Sep 2024 | 30 Sep 2025 | 21 Aug 2025 | Closure Details: Closed: Capita upgrade completed to make HDC PCI-DSS compliant Further Information: Capita upgrade completed to make HDC PCI-DSS compliant |

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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# CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

| Committee | Decisions | Date for Action | Action Taken | Officer Responsible | Delete from future list |
|---|---|---|---|---|---|
| **N/A** | **Constitution Review Working Group**<br><br>Constitution Review Working Group appointed at Annual Council on 15 May 2025. | N/A | The WG has completed its work on the Council Procedure Rules and the Substitutes Policy. These appear elsewhere on the Agenda. Work is proceeding on terms for inclusion in the Constitution on amendments to the Budget in conjunction with the Centre for Governance and Scrutiny. This will be considered further at the next meeting on 8th January 2026. Work is also still progressing on the Officer Scheme of Delegation but requiring input from Officers before further review by the Group | Elections & Democratic Services Manager | No |
| **24/09/25** | **Corporate Risk Register**<br><br>Question from the Committee regarding the trade-off between the resources put in to mitigate risks, and the impact of not mitigating | N/A | Written answer to be emailed to the Committee. | Head of Democratic Services and Monitoring Officer | Yes |

| | | | | | |
|---|---|---|---|---|---|
| | those risks and using those resources somewhere else, the Head of Democratic Services and Monitoring Officer would provide the Committee with a written answer around this matter. | | | | |
| **24/09/25** | **Internal Audit Actions – Update Report**<br><br>In response to questions from the Committee regarding Action 1625, Overtime, and whether this had come from the Retention & Recruitment audit or the Home and Hybrid Working audit, the Head of Democratic Services and Monitoring Officer would provide a written response to the Committee. | | Written answer to be emailed to the Committee. | Head of Democratic Services and Monitoring Officer | Yes |

# CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

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