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, 18 MARCH 2026** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

AGENDA

APOLOGIES AND SUBSTITUTES

1. **MINUTES (Pages 5 - 10)**

   To approve as a correct record the Minutes of the meeting of the Committee held on 28 January 2026.

   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. **EMERGENCY PLANNING - COMPLIANCE REPORT (Pages 11 - 14)**

   To receive a report providing an update on the revised Emergency Planning operating model, detailing service delivery improvements and clarifying the Council's statutory duties and expectations as a Category 1 responder in accordance with the Civil Contingencies Act.

   Contact Officer: R Mitchell
   (01480) 388102

4. **CORPORATE RISK REGISTER (Pages 15 - 24)**

   To receive a report informing the Committee 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. **DRAFT INTERNAL AUDIT PLAN FOR 2026/27 AND INTERNAL AUDIT CHARTER (Pages 25 - 54)**

    To receive a report setting out the Internal Audit Plan for 2026/27 which has been prepared by RSM following discussions with Corporate Leadership Team, reference to the Corporate Risks and the professional judgement of the partner from RSM acting in the capacity of Head of Internal Audit.

    Contact Officer: L Morrison
    (01480) 388178

6. **INTERNAL AUDIT PROGRESS REPORT (Pages 55 - 70)**

    To receive a report summarising the work undertaken by the Internal Audit Service since the Committee last met in January 2026.

    Contact Officer: L Morrison
    (01480) 388178

7. **INTERNAL AUDIT ACTIONS UPDATE (Pages 71 - 108)**

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

    Contact Officer: L Morrison
    (01480) 388178

8. **MEMBERS ICT (Pages 109 - 112)**

    To receive a report providing Members with an update regarding Members' ICT provision post-elections 2026.

    Contact Officer: S Oliver
    (01480) 388680

9. **FUTURE ARRANGEMENTS FOR INTERNAL AUDIT (Pages 113 - 116)**

    To receive a report informing the Committee of the intended future arrangements for the provision of Internal Audit services. In line with the Committee's terms of reference, the report seeks the Committee's comments.

    Contact Officer: A O'Malley
    (01480) 388159

10. **CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT (Pages 117 - 124)**

    To receive the Corporate Governance Committee Progress Report.

    Contact Officer: Democratic Services - (01480) 388169

11. EXCLUSION OF PRESS AND PUBLIC

To resolve –

> that the press and public be excluded from the meeting because the business to be transacted contains exempt information relating to action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

12. 3C ICT YEAR ONE AUDIT (Pages 125 - 184)

To receive an exempt report providing Members with an update regarding the Year One audit of the 3C ICT Service.

Contact Officer: S Oliver
(01480) 388680

10 day of March 2026

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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This meeting will be filmed for live and/or subsequent broadcast on the Council's YouTube site. The whole of the meeting will be filmed, except where there are confidential or exempt items. If you make a representation to the meeting you will be deemed to have consented to being filmed. By entering the meeting you are also consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you have any queries regarding the streaming of Council meetings, please contact Democratic Services on 01480 388169.

The District Council also permits filming, recording and the taking of photographs at its meetings that are open to the public. Arrangements for these activities should operate in accordance with guidelines agreed by the Council.

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.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

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

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.

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, 28 January 2026

PRESENT: Councillor M J Burke – Chair.

Councillors P J Hodgson-Jones, A R Jennings, R Martin, D J Shaw and I P Taylor.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors B S Chapman and J A Gray.

SUBSTITUTES: Councillor R Martin substituted for Councillor J A Gray.

40   Minutes

The Minutes of the meeting of the Committee held on 26 November 2025 were approved as a correct record and signed by the Chair.

41   Members' Interests

No declarations were received.

42   Appointment of Lead Independent Person

With the aid of a report prepared by the Elections and Democratic Services Manager & Deputy Monitoring Officer (a copy of which is appended in the Minute Book) the Committee were provided with an opportunity to recommend to Council the appointment to the post of Lead Independent Person as required by the Localism Act 2011.

The Elections & Democratic Services Manager set out the report and invited questions from the Committee.

In response to questions from the Committee, the Elections & Democratic Services Manager advised that the Council had previously had a Deputy Independent Person in post. Regulations required the Council to appoint a minimum of 1 Independent Person, and resources had not allowed for a recruitment process to appoint a Deputy Independent Person but it was something that could be taken forward. She confirmed that the two-year period until April 2028 was to coincide with the new Unitary Authority. Comments from the Committee were made around the logic of appointing a Deputy Independent Person who could transfer to the role of Lead Independent Person for the new Unitary Authority in 2028.

Whereupon, it was

RESOLVED

that the Council be recommended to affirm the re-appointment of Mrs Gillian Holmes to the post of Lead Independent Person for a further two-year period to 1st April 2028 without the need for further ratification in each year by the Council at its Annual Meeting.

43   Corporate Risk Register

The Committee received a report (a copy of which is appended in the Minute Book) informing it of the approach and work undertaken on the Corporate Risk Register, including the latest heat maps relating to the corporate risks.

The Head of Democratic Services and Monitoring Officer set out the report, noting that Gold Officer training had taken place since the publication of the agenda.

In response to questions from the Committee, the Risk Manager advised that the fraud, bribery and corruption risk assessment workshops had good engagement across the board from manager level to officer level. 100 risks had been documented on the Fraud Risk Register which would be reviewed and discussions with each representative service to discuss more possible controls would take place. The Head of Democratic Services and Monitoring Officer advised that the Council had a lines of defence model which set out how to ensure the risk management approach was embedded into each tier of the organisation. The Risk Manager had recently presented to the Management Team on the concept of risk management and appetite so there was assurance this was part of the governance framework moving forward. Furthermore, the Risk Manager advised that there had been several E-learning sessions that were delivered specifically on enterprise risk management and risk appetite which had received good feedback.

In response to a question from the Committee, the Head of Democratic Services and Monitoring Officer clarified that the transformation framework was akin to good project management documentation in terms of how data sets were held and how the number of projects were controlled, as opposed to being a formal framework.

The Committee raised a concern in terms of Transformation regarding the digital maturity score which it felt was not high enough to have the assurance that the risk could be reduced and sought understanding on why officers believed they were able to reduce that risk. The Committee also raised concerns in terms of Safeguarding, regarding the low uptake of the training being made available and asked when staff were asked to do this as that would impact on the level of those concerns. Furthermore, as the training was mandatory, the Committee asked what was being done to ensure this was being completed and what was being done to ensure officers who had not undertaken the mandatory training were being held accountable and were compliant. The Committee requested to see these figures at the next Committee meeting so they could see the progress made in terms of uptake in the intervening period. The Head of Democratic Services and Monitoring Officer would take both of these matters away and ensure responses were circulated.

Whereupon, it was

RESOLVED

that the Committee commented on the reports in the appendices and progress with risk management and noted the risks to the organisation and whether they are being managed in line with the Risk Management Strategy.

44 Internal Audit Strategy 2026/27

The Committee received a report (a copy of which is appended in the Minute Book) which provided an update on the key areas that were considered for internal audit activity in the years 2025/26, 2026/27 and 2027/28 and provided it with an early opportunity to identify any potential areas for inclusion in the 2026/27 Strategy.

The Audit Manager, Dan Harris of RSM set out the report and invited the Committee to reflect on potential areas for inclusion. Members' attention was drawn to the blank Insurance Audit Area of the report, which the Audit Manager advised would be updated for the report for the March Committee meeting.

In response to questions from the Committee, the Audit Manager advised that the Risk Register was a moving piece and there were risks that may have come on to the Risk Register that might not have been reflected in the Strategy document. Discussions with officers may well bring in potential coverage in terms of Local Government Organisation (LGR). In relation to risks, he would look to the Risk Manager and other risk owners to discuss whether there were other sorts of assurance. RSM were not always the right source of assurance so there was not always a correlation to every risk on the Risk Register through to the Internal Audit Strategy. Regarding comments from the Committee around the lack of an Audit Area for Planning more broadly than Planning Applications, he would incorporate this into the discussions over the upcoming weeks with a view to updating the draft plan that would come to the March Committee meeting.

Whereupon it was

RESOLVED

that the Committee commented on and noted the Internal Audit Strategy for 2026/27.

45 Internal Audit Progress Report

The Committee received a report (a copy of which is appended in the Minute Book) providing it with an update on the work of the Internal Audit Service since the last meeting and the progress against the Internal Audit Plan 2025/26 that was approved by the Committee at its 25th March 2025 meeting.

The Audit Manager, Dan Harris of RSM set out the report, noting that good progress made with the Internal Audit Plan and the Audits had run largely in line with the original agreed timing. Furthermore, he commended the general co-operation and engagement across the board and confirmed he was confident he would be able to provide a year-end opinion.

The Committee received assurance from the Head of Democratic Services and Monitoring Officer around how seriously the Capacity Planning report was being taken and its contents would be addressed as soon as possible. Regarding the known system issue referenced in the General Ledger, the Audit Manager advised that the implementation dates for actions was 31st January and an update would come to the next Committee meeting. The Interim Corporate Director - Finance & Resources assured the Committee that all of the actions agreed had been dealt with, apart from 1 outstanding item with the finance platform TechOne. Work was ongoing with TechOne who would provide an upgrade patch to rectify this matter, and the Committee would be provided with an update at the next Committee meeting.

Whereupon, it was

RESOLVED

that the report on the update on work undertaken by Internal Audit to date, be received and noted.

46   **Internal Audit Actions Update**

The Committee received a report (a copy of which is appended in the Minute Book) setting 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, drawing particular attention to the visual representation of Internal Audit Actions and having that split by priority, which was requested by the Committee at its previous meeting. Officers would continue to work with RSM to increase the sophistication of reporting in order to have more detailed representation moving forward.

The Committee referenced the graph in paragraph 3.1 of the report and were of the opinion that it would be useful to include how many actions were carried forward so that the net change would be visible. The Head of Democratic Services and Monitoring Officer noted the request and confirmed officers were continuing to improve reporting and would look to include this information. The Committee also felt that it would be useful if the Action Detail had some context as to what was being addressed or what had gone wrong, and asked if there was a way of ensuring the actions were clear as to what they were trying to resolve.

The Interim Corporate Director – Finance and Resources advised that in terms of Reference 3381, officers were still working with TechOne on a patch upgrade to rectify this. In response to a question from the Committee regarding Reference 4640 which appeared to have been resolved, she would take that away and circulate a response advising why it was still included on the list of outstanding actions.

Whereupon, it was

RESOLVED

that the report on the current position regarding actions arising from internal audit reports, be received and noted.

47   Auditor's Annual Report 2024-25

The Committee received a report (a copy of which is appended in the Minute Book) setting out the Auditor's Annual Report for 2024/25, including the commentary on the Value for Money arrangements for the Council.

The Audit Partner, Ernst & Young LLP, Claire Mellons set out the report and invited questions from the Committee.

In response to questions from the Committee, the Audit Partner, Ernst & Young LLP advised that she could not issue the certificate for closure of the Audit until the National Audit Office had completed their work on the whole of government accounts, however this would not prevent her signing off her audit opinion on the financial statements or concluding on Value for Money work. She advised that Ernst & Young LLP were on target to complete all of the planning procedures for 2024/25 which was the biggest building block in terms of the Council getting back to full assurance. There were a number of questions around the logistics of Audit Opinions in relation to Local Government Reorganisation that Ernst & Young LLP were discussing. The Firm had started to get some steer from Government where they should be focusing their directions and the intention was that over the following 3-6 months, they should be able to give the Committee more certainty on what the Council's path was going to look like. There needed to be careful thought over the coming years over the logistics of the accounting and audit work for Constituent Authorities in the context of LGR.

In response to a query from the Committee as to the overspend relating to the additional costs arising from the creation of the transformation and community health funds, the Audit Partner, LLP would respond after the meeting as to where this information had been taken from.

Whereupon, it was

RESOLVED

that the Committee commented on and noted the Auditor's Annual Report 2024/25.

48   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.

49   Exclusion of Press and Public

RESOLVED

that the press and public be excluded from the meeting because the business to be transacted contains exempt information relating to action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

50   CyberSecurity Update

An exempt report from the Chief Digital Information Officer was submitted (a copy of which is appended in the Minute Book).

Following a detailed presentation from the Chief Digital Information Officer, the Committee received responses to a number of questions which had been raised during the course of its discussions.

Whereupon, it was

RESOLVED

that the exempt report and its contents, be acknowledged.

Chair

February	March	April	May	June	July	August	September	October	November	December	January	February2	March2
4th Silver Induction		VICR & Graduated Response	Resilience Direct	Initial Incident Response - Silver Handbook	Command & Control Plan	Crisis Comms Plan	Severe Weather Plan / Flood Plan	Rest Centre Plan	Bridges Plan				
				Loggist training 1 day CCC	**2nd/3rd** GBS Tactical Response			Possible Bronze training (TBC)			Possible Gold Training (TBC)		
8th CPLRF Briefing - Cyber					**8th** CPLRF Briefing - EA		**8th** JESIP	**5th** JESIP	**3rd** JESIP				
	18/19th CPLRF Tactical Training	**13th** CPLRF Briefing - TCG's	**18th** CPLRF Briefing - Warn & Inform						**16th** CPLRF Briefing - Network Rail				
	23rd CPLRF Briefing - MOD						**28th** CPLRF Briefing - SCG's						

	CPLRF Training/Exerc
	External Training
	Internal Training
	Tactical Action Learning
	HDC Exercise

May-25	June	July	August	September	October	November	December	January 2026	Feb-26	Mar-26	Apr-26
14th Silver Induction Option 1	**3rd** Tactical Silver Command Course	**7th** Tactical Silver Command Course						**30th** Strategic Command Course			
21st Silver Induction Option 2	**4th** Tactical Silver Command Course	**8th** Tactical Silver Command Course									
	19th CPLRF Strategic Commander Development Day			HDC Major Incident Plan CPLRF Command & Control Plan	HDC Rest Centre Plan/ CPLRF SPICE Plan	Bridges Plan	Crisis Communications Plan		Marauding Terrorist - Staff Safety & Security Plan		Action Card & Silver Handbook review
	25th Silver Induction Option 3	**16th & 23rd** Graduated Response, Virtual Incident Control Room	**19th & 27th** CPLRF Severe Weather Plan, CPLRF /HDC Flood Plans	**18th** Exercise Running Duck 2		**25th** CPLRF JESIP Command Training					
	25th Pre Rota start catch up	**30th** CPLRF Severe Weather Plan, CPLRF /HDC Flood Plans				Exercise Border Fist					
		31stCPLRF Pipeline Exercise									

	CPLRF Training/Exercise
	External Training
	Internal Training
	Tactical Action Learning
	HDC Exercise & Testing

February	March	April	May	June	July	August	September	October	November	December	January	February2	March2
4th Silver Induction		VICR & Graduated Response	Resilience Direct	Initial Incident Response - Silver Handbook	Command & Control Plan	Crisis Comms Plan	Severe Weather Plan / Flood Plan	Rest Centre Plan	Bridges Plan				
				Loggist training 1 day CCC	**2nd/3rd** GBS Tactical Response			Possible Bronze training (TBC)			Possible Gold Training (TBC)		
8th CPLRF Briefing - Cyber					**8th** CPLRF Briefing - EA		**8th** JESIP	**5th** JESIP	**3rd** JESIP				
	18/19th CPLRF Tactical Training	**13th** CPLRF Briefing - TCG's	**18th** CPLRF Briefing - Warn & Inform						**16th** CPLRF Briefing - Network Rail				
	23rd CPLRF Briefing - MOD						**28th** CPLRF Briefing - SCG's						

	CPLRF Training/Exerc
	External Training
	Internal Training
	Tactical Action Learning
	HDC Exercise

May-25	June	July	August	September	October	November	December	January 2026	Feb-26	Mar-26	Apr-26
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21st Silver Induction Option 2	**4th** Tactical Silver Command Course	**8th** Tactical Silver Command Course									
	19th CPLRF Strategic Commander Development Day			HDC Major Incident Plan CPLRF Command & Control Plan	~~HDC Rest Centre Plan/ CPLRF SPICE Plan~~	Bridges Plan	~~Crisis Communications Plan~~		Marauding Terrorist - Staff Safety & Security Plan		Action Card & Silver Handbook review
	25th Silver Induction Option 3	**16th & 23rd** Graduated Response, Virtual Incident Control Room	**19th & 27th** CPLRF Severe Weather Plan, CPLRF /HDC Flood Plans	**18th** Exercise Running Duck 2		**25th** CPLRF JESIP Command Training					
	25th Pre Rota start catch up	**30th** CPLRF Severe Weather Plan, CPLRF /HDC Flood Plans				Exercise Border Fist					
		31stCPLRF Pipeline Exercise									

CPLRF Training/Exercise	
External Training	
Internal Training	
Tactical Action Learning	
HDC Exercise & Testing	

Public
Key Decision – No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Corporate Risk Register

Meeting/Date: Corporate Governance Committee
18 March 2026

Executive Portfolio: Executive Councillor for Governance &
Democratic Services
Cllr Jo Harvey

Report by: Corporate Director – Finance and Resources

Wards affected: All

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 A breakdown of the actions and/or activities that have taken place for the risks with targets has been provided below:

3.1.1 **CORP0006 Resilience** –Training for Gold, Silver and Bronze officers have been completed, this means the Council is now compliant across all required levels of Emergency Planning. Gold officer training was conducted in January 2026 this focused on legal considerations, importance of record keeping and strategic leadership responsibilities. HDC were praised at a local and national level on their response to the Major Incident linked to the National Rail incident.

Business Continuity arrangements are subject to ongoing training, exercising and quarterly governance oversight. The Councils BCP Steering group has now identified the priority themes that require support to get back running in times of an incident or critical failure. Business Continuity review will take place throughout April.

3.1.2 **CORP0008 Regulatory** – The Council continues to keep a strategic watch on legislative developments through horizon scanning, Statutory Officer discussions, and regular meetings of both the internal Governance Board, relevant professional bodies, and the Senior Leadership Team. This will support timely updates to governance frameworks and ensure appropriate reporting to the Corporate Governance Committee. The effectiveness of these arrangements will be monitored on an ongoing basis.

3.1.3 **CORP0009 Fraud** – The programme of fraud, bribery and corruption risk assessment workshops continues to progress, with sessions now also delivered to the Chief Executive and Corporate Leadership Team alongside further mop-up workshops to support service engagement. The next phase of the programme will include external validation and follow-up work to review fraud risks recorded within the 4Risk system, with a final report and recommendations expected thereafter. In addition, mandatory

online fraud awareness training has been made available to all staff to strengthen organisational awareness, with confirmation of completion rates currently being obtained. This activity supports the development and implementation of the Anti-Fraud, Bribery and Corruption Strategy 2025–2028.

3.1.4 **CORP0010 Data Protection** – Two Internal Audit actions arising from the Cyber Security audit remain in progress and are reported in Item 6 - Internal Audit Actions Update. The Internal Audit team continues to monitor delivery through regular updates from action owners. Both actions have a target date of 30 April 2025, with delivery supported through an established project plan.

3.1.5 **CORP0012 Staffing** – The Council continues to make steady progress in delivering its Workforce Strategy to meet future skills and workforce needs. The strategy supports attraction, retention, staff development, engagement, and well-being, helping position the Council as an employer of choice. Implementation is underway, with elements already embedded and full transition to business-as-usual targeted for August 2026. Currently 32 actions completed, 11 in progress and 6 to start.

3.1.6 **CORP0016 Transformation** – Since the last report to Committee, Officers have continued to progress further enhancements following the actions found in the internal audit report. Regular progress updates are being provided on actions.

3.1.7 **CORP0017 Safeguarding** – The Council continues to make positive progress in safeguarding training compliance. Delivery of the three core safeguarding courses remains ongoing, with over half of assigned staff having completed the required training. To drive further improvement towards full compliance, HR has issued targeted reminders to staff with outstanding training and set a deadline for completion by the end of March. The Safeguarding Board will receive a year-end update on completion levels and will oversee further escalation where training remains outstanding.

These actions reflect the Council's continued focus on strengthening safeguarding awareness and accountability across services.

3.1.8 **CORP0018 Equality, Diversity and Inclusion (EDI)** – The Council has launched a new Equality, Diversity, and Inclusion (EDI) Group to reinforce its commitment to fostering an inclusive culture across HDC, where all individuals feel valued, respected, and supported to thrive. The group met at the end of January and have started various work streams and have already had successful outcomes including securing a dedicated prayer room for staff and new accessibility doors being installed.

3.1.9 **CORP0019 Local Government Reorganisation (LGR)** – Officers continue to progress actions arising from the enterprise-wide review of risks associated with Local Government Reorganisation. The LGR risk register remains embedded within routine risk management

arrangements, with all 12 identified risks allocated to named owners and subject to agreed review schedules.

4. RISK MANAGEMENT STRATEGY

4.1 The draft Risk Management Strategy and Policy remains under review and will progress through the appropriate governance process before being presented to this Committee for consideration and approval.

4.2 Training on the 4Risk system continues to be rolled out across service areas to support consistent logging of risks. This will support improved consolidation and analysis of risk data, helping to ensure that principal risks are identified, monitored and managed effectively.

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

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

6. RESOURCE IMPLICATIONS

6.1 Risk Management is now provided by the Risk Team.

LIST OF APPENDICES INCLUDED

Appendix 1 - Corporate Risk Register Summary
Appendix 2 - Risk Heat Maps

CONTACT OFFICER

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

APPENDIX 1 –
CORPORATE RISK REGISTER SUMMARY

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 (People)	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	Interim Corporate Director - Finance & Resources	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	Interim Corporate Director - Finance & Resources	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 (People)	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)	Medium (3:2=6)
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)
CORP0020	Increase in complexity of ER cases	Increasing level of complex ER cases which increases legal exposure and staff dissatisfaction	Head of HR & OD	High (3:3=9)	Low (2:2=4)	Low (2:2=4)
CORP0021	Data breach involving HR records	Because of human error or insecure data handling, confidential HR data may be accessed inappropriately, which would lead to GDPR breaches.	Head of HR & OD	High (3:4=12)	Low (2:2=4)	Low (2:2=4)
CORP0022	System failure affecting Payroll or HRIS	Because of system outages, HR or payroll processes may be disrupted, which would lead to delays in payments or reporting.	Head of HR & OD	High (2:4=8)	Low (1:2=2)	Low (1:2=2)
CORP0023	High levels of sickness absence	Because of health trends, workplace issues or poor attendance management, sickness levels may rise, which would lead to service disruption.	Head of HR & OD	High (3:3=9)	Low (2:2=4)	Low (2:2=4)
CORP0024	Mandatory Training - non completion	Because of limited time or awareness, statutory or mandatory training may be missed, which would lead to compliance failures.	Head of HR & OD	Medium (2:3=6)	Low (1:2=2)	Low (1:2=2)

Impact		1 = Improbable	2 = Unlikely	3 = Occasional	4 = Likely	5 = Almost Certain
5 = Critical				12	2	
4 = Major				13 14 15 / 16 18 19	3 4 5 / 6 7 8 / 9 10 11	1
3 = Significant				21 22	17 20	
2 = Minor				24	23	
1 = Trivial						

Likelihood

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			20 21 22	19		
1 = Trivial			23 24			

RISK HEAT MAPS: TARGET RISK RATING

Page 23

| | Likelihood | 1 = Improbable | 2 = Unlikely | 3 = Occasional | 4 = Likely | 5 = Almost Certain |

Risk matrix grid:

- 5 = Critical row: (2 = Unlikely) 2, 12
- 4 = Major row: (2 = Unlikely) 7, 15
- 3 = Significant row: (1 = Improbable) 11; (2 = Unlikely) 4, 5, 8, 9, 10, 13, 14, 16, 17; (3 = Occasional) 1, 3
- 2 = Minor row: (2 = Unlikely) 6, 18, 19, 20, 21, 22
- 1 = Trivial row: (2 = Unlikely) 23, 24

Impact (vertical axis): 5 = Critical, 4 = Major, 3 = Significant, 2 = Minor, 1 = Trivial

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Public
Key Decision – No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Draft Internal Audit Plan for 2026/27 and Internal Audit Charter

Meeting/Date: Corporate Governance Committee
18 March 2026

Executive Portfolio: Executive Councillor for Governance & Democratic Services
Cllr Jo Harvey

Report by: Corporate Director – Finance and Resources

Wards affected: All

Executive Summary:

RSM have prepared an Internal Audit Plan for 2026/27 following consultation with the Corporate Leadership Team. The document is presented alongside the Internal Audit Charter, which sets out the purpose, authority and responsibilities of the Internal Audit function.

The proposed plan has been developed to provide sufficient audit coverage during 2026/27 to enable the Head of Internal Audit to provide an annual opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework.

Recommendation:

The Committee is

RECOMMENDED

To note, comment on and accept the draft Internal Audit Plan for 2026/27.

1.   PURPOSE OF THE REPORT

1.1   This report sets out for the Committee the Internal Audit Plan for 2026/27 which has been prepared by RSM following discussions with Corporate Leadership Team, reference to the Corporate Risks and the professional judgement of the partner from RSM acting in the capacity of Head of Internal Audit.

2.   BACKGROUND

2.1   The work of the Internal Audit function plays an important role in supporting the organisation's governance, risk management and internal control arrangements. Internal audit reviews provide assurance on the effectiveness of controls and processes and identify opportunities for improvement where appropriate.

2.2   This work supports delivery of Priority 3 of the Corporate Plan (2023–2028), which focuses on 'doing our core work well' by delivering good quality, high value-for-money services with good control and compliance with statutory obligations.

2.3   RSM have prepared their Internal Audit Plan for 2026/27 with the aim of having providing sufficient coverage to enable the Head of Internal Audit to provide an annual opinion at the end of the financial year.

2.4   The proposed Internal Audit Plan is attached at Appendix 1 and will be presented to the Committee by representatives from RSM.

2.5   For planning purposes, it is anticipated that the final Internal Audit Plan will comprise no more than 20 audits. This provides a reasonable working assumption for overall workload and resource allocation. However, it is recognised that the scope, complexity and duration of individual audits vary, and therefore the final number may be adjusted to ensure that the plan remains deliverable within available resources and maintains the required level of audit quality

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 Plan for 2026/27 prepared by RSM LLP

CONTACT OFFICER

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                   Finance and Resources
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Email: Lydia.Morrison@huntingdonshire.gov.uk

HUNTINGDONSHIRE DISTRICT COUNCIL

Internal Audit Strategy 2023/24 – 2028/29 including the 2026/27 Internal Audit Plan

Presented at the Corporate Governance Committee meeting of: 18 March 2026

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RSM

CONTENTS

Appendices

EXECUTIVE SUMMARY

Our approach to developing your internal audit plan is based on analysing your corporate objectives, risk profile and assurance framework as well as other, factors affecting Huntingdonshire District Council in the year ahead, including changes within the sector.

Our Internal Audit Plan for Huntingdonshire District Council is presented for approval by the Corporate Governance Committee (CGC) at this meeting. The Committee are asked to approve the Internal Audit Plan and associated Internal Audit Charter. During the year, we will continue to work with management and hold regular meetings to deliver an internal audit programme which remains flexible and agile to ensure it meets your needs. The key points to note from our plan are:

Your core team are Dan Harris / Alastair Foster who are supported by specialists, as required.

Number of deliverables: 20 reviews, including one audit delivered by specialist technology risk staff. Monthly attendance at CLT meetings, monthly highlight reports, regular liaison with the CEO and S151 Officer, and attendance at CGC meetings. **Please note that this plan currently includes 24 reviews, which will be prioritised down to 20 as the year progresses, this will be reported to the CGC.**

Flexible and agile approach to deliver in order to respond to your needs.

We will complete c350 days coverage in 2026/27. This will allow us to provide a range of audits, supervise the work of 2 members of staff within the in-house team and provide coaching and development to the team. It also includes an allocation for ongoing advice and assistance to Chief Officers.

Technology toolkit – 4questionnaires, Alteryx, PowerBi

Internal Audit Charter, at Section 3.2.

'RSM generally conforms to the requirements of the IIA Standards' and RSM IA also generally conforms with the other Professional Standards and the IIA Code of Ethics'.

Annual Internal Audit Plan and Methodology

01
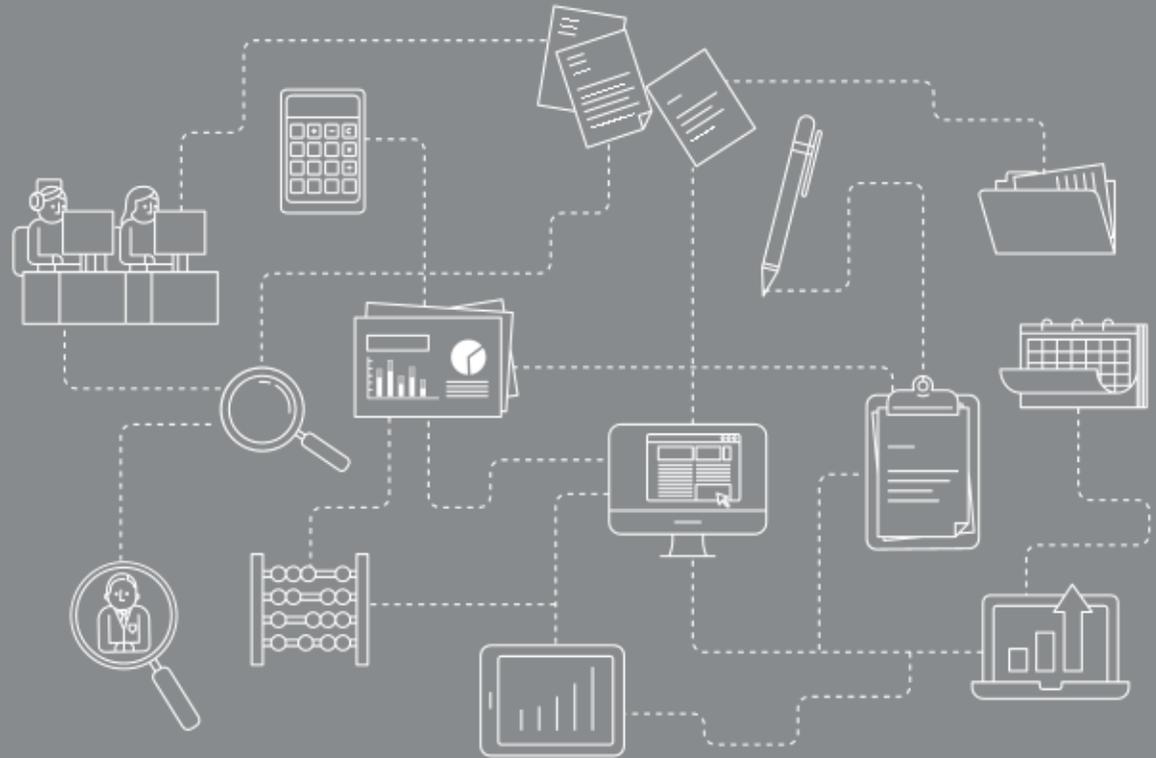
1.1 INTERNAL AUDIT PLAN 2026/27

The table below shows each of the reviews that we propose to undertake as part of the internal audit plan for 2026/27. The table details the strategic risks / strategic objectives which have focused our internal audit coverage. This review of your risks allows us to ensure that the proposed plan aligns with the organisation's assurance needs for the forthcoming and future years. It is intended that fourteen audits will be delivered by the inhouse team with RSM scoping, oversight and management, and a further six audits delivered directly by RSM.

	Audit approach	Proposed timing	Proposed CGC Reporting
Risk Driven Coverage			
Business Continuity Planning A review of plans, policies and procedures to respond to a major incident or critical event that could impact Council operations. The Council has completed test exercises and this area is crucial to ensure resilience throughout LGR transition. **Risk CORP0006: Resilience**	Risk based	Q1 2026/27	Q1 2026/27
Transformation – Follow Up Previous coverage - Key programme and project management review to assess how Transformation projects are developed and plans delivered, how benefits are tracked and realised and if stakeholders are assured on progress of the transformation agenda. A new Head of Transformation and Corporate Reporting has been appointed. The 2026/27 review will be a follow up of the key issues and management actions arising from the 2025/26 negative assurance opinion. **Risk CORP0016 – Transformation**	Follow Up	Q2 2026/27	Q2 2026/27
Safeguarding To ensure that all Officers and volunteers in a regulated role are subject to the necessary checks and references prior to working with children and vulnerable adults. We will also review the level of training and awareness across the Council, including the operation of the CEO led Safeguarding Board. **Risk CORP0017 – Safeguarding**	Risk based	Q2 2026/27	Q3 2026/27
Recruitment and Retention To review the recruitment process from end to end, from the point of identifying a vacancy through to obtaining employment contracts. We will also review key controls in relation to retention of staff and key posts. **Risk CORP0012 - Staffing**	Risk based	Q1 2026/27	Q2 2026/27

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	Audit approach	Proposed timing	Proposed CGC Reporting
Data Quality and Performance Management (People/HR Data Quality) The audit will focus on how performance data is collated, reviewed and reported. This will include review of the Data Quality Policy and associated procedures, assessing whether it is fit for purpose and understood, whether governance of data quality is clear and adhered to, and whether it is followed within the KPIs. For a specific sample of data, we will substantiate the data back to source. A new Head of Transformation and Corporate Reporting has been appointed. To potentially cover people / human resources data and reporting **Risk CORP0002: Service Quality**	Risk based	Q2 2026/27	Q2 2026/27
Preparedness for Local Government Reorganisation (LGR) Assurance review to examine the internal controls, governance and risk management framework as the Council seeks to prepare for transition. This will include consideration of how risks are identified and assessed, how responsibilities and transition plans are established and monitored, and the governance and reporting arrangements, as well as controls relating to resilience and use of resources. **Risk CORP0019: Local Government Reorganisation**	Risk based	Q3 2026/27	Q3 2026/27
Health and Safety To consider the health and safety arrangements within the Council, including update of policies and procedures, completion of mandatory training and risk assessments, as well as governance arrangements. This will include maintenance in open spaces and countryside to ensure there are appropriate operating procedures, oversight and governance. **Risk CORP0007 – Health and Safety**	Risk based	Q3 2026/27	Q3 2026/27
IT Disaster Recovery To provide assurance over the effectiveness of the IT systems and processes and controls from a disaster recovery perspective. We will consider the IT Disaster Recovery Plan, the back up processes, as well as the DR Plan and testing arrangements. **Risk CORP0001: Cyber**	Risk based	Q4 2026/27	Q4 2026/27
Core Assurance			
Capital Expenditure – Follow Up Previous review - To review key controls and governance arrangements in place to prioritise the capital plan and monitor delivery and financial expenditure. The 2026/27 review will be a follow up of the key issues and management actions arising from the 2025/26 negative assurance opinion.	Follow Up	Q3 2026/27	Q3 2026/27

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	Audit approach	Proposed timing	Proposed CGC Reporting
Creditor Payments – Follow Up	Follow Up	Q3 2026/27	Q3 2026/27
Previous 2025/26 review - Coverage to provide assurance to the S151 Officer that robust systems of financial control are in place and being complied with. Coverage will also meet External Audit / Regulatory requirements and any management concerns. Focus will include policies and procedures, payment runs, no PO no pay policy, administration of new suppliers and changes to supplier details. The 2026/27 review will be a follow up of the key issues and management actions arising from the 2025/26 negative assurance opinion.			
General Ledger – Follow Up	Follow Up	Q3 2026/27	Q3 2026/27
Previous 2025/26 review - Coverage to provide assurance to the S151 Officer that robust systems of financial control are in place and being complied with. Coverage will also meet External Audit / Regulatory requirements and any management concerns. Focus will include journals, control account reconciliations, changes to the chart of accounts and access to TechOne. The 2026/27 review will be a follow up of the key issues and management actions arising from the 2025/26 negative assurance opinion.			
Risk Management / Maturity	Systems Based	Q4 2026/27	Q4 2026/27
This review will cover how risks are identified, assessed, scored, monitored and reviewed. We will consider how risk is used to information decision-making and for assurance processes, including how risk appetite is defined and applied, and how risks are monitored within the governance structure. This will follow on from the 2025/26 risk maturity review, where we found goo foundations had been put in place, but still agreed a number of management actions which need to be embedded in 2026/27.			
Insurance	Systems Based	Q2 2026/27	Q2 2026/27
To consider key controls in relation to the insurance of Council owned properties. This review could also consider the tendering of insurance services, claims handling and other key controls associated with insurance cover.			
Licensing and Environmental Health	Systems Based	Q2 2026/27	Q2 2026/27
The Council issues a range of licenses and regulatory controls linked to residents and businesses. These cover statutory and non-statutory functions. We propose to review to key controls in a selection of areas to provide assurance over adherence to Council policies and procedures. To include environment health as they have regulatory duties, issue licenses and are intertwined with Licensing; there is a programme of change in planned across both areas to modernise controls and systems.			

	Audit approach	Proposed timing	Proposed CGC Reporting
Car Parking Enforcement Civil Car Parking Enforcement commenced in August 2025. This review will seek to provide assurance that enforcement income is accurately recorded and reconciled. Cancellations and appeals are appropriately authorised, and monitoring arrangements are effective. Governance arrangements support transparency and accountability, and that ensures that processes are conducted in accordance with Traffic Management Act 2004.	Systems Based	Q3 2026/27	Q3 2026/27
Sickness Absence Management To provide assurance that sickness absence is accurately recorded and monitored. Trigger points and escalation procedures are consistently applied, in line the Council policies and procedures. Management information supports oversight and trend analysis. Sickness rates are rising but are lower than the national average of the public sector, but could be impacted as the Council prepares for LGR.	Systems Based	Q3 2026/27	Q3 2026/27
Mandatory Training To provide assurance that mandatory training rates are complied with, that controls and governance is in place to ensure mandatory training schedule is robust, subject to approval, and a review of controls in the learning and development team to ensure uptake is maximised.	Systems Based	Q3 2026/27	Q3 2026/27
Debt Management To provide assurance that debts are raised accurately and promptly. Aged debt is actively monitored and recovery action taken. Write-offs are appropriately authorised.	Systems Based	Q3 2026/27	Q3 2026/27
Community Health and Wealth Fund (CHAWS) The Council and Cabinet has approved a significant fund for community initiatives, estimated at £200k per year for the next three years. A pilot has been completed and new processes to award the funds to successful bidders who follow an application process. The Council will be looking to obtain private investment, as well as from public sector partners, including the Police and the NHS. This audit will consider how the Council demonstrates the impact of this work, how benefits are achieved, a review of the application and award process, and potentially payment controls.	Systems Based	Q4 2026/27	Q4 2026/27
Planning - Conservation and Specialists Team Covering Conservation, Trees, Biodiversity and Landscape specialists within the Planning service. All fit within the wider Planning function, the aim of which is to deliver and support growth – as linked in the Councils corporate ambitions. In a regulated area where the Council has statutory duties, we will consider the adequacy of policies and procedures review of applications and how the Council responds to consultations, considering quality and timeliness; and activities such as site visits. Inability to deliver growth is a key risk to the Council.	Systems Based	Q4 20/26/27	Q4 20/26/27

	Audit approach	Proposed timing	Proposed CGC Reporting
ICT Budget Management – Follow Up Specific Follow Up audit following the completion of the 2025/26 ICT Budget Management review due to the number of high and medium priority management actions identified to address control weaknesses. Note that at the time of drafting this Long List, the fieldwork was in progress, although the emerging picture shows a lack of robust controls. This review will be a follow up of the key issues and management actions arising from the 2025/26 negative assurance opinion.	Follow Up	Q4 2026/27	Q4 2026/27
Other Internal Audit Activity			
Disabled Facility Grant (DFG) Verification Annual grant verification review.	Grant Audit	Q2 2026/27	Q2 2026/27
Advice and Assistance An allocation to provide ongoing advice, support and assistance to the CLT.	Not applicable	Ongoing	Ongoing
Follow Up To meet internal auditing standards, and to provide assurance on action taken to address recommendations previously agreed by management.	Follow Up	Q4 2026/27	Q4 2026/27
Management This will include: • Annual planning • Preparation for, and attendance at, CLT and CGC • Regular liaison and progress updates to S151 Officer, Monitoring Officer, Portfolio Holder and CGC Chair • Liaison with external audit and other assurance providers • Preparation of the annual report and opinion.	Not applicable	Not applicable	Not applicable
Oversight of In-house team	Ongoing	Ongoing	Ongoing

A detailed planning process will be completed for each review, and the final scope will be documented in an Assignment Planning Sheet. This will be issued to the key stakeholders for each review.

Working with other assurance providers

The Corporate Governance Committee is reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not, seek to cover all risks and processes within the organisation.

We will however continue to work closely with other assurance providers, such as and external audit to ensure that duplication is minimised, and a suitable breadth of assurance obtained.
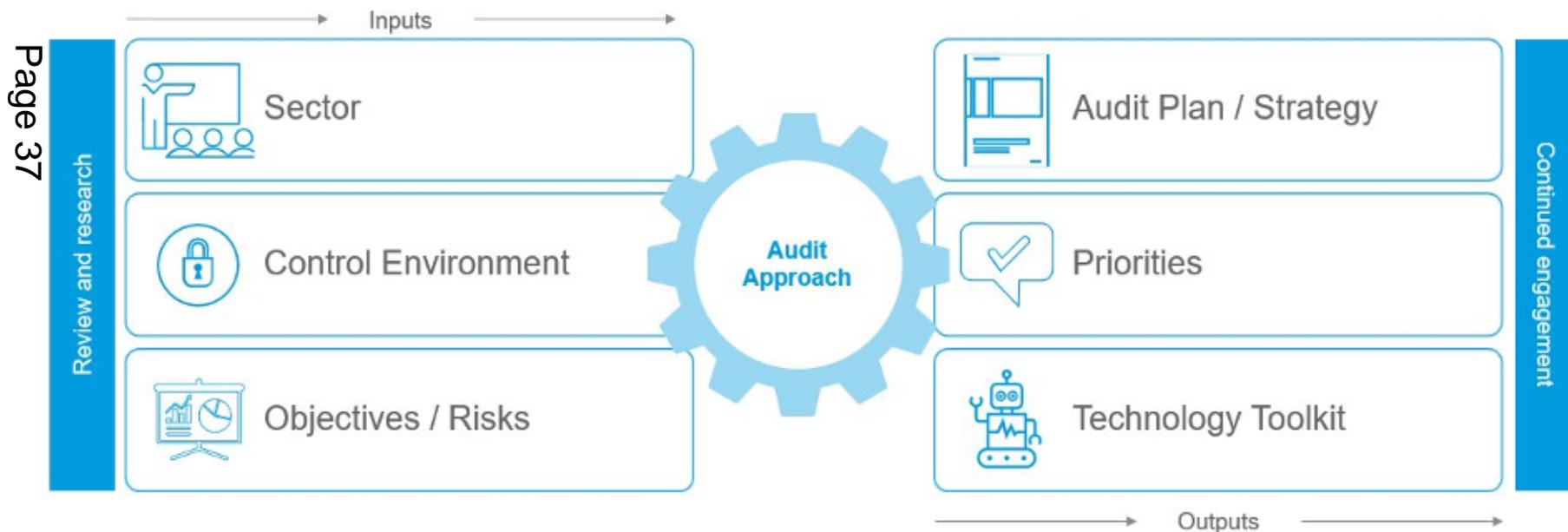
1.2 INTERNAL AUDIT METHODOLOGY

Our approach to developing your internal audit plan is based on analysing your organisational objectives, risk profile and assurance framework as well as other factors affecting Huntingdonshire District Council in the year ahead, including changes within the sector. We also discuss audit priorities and coverage with management and the CGC.

Risk management processes

We have evaluated your risk management processes and consider that we can place reliance on your risk registers / assurance framework to inform the internal audit strategy. We have used various sources of information (see Figure A below) and discussed priorities for internal audit coverage with senior management and the CGC to develop your annual audit plan and high-level strategic plan (See Section 2.1 and 3.2).

Figure A: Audit considerations when developing the Internal Audit Strategy.

Inputs

Review and research

Sector

Control Environment

Objectives / Risks

Audit Approach

Audit Plan / Strategy

Priorities

Technology Toolkit

Continued engagement

Outputs

Your Internal Audit Strategy
2023/24 – 2028/29

02

2.1 INTERNAL AUDIT STRATEGY 2026/27

The table below shows an overview of the audit coverage to be provided through RSM's delivery of the internal audit strategy. This has been derived from the process outlined in Section 1.1 above, as well as our own view of the risks facing the sector as a whole.

Audit Area	Strategic / Operational Risk	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Capital Expenditure	Risk CORP0004			Partial	✓		✓
Budgetary Control / Medium Term Financial Planning	Risk CORP0004		Reasonable			✓	
CIPFA Financial Management Code	Risk CORP0004	Adequate					
Insurance	Risk CORP0004				✓		
Procurement	Risk CORP0004		Limited	Partial* *follow up			
Contract Management	Risk CORP0004			Partial	✓		
ICT Budget Management	Risk CORP0004			✓	✓		
Key Financial Controls	Risk CORP0004		Limited	*Follow Up	*Follow Up	✓	✓
Creditors	Risk CORP0004			Partial	✓		
General Ledger	Risk CORP0004			Partial	✓		
Debt Management	Risk CORP0004				✓		
Car Parking					✓		
Payroll	Risk CORP0004			Reasonable			✓

Audit Area	Strategic / Operational Risk	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Business Continuity Planning	Risk CORP0006	Advisory			✓		✓
Recruitment and Retention	Risk CORP0012			Partial	✓		
Human Resources	Risk CORP0012	Adequate				✓	✓
Workforce Development Strategy	Risk CORP0012			Substantial			
Home and Hybrid Working	Risk CORP0012		Advisory				
Equality and Diversity	Risk CORP0018					✓	
Mental Health and Wellbeing	Risk CORP0012						✓
Mandatory Training					✓		
Sickness Absence Management					✓		
Data Quality and Performance Management (People/HR Data Quality)	Risk CORP0002			Partial	✓	✓	✓
Capacity Planning	Risk CORP0002			Advisory			
Safeguarding		Adequate			✓		
Corporate Governance	Risk CORP0005		Reasonable			✓	
Democratic Services	Risk CORP0005			Reasonable			✓
Risk Management	All risks			Advisory	✓	✓	✓

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Audit Area	Strategic / Operational Risk	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Partnerships / Collaboration	Risk CORP0013					✓	
Stakeholder Management	Risk CORP0014						✓
Complaints and Compliments				Reasonable			
Preparedness for Local Government Reorganisation (LGR)	Risk CORP0019				✓	✓	
Market Towns Programme	Risk CORP0016			✓			
Transformation	Risk CORP0016			Partial	*Follow Up	✓	✓
Community Health and Wealth Fund					✓		
Planning – Conservation and Specialists					✓		
Health and Safety	Risk CORP0007				✓		✓
Council Tax				Reasonable		✓	✓
Housing Benefits				Reasonable		✓	✓
Business Rates				Reasonable		✓	✓
CDIO Role				Advisory			
IT Remediation Review				Advisory			
Data Protection	Risk CORP0010			Advisory			✓
IT Disaster Recovery	Risk CORP0001				✓		

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Audit Area	Strategic / Operational Risk	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
GDPR Health-check	Risk CORP0010	Advisory				✓	
Artificial Intelligence							✓
Cyber Essentials	Risk CORP0001		Advisory			✓	
IT Audit / IT Procurement and Contract Management / Critical Application Security	Risk CORP0001	Advisory					
Disabled Facilities Grant		✓	✓	✓	✓	✓	✓
Tree Management	Risk CORP0011	Adequate					
Climate – Carbon Data / Environment	Risk CORP0011	Adequate					
Licensing and Environmental Health				✓			
One Leisure, Pool Operation Records / Leisure Provision	Risk CORP0007		Limited	*Follow Up			✓
Review of Commercial Estates rent review processes and invoicing / Estates Management			Limited	*Follow Up		✓	
Operations Vehicle Maintenance Processes			Reasonable			✓	
Green Bin Implementation and transfer to BAU operations			Reasonable				
Minor Works			Advisory				

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Audit Area	Strategic / Operational Risk	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Housing / Homelessness / Temporary Accommodation	Risk CORP0015					✓	✓
Follow Up	All risks		Reasonable	Reasonable	✓	✓	✓

As part of the planning process for 2026/27, the areas below were identified as potential audit areas to be included but have not been prioritised for the current audit year.

- Temporary Accommodation
- Equality, Diversity and Inclusion
- Health and Wellbeing
- Home and Hybrid Working
- Governance
- Democratic Services
- Cyber Essentials
- Artificial Intelligence
- Council Tax
- Housing Benefits
- Business Rates

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Your Internal Audit Service and Internal Audit Charter

03
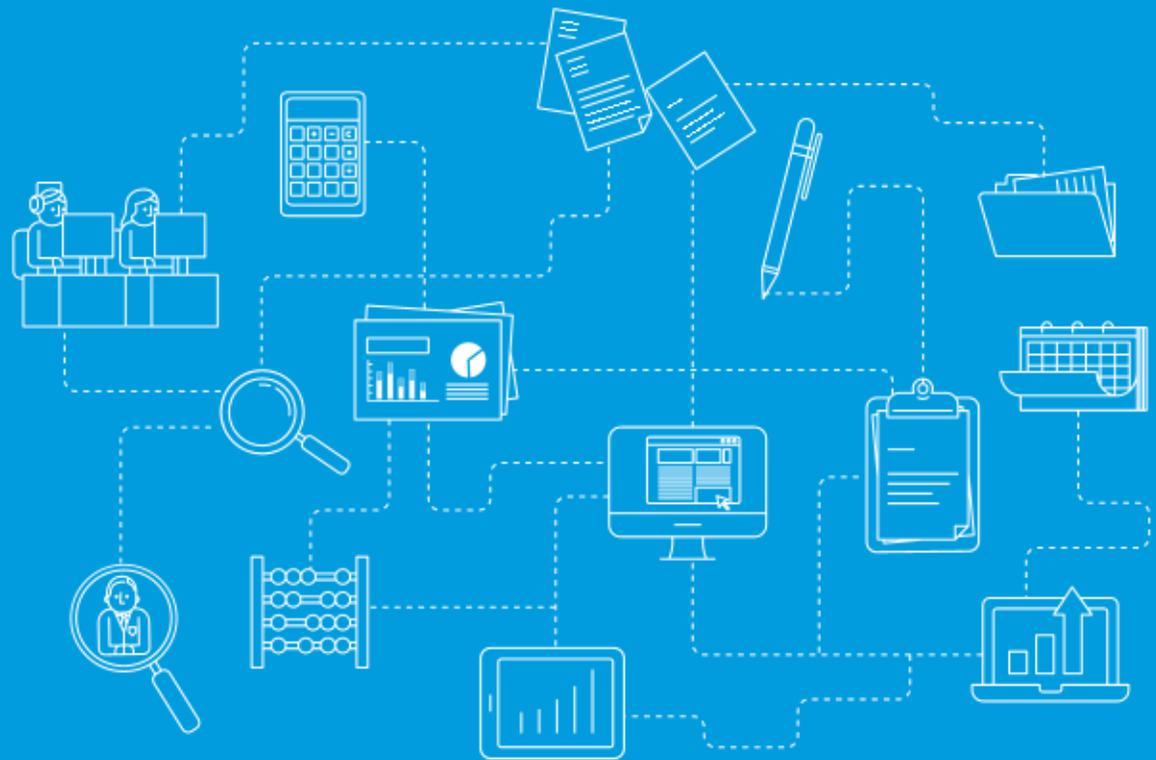
3.1 YOUR INTERNAL AUDIT SERVICE

Conformance with internal auditing standards

RSM affirms that our internal audit services are designed to conform to the Global Internal Audit Standards in the UK Public Sector. Our next external quality assessment (EQA) will take place in 2026.

Under the Standards, internal audit services are required to have an EQA every five years. Our risk assurance service line commissioned an external independent review of our internal audit services in 2021 to provide assurance whether our approach meets the requirements of the International Professional Practices Framework (IPPF), and the Internal Audit Code of Practice, as published by the Global Institute of Internal Auditors (IIA) and the Chartered IIA.

The external review concluded that RSM 'generally conforms* to the requirements of the IIA Standards' and that 'RSM IA also generally conforms with the other Professional Standards and the IIA Code of Ethics. There were no instances of non-conformance with any of the Professional Standards'.

* The rating of 'generally conforms' is the highest rating that can be achieved, in line with the IIA's EQA assessment model.

3.2 INTERNAL AUDIT CHARTER

Need for the charter

This charter establishes the purpose, mandate, authority, role and responsibilities for the internal audit service for Huntingdonshire District Council. The establishment of a charter is a requirement of the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. Our internal audit services are designed to conform with the Global Internal Audit Standards in the UK Public Sector.

Approval of the charter is the responsibility of the Council and Corporate Governance Committee.

The internal audit service is provided by RSM UK Risk Assurance Services LLP ('RSM').

Purpose

The purpose of the internal audit function is to strengthen Huntingdonshire District Council's ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight. We plan and perform our internal audit work with a view to reviewing and evaluating the risk management, control and governance arrangements that the organisation has in place, focusing in particular on how these arrangements help you to achieve its objectives.

Mandate

Authority

In approving this Charter, Huntingdonshire District Council grants RSM the mandate to provide the board and senior management with objective assurance, advice, insight and foresight.

The internal audit team is authorised by the board to:

- Have full and unrestricted access to all functions, records, data, information, property and personnel which it considers necessary to fulfil its role.

- Have full and free access to the Board.

- Allocate resources, set timeframes, define review areas, develop scopes of work and apply techniques to accomplish the overall internal audit objectives.

- Obtain the required assistance from personnel within the organisation where audits will be performed, including other specialised services from within or outside the organisation.

The head of internal audit and internal audit staff are not authorised to:

- Perform any operational duties associated with the organisation.

- Initiate or approve accounting transactions on behalf of the organisation.
- Direct the activities of any employee not employed by RSM unless specifically seconded to internal audit.

Independence and ethics

To provide for the independence of internal audit, its personnel report directly to Dan Harris (acting as your head of internal audit). The independence of RSM is assured by the internal audit service reporting to the chief executive, with further reporting lines to the Chief Executive, Section 151 Officer and Chair of the Corporate Governance Committee.

Through this charter, RSM confirms the organisational independence of internal audit annually. Should any changes in governance structure arise during the year, limiting independence, this will be brought to attention and the safeguards put in place communicated.

Circumstances may justify a follow-up discussion between the head of internal audit, board, and senior management on the internal audit mandate or other aspects of the charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant acquisition or reorganisation within the organisation.
- Significant changes in the head of internal audit, board, and/or senior management.
- Significant changes to the organisation's strategies, objectives, risk profile, or the environment in which the organisation operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

To assist the assessment; RSM is able to remain independent for the following reasons:

- As an outsourced provider of internal audit services to Huntingdonshire District Council, independence is inherent in our delivery and audit methodology.
- Our internal auditors do not have any operational responsibilities across Huntingdonshire District Council.
- No member of the audit team is employed by Huntingdonshire District Council.
- The head of internal audit reports to the Chief Executive and Corporate Governance Committee Chair.
- RSM methodology includes a second partner review (by another head of internal audit who does not work on Huntingdonshire District Council of the annual plan, the year-end annual report and opinion.
- The Internal Audit Charter details our role and responsibilities and the authority we have which enables us to undertake our internal audit service.

The head of internal audit has unrestricted access to the Chair of Corporate Governance Committee to whom all significant concerns relating to the adequacy and effectiveness of risk management activities, internal control and governance are reported.

Internal audit conforms with the Global Internal Audit Standards which includes the principles and standards of ethics and professionalism. Internal auditors maintain an unbiased mental attitude. This allows auditors to perform engagements objectively, and without their judgment on audit matters impacted by others, either in fact or appearance.

Conflicts of interest may arise where RSM provides services other than internal audit to Huntingdonshire District Council. Steps will be taken to avoid or manage transparently and openly such conflicts of interest so that there is no real or perceived threat or impairment to independence in providing the internal audit service. If a potential conflict arises through the provision of other services, disclosure will be reported to the Board. The nature of the disclosure will depend upon the potential impairment, and it is important that our role does not appear to be compromised in reporting the matter to the Board. Equally we do not want the organisation to be deprived of wider RSM expertise and will therefore raise awareness without compromising our independence.

RSM have provided Risk Management Support to the Authority in 2025/26 by supporting you to refresh your risk registers. We also continue to provide the 4Risk Risk Management software to the Authority. All of these engagements have been undertaken through a separate letter of engagement. We have put in place separate reporting lines and engagement partners, with the Head of Internal Audit having no direct involvement in these engagements. We are therefore actively managing any potential conflict of interest, and we have actively managed any potential self-review threat and conflicts ahead of accepting any of these engagements

Board oversight

In establishing the internal audit function, ensuring it is positioned independently and overseeing performance, the board will:

- Support and champion the mandate of internal audit, enabling it to fulfil its objectives, and working with senior management, enable unrestricted access to information and records.

- Discuss with the head of internal audit and senior management internal audit's authority, role, responsibilities, scope and types of services (assurance / advisory).

- Establish and protect the internal audit function's independence and ensure a direct reporting relationship, allowing the head of internal audit to discuss matters with the board without senior management present.

- Review, discuss other topics for inclusion, and approve annually the internal audit charter. This includes approving the mandate, the scope and internal audit services.

- Participate in discussions with the head of internal audit and senior management about the 'essential conditions' in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.

- Review the internal audit charter annually with the head of internal audit to consider changes affecting the organisation, such as changes in the type, severity, and interdependencies of risks.

- Approve the risk-based internal audit plan.

- Appoint and remove the internal audit function and approve our fee.

- Collaborate with senior management to determine the competencies, experience and qualifications required of the head of internal audit.

- Review internal audit performance and receive communications from the head of internal audit on performance relative to plan.

- Discuss the quality assurance and improvement programme (QAIP) and review the QAIP annual briefing sharing themes and learning from reviews undertaken across our client base.

- In collaboration with senior management, ensure internal audit has the resource to fulfil the mandate and internal audit plan. At least annually, discuss with the head of internal audit whether internal audit scope and resource is sufficient.

Internal audit responsibilities

In providing your outsourced internal audit service, RSM has a responsibility to:

- Develop a flexible and risk based internal audit strategy with more detailed annual audit plans. The plan will be submitted to the Board and senior management for review. The plan will be approved each year before work commences on delivery of that plan.

- Implement the internal audit plan as approved, including any additional tasks requested by management and the Board. The plan will be updated in response to organisational changes including risks, operations, programmes, systems and controls. All significant changes are communicated to the Board and senior management.

- Ensure the internal audit team consists of professional audit staff with the competencies, knowledge, skills, and experience to meet the requirements of the Global Internal Audit Standards in the UK Public Sector and enable internal audit to fulfil its mandate.

- Establish a quality assurance and improvement programme to ensure the quality and effective operation of internal audit activities.

- Perform advisory activities where appropriate, beyond internal audit's assurance services, to assist management in meeting its objectives and improving the efficiency of governance, risk management and internal control processes.

- Bring a systematic disciplined approach to evaluate and report on the effectiveness of risk management, internal control and governance processes.

- Highlight control weaknesses and required associated improvements together with corrective action recommended to management based on an acceptable and practicable timeframe.

- Undertake follow up reviews to ensure management has implemented agreed internal control improvements within specified and agreed timeframes.

- Identify themes, trends and emerging issues that could impact the organisation and where appropriate communicate matters to the board and senior management.

- Communicate the impact of resource limitations on the internal audit plan to the board and senior management.

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- Report regularly to the board to demonstrate the performance of the internal audit service.

- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the head of internal audit cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the board.

For clarity, we have included the definition of 'internal audit', 'senior management' and 'board'.

- Internal audit – a department, division, team of consultant, or other practitioner(s) that provides independent, objective assurance and consulting services designed to add value and improve an organisation's operations. The internal audit activity helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.

- Senior management / Corporate Leadership Team who are the team of individuals at the highest level of organisational management who have the day-to-day responsibilities for managing the organisation.

- Corporate Governance Committee - The highest-level governing body charged with the responsibility to direct and/or oversee the organisation's activities and hold organisational management accountable. Furthermore, 'board' may refer to a committee or another body to which the governing body has delegated certain functions (eg a Corporate Governance Committee).

Client care standards

In delivering our services we require full cooperation from key stakeholders and relevant business areas to ensure a smooth delivery of the plan. We proposed the following KPIs for monitoring the delivery of the internal audit service:

- Discussions with senior staff at the client take place to confirm the scope six weeks before the agreed audit start date.

- Key information such as the draft assignment planning sheet are issued by RSM to the key auditee six weeks before the agreed start date.

- The lead auditor to contact the client to confirm logistical arrangements at least 15 working days before the commencement of the audit fieldwork to confirm practical arrangements, appointments, debrief date etc.

- Fieldwork takes place on agreed dates with key issues flagged up immediately.

- A debrief meeting will be held with audit sponsor at the end of fieldwork or within a reasonable time frame.

- Draft reports will be issued within 10 working days of the debrief meeting and will be issued by RSM to the agreed distribution list / client portal.

- Management responses to the draft report should be submitted to RSM.

- Within three working days of receipt of client responses the final report will be issued by RSM to the assignment sponsor and any other agreed recipients of the report.

Reporting

An assignment report will be issued following each internal audit assignment. The report will be issued in draft for comment by management, and then issued as a final report to management, with the executive summary being provided to the Board. The final report will contain an action plan agreed with management to address any weaknesses identified by internal audit.

The internal audit service will issue progress reports to the Board and management summarising outcomes of audit activities, including follow up reviews.

As your internal audit provider, the assignment opinions that RSM provides the organisation during the year are part of the framework of assurances that assist the board in taking decisions and managing its risks.

As the provider of the internal audit service, we are required to provide an annual opinion on the adequacy and effectiveness of the organisation's governance, risk management and control arrangements. In giving our opinion, it should be noted that assurance can never be absolute. The most that the internal audit service can provide to the board is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes. The annual opinion will be provided to the organisation by RSM UK Risk Assurance Services LLP at the financial year end. The results of internal audit reviews, and the annual opinion, should be used by management and the Board to inform the organisation's annual governance statement.

Data protection

Internal audit files need to include sufficient, reliable, relevant and useful evidence in order to support our findings and conclusions. Personal data is not shared with unauthorised persons unless there is a valid and lawful requirement to do so. We are authorised as providers of internal audit services to our clients (through the firm's terms of business and our engagement letter) to have access to all necessary documentation from our clients needed to carry out our duties. Internal auditors are accountable for confidentiality and safeguarding records and information.

Quality Assurance and Improvement

As your external service provider of internal audit services, we have the responsibility for maintaining an effective internal audit activity. We have in place a quality assurance and improvement programme, consisting of both internal and external assessments. Internal assessments are led by a dedicated Quality Assurance Department who undertake these reviews. Under the standards, internal audit services are required to have an external quality assessment every five years. This ensures continuous improvement of our internal audit services.

Any areas which we believe warrant bringing to your attention, which may have the potential to have an impact on the quality of the service we provide to you, will be raised in our progress reports to the Board.

The head of internal audit will report annually to the board and senior management regarding the internal audit function's conformance with the Standards, which is assessed through a quality assurance and improvement programme. Themes and learning from Quality Assurance Department reviews undertaken across our client base will be shared. This includes how the principles in the Internal Audit Code of Practice have been applied

Fraud

The Board recognises that management is responsible for controls to reasonably prevent and detect fraud. Furthermore, the Board recognises that internal audit is not responsible for identifying fraud; however internal audit will be aware of the risk of fraud when planning and undertaking any assignments.

Approval of the internal audit charter

By approving this document, the internal audit strategy, the Corporate Governance Committee is also approving the internal audit charter.

FOR FURTHER INFORMATION CONTACT

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We are committed to delivering an excellent client experience every time we work with you. If you have any comments or suggestions on the quality of our service and would be happy to complete a short feedback questionnaire, please contact your RSM client manager or email admin.south.rm@rsmuk.com.

Public
Key Decision – No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Internal Audit Progress Report

Meeting/Date: Corporate Governance Committee - 18 March 2026

Executive Portfolio: Executive Councillor for Governance & Democratic Services – Councillor J Harvey

Report by: Internal Audit Manager – Dan Harris (RSM)
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 January 2026.

Recommendation:

The Committee is

RECOMMENDED

to comment on and note the update on work undertaken by Internal Audit to date.

1. PURPOSE OF THE REPORT

1.1 This purpose of this report is to provide an update of the work of the Internal Audit Service since the last meeting and progress against the Internal Audit Plan 2025/26 that was approved by the Committee on 25th March 2025.

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 the Internal Audit Service, be present at the meeting to present the report.

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 Progress Report from RSM LLP

CONTACT OFFICER

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HUNTINGDONSHIRE DISTRICT COUNCIL

Internal Audit Progress Report

Corporate Governance Committee – 18 March 2026

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.

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CONTENTS

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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 January 2026, we have finalised the following internal audit reports:

- Follow Up Part One **(Reasonable Progress)**
- Democratic Services **(Reasonable Progress)**
- IT Remediation Review (Advisory)
- Risk Management (Advisory)
- Data Protection (Advisory)

The folllowing internal audit reports have been issued in draft:

- Market Towns Programme
- Effectiveness of CDIO Role

Fieldwork for the following reviews is currently in progress:

- Follow Up Part Two
- ICT Budget Management and Efficiencies **[to note]**

Details of the progress made, and scheduling of the 2025/26 internal audit plan are included at Appendix A. **[To note]**
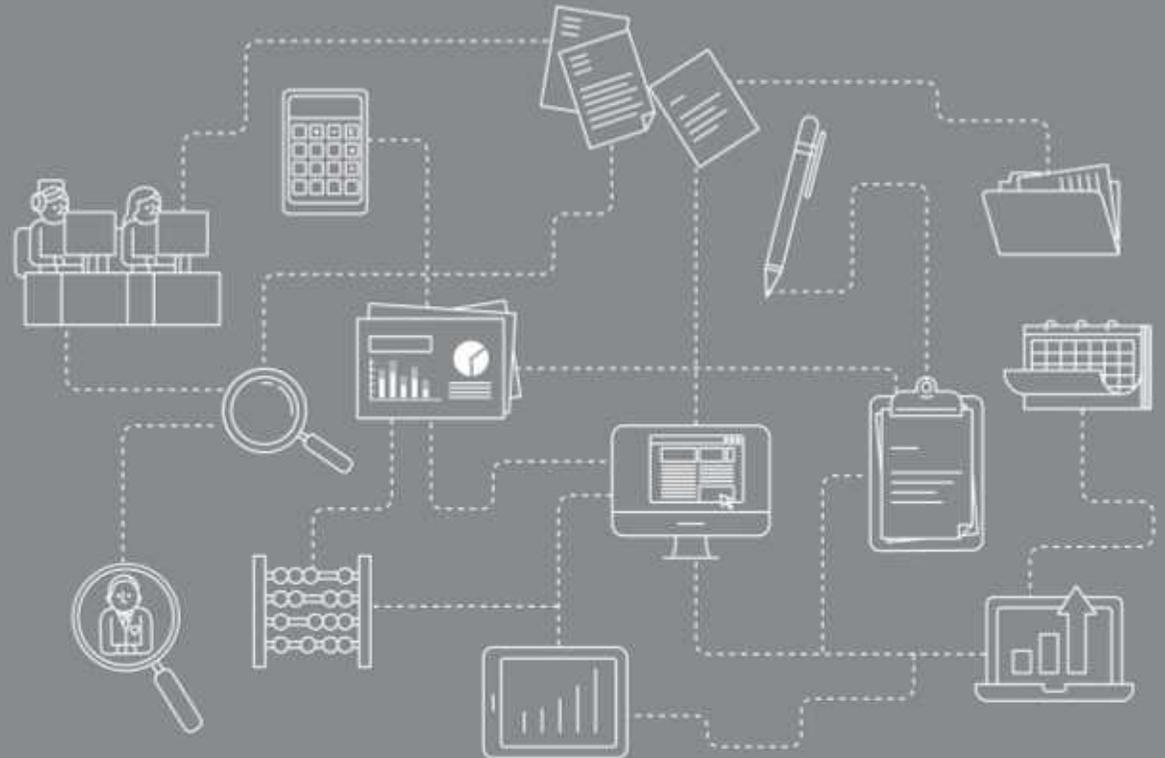
We have issued one Client Briefing covering the Employment Rights Bill.

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
Follow Up Part One 2025/26 Taking account of the issues identified and in line with our definitions, in our opinion Huntingdonshire District Council has demonstrated **Reasonable Progress** in implementing agreed management actions. We found that of the 13 management actions followed up in total, 11 had been fully implemented (85%). We found two medium priority actions were not implemented (15%). All high priority management actions were implemented (100%) and eight of the 10 medium priority management actions were implemented (80%). We have reiterated two medium priority management actions. We also agreed one new low priority management action relating to improving the control framework moving forward. No high priority actions	Reasonable Progress	1	2	0
IT Remediation Review (HDC Arrangements) 2025/26 Our assessment indicates that the introduction of the CDIO role has enabled HDC to deliver improvements as set out by the CDIO programme and has accelerated foundations for long-term improvement. Programme evidence and 360-degree feedback as part of the employee satisfaction survey for HDC point to a step change in leadership presence and alignment across digital and ICT, alongside a governance reset, improved transparency, cultural interventions, and measurable gains in user sentiment across key service attributes. The three-wave delivery framework has strengthened sequencing and dependency management, and a consolidated survey instrument evidence's year-on-year improvement in overall satisfaction and core service dimensions. Taken together, these outcomes demonstrate clear positive impact against the intent of the CDIO programme. Nevertheless, we identified areas where further action is needed to fully realise and sustain benefits. The operating model uplift is incomplete, with delays to recruitment (such as Enterprise Architect and Business Partnering) sustaining a single-point dependency on the CDIO. We have agreed two medium priority actions in relation to the above. Furthermore, while year-on-year satisfaction scores have improved, the survey results confirm that several user-level service gaps remain unresolved. Until the Council completes the planned Wave 2 - 3 activities to address these gaps, there is a continued risk that improvements delivered to date will not fully translate into a sustained uplift in user experience. No high priority actions	Advisory	0	2	0

Assignment	Opinion issued	Actions agreed		
		L	M	H

Risk Management 2025/26

Significant progress has been made in improving the Risk Management arrangements at the Council. The Council continues to make positive progress on its risk management maturity journey, with a clear commitment to strengthening and embedding the revised framework. The development of the updated Risk Management Strategy and Policy, along with the emerging risk appetite statement, demonstrates the Council's intention to enhance clarity, consistency and governance across its approach to risk management. The use of specialist software, ongoing oversight of corporate risks by CLT and CGC, and quarterly engagement between the Risk Manager and service-level risk managers provide a solid foundation to support further development.

However, work remains ongoing to fully embed the revised arrangements. The Strategy and Policy remain in draft and have not yet been presented for approval to the CGC, which limits the extent to which some elements of the framework can be fully implemented. However, the relevant touchpoints are currently being reviewed. We further noted that the revised framework has been led primarily by the Risk Manager, and although a structured handover is underway (the current risk manager is leaving for a new role), ensuring that succession arrangements are fully embedded will be important for sustaining progress and maintaining continuity.

While these areas highlight the need for continued development, the foundations already in place and the clear direction set through the revised framework position's the Council well to continue strengthening and embed it's enhanced risk management arrangements. Service-level risk registers showed variable maturity. We confirmed that updates were documented at corporate level; however, adequate oversight will be required to ensure consistent application across services, particularly with documenting the requirements of quarterly reviews. We also noted that service-level risk registers continue to evolve as part of the new framework, including the use of the three lines of defence model and the assignment of Heads of Service as risk owners.

No high priority actions

| | Advisory | 2 | 4 | 0 |

Democratic Services 2025/26

The audit found that core governance processes within Democratic Services are generally well-established and operating effectively, with several areas of good practice observed. Agenda planning is robust, with a comprehensive and well-maintained Agenda Plan that supports effective oversight of upcoming business for both Full Council and the Corporate Governance Committee. Minutes for both committees were found to be consistently well-structured, clear, and compliant with expected standards, and meeting frequency and quoracy requirements were fully met in all cases sampled. Committee papers were published and distributed in accordance with constitutional and legislative requirements and the newly developed SharePoint site represents a significant enhancement in ensuring secure, consistent, and well-governed document management across the service.

The review, however, identified some opportunities to strengthen governance arrangements further and as a result, one medium-priority and four low-priority management actions have been agreed with management. The Corporate Forward Plan was compliant, but several entries lacked a clear description of the decision to be taken, impacting transparency and engagement for members and the public.

| | Reasonable Progress | 4 | 1 | 0 |

Assignment	Opinion issued	Actions agreed		
		L	M	H
At the time of testing, the SharePoint site was well-designed and available for use across the team; however, the reliance on a single site owner to manage access permissions created an operational dependency (note management have since addressed this weakness). In addition, the Action Tracker requires enhancement: key data fields such as due dates and closure dates are not consistently captured, and gaps were identified in the completeness and clarity of recorded actions. The Tracker's scope is also limited, meaning not all actions arising from meetings are routinely monitored or reported. The Corporate Governance Committee receives routine updates on action progress.				

No high priority actions

Data Protection 2025/26

Our assessment indicates that HDC has established a maturing and increasingly structured data protection framework, with clear progress in several core control areas. The Council maintains an Information Asset Register aligned to key Record of Processing Activities (RoPA) requirements under Article 30 of the UK GDPR, operates active governance forums, delivers mandatory GDPR training, and has embedded Data Protection Impact Assessment (DPIA) processes for new systems and changes.

Management also highlighted that a new system, App Insight, is scheduled to go live in the coming weeks. This is expected to serve as a central catalogue for system information and compliance functions, improving visibility, consistency, and the accuracy of processing records over time. This represents a positive future enhancement to the Council's data protection control environment.

Nevertheless, we identified areas where further action is needed to embed consistency and improve assurance across data protection processes. Operational retention controls remain incomplete, with automated deletion, workflow-driven disposal and evidencable audit trails still under development as part of the Purview file plan project. The Information Asset Owner model is not yet consistently embedded across services, resulting in irregular maintenance of processing information. RoPA updates occur on an ad hoc basis without a structured review cycle, reducing confidence that long-standing or lower-risk processing records remain accurate. Third-party data deletion is not verified, staff are not required to acknowledge the AI policy before using AI tools, formal Key Performance Indicator (KPI) reporting for mandatory training has not yet been reinstated, and enhanced, risk-based training for higher-risk roles is not yet consistently in place.

Taken together, these gaps indicate that while meaningful progress has been made, further work is required to ensure processes are applied consistently, information remains accurate, and governance expectations are fully embedded across all services. Eight actions have been agreed, four medium priority, three low priority, and one advisory action, addressing retention, roles and responsibilities, third party assurance, training oversight and risk-based capability uplift. Completion of these actions, supported by the forthcoming implementation of App Insight, will strengthen the Council's ability to demonstrate effective data protection practice and maintain alignment with UK GDPR principles.

Advisory — 4 — 4 — 0

No high priority actions

Appendices

02

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

	Assignment	Status / Opinion issued / Start date	Actions agreed			Target CGC	Actual CGC meeting
			H	M	L		
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
7	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	Final Report – Advisory	1	3	1	November 2025	January 2026
15	General Ledger	Final Report – Partial Assurance	0	6	0	January 2026	January 2026
16	Workforce Development Strategy	Final Report – Substantial Assurance	0	0	1	March 2026	January 2026
17	Follow Up – Part 1	Final Report – Reasonable Progress	0	2	1	March 2026	March 2026
18	IT Remediation Review	Final Report – Advisory	0	2	0	March 2026	March 2026
19	Risk Management	Final Report – Advisory	0	4	2	March 2026	March 2026
20	Democratic Services	Final Report – Reasonable Assurance	0	1	4	March 2026	March 2026
21	Data Protection (Advisory)	Final Report – Advisory	0	4	4	June 2026	March 2026

	Assignment	Status / Opinion issued / Start date	Actions agreed			Target CGC	Actual CGC meeting
			H	M	L		
22	Follow Up – Part 2	Fieldwork in progress				June 2026	
23	Market Towns Programme	Draft Report				March 2026 (now June 2026)*	
24	Effectiveness of CDIO Role	Draft Report				March 2026 (now June 2026)*	
25	ICT Budget Management (replaces AI)	Fieldwork in progress				June 2026	

* These reports have been issued in draft, but we are awaiting a response from management to agree the action owners and dates.

APPENDIX B: OTHER MATTERS

There have been the following changes to the Internal Audit Plan for 2025/26 since the last meeting in January 2026.

Note	Auditable area	Reason for change
5	IT Reports	We have agreed with the CDIO to split the 'Effectiveness of CDIO Role' audit into two separate reports. One covers IT Remediation (HDC Arrangements), which has been finalised, and has been shared with 3CICT Partners. The other report will be shared with HDC only.

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

Note	Auditable area	Reason for change
1	Various Audits – Start date changes	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.
2	Articial Intelligence (AI)	We have been requested by the Section 151 Officer and the Chief Digital and Information Officer (CDIO) to replace the Articial Intelligence (AI) internal audit with a review into ICT Budget Management. We are in the process of scoping and scheduling this review.
3	Risk Management – start date change	The Risk Management review is now scheduled for Q4 at the request of the previous S151 Officer and the Monitoring Officer. This review will be 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.
4	Various IT Audits	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.

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 eight 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 eight opinions will impact the year end opinion.

We have completed one of the Follow Up audits where we have provided a positive assurance opinion (Reasonable Progress). As we had previously reported to the CGC, the Follow Up reviews are important in determining our overall conclusions with the respect to our annual opinion on governance, risk management and internal control. This is because they will be covering a number of the actions from the partial assurance opinions issued in 2025/26 and prior year negative opinion reviews.

We will keep the S151 Officer, and the wider CLT appraised of the potential impact on the year end opinion the remaining reports are finalised.

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.

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.

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FOR FURTHER INFORMATION 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
18 March 2026

Executive Portfolio: Executive Councillor for Governance &
Democratic Services
Cllr Jo Harvey

Report by: Interim Corporate Director – Finance and
Resources
(On behalf of Corporate Leadership Team)

Wards affected: All

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 audit actions arising from final Internal Audit reports. Progress on the completion of audit actions remains under regular review. While the additional pressures arising from Local Government Reorganisation have created some capacity challenges, Officers remain confident in their ability to deliver the required actions within acceptable timeframes. Officers will continue to monitor workloads closely and, where any capacity issues do arise in relation to audit actions, will ensure the Committee is appraised.

3. OVERLL PROGRESS SINCE THE LAST COMMITTEE MEETING

3.1 At the last Committee meeting there were 51 open internal audit actions.

Since then, 11 have been closed, meaning that 40 actions have been carried forward from the previous reporting period.

Only 1 new action was raised from completed audits during the period. An additional 2 previously closed internal audit actions were reopened following completion of the Follow Up Part 1 review.

As a result, there are currently 44 open internal audit actions, representing a net reduction of 7.

The bar chart below provides a visual summary of internal audit actions closed and raised since the last Committee meeting, split by priority.

Internal Audit Actions – Raised vs Closed
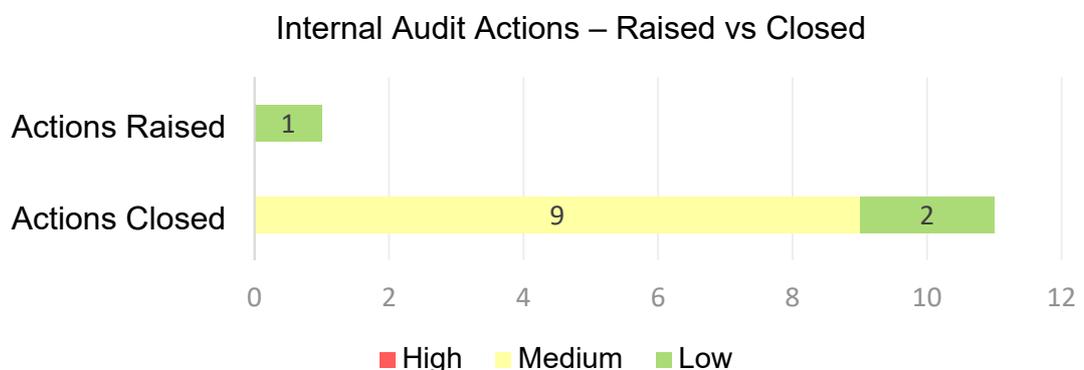
4. **CURRENT OPEN ACTIONS POSITION**

4.1 There are currently 44 open internal audit actions, comprising of 5 High, 27 Medium and 12 Low priority actions. Of these open actions, 2 are overdue.

4.2 Appendices 1 and 2 sets out all the actions that remain open from final internal audit reports. It includes the agreed management actions, original and revised target dates, and the latest updates provided by action assignees.

5. **ACTIONS CLOSED SINCE LAST COMMITTEE MEETING**

5.1 Since the last Committee meeting, 11 internal audit actions have been closed, comprising of 9 Medium and 2 Low priority actions.

5.2 Of the 11 closed actions, 9 were closed on or before their agreed target dates, and 2 were closed after their expected completion dates.

5.3 Full details of actions closed since the last Committee meeting, including closure dates and closure comments, are provided in Appendices 3 and 4.

6. **ACTIONS WITH REVISED TARGET DATES**

6.1 This section highlights internal audit actions where target dates have been revised. There are currently 18 open actions operating to revised target dates, of which 15 actions have had their target dates revised since the last Committee meeting.

6.2 The table below sets out the open actions that have had their target dates revised since the last Committee meeting, including the new due date and the reason for the change.

Details of all currently open actions, including historic target date revisions, are provided in Appendix 1.

Action Ref	Priority	Original Date	Revised Date	Action Summary	Update
General Ledger					
4630	Medium	30 June 2026	28 Feb 2027	Review and update the Financial Procedure Rules within the Constitution and implement a formal cycle for periodic review.	Target date aligned with the new capital and revenue governance process being implemented during 2026/27 ahead of the 2027/28 budget setting process.
4631	Low	31 January 2026	28 Feb 2027	Management will implement a formal document control process to ensure all procedures are updated to include version history, review dates, responsible individuals, and defined review frequency. Management will ensure procedures are subject to regular review.	Implementation aligned with the new governance and approval process being introduced during 2026/27 ahead of the 2027/28 budget setting process.
4632	Medium	31 Mar 2026	28 Feb 2027	Develop and implement a formal journal processing policy defining segregation of duties, approval requirements, supporting documentation standards and oversight arrangements.	Target date revised to align with the new governance and approval process being implemented by the Head of Service during 2026/27, ahead of the 2027/28 budget setting process.

4633	Medium	31 Mar 2026	28 Feb 2027	Introduce review and sample checking of high value journals.	Implementation aligned with the new governance and approval process being introduced by the Head of Service during 2026/27 ahead of the 2027/28 budget setting process.
4634	Medium	31 Mar 2026	28 Feb 2027	Review the current process for daily cash postings and bank reconciliations and implement strengthened segregation of duties where appropriate.	Target date revised to align with the wider governance and approval process being introduced by the Head of Service during 2026/27 ahead of the 2027/28 budget setting process.
4636	Low	31 Jan 2026	28 Feb 2027	Implement a formal review process for payroll reconciliations as part of the Finance month-end procedures, with completion and review evidenced.	Action aligned with the wider review of governance and approval processes being undertaken during 2026/27 ahead of the 2027/28 budget setting process.
4641	Low	31 Jan 2026	28 Feb 2027	Introduce a formal approval process for the creation and amendment of General Ledger codes, including defined roles and documented approvals.	Target date revised to align with the wider review of governance and approval processes being implemented by the Head of Service during 2026/27, ahead of the 2027/28 budget setting process.

Creditor Payments					
4171	Medium	31 Dec 2025	31 May 2026	Develop and maintain a formally approved financial approval register and scheme of delegation, setting out authorised approval limits and ensuring periodic review and oversight.	Target date revised to allow the interim Systems and Transactional Accountant time to familiarise themselves with the issue following the retirement of the previous postholder.
4173	Medium	31 Mar 2026	30 Jun 2026	Introduce monitoring through TechOne to identify instances where invoices are dated before PO approval, with exceptions escalated to CLT to reinforce compliance with the No PO No Pay policy.	Target date revised to allow the Head of Service and Systems and Transactional Accountant time to review the issue and implement the recommended approval process.
Housing Benefits					
3929	Low	31 March 2026	30 June 2026	Update, standardise, and complete all Housing Benefits procedures, addressing any gaps and monitoring delivery centrally.	Good progress is being made against the action, but the volume of very technical procedures requiring review has meant that this is taking longer than originally anticipated.

Committee Governance Structure

3716	Medium	31 March 2026	31 July 2026	The Constitution Review Working Group will evaluate the current scheme of delegation to identify gaps, ambiguities and areas where further detail is needed.	Given the complexity and breadth of this work, additional time and resource is required to complete the review to the necessary standard.

Key Financial Controls

3381	High	31 Mar 2025	31 May 2026	Work with the TechOne supplier to agree a resolution plan for the known Accounts Receivable balancing issue	Work with the TechOne supplier is ongoing, with additional time required for the interim Systems and Transactional Accountant to investigate the issue and progress corrective actions.

Overtime

1625	Medium	31 Mar 2026	30 Apr 2026	Review and update the Expenses and Allowances (including Overtime) policy to ensure it is current, fit for purpose and accessible to staff and managers.	Draft policy prepared and aligned with current practice and best practice guidance. Finalisation is pending completion of supporting calculations prior to submission to Employment Committee.

Transformation					
3764	Medium	31 Mar 2026	30 Jun 2026	Ensure all projects have a completed Benefits Realisation Plan, including identified benefit owners, measurable outcomes and timelines for delivery.	High-level benefits have been identified, with additional time required to agree measurable outcomes and timelines as part of the developing project management solution.
Capital Programme					
3734	Medium	31 Dec 2025	28 Feb 2027	Review and formalise the capital programme governance framework, including updating financial procedures and budget guidance, and developing documented end-to-end procedures covering capital bid approvals, monitoring, and roles and responsibilities	Action aligned with the wider work to implement a new bid and approval process for the capital programme ahead of the 2027/28 budget bid process.

7. KEY IMPACTS / RISKS

7.1 Each monthly meeting of CLT that reviews governance matters includes a report on completed audits and actions raised, providing another opportunity for CLT to maintain oversight.

7.2 Progress on the completion of audit actions remains under regular review. While the additional pressures arising from Local Government Reorganisation have created some capacity challenges, we remain confident in our ability to deliver the required actions within acceptable timeframes. Officers will continue to monitor workloads closely and, where any capacity issues do arise in relation to audit actions, will ensure the Committee is appraised.

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

8.1   Corporate Priority 3 – Doing our core work well.

9.   RESOURCE IMPLICATIONS

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

10.   REASONS FOR THE RECOMMENDED DECISIONS

10.1   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 - Open Internal Audit Actions
Appendix 2 - Open Internal Audit Actions (Restricted)
Appendix 3 - Closed Internal Audit Actions
Appendix 4 - Closed Internal Audit Actions (Restricted)

BACKGROUND PAPERS
None

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Open Internal Audit Actions

Generated Date	Mar-26
Action Criteria	
Project	Internal Audit

Business Rates

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
4287	Low	Management will: • Update the procedure index in respect of Business Rates • Complete the update and migration of all Business Rates procedures into the new standardised format and template • Address any remaining gaps in procedures identified during the update process Implement and follow a clear timeline to coordinate the completion of this work, using the central tracking spreadsheet to monitor progress	31 Dec 2025	30 Apr 2026	Description: Good progress has been made to review all procedures and this task is approximately 80% complete. On track for completion for target date Further Information: Update Date: 26 Feb 2026 Description: Update: Good progress has been made to review all procedures and this task is approximately 60% complete. However, some additional demands on the team have delayed completion beyond the initial target date, and this is now anticipated to be completed by 30 April 2026 Further Information: Update Date: 19 Jan 2026 Description: Due date moved as requested by Council Tax and Business Rates Manager with comments below: Excellent progress has been made by the revenues team to produce a full index of procedure notes for the department. Due to some unforeseen challenges within the section and a late budget from Central Government within the section we have been unable to meet the target date. Work is ongoing within the team to complete the indexes. Amended dates 30.04.2026 Further Information: Update Date: 23 Dec 2025 Description: Work is progressing on the action, and on track to complete Further Information: Update Date: 03 Dec 2025

Capacity Planning

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
4831	High	Consider the development of a proportionate, corporate approach for assessing capacity and resource availability across all service areas. This should support services to: • Set out their BAU activity, planned change work and expected future pressures • Understand the time and effort involved in BAU tasks, including typical volumes and peaks• Record the resources they have available, such as people, time and skills • Compare workload with available capacity so they can identify gaps, pressures or risks of overcommitting. • Provide clear capacity information to support decision making, rather than relying solely on professional judgement. Capacity assessments should be reported and monitored through an agreed route so that risks are visible and the Council can see where support or prioritisation is needed.	30 Sep 2026	30 Sep 2026	Description: The Business Analyst Team have started to investigate the options and will be carrying out a survey of management to establish current approaches taken. Still on schedule to bring back recommendations by June 2026. Further Information: Update Date: 04 Mar 2026 Description: Raised New Ideas request form for Business Analyst service to investigate proportionate solutions and to bring back recommendations to CLT +HOS by June 2026. To consider using an existing software application used by Planning Service team for managing capacity planning. Further Information: Update Date: 15 Jan 2026 Description: Following the recent completion of the Capacity Planning advisory review, 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: 14 Jan 2026

ID	Priority	Action	Target Date	Revised Date	Updates
4832	Medium	Create a single Service Planning Methodology that sets out the full process for preparing, reviewing and approving and monitoring of Service Plans. It should explain: • The steps in the process and who is responsible at each stage. • What Service Plans must include, covering BAU activity, planned change, pressures, risks, dependencies and resourcing. • The approval route and how decisions are recorded. • The supporting guidance, templates and timelines.	30 Jun 2026	30 Jun 2026	Description: Service Planning is underway, and the changing requirements captured.So far, there is a working document of the current process and approvals, though clarity on current working practice and lessons learned are required before the standardisation of the process which is to be captured in this working document Further Information: Update Date: 03 Mar 2026 Description: Following the recent completion of the Capacity Planning advisory review, 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: 14 Jan 2026
4833	Medium	Document the process for reviewing and challenging Service Plans, including how the Transformation Team undertakes the review, who is involved and what the purpose of the review is. The team should also develop internal guidance or a simple checklist to ensure that key checks are carried out consistently and that decisions and follow-up actions are recorded.	30 Jun 2026	30 Jun 2026	Description: The process of reviewing and challenging Service Plans is underway, with the particular areas to assess being monitored as we proceed. A fixed and standardised method is being agreed, though better understanding of scrutiny and challenge that may be applied is still to be determined.No working document as yet Further Information: Update Date: 03 Mar 2026 Description: Following the recent completion of the Capacity Planning advisory review, 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: 14 Jan 2026
4835	Medium	Set clear standards for updating the Transformation Programme tracker so that monitoring of actions is consistent and reliable. This should include: • Clear definitions for RAG ratings • Minimum requirements for commentary, particularly where actions are delayed or at risk Periodic review to check that updates have been submitted as expected and that information is complete and accurate.	30 Jun 2026	30 Jun 2026	Description: To be started post discussion with Head of service Further Information: Update Date: 23 Feb 2026 Description: Following the recent completion of the Capacity Planning advisory review, 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: 14 Jan 2026
4834	Low	Develop guidance or a checklist to support services in considering Local Government Reorganisation(LGR) as part of the 2027/28 Service Planning cycle. It should: • Highlight key areas for services to consider, such as statutory duties, future operating models, resource implications and dependencies. • Provide prompts to help managers assess these impacts in a consistent and proportionate way. • Include a straightforward way for services to record assumptions, risks and uncertainties	31 Dec 2026	31 Dec 2026	Description: Regarding capacity planning and impact of LGR - The baseline data set per a service has been created to highlight current demand due to transformation projects, business as usual including statutory projects, corporate compliance requirements, external LGR working groups and internal data quality working groups. This baseline information is being used to bring challenge regarding project priority. The new HoS for Transformation will also be meeting all HoS in March to discuss being prepared for LGR and capacity implications. Further Information: Update Date: 04 Mar 2026 Description: Relevant service leads have been identified for workstreams (internal and external) and progress will be reported to transformation board. An overview of key workstreams and resources needed will be presented at this board alongside engagement with Heads of Service to encourage them to start thinking about managing BAU alongside LGR. This will feed into the creation of the checklist in service planning process. Further Information: Update Date: 20 Feb 2026 Description: The LGR programme is in the pre-decision and data gathering phase (Dec 25 to Jun 26). As part of the data gathering, we will be identifying the key specialist officers per a service stream, application, data set that will be involved more directly as we move into the pre-unitary phase. Further Information: Update Date: 15 Jan 2026 Description: Following the recent completion of the Capacity Planning advisory review, 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: 14 Jan 2026

Capital Programme					
Reference	**Priority Level**	**Action Detail**	**Original Target**	**Revised Target**	**Update Details**
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: • Approved via a completed Capital bid form • Clearly documented as part of an appropriately approved rolling capital programme • Covered under a pre-approved budget or contract framework	31 Jul 2025	28 Feb 2027	Description: Reopened: Action Re-Opened following a Follow Up Part One Audit - We were advised by the Head of Finance and Deputy S151 that a new governance process will be approved, as part of the February 2026 budget report, which will ensure that all new capital bids are submitted via a capital bid form and approved via an appropriate forum. The approving forum will be dependent on the size of the bid and the funding source. New bids will only be added to the rolling capital programme after a bid has been formally approved, and a source of funding has been identified. The new bid form will require services to complete a range of information, including a section to document its review and endorsement. However, we were advised by the Head of Finance and Deputy S151 that this new process had not been developed or documented yet, with the intention it will be finalised in January 2026.The action has not been implemented. Further Information: Update Date: 19 Feb 2026 Description: Action update Further Information: Email sent to service detailing requirement to complete bid form for rolling programme of replacement Update Date: 28 Jul 2025
3730	Medium	Action addition from a Follow Up Part One Audit Report 19 Feb 2026 - The Council will continue to develop and document the new capital bid process to be approved as part of the February 2026 budget report. Original Action -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	28 Feb 2027	Description: Reopened: Action Re-opened following a Follow Up Part One Audit. We were advised by the Head of Finance and Deputy S151 that a new governance process will be approved, as part of the February 2026 budget report, which will ensure that all new capital bids are submitted via a capital bid form and approved via an appropriate forum. The approving forum will be dependent on the size of the bid and the funding source. However, a paper has not yet been drafted to summarise the revised process and we have not been provided with evidence to confirm this new process has been implemented yet.The action has not been implemented. Further Information: Update Date: 19 Feb 2026
3734	Medium	We will review and formalise the capital programme governance framework by: • 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. • Ensuring both documents are subject to formal approval and made readily accessible (e.g. via the Council intranet). • 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	28 Feb 2027	Description: As per the comments, action has been moved to 28/02/2027 as per Head of Finance request Further Information: Update Date: 09 Mar 2026 Description: This action is part of the wider plan to implement a new bid and approval process for the capital programme which the HoF will work on during 26/27 and have fully implemented in time for the 27/28 budget bid process. Further Information: Update Date: 09 Mar 2026 Description: Sandra Beard will be updating the document as the new head of service Further Information: Update Date: 30 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 Description: This action will be taken forward by the new Head of Service. Further Information: Update Date: 16 Sep 2025

Complaints and Compliments Management

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
4288	Medium	Management to review the current Gap Analysis and Project and Implementation Plan, ensuring the following: ☐ all passages from the Complaints Handling Code are analysed as part gap analysis, even where gaps are known to not exist; ☐ all agreed actions are SMART with a clear owner and specific target implementation date; ☐ a process is in place for monitoring action completion and assuring the relevant oversight group over progress. The Gap Analysis and Project and Implementation Plan will undergo the Council's transformation and approval process to confirm its comprehensiveness, and the Council is able to deliver the necessary change. As part of the transition under the new Complaints Handling Code, management will review the current complaints process to identify efficiencies to enable the timelier processing of complaints.	31 Oct 2025	31 Oct 2025	Description: The Complaints and Compliments lead is due back from a long term absence on 10/03/26 and will complete the final part of this audit action to add timescales to the gap analysis and improvement plan by the end of this week (13/03/26). Further Information: Update Date: 09 Mar 2026 Description: All actions have been completed with the exception of a timescale for completion of actions within the action plan, which is work in progress. Further Information: Update Date: 03 Mar 2026 Description: All actions have been completed with the exception of a timescale for completion of actions within the action plan, which is work in progress. Further Information: Update Date: 07 Jan 2026
4289	Medium	Management will ensure that both the external and internal staff feedback policies align in content, have appropriate version control and are subject to formal approval. As part of the gap analysis against Complaints Handling Code, consideration should be given as to whether one single policy should be made available to both customer and staff.	31 Mar 2026	31 Mar 2026	Description: This action will be completed by the target date. Further Information: Update Date: 09 Mar 2026 Description: An amended compliments and complaints policy has been reviewed by the Communications team for accessibility and approved by John Taylor. Next steps are to share the updated version w/c 16th March 2026. Further Information: Update Date: 09 Mar 2026 Description: Action is on target to meet the deadline and more information will be provided as the action implementation progresses. Further Information: Update Date: 03 Mar 2026 Description: Action is on target to meet the deadline and more information will be provided as the action implementation progresses. Further Information: Update Date: 07 Jan 2026
4291	Medium	Management will remind services of the requirement to send acknowledgments within five working days of a complaint being received and to retain and upload evidence this. Management will consider the value in implementing a process for monitoring the completion of SIAs. This might include: ☐ The lead responsible for agreeing the SIA applying a due date; ☐ The lead responsible providing narrative/evidence that the action has been completed by the due date; and, ☐ At the due date, the Complaints and Compliments Lead confirming and closing the SIA.	31 Mar 2026	31 Mar 2026	Description: There will be an update sent to the management team w/c 16th March 2026 to remind services to acknowledge a complaint within 5 working days and to inform them that there will be a process for monitoring service improvements to include evidence of when it was implemented and the benefit as a result. Further Information: Update Date: 09 Mar 2026 Description: There is a meeting planned with the Communications Manager on 12th March to agree the best way to communicate around compliments. The Transformation team are adding an additional field to the compliments tracker and is expected to be in place by the 17th March. Further Information: Update Date: 09 Mar 2026 Description: Action is on target to meet the deadline and more information will be provided as the action implementation progresses. Further Information: Update Date: 03 Mar 2026 Description: Action is on target to meet the deadline and more information will be provided as the action implementation progresses. Further Information: Update Date: 07 Jan 2026

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
4292	Medium	The Communications and Engagement Lead to consider the best way to communicate compliments in collaboration with the Complaints and Compliments Lead. As part of this and to aid analysis of compliments, management will add a "compliment type" field to the Compliments Tracker, e.g., service excellence, staff courtesy, responsiveness, problem solving, community engagement, or innovation/improvement.	31 Mar 2026	31 Mar 2026	Description: There is a meeting planned with the Communications Manager on 12th March to agree the best way to communicate around compliments. The Transformation team are adding an additional field to the compliments tracker and is expected to be in place by the 17th March. Further Information: Update Date: 09 Mar 2026 Description: Action is on target to meet the deadline and more information will be provided as the action implementation progresses. Further Information: Update Date: 03 Mar 2026 Description: Action is on target to meet the deadline and more information will be provided as the action implementation progresses. Further Information: Update Date: 07 Jan 2026

Council Tax

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
3936	Low	Management will continue to: • Complete the procedure index for Council Tax, ensuring all necessary procedures are included • Address any subsequent gaps in procedures identified • Update refund procedures to clearly document approval levels based on refund value • Implement a process to periodically review and update procedures	31 Dec 2025	30 Apr 2026	Description: Good progress has been made to review all procedures and this task is approximately 80% complete. On track for completion for target date Further Information: Update Date: 26 Feb 2026 Description: Update: Good progress has been made to review all procedures and this task is approximately 60% complete. However, some additional demands on the team have delayed completion beyond the initial target date, and this is now anticipated to be completed by 30 April 2026 Further Information: Update Date: 19 Jan 2026 Description: Due date moved as requested by Council Tax and Business Rates Manager with comments below: Excellent progress has been made by the revenues team to produce a full index of procedure notes for the department. Due to some unforeseen challenges within the section and a late budget from Central Government within the section we have been unable to meet the target date. Work is ongoing within the team to complete the indexes. Amended dates 30.04.2026 Further Information: Update Date: 23 Dec 2025 Description: Work is progressing on the action, and on track to complete Further Information: Update Date: 03 Dec 2025 Description: Work is progressing on the action, and on track to complete Further Information: Update Date: 04 Nov 2025

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Creditor Payments

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
4171	Medium	Management will: •Develop and maintain a formally documented scheme of delegation and financial approval register, setting out the authorised approval limits for each role. •Ensure the document is approved by senior management, reviewed periodically, and updated where changes occur, with all amendments documented and approved. •Share the approved register with Heads of Service so they can confirm staff limits are appropriate for their teams.	31 Dec 2025	31 May 2026	Description: As per below comments and request from Head of Finance, action due date is being moved to 31/05/2026 Further Information: Update Date: 09 Mar 2026 Description: Following the retirement of the prior Systems and Transactional Accountant we have now employed an interim who will pick this up. She will need time to bed in and familiarise herself with the issue so I suggest extending the deadline to the end of May 26. Further Information: Update Date: 09 Mar 2026 Description: This is with Sandra Beard for a decision Further Information: Update Date: 19 Jan 2026 Description: The target date change was requested following the appointment of a new Head of Finance, to allow sufficient time for the action to be reviewed and implemented Further Information: Update Date: 17 Dec 2025 Description: Please extend this action to the end of January to give the new Head of Finance time to review this. Further Information: Update Date: 17 Dec 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. 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	30 Jun 2026	Description: As per below comments and request from Head of Finance, the action due date has been moved to 30/06/2026. Further Information: Update Date: 09 Mar 2026 Description: The new HoS will work with the new Systems and Transaction Accountant to implement the recommended approval however this will need time for both to familiarise themselves with the issue and identify a solution. As HoS I recommend extending the deadline date to the end of June 26. Further Information: Update Date: 09 Mar 2026 Description: I have inherited this action from my predecessor. I will discuss with the relevant staff members to understand the ask and take action to implement by the due date. Further Information: Update Date: 22 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

Follow Up Capital Programme

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
5186	Low	The Council will ensure that the month end checklist is reviewed and signed off by a senior post-holder.	31 Mar 2026	31 Mar 2026	Description: The new Systems and Transaction Accountant will process this report and the new HoS will ensure that it is reviewed each month going forward. Further Information: Update Date: 09 Mar 2026 Description: Following the recent completion of the Follow Up Part One 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: 02 Mar 2026

General Ledger

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
4630	Medium	Management will undertake a formal review and update of its Financial Procedure Rules within the Constitution to ensure they remain current, fit for purpose, and aligned with relevant legislation and best practice. The council will implement a formal review cycle for its Financial Procedure Rules, ensuring they are reviewed at least every two years, or sooner if there are significant changes in legislation, financial systems, or governance arrangements.	30 Jun 2026	28 Feb 2027	Description: As per below comments and request from HoF, the due date has been moved to Feb 2027 Further Information: Update Date: 09 Mar 2026 Description: the new HoS will be implementing a new approval and governance process for both capital and revenue during 26/27, to be fully implemented in time for the 27/28 budget setting process. Deadline to be extended to 27/02/27 to match the deadline for the same capital action. Further Information: Update Date: 09 Mar 2026 Description: To be undertaken in the New Year so as to ensure completion by the due date. Further Information: Update Date: 22 Dec 2025
4632	Medium	Management will develop and implement a formal journal processing policy that: • Defines segregation of duties and journal approval requirements. • Specifies permitted exceptions and their rationale. • Requires supporting documentation to be attached to all journals to ensure a complete and accessible audit trail is maintained. • Is approved by the Head of Finance and communicated to relevant staff.	31 Mar 2026	28 Feb 2027	Description: As per below comments and request from HoF, the action due date has been moved to end of Feb Further Information: Update Date: 09 Mar 2026 Description: The new HoS will be implementing a new governance and approval process during 26/27 which will be in place in time for the 27/28 budget setting process. Deadline to be extended to 27/02/27 to match the other actions for this issue. Further Information: Update Date: 09 Mar 2026 Description: I have inherited this from my predecessor. I will speak to the relevant staff members to understand the ask and ensure that it is implemented by the due date. Further Information: Update Date: 22 Dec 2025
4633	Medium	We will introduce review and sample checking of high value journals.	31 Mar 2026	28 Feb 2027	Description: As per below request from Head of Finance, action has been moved to end of Feb 2027 Further Information: Update Date: 09 Mar 2026 Description: This will form part of the new governance and approval process that will be implemented by the HoS during 26/27 and which will be in place in time for the 27/285 budget setting process. Deadline to be extended to 27/02/27 to match the other actions within the overall requirement. Further Information: Update Date: 09 Mar 2026 Description: I have implemented this from my predecessor. I will speak to the relevant staff members to understand the ask and ensure that it is implemented by the due date. Further Information: Update Date: 22 Dec 2025
4634	Medium	Management will review the current process and consider splitting the responsibilities for daily cash postings and bank reconciliations between different personnel to strengthen segregation of duties.	31 Mar 2026	28 Feb 2027	Description: As per below request from Head of Finance, action has been moved to end of Feb 2027 Further Information: Update Date: 09 Mar 2026 Description: This will be a part of the wider governance and approval process that will be introduced by the HoS during 26/27 and in place in time for the 27/28 budget setting process. Deadline to be extended to 27/02/27 to match the other items within the wider requirement. Further Information: Update Date: 09 Mar 2026 Description: I have inherited this from my predecessor. I will speak to the relevant staff members to understand the ask and ensure that it is implemented by the due date. Further Information: Update Date: 22 Dec 2025

4631	Low	Management will implement a formal document control process to ensure all procedures are updated to include version history, review dates, responsible individuals, and defined review frequency. Management will ensure procedures are subject to regular review.	31 Jan 2026	28 Feb 2027	Description: As per below comments and request from HoF, action due date has bene moved to end of Feb 2027 Further Information: Update Date: 09 Mar 2026
					Description: the new HoS will be implementing a new governance and approval process during 26/27 to be in place in time for the 27/28 budget setting process. Deadline to be extended to 27/02/27 to match the other actions on this. Further Information: Update Date: 09 Mar 2026
					Description: Head of Finance has requested completion date be moved forward to 31 March 26 Further Information: Update Date: 03 Mar 2026
					Description: Per my last update, can the completion date for this be moved forward to 31/03/26 please. 31/01/26 is not achievable. Further Information: Update Date: 28 Jan 2026
					Description: Please move the completion date to 31/03/26 as I will not be able to complete this by 31/01/26 Further Information: Update Date: 19 Jan 2026
4636	Low	Management will: - Implement a formal review process for payroll reconciliations. - Include payroll reconciliation as a mandatory item in the Finance month-end checklist. - Record the date of completion and review on all reconciliations to evidence timeliness.	31 Jan 2026	28 Feb 2027	Description: As per below comments and request from Head of Finance, action due date has been changed to to end of Feb 2027. The action has also been re-assigned to Head of Finance. Further Information: Update Date: 09 Mar 2026
					Description: This will be incorporated into the wider review of the approval and governance process that will be implemented by the HoS during 26/27 and in place in time for the 27/28 budget setting process. Deadline to be extended to 27/02/27, to match the date of the other actions within the wider requirement. Further Information: Update Date: 09 Mar 2026
					Description: 1. The team is currently testing the methodology, we are on track for timely implementation.2. Will be included from following month-end. On track.3. This is done automatically by T1 (our financial system). Further Information: Update Date: 15 Jan 2026
4641	Low	Management will implement a formalised approval process for the creation and amendment of GL codes. This process will include: - Defined roles and responsibilities for initiating, reviewing, and authorising changes. - Documented approval records retained for audit purposes. - Integration of the approval step into existing financial controls, such as the month-end checklist.	31 Mar 2026	28 Feb 2027	Description: As per below comments and request from Head of Finance, the action due date has been moved to end of Feb 2027. Further Information: Update Date: 09 Mar 2026
					Description: this will be included within the wider review of the governance and approval process which will be implemented during 26/27 by the HoS and in place in time for the 27/28 budget setting process. Deadline to be extended to 27/02/27 to match the other actions within the overall requirement. Further Information: Update Date: 09 Mar 2026
					Description: I have inherited this from my predecessor. I will speak to the relevant staff members to understand the ask and ensure the it is implemented by the due date. Further Information: Update Date: 22 Dec 2025

Housing Benefits

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
3929	Low	We will continue to: • Complete the update and migration of all Housing Benefit procedures into the new standardised format and template • Address any remaining gaps in procedures identified during the update process • Implement and follow a clear timeline to coordinate the completion of this work, using the central tracking spreadsheet to monitor progress	31 Mar 2026	30 Jun 2026	Description: As per below comments from Revenues and Benefits Manager, target date has been amended to end of Q1 - 30th June 2026 Further Information: Update Date: 26 Jan 2026 Description: Update: good progress is being made against the action, but the volume of very technical procedures requiring review has meant that this is taking longer than originally anticipated. The task is approximately 50% complete, and with limited capacity in Q4 due to annual updating required, the new target date for completion has been moved to end of Q1 2026. Further Information: Update Date: 19 Jan 2026 Description: work is continuing and in progress Further Information: Update Date: 16 Dec 2025 Description: Work is ongoing and in progress as planned Further Information: Update Date: 30 Oct 2025 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 Audit & Monitoring Officer. Further Information: Update Date: 07 Nov 2025 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: Further information has been required to ensure fairness and consistency across all areas which has resulted in a delay in this being finalised. Aiming approval at next Employment Committee Further Information: Update Date: 03 Mar 2026 Description: This is being drafted for inclusion with the Expenses policy with a view to being approved at February Employment Committee Further Information: Update Date: 02 Dec 2025 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

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: The project toolkit for Officers is on schedule to be launched by the end of March 2026.The toolkit includes templates, guidance and procedures. The toolkit will provide clear expectations regarding consistent use of project templates for different project types. Further Information: Update Date: 09 Mar 2026
					Description: Template review progressing aligned to updated process and for integration with / support of ICT transformation Further Information: Update Date: 23 Feb 2026
					Description: BC creation using new templates ongoing. Minor updates to templates under way. Further Information: Update Date: 01 Dec 2025
					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
					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
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: The exploration of a suitable project management system is on schedule to be concluded by the end of March 2026. There has needed to be a shift in the approach due to capital funding for a new project management software not being available. The Transformation Team are now exploring the option of developing the solution using existing Microsoft 365 functionality including Co-Pilot, Teams Planner and Power Platform solutions. The Transformation Team will be designing and building the solution. The project toolkit which includes the procedures for how projects are to be managed will be launched by the end of March 2026, and these procedures will be transitioned over to the new project solution by the end of June 26. Further Information: Update Date: 09 Mar 2026
					Description: Decision to delay and not invest in PM Tool software made. Focus on deliverables and reporting at Stage gates rather than methodology or Software to be used. Further Information: Update Date: 23 Feb 2026
					Description: PM Tool review ongoing. Standardized reporting dashboards in place for Major projects. Further Information: Update Date: 01 Dec 2025
					Description: Reviewing requirements on the back of ICT Audit report. Further Information: Update Date: 11 Nov 2025
					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

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: The project management toolkit is due to be launched by the end of March 2026. This includes processes involving the sign-off by the Finance Business Partners for Business Case documents and Project Initiation Documents. This action is on schedule to be met. Further Information: Update Date: 09 Mar 2026
					Description: BC Template review progressing aligned to updated process and for integration with / support of ICT transformation. wil be included. Further Information: Update Date: 23 Feb 2026
					Description: As per previous update, will be included in BC as they are created. Further Information: Update Date: 01 Dec 2025
					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
					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: This action is on schedule to be completed by March 2026. The toolkit is due to be launched by the end of March 2026, and this includes standard documents for capturing a risk register per an individual project. The Transformation Team are already reviewing transformation projects on a monthly period, and this includes a review of progress and risks. These individual risk registers will be moved across to a centrally managed project risk register being developed as part of the new project management solution due to go live in Qrt1 2026/27 Further Information: Update Date: 09 Mar 2026
					Description: Standard Risk template (aligned to corporate) proposed as part of new PMO Process and Structure. Further Information: Update Date: 23 Feb 2026
					Description: Proposed PMO Risk register alignment to Corporate risk approach being reviewed and confirmed. Further Information: Update Date: 01 Dec 2025
					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
					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

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	30 Jun 2026	Description: As per below comments and request from Head of Service, the action due date is changed to end of June 2026 Further Information: Update Date: 09 Mar 2026
					Description: The completion of a benefit realisation plan per a transformation project will need to be pushed back to June 2026. The reason for this is that this activity is quite complex in the breakdown of measurable outcomes and timelines for realisation, and collation is linked to the development of a project management solution. The Transformation Team are currently collecting proposed benefits at a high-level and more detail is needed regarding agreement of measures and how these transition to delivered benefits. Further Information: Update Date: 09 Mar 2026
					Description: As per previous update, will be included in PMO process - BCs, PID etc.. Template review progressing aligned to updated process and for integration with / support of ICT transformation Further Information: Update Date: 23 Feb 2026
					Description: as per previous update, now included in proposed PMO process flow and BCs Further Information: Update Date: 01 Dec 2025
					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
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: The action to consider ways in which a live dashboard can be implemented to provide real-time visibility is on schedule to be completed by March 2026. The considerations for design align to the exploration of a suitable project management system (see action 3757). The Transformation Team are now exploring the option of developing the project management solution in-house using existing Microsoft 365 functionality. For the purpose of the live dashboards, these will be presented using Microsoft Power BI and connected in real-time. This approach has already been developed at a high level with the current Transformation monthly progress report, and will be further enhanced to deliver the drill-down capability needed. The new solution is scheduled to go live in June 2026. Further Information: Update Date: 09 Mar 2026
					Description: Dashboards now at Qtr reporting level for minor projects. Further Information: Update Date: 23 Feb 2026
					Description: Dashboards evolving to be available to Heads of Service in the new year - Current Major Projects summary and Program Level available. Will evolve to Single Major project level in Jan. Further Information: Update Date: 01 Dec 2025
					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
					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

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
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: The project toolkit is on schedule to be launched by the end of March 2026. The toolkit will include standard templates such as 'project initiation document'. Further Information: Update Date: 09 Mar 2026 Description: Template review progressing aligned to updated process and for integration with / support of ICT transformation Further Information: Update Date: 23 Feb 2026 Description: Once BC are in place, PID will be evaluated. On track for target date. Further Information: Update Date: 01 Dec 2025 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 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 action is on schedule for completion by March 2026. The project toolkit is due to be launched by the end of March 2026, and this will include clear expectations regarding consultation with Finance Business Partners. Further Information: Update Date: 09 Mar 2026 Description: per previous update these will be in the BC - Template review progressing aligned to updated process and for integration with / support of ICT transformation Further Information: Update Date: 23 Feb 2026 Description: As per previous update, being included as part of BC creation and financial sign off. Further Information: Update Date: 01 Dec 2025 Description: This will be captured as part of the Business case Action and is progressing on plan. Further Information: Update Date: 11 Nov 2025 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

Workforce Development Strategy

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
4836	Low	At the conclusion of the Leadership Development Programme in March 2026, management will prepare a closure report to summarise, attendance and compliance against all modules, key outcomes and action plan to move into BAU	31 Mar 2026	31 Mar 2026	Description: The leadership development programme is still underway, and runs until the 31 March. Further Information: Update Date: 03 Mar 2026 Description: Following the recent completion of Workforce Development Strategy 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: 14 Jan 2026

Code of Procurement Audit 24.25

Reference	Priority Level	Action Detail	Original Target	Revised Target	Update Details
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. 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. 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). 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: Draft Code of Procurement was sent to 3C Legal for comment/feedback. Awaiting response before progressing. Further Information: Update Date: 20 Feb 2026 Description: As per below comments, due date has been moved with agreement from Interim S151 Officer - see email attachment for audit trail. Further Information: Update Date: 12 Jan 2026 Description: Following my appointment as Procurement Manager (01/12/25) I am reviewing the current Code of Procurement and will be sending a revised version to 3Cs Legal by 16/01/25) for review and comments. Further Information: Update Date: 05 Jan 2026 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 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

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 Jul 2026	Description: Comments provided by Head of Democratic Services & Monitoring Officer - The Constitution Review Working Group will undertake a comprehensive examination of the current scheme of delegation to identify gaps, ambiguities, and areas requiring further clarification. This review will include an assessment of roles, responsibilities, and decision making authority across all levels of the Council, with engagement from key stakeholders as required. As part of the preparatory work, initial professional support and advice has been sought from the Association of Democratic Services Officers, who have been actively engaged in preliminary conversations. Internal Officers are also contributing to the early stages of the review. Given the complexity and breadth of this work, additional time and resource is required to complete the review to the necessary standard. It is therefore proposed that the target date for this action is revised to reflect a more realistic and achievable timescale. It is intended that delegated powers will be set out within a clearly structured and comprehensive document, providing explicit definitions of the authority, responsibilities, and decision making limits assigned to each individual, committee, or department. This will include financial thresholds, operational decision making powers, and strategic responsibilities where appropriate. The developing proposals will be brought forward to the Constitution Working Group in due course. Due date has bee moved to 31/07/2026 Further Information: Update Date: 04 Mar 2026
					Description: Comments provided by Head of Democratic Services & Monitoring Officer - Officers have engaged the Association of Democratic Services Officers (ADSO) to provide technical support on updating the Constitution. Officers and ADSO are currently working through the existing Scheme of Delegation with key stakeholders, and it will be taken through the Constitution Working Group, CGC and Full Council as soon as possible. This is a complex piece of work which will require the new draft to align to other areas of the Constitution as well as the existing organisational structure. The Monitoring Officer will keep the Committee updated on progress towards the target date. Further Information: Update Date: 09 Jan 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
					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

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 May 2026	Description: As per below comments and request from Head of Finance, action due date is being moved to 31/05/2026 Further Information: Update Date: 09 Mar 2026

Description: New interim Systems and Transactional Accountant in place who will pick this item up going forward. They will need time to bed in and familiarise themselves with the issue and so I propose extending the deadline. Further Information: Update Date: 09 Mar 2026

Description: Two meetings with T1 that were productive. T1 R & D team are doing checks on the data re: debtors and billing balances. List of charge transactions needs reviewing and GL transactions correcting via journal if necessary. T1 have also looked at potential set-up issues around the creation of Charge Codes. Where a default does not exist, but a consistent code is used, then it should be populated to help cut down on users inputting incorrect codes. Further Information: Update Date: 29 Jan 2026

Description: Meeting with T1 on 26 January 2026 to discuss differences. Please extend the date to 28/02/2026 Further Information: Update Date: 19 Jan 2026

Description: Charge transactions coded to the debtor control account being reviewed and the configuration of the system investigated to stop these errors occuring going forward Further Information: Update Date: 02 Jan 2026 |

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	30 Apr 2026	Description: As per below comments and request from Head of HR, the due date has been moved to end of April in alignment with the next Employment Committee Further Information: Update Date: 09 Mar 2026

Description: Policy has been drafted taking into consideration current working practice and updated with best practice additions. We are awaiting further calculations to be able to finalise this and it will be ready to present at the next Employment Committee. Further Information: Update Date: 09 Mar 2026

Description: Further information has been required to ensure fairness and consistency across all areas which has resulted in a delay in this being finalised. Aiming approval at next Employment Committee Further Information: Update Date: 03 Mar 2026

Description: Policy is currently in progress with the aim of it to go to February Employment Committee Further Information: Update Date: 02 Dec 2025

Description: Policy being drafted Further Information: Update Date: 04 Nov 2025 |

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Closed Internal Audit Actions

Generated Date	Mar-26
Action Criteria	
Project	Internal Audit
Closed	Since Last Committee Meeting

Capital Programme

Reference	Priority Level	Action Detail	Original Target	Revised Target	Closed	Closure Update
3720	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: • Approved via a completed Capital bid form • Clearly documented as part of an appropriately approved rolling capital programme • Covered under a pre-approved budget or contract framework	31 Jul 2025	28 Feb 2027	19 Feb 2026	Closure Details: Closed: Re-opened by accident. Actions is a duplicate of 3729 Further Information: Closure Details: Closed: closed as subsequently re added so notification is sent Further Information:
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	27 Feb 2026	Closure Details: Closed: The Capital Programme has been reviewed as it progresses through various stages, budget bidding, star chamber, budget managers, CLT, Informal Cabinet Cabinet and final review and approval by Full Council on 25th February 2026. Further Information:

Creditor Payments

Reference	Priority Level	Action Detail	Original Target	Revised Target	Closed	Closure Update
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: -Consolidate all guidance into a single, central location accessible to both accounts payable and non-accounts payable staff -Remove duplication and outdated versions and apply clear version control -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 -Introduce a process for periodic review and update of the suite of procedure notes	31 Dec 2025	31 Dec 2025	16 Feb 2026	Closure Details: Closed: Procedure Notes requiring amendment have been updated. Next review Jan 27 Further Information:
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 Jan 2026	29 Jan 2026	Closure Details: Closed: Not progressed due to Systems Accountant leaving. Did not want to make the change on the point or leaving and leave the Team with issues. Please pick up at the next Audit Further Information:

General Ledger

Reference	Priority Level	Action Detail	Original Target	Revised Target	Closed	Closure Update
4640	Medium	Management will explore the potential to implement a formal assurance process by obtaining periodic reports or automated notifications from TechOne confirming successful completion of daily backups.	31 Jan 2026	31 Jan 2026	21 Jan 2026	Closure Details: Closed: T1 are unable to provide daily reports of backups. Backups are taken on the schedule as contracted. All audit documentation that T1 specifically provide for audit papers is attached to this case for your information. Further Information:
4639	Low	Management will include dedicated fields within the annual user access review log to record: - Any access changes requested as a result of the review; - Confirmation that these changes were actioned; and - The date on which the changes were implemented.	31 Jan 2026	31 Jan 2026	27 Jan 2026	Closure Details: Closed: Form has been updated with relevant fields and will be finalised by Finance when all amendments completed. Further Information:

Transformation

Reference	Priority Level	Action Detail	Original Target	Revised Target	Closed	Closure Update
3762	Medium	The PMO will ensure that regular progress reports are completed by all Project Managers.	31 Mar 2026	31 Mar 2026	09 Mar 2026	Closure Details: Closed: This action is now complete. For reporting period Dec 25, progress reporting was collated for all transformation projects and has since been reported to Transformation Board. Continued improvement are scheduled with the live dashboards in the new project management solution for June 2026. Further Information:

Home and Hybrid Working 24.25

Reference	Priority Level	Action Detail	Original Target	Revised Target	Closed	Closure Update
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	05 Mar 2026	Closure Details: Closed: Closure comments from Head of HR - The flexible working policy has been reviewed in line with hybrid working and is fully compliant with the hybrid working policy and therefore will require no amendments at this point Further Information:
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	27 Feb 2026	Closure Details: Closed: As per update Further Information:
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	26 Feb 2026	Closure Details: Closed: 121s now rolled out across HDC. We have a range of appropriate mitigations in place to offer assurance they are being deployed - such as HR Business Partners working with teams, ERG representing staff (and also unions when the Officer is a member), policies to allow concerns to be raised, staff survey to allow us to assess feedback and also an increment process that necessitates evidence to be supplied.Service Plans are in place for all service areas to capture key items of work and relevant measures of productivity - including actions to show how each service will contribute to a 15% efficiency target. Further Information:

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Public
Key Decision – No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Members ICT Update

Meeting/Date: Corporate Governance Committee 18/03/2026

Executive Portfolio: Climate, Transformation and Workforce

Report by: Chief Digital Information Officer

Ward(s) affected: All

Executive Summary:

A change to how Members are provisioned with ICT services, the support they receive, and the capabilities available is being proposed.

The change to the approach is supported by budget bids, which were approved at Full Council on 25 February 2026. The proposed approach requires agreement from all three 3C Partner Councils to be viable, and this is included in each Partner Council's MTFS. Cambridge City Council and South Cambridgeshire District Council have already approved the proposals.

Further details are to be provided once the final solution has been agreed, once confirmation of budgets being available is made. This will include a proposal for ongoing support levels after the election.

Recommendation(s):

The Committee is asked to note and provide feedback on the proposal.

1. PURPOSE OF THE REPORT

1.1 To provide Members with an update regarding Members' ICT provision post-elections 2026.

2. BACKGROUND

2.1 The 3C Partner Councils have differing approaches to the way Members are provisioned ICT Services and the options for the equipment they can utilise

2.2 The differing approaches, alongside the significant difference between Members and Officer solutions, mean that support can often be unsatisfactory due to engineers being unfamiliar with the solutions in place.

2.3 The utilisation of differing licencing models, and treatment of Members as 'guests' of the Officer network and enterprise applications (such as Teams and SharePoint) leads to challenges with utilisation of office audio visual equipment, collaboration and sharing of documents, amongst other constraints.

2.4 There is a variance in IT skills across Member groups and across the Partner Councils. Historically, decisions regarding the solutions provided have been made by those with strong IT knowledge, which may not align with those without comparable skills, affecting the ability of some Members to fulfil their duties.

2.5 The model in place does not align with solutions utilised elsewhere within Local Government, and whilst there are some advantages to the current model from a governance perspective, the downsides outweigh these, and these are managed effectively elsewhere.

2.6 Whilst the 3C ICT Shared Service has invested in new technologies and continues to improve capabilities, training and cybersecurity for Officers, Members currently do not benefit from this investment or training.

2.7 The establishment of a CDIO role across the councils, and with accountability for the 3C ICT Shared Service, provides a new opportunity to coalesce approaches.

2.8 Elections in May 2026 provide an ideal opportunity for the introduction of a new approach to Members' ICT and enable training to ensure a common understanding of the solution available.

2.9 The proposal is for 3C ICT Shared Services to create a complete end-to-end set of solutions for Members, which caters for all usage needs and Council preferences for devices and budget management. All these options will be aligned with Officer technology capabilities and be fully supported.

2.10 Each council will be able to determine which solutions they wish to promote from the wider options available and make available to their

Members. Whilst this will be an Executive Decision, it is expected to be led by recommendations from the Member Development Working Group.

2.11   If devices are to be provisioned, these will be aligned with those provisioned to Officers, and 'locked down' and managed as per an Officer device, with all applications available, and with support available from the 3C ICT Service Desk.

2.12   Where devices are not provisioned, several access methods will be presented to Members. It is intended that this will include access to Teams (virtual meetings, SharePoint documents and chat) and Outlook (email) via any mobile device utilising BYOD (Bring Your Own Device) methods. In addition, a new 'virtual desktop' solution is proposed, whereby Members can click a link and a desktop, similar to a laptop, becomes available, mimicking the use of a council-provided laptop. All of these will be standardised solutions that can be fully supported remotely, using standard support methods and supporting colleagues' knowledge.

2.13   Members will be provided with the same licences and access to Microsoft M365 solutions as per the Officers. Whilst there is a cost uplift for this licensing, the benefits are considerable, especially given the cybersecurity and data loss prevention improvements now made possible.

2.14   Security and access controls will be implemented so that access to documentation, address books, SharePoint, etc., is appropriate to meet governance controls. However, Members will have individual access to these solutions for shared use. Where appropriate, Members and Officers will have access to the same document repositories and systems for data sharing and collaboration. The discovery of these requirements is underway with colleagues in the democratic service team.

2.15   Appropriate training and support will be provided to Members. The level of support offered will be in line with the technology option selected; e.g. for those with a full staff laptop provision, support would be as per the Officer support model. Those using their own devices would only receive support for authentication of the necessary applications and access, not for the Member's personal device. This will be finalised pre-election.

2.16   However, the review does not intend to seek to remediate issues with Member-specific applications.

2.17   Most Local Authorities utilise a version of the modern.gov solution, either in its locally hosted or web-hosted versions. Both versions differ and have distinct pros and cons, so the choice is based on the 'best fit' rather than full functionality. The CDIO continues to champion the much-needed improvements to this platform with the vendor and will work with democratic service officers to assist with issue remediation.

2.18   The utilisation of the council's officer-based technology solutions may now offer new opportunities to develop improved solutions based on technologies that will now become available to Members.

2.19   The CDIO will seek to develop potential solutions and opportunities for improvements post-election, although it is recognised that this may be hampered by the prioritisation of LGR, and limited return on investment opportunities pre-vestment day.

3.   **OPTIONS CONSIDERED/ANALYSIS**

3.1   The option to continue with the existing arrangements was considered, although this was not deemed to be acceptable to Members, considering ongoing frustrations with functionality and support. Remaining 'as is' prevents the benefits from wider investments in tools and cybersecurity being provided to Members.

4.   **TIMETABLE FOR IMPLEMENTATION**

4.1   Proof of concept prior to May elections, to be confirmed.

5.   **LINK TO THE CORPORATE PLAN**

5.1   Priority 3 – Doing our core work well.

6.   **CONSULTATION**

6.1   Papers taken to Informal Cabinet and Corporate Leadership Team. Discussions held with the Members Development Group and the Portfolio Holder.

CONTACT OFFICER

Name/Job Title: Simon Oliver, Chief Digital Information Officer

Public
Key Decision – No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Future Arrangements for Internal Audit

Meeting/Date: Corporate Governance Committee – 18 March 2026 Capitals)

Executive Portfolio: Executive Councillor for Governance & Democratic Services - Councillor Jo Harvey

Report by: Corporate Director – Finance and Resources

Ward(s) affected: All

Executive Summary:

This report provides an overview of the future provision of the Council's Internal Audit service. Since March 2025, Internal Audit has been delivered by RSM, who have undertaken the full programme of audit work on behalf of the authority. The report sets out the current arrangements and outlines the intention for future provision. It is presented to the Committee for information and discussion.

Recommendation(s):

The Committee is

RECOMMENDED

Note and comment on the future arrangements for Internal Audit outlined in the report.

1. PURPOSE OF THE REPORT

1.1 The purpose of this report is to inform the Committee of the intended future arrangements for the provision of Internal Audit services. In line with the Committee's terms of reference, this report seeks the Committee's comments.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

2.1 Internal audit is a statutory and essential element of the Council's governance framework, providing independent assurance on the effectiveness of internal control and governance arrangements. To ensure the Council continues to meet its statutory requirements and maintains a robust system of internal control, it is important to consider how Internal Audit will be provided in the future.

2.2 Officers have considered the options available for the future arrangements for Internal Audit Provision, and consider that the most effective way forward would be to continue to engage RSM as the provider of this function. It is considered that the function has performed well under RSM, and the continuation will provide continuity and stability, and provide scope for further improvement.

3. OPTIONS CONSIDERED/ANALYSIS

3.1 As the current contract with RSM comes to an end, Officers have considered the options available, and consider that the most effective way forward would be to continue to use RSM for the Internal Audit function. Officers are therefore looking to make a direct award to RSM via a framework from 1 April 2026 for a two-year period, with the option to extend for a further year. Officers consider that this provides the most stable arrangement for Internal Audit, particularly in the context of LGR.

3.2 Officers consider that a change in provider at this point would introduce unnecessary risk and disruption at a critical time. Officers note the breadth of specialisms which can be provided by RSM for technical work such as cyber security and forensic accounting, which a single, manager would not likely be able to supply.

4. KEY IMPACTS / RISKS

4.1 Officers consider that continuing with RSM as the Council's Internal Audit provider presents the lowest risk option for the authority. Retaining the existing provider ensures continuity of service and avoids the operational and governance risks associated with transitioning to a new provider. In particular, it mitigates the risk of any reduction in audit quality, delays in delivery, or gaps in assurance coverage that could arise during an onboarding period.

4.2 Officers also consider that maintaining the current arrangements provides stability both for the Internal Audit function and for the wider officer teams who rely on timely and consistent audit activity to support effective risk management. Moving to an alternative provider at this stage could introduce uncertainty, disrupt planned audit work, and increase the likelihood of delays or inconsistencies in the assurance process.

5. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

5.1 The existing contract with RSM is due to conclude on 31 March 2026. It is intended that the new contract would be put in place from 1 April 2026, as set out in section 3.1 of this report.

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

6.1 Ensuring that robust arrangements are in place for Internal Audit services supports the Corporate Plans' 'Priority 3 – Ensuring we do our core work well' with its focus on good control and compliance.

7. CONSULTATION

7.1 The Council's Leadership Team (CLT) has been consulted on the proposed approach to future Internal Audit provision. In addition, the matter has been taken through the Council's Procurement Board in accordance with established internal processes, ensuring that the proposed way forward aligns with procurement requirements and governance expectations.

7.2 The Corporate Governance Committee is responsible for reviewing proposals relating to the appointment of external providers of internal audit services. As such, the proposal to continue to appoint RSM as the Council's Internal Audit provider is presented to the Committee for its consideration and comments.

8. LEGAL IMPLICATIONS

8.1 It is intended that RSM shall be appointed via the YPO Managing Consultancy and Professional Services Framework Agreement. This ensures the Council remains compliant with Procurement legislation.

9. RESOURCE IMPLICATIONS

9.1 A specific budget for the provision of Internal Audit services was set aside as part of the budget approved by Council at its meeting on 25 February 2026.

10. REASONS FOR THE RECOMMENDED DECISIONS

10.1 The approach intends to support the Council in continuing to fulfil its statutory responsibilities in relation to internal audit. Ensuring that a reliable and effective Internal Audit service is in place is essential for maintaining a robust governance framework, safeguarding public funds, and enabling the Council to manage risk appropriately.

10.2 As set out at section 6, maintaining continuity of provision aligns with the Council's commitment to delivering high quality and stable services, and supports the effective delivery of the Corporate Plan through strong internal controls and assurance. The approach outlined in this report is consistent with the Council's procurement requirements and to ensures that any future arrangements provide value for money and operational resilience, and provide flexibility for LGR.

10.3 As set out above, the Corporate Governance Committee is responsible for reviewing proposals relating to the appointment of external providers of internal audit. Following consultation, the appointment will be made by the Corporate Director – Finance and Resources.

CONTACT OFFICER

Name/Job Title: Lydia Morrison, Interim Corporate Director – Finance and Resources
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CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

Committee	Decisions	Date for Action	Action Taken	Officer Responsible	Delete from future list
N/A 28/01/2026	**Constitution Review Working Group** Constitution Review Working Group appointed at Annual Council on 15 May 2025. Concern around the Constitution Working Group was to ensure that the group would continue its work and not be abandoned simply because the first tranche of recommendations had been accepted and implemented.	N/A	The Group continues to have an outstanding action to review the scheme of delegation. The review undertaken to date has been to update the scheme based upon the revised Officer structure which has changes further recently and further work is necessary to the detail of specific delegations that sit within each service area. Conversations are ongoing with Legal and further meeting will be scheduled now in the new Municipal Year.	Elections & Democratic Services Manager	No
28/01/26	**Corporate Risk Register** The Committee raised a concern in terms of Transformation regarding the digital maturity score of 3.1 out of 5 which was felt to be not high enough		For **Risk CORP0016 – Transformation: The Council fails to manage its transformation strategy (including digital)**, the **target risk score has been revised to 6 – Medium**, reduced from the previous target of 9 – High. This	Corporate Performance & Transformation Manager	Yes

	to have that assurance that the risk could be reduced and were looking to get some understanding on why officers believe they were able to reduce that risk.		adjustment reflects a reduction in the **likelihood** score from **3 to 2**, based on recent improvements. During 2025, the Project Management Office (PMO) initiated several important improvements to how it works. These changes are; 1) strengthening how transformational projects are identified, using benchmarking and corporate data sets to support service planning and guide strategic decisions on project priorities, and 2) improving how projects are managed overall. The LGA Data Maturity Assessment score of 3.1 out of 5.0 confirms that the Council is *'making good progress'* in developing its data capabilities, with data increasingly shaping business analysis and transformation decision-making. Corporate support services are providing more reliable insights and strengthening collaboration between data specialists and service teams, leading to more consistent and informed use of data across the		

			organisation. Ongoing work, such as the roll-out of Microsoft Power BI and delivery of a focused data maturity improvement plan, is further improving how services access, understand and apply data for continuous improvement. In addition, the recent internal audit was highly constructive, identifying eleven key actions. The PMO is already making good progress in embedding these recommendations and driving positive operational changes. Given these developments, we consider it reasonable and evidence-based to reduce the **likelihood** for the *target* risk rating. It is important to emphasise that **only the target risk score has been revised**. The **current residual risk score remains at 9 – High** and will not be reduced until we have monitored the sustained, successful embedding of improvements and obtained full assurance that the changes are operating effectively.		

CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

| 28/01/2026 | **Corporate Risk Register**

In terms of Safeguarding, the Committee raised concerns regarding the low uptake of the training being made available and asked when staff were asked to do this as that would impact on how concerned they should be. Further, as the training was mandatory, what was being actively/proactively done to ensure this was being completed and what was being done to ensure people who had not undertaken the mandatory training were being held accountable and were compliant.

The Committee requested to see these figures at the next CGC meeting so they could see the progress made in terms of uptake in the intervening period. | | In terms of Safeguarding and the low uptake of the mandatory E-learning modules, this was raised at the last Safeguarding Board, and the action is as follows:

To run a report from the Learning Management System with non-compliant users for both of the Safeguarding modules & to send targeted emails to user and line manager and the manger to follow-up with progress.

Repeat the above on a quarterly basis. | Learning & Development Business Partner | Yes |

CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

| 28/01/2026 | **Internal Audit Actions Update**

The Committee felt it would be useful if in the Action Detail it had some context as to what was trying to be addressed/what had gone wrong/if there was a way of making sure these actions were clear as to what they were trying to resolve. | | For the specific action raised, the wording was deliberately agreed with the Head of Finance. The underlying issue has been ongoing for a number of years, and the action was framed to ensure it is suitable for the public domain and does not include detailed technical or sensitive information. The majority of current actions already provide sufficient detail. However, in general, audit actions are intended to be concise statements of what management has committed to do. Detailed findings sit within the audit report, while the action tracker supports high-level oversight of progress. ownership, and timescales. Only executive summaries of audit reports are shared with members, rather than full detailed findings.

As it stands, full findings are not entered into 4action, and adding findings or summaries against actions would be a significant manual task for Internal Audit and not proportionate, particularly as the majority of actions are already clear in their intent. It would also | Internal Auditor | Yes |

			substantially increase the size of committee appendices. Where members would like further context on a specific action, we can provide a written response on a case-by-case basis. I would not anticipate many such requests, as the example raised is a specific case where the wording was intentionally agreed in this way.		
28/01/2026	**Internal Audit Actions Update** Regarding reference 4640, the Update details made it sound like it was resolved so the Committee asked as to why this was still on the list.		The owner closed the action on 21/01/2026	Internal Auditor	Yes
28/01/2026	**Auditor's Annual Report 2024/25** Query from the Committee as to the overspend relating to the additional costs arising from the creation of the		In respect of these actions, the information came from the Finance Performance Report Outturn for 2024/25 dated 17 June 2025 (Cabinet Meeting).	Audit Partner, Ernst & Young LLP	Yes

	transformation and community health funds.				

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