

AGENDA

AUDIT AND RISK MANAGEMENT COMMITTEE

MONDAY, 12 MAY 2025

4.00 PM

**COUNCIL CHAMBER, FENLAND HALL,
COUNTY ROAD, MARCH**

Committee Officer: Jo Goodrum
Tel: 01354 622424
e-mail: memberservices@fenland.gov.uk

- 1 To receive apologies for absence.
- 2 Previous Minutes. (Pages 3 - 6)

To confirm the minutes of 25 February 2025
- 3 To report additional items for consideration which the Chairman deems urgent by virtue of special circumstances to be now specified.
- 4 Members to declare any interests under the Local Code of Conduct in respect of any item to be discussed at the meeting.
- 5 External Audit Plan 24/25 (Pages 7 - 50)

To discuss the External Audit Plan for 2024/25.
- 6 Corporate Debt Policy (Pages 51 - 78)

To agree proposed changes/updates to the Corporate Debt Policy.
- 7 Risk Based Internal Audit Plan 2025/26 (Pages 79 - 94)

To approve the Internal Audit Plan and resources for the forthcoming year.

8 Risk Management Policy & Strategy Annual Review (Pages 95 - 110)

To provide an update to the Committee on the latest Risk Management Policy and Strategy.

9 Corporate Risk Register Review (Pages 111 - 138)

To provide the Committee with an update on the Council's Corporate Risk Register.

10 RIPA Annual Update (Pages 139 - 144)

To provide the Committee with an annual update on the Council's use of the Regulation of Investigatory Power Act 2000 (RIPA).

11 Audit and Risk Management Committee Work Programme proposed for 2025/26 (Pages 145 - 152)

For information purposes.

12 Items of Topical Interest.

13 Items which the Chairman has under item 3 deemed urgent.

Thursday, 1 May 2025

Members: Councillor K French (Chairman), Councillor J Mockett (Vice-Chairman), Councillor G Booth, Councillor G Christy, Councillor Mrs J French, Councillor S Harris and Councillor S Tierney

AUDIT AND RISK MANAGEMENT COMMITTEE

TUESDAY, 25 FEBRUARY 2025 - 4.00 PM



PRESENT: Councillor K French (Chairman), Councillor G Christy and Councillor Mrs J French

APOLOGIES: Councillor G Booth and Councillor S Tierney

Officers in attendance: Peter Catchpole (Corporate Director and Chief Finance Officer), Stephen Beacher (Head of ICT Digital & Resilience), Mark Saunders (Chief Accountant), Sam Anthony (Head of HR and OD) and Sian Warren (Deputy Chief Accountant)

ARMC22/24 PREVIOUS MINUTES

The minutes of the meeting held on the 4 December 2024 were approved and signed.

ARMC23/24 AUDIT RESULTS REPORT 2023/24

Debbie Hanson from Ernst & Young, the Council's Appointed Auditors, presented the report to the committee.

Members asked questions, made comments and received responses as follows:

- Councillor Christy stated that with regards to the specific weakness which has been identified concerning governance, the words used appear to be quite forceful and, therefore, in his view, it is important for it to be placed on record so that other people understand what that actually means in terms of the impact on the Council. He referred to the recommendations listed on page 62 of the report which also refer to the identified weakness. Debbie Hanson explained that she has highlighted that there have been a number of councils where there appears to have been some slippage in arrangements for production of financial statements over the last few years. She added that it forms part of the national issues with delays in local audits and those delays are combined system issues and are not purely issues related to audit forms and are also related to Council departments capacity and are related to the complexity of Local Government accounts and the CIPFA Code. Debbie Hanson added that as part of the Local Government reset there were some backstop dates introduced for audits up to 2022/23 which was the 13 December and the backstop date for 2023/24 was the 28 February. She agrees that it is a strong term to highlight a significant weakness, however, the wording is determined by the National Audit Office's Code of Practice and she is guided by that code. Debbie Hanson explained that when looking at the different criteria significant weakness is the terminology that is used, if weaknesses are identified in those arrangements where it is felt that they need reporting in the audit opinion. She made the point that the reason it is felt to be important is due to the fact that the Council's Finance Team is relatively small and there a lot of competing priorities and, in her view, she feels that it is important that the organisation, as a whole, recognises the importance of supporting that team to enable the accounts to be produced in a timely basis meaning that the accounts for 24/25 are finalised by the end of June in order that the audit can be completed before the next backstop date which is February 2026. Debbie Hanson stressed that it is vital that the local audit system is brought back to a reset and, therefore, it was felt important for it to be highlighted. She added that had it only been for one year where there was a delay then it might not have been necessary to highlight it,

however, in her view, there have been a number of years where the accounts have been later than they should have been.

- Peter Catchpole stated that he has had discussions with the External Auditors and added that there have been some conscious decisions made not to publish the accounts due to competing priorities, but he does recognise the point that Debbie Hanson is making. He added that he also notes that efforts should be made to publish the draft accounts by the prescribed deadlines, but at the time there were numerous competing pressures including new members of staff joining the team. Peter Catchpole added that he is confident that there is adequate staff in place in order to meet those deadlines and he stated that he made a decision when he knew that full audits were not taking place that the focus would not be on the draft accounts particularly in order to take some of the pressure off of the Finance Team. He made the point that he acknowledges the points made by Debbie Hanson and the wording has been revised and whilst he thought it was somewhat harsh initially, he recognises that the deadlines are in place, however, he made a conscious decision not to publish the accounts. Peter Catchpole stated that it is now hoped to get back on track with the 2023/24 accounts being signed off tomorrow and then the focus will be on the accounts for 2024/25. He explained that a further resource has been added into the Finance Team due to the upcoming retirement of Mark Saunders, the Chief Accountant, and there is a plan to do things slightly differently going forwards in order to reprioritise.
- Councillor Christy stated that the report refers to uncorrected differences and he asked Debbie Hanson whether she can provide her view with regards to the materiality of those differences and what that actually means to the Council? Debbie Hanson explained that the differences were identified as a result of the basic checks which were undertaken on the financial statements which identified some differences which were corrected but it does highlight that there were errors in the draft accounts that were published in October 2024. She made the point that ideally she would not expect to see errors within the accounts of that nature and that should be something for the Council to reflect on for the accounts for 2024/25 and to ensure that whatever issues resulted in those differences do not occur in the 2024/25 financial statements.
- Claire Sulam from Ernst & Young added that from recollection the differences identified were significant in value, but they have been highlighted to the Finance Team so that they are aware of the costing errors in order that they can be amended in the final accounts.
- Councillor Christy made reference to the fact that it has been mentioned that it is a disclaimed audit, and he asked for clarification as to what the material bearing of that actually is on the Council and whether it is a negative bearing. Debbie Hanson explained that in the prior year of 2022/23 the Council also received a disclaimed audit due to the fact that audit procedures were not undertaken. She added that when considering the current year, wherever an audit was disclaimed in 2022/23, the Council would again be receiving a disclaimed opinion because there would be no assurances in place over any opening balances or comparators. Debbie Hanson explained that the slightly different position that Fenland finds itself in this year, compared to some other councils who are being audited, is that there were no detailed audit procedures around individual balances in order to start to rebuild that assurance. She added that as a result it was acceptable to use the term of a 'full disclaimer' as she is making the point that they have not undertaken any audit procedures and, therefore, cannot provide any real assurances over the balances. Debbie Hanson explained that when reviewing the 2024/25 financial statements, there will be two years of having no assurance, which makes rebuilding the assurance for future years more challenging. She added that Fenland is not the only council to be in the position where there have been no audit procedures undertaken for 2023/24, but there are also a number of other councils where she has undertaken quite a substantial amount of work to try and rebuild that assurance and, therefore, that is probably the main implication in terms of the rebuild programme which will have to be considered in future years.
- Councillor Christy stated that the report also states that there are no other matters to report under ISA 260 and refers to financial stability and no significant weaknesses which have been identified, and he expressed the view that it is a very good indication of the financial

stability of the Council and is worthy of recognition.

- Councillor Mrs French stated that she notes that Peter Catchpole has advised that there are adequate staffing resources in place.

Members noted the contents of the report.

ARMC24/24 FINAL STATEMENT OF ACCOUNTS 2023/24

Mark Saunders presented the report to members and drew members attention to the update report which had been tabled.

Members asked questions, made comments and received responses as follows:

- Councillor Mrs French congratulated Mark Saunders and the Finance Team for all of their hard work in compiling the accounts.
- Councillor Christy echoed the sentiments of Councillor Mrs French in what has been a very challenging time.
- Councillor Christy referred to the report and highlighted the projected deficit which was originally set at £548,352 and was reduced by £355,927 and this relates to 1.3% of net expenditure. He added that the reserve balance is going to cover that deficit, with the reserve balance being £1.654 million which, in his view, puts the Council in an improved position compared to the projections of February 2024. Councillor Christy expressed the view that needs to be highlighted and recognised, and he thanked the Finance Team.

Members AGREED that the Statement of Accounts and Annual Governance Statement, including the tabled amendments for the financial year ended 31 March 2024 as presented be approved and that delegation be given to the Chairman of the Audit and Risk Management Committee and the Corporate Director and Chief Finance Officer to agree any further amendments to the Statement of Accounts which may arise prior to the final 'sign off' by the external auditors.

ARMC25/24 LETTER OF REPRESENTATION 2023/24

Members considered the Letter of Representation for 2023/24 presented by Peter Catchpole, Section 151 Officer.

Peter Catchpole explained that the Letter of Representation was designed to confirm that the Council had released all the necessary information to the external auditors.

Members APPROVED the content and form of the Letter of Representation and AGREED that it be signed by the Chairman of the Audit and Risk Management Committee and the Council's Chief Finance Officer.

ARMC26/24 RISK REGISTER - QUARTERLY UPDATE

Stephen Beacher, Head of ICT, Digital and Resilience, presented the report.

Members asked questions, made comments and received responses as follows:

- Councillor Christy referred to the Risk Register and the rating of item 24 which indicates a change in Government Priorities or Legislation and, in his view, the rating should be scored higher rather than a 4 which it is scored at the current time. Stephen Beacher stated that likelihood scores a rating of 4 which is probable and a 5 is very likely. He expressed the view that at the next quarter it remains to be seen whether the rating needs to be moved to a 5.

Members AGREED the latest Corporate Risk Register.

ARMC27/24 WHISTLEBLOWING POLICY

Sam Anthony, Head of Human Resources, presented the Whistleblowing Report to members.

Members AGREED to note and approve the amendments to the Whistleblowing Policy.

ARMC28/24 INTERNAL AUDIT PLAN 2024/25 PROGRESS REPORT Q3

Deborah Moss, Head of Internal Audit, presented the report to members.

Members asked questions, made comments and received responses as follows:

- Councillor Christy referred to the table at 2.5 within the report and asked whether it would be possible to have a further column which provides the detail of when they are being targeted for commencement or completion? Deborah Moss explained that the ones which state that they are in progress are almost finished and there is a short time lapse between her producing her report and the actual committee meeting, however, she will look to include the information regarding the status of audits going forward. Councillor Christy stated that it would be helpful to see the trend when looking at the status of the audits to gain an understanding of whether there is an issue surrounding staffing resources and then that is something that can be considered by the committee.
- Councillor Mrs French referred to page 267 of the report which mentions memorial safety and inspection policies awaiting new software. She asked whether Deborah Moss has an indication as to when the software maybe forthcoming or whether it is already being used? Deborah Moss stated that it is hoped that the software will be received in due course but there is no identifiable date currently and the audit will be undertaken once the software is installed rather than undertaking an audit twice.
- Peter Catchpole explained that he is working alongside Deborah Moss on the reports and the further detail that members requested is being included within the reports, but it is about reaching a satisfactory balance, adding that the feedback received from the committee is invaluable.

Members AGREED to note the activity and performance of the Internal Audit function.

ARMC29/24 AUDIT AND RISK MANAGEMENT COMMITTEE WORK PROGRAMME

Members considered the Audit and Risk Management Committee Work Programme.

- Peter Catchpole explained that he is compiling a new work programme for the next municipal year which will be brought forward for members to consider at the next meeting. He stated that the next scheduled meeting of the committee is due to take place on 17 March, but he proposed that the meeting should be cancelled with a view to holding the next meeting following the elections in May.
- Councillor Mrs French stated that is the sensible thing to do and agreed to holding the next meeting in May.

Members noted the work plan.

ARMC30/24 ITEMS OF TOPICAL INTEREST

There were no items of topical interest.

Fenland District Council

Audit planning report

Year ending 31 March 2025

23 April 2025



Shape the future
with confidence



The better the question. The better the answer. The better the world works.



Private and Confidential

23 April 2025

Audit and Risk Management Committee
Fenland Hall, County Road
March Cambridgeshire
PE15 8NQ

Dear Committee Members

Audit Planning Report for the year ended 31 March 2025

Attached is the Audit Planning Report for the upcoming meeting of the Audit and Risk Management Committee. This report aims to provide the Audit and Risk Management Committee of Fenland District Council (the Council) with a basis to review the proposed audit approach and scope for the 2024/25 audit. This is in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2024 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards, and other professional requirements. This report summarises our evaluation of the key issues driving the development of an effective audit. We have aligned our audit approach and scope accordingly. The report also addresses the broader impact of Government proposals aimed at establishing a sustainable local audit system.

As the Council's body charged with governance, the Audit and Risk Management Committee plays a crucial role in ensuring assurance over both the quality of the draft financial statements prepared by management and the Council's wider arrangements to support a timely and efficient audit. Failure to achieve this will affect the level of resources required to fulfil our responsibilities. We will assess and report on the adequacy of the Council's external financial reporting arrangements, as well as the effectiveness of the Audit and Risk Management Committee in fulfilling its role within those arrangements as part of our Value for Money assessment. We will also consider invoking other statutory reporting powers to highlight any weaknesses in these arrangements if deemed necessary. We direct Audit and Risk Management Committee members and officers to the Public Sector Audit Appointment Limited's Statement of Responsibilities (paragraphs 26-28) for expectations on preparing financial statements (see Appendix A).

This report is intended solely for the information and use of the Audit and Risk Management Committee and management, and is not intended to be, and should not be used, by anyone other than these specified parties.

We welcome the opportunity to discuss this report with you on 12 May 2025 as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

Debbie Hanson

Partner

For and on behalf of Ernst & Young LLP

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2024/25 audit strategy

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Public Sector Audit Appointments Ltd (PSAA) issued the 'Statement of responsibilities of auditors and audited bodies'. It is available from the PSAA website (<https://www.psaa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas. The 'Terms of Appointment and further guidance (updated July 2021)' issued by the PSAA (<https://www.psaa.co.uk/managing-audit-quality/terms-of-appointment/terms-of-appointment-and-further-guidance-1-july-2021/>) sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice 2024 (the NAO Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Audit and Risk Management Committee and management of Fenland District Council. Our work has been undertaken so that we might state to the Audit and Risk Management Committee and management of Fenland District Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Audit and Risk Management Committee and management of Fenland District Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



01

Overview of our 2024/25 audit strategy

Overview of our 2024/25 audit strategy

Context

Timely, high-quality financial reporting and audit of local bodies play a crucial role in our democratic system. It aids in effective decision-making by local bodies and ensures transparency and accountability to local taxpayers. There is a consensus that the delay in publishing audited financial statements by local bodies has reached an unacceptable level, and it is acknowledged that cooperation among all stakeholders in the sector is necessary to address this issue. The reasons for the backlog are well-documented and include:

- Insufficient capacity within the local authority financial accounting profession.
- Increased complexity of reporting requirements within the sector.
- Insufficient capacity within audit firms with public sector experience.
- Heightened regulatory pressure on auditors, leading to an expanded scope and extent of audit procedures performed.

The Ministry for Housing, Communities and Local Government (MHCLG) has collaborated with the Financial Reporting Council (FRC) and other system partners to develop and implement measures to address the backlog. SI 2024/907, along with the NAO Code and the Local Authority Reset and Recovery Implementation Guidance, have been created to ensure auditor compliance with International Standards on Auditing (UK) (ISAs (UK)). In February 2025, responsibilities for leadership of the local audit system transferred from the FRC back to MHCLG. This change follows the December 2024 launch of the Government's strategy for reforming the local audit system in England, which includes plans to establish a Local Audit Office. The approach to addressing the backlog consists of three phases:

- **Phase 1: Reset;** clearing the backlog of historic audit opinions up to and including financial year 2022/23 by 13 December 2024. This is largely complete.
- **Phase 2: Recovery from Phase 1;** from 2023/24, use backstop dates to prevent a recurrence of the backlog and allow assurance to be rebuilt over multiple audit cycles. The backstop date for the audit of the 2024/25 financial statements is 27 February 2026. Auditors are waiting for guidance from the system leader to effectively, efficiently and consistently build back assurance over disclaimed audit periods.
- **Phase 3: Reform;** involving addressing systemic challenges in the system and embedding timely financial reporting and audit.

As detailed in our Audit Completion Report presented to the Audit and Risk Management Committee on 25 February 2025, we disclaimed our audit opinion on the Council's 2023/24 financial statements.

We did not gain assurance over the closing balances in 2023/24. Consequently, we do not have assurance over the opening balances for 2024/25. This means we do not have assurance over in-year movements and some closing balances for 2024/25. Although we will continue to undertake work in 2024/25 to rebuild assurance ahead of the backstop date (subject to guidance), we will not be able to obtain sufficient evidence to have reasonable assurance over all closing balances. We therefore expect to again issue a disclaimed audit opinion in 2024/25.

Overview of our 2024/25 audit strategy

Rebuild of assurance – current position

The National Audit Office issued Local Audit Reset and Recovery Implementation Guidance (LARRIG) 05 on 10 September 2024, detailing the principle of returning to a state where auditors can issue audit opinions on local authority financial statements with sufficient audit evidence. This process will take several years to achieve.

Restoring assurance will need local authorities and auditors to work together. We are waiting for guidance from the National Audit Office and Financial Reporting Council to ensure a consistent approach for restoring assurance for disclaimed periods. Until then, we are unable to commence the rebuilding work programme.

We will audit the 2024/25 closing balance sheet and in-year transactions, as well as performing additional risk assessment procedures to assess the likelihood of a material misstatement in the opening reserve position for 2024/25. Updates on rebuilding assurance for the historical position will be provided as guidance is issued and its implications for the Council are evaluated taking into consideration the outcome of our risk assessment procedures. As the Council's financial statements for 2022/23 and 2023/24 were subject to a disclaimer of opinion, it is highly probable that our risk assessment procedures to assess the likelihood of a material misstatement in the opening reserve position will conclude that an elevated risk of material misstatement is associated with the reserve balances, because of the way in which they accumulate over successive years.

Responsibilities of management and those charged with governance

The Council's Section 151 Officer is responsible for preparing the financial statements in accordance with proper practices and confirming they give a true and fair view at the 31 March 2025. To complete the audit in a timely and efficient manner, it is essential that the financial statements are supported by high-quality working papers and audit evidence, and that Council resources are available to support the audit process within agreed deadlines. The Audit and Risk Management Committee has an essential role in ensuring that it has assurance over both the quality of the financial statements and the Council's wider arrangements to support the delivery of a timely and efficient audit. Where these conditions are not met, we will:

- Consider and report on the adequacy of the Council's external financial reporting arrangements as part of our assessment of Value for Money arrangements.
- Consider the use of other statutory reporting powers to draw attention to weaknesses in Council financial reporting arrangements, where deemed necessary.
- Assess the impact on available audit resource and where additional resources are deployed, seek a fee variation from PSAA. We have set out the factors that will lead to a fee variation at Appendix B, together with, at Appendix A, paragraphs 26-28 of PSAA's Statement of Responsibilities which clearly set out what is expected of audited bodies in preparing their financial statements.

Overview of our 2024/25 audit strategy

The following ‘dashboard’ summarises the significant accounting and auditing matters outlined in this report. It seeks to provide the Audit and Risk Management Committee with an overview of our initial risk identification for the upcoming audit and any changes in risks identified in the current year.

Audit risks and areas of focus

Risk/area of focus	Risk identified	Change from PY	Details
Misstatement due to fraud or error	Fraud risk	No change in risk or focus	There is a risk that the financial statements as a whole are not free from material misstatement whether caused by fraud or error. We perform mandatory procedures regardless of specifically identified fraud risks.
Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure including Revenue Expenditure Funded from Capital Under Statue (REFCUS)	Fraud risk	No change in risk or focus	<p>Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.</p> <p>We have assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure or incorrect recognition of REFCUS (if material).</p>
Valuation of land and buildings and investment properties	Inherent risk	No change in risk or focus	<p>The fair value of land and buildings and investment property represent significant balances in the Council’s accounts and are subject to valuation changes, impairment reviews and depreciation charges. Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end land and buildings and investment property balances recorded in the balance sheet.</p> <p>Our work on the 2021/22 financial statements did not identify any material issues with the balances for these assets in the balance sheet. We are also not aware of any other trigger events that would give rise to a significant risk. This therefore this remains an inherent risk.</p>

Overview of our 2024/25 audit strategy

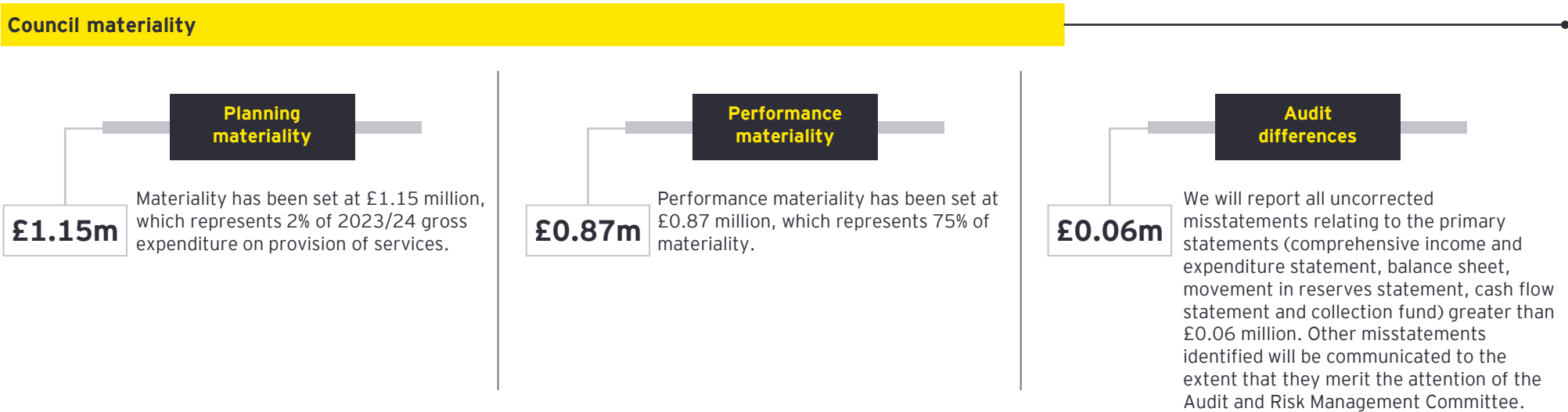
The following ‘dashboard’ summarises the significant accounting and auditing matters outlined in this report. It seeks to provide the Audit and Risk Management Committee with an overview of our initial risk identification for the upcoming audit and any changes in risks identified in the current year.

Audit risks and areas of focus (cont’d)

Risk/area of focus	Risk identified	Change from PY	Details
Pension asset / liability valuation	Inherent risk	No change in risk or focus	The Local Authority Accounting Code of Practice and IAS19 require the Council to disclose its membership in the Local Government Pension Scheme in its financial statements. Due to the significant estimation and judgement involved, an actuary is engaged for calculations. ISAs (UK) 500 and 540 mandate procedures on using management experts and assumptions for fair value estimates.
Implementation of IFRS 16	Inherent risk	New risk	IFRS 16 Leases is applicable in local government for periods beginning 1 April 2024. The transition requires entities to recognize lease liabilities and corresponding right-of-use assets for all leases, which may not have been previously recorded under the previous standard. Given the complexity of identifying all lease agreements and the potential for incorrect or incomplete data, there is a risk that not all leases have been identified appropriately accounted for.
Change in payroll system	Inherent risk	New risk	From 1 April 2024, the Council changed from using Zellis ResourceLink to using People XD for its Payroll IT system. We have identified an inherent risk associated with this, which focuses on completeness of data transferred, implementation of new controls, and accessibility of historical data.

We will continue to keep the Audit and Risk Management Committee updated on our assessment of any changes to audit risk.

Overview of our 2024/25 audit strategy



We will keep the Audit and Risk Management Committee updated on any changes to materiality levels as the audit progresses.

Overview of our 2024/25 audit strategy

Audit scope

This Audit Planning Report covers the work that we plan to perform to provide you with:

- Our audit opinion on whether the financial statements give a true and fair view of the financial position as at 31 March 2025 and of the income and expenditure for the year then ended; and
- Our commentary on your arrangements to secure value for money in your use of resources for the relevant period. We include further details on the value for money arrangements in Section 03.

We also review and report to the National Audit Office (NAO), to the extent and in the form required by them, on the Council's Whole of Government Accounts return.

Our audit will also include the required mandatory procedures in accordance with applicable laws and auditing standards.

When planning the audit we consider several key inputs:

- Strategic, operational and financial risks relevant to the financial statements;
- Developments in financial reporting and auditing standards;
- The quality of systems and processes;
- Changes in the business and regulatory environment; and
- Management's views on all the above.

By considering these inputs, our audit is focused on the areas that matter, and our feedback is more likely to be relevant.

Considering the above, our professional duties require us to independently assess audit risks and take appropriate actions. The Terms of Appointment with the PSAA permit fee adjustments based on 'the auditor's assessment of risk and the work needed to meet their professional responsibilities'. Therefore, we outline these risks in this Audit Planning Report and will discuss any impact on the proposed scale fee with management.

Overview of our 2024/25 audit strategy

Audit scope (cont'd)

Effects of climate-related matters on financial statements

Public interest in climate change is growing. We recognize that climate-related risks may span a long timeframe, and while these risks exist, their impact on the current financial statements may not be immediately significant. However, it remains essential to understand these risks to conduct a proper evaluation. Additionally, comprehending climate-related risks may be pertinent in the context of qualitative disclosures in the notes to the financial statements and in assessing value-for-money arrangements.

We inquire about climate-related risks during every audit as part of our understanding of the entity and its environment. As we continually re-evaluate our risk assessments throughout the audit, we consider the information obtained to help us assess the level of inherent risk.

Audit scope and approach

We plan to adopt a substantive audit approach.

Value for Money

We are required to consider whether the Council has made 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources.

The value for money planning and related risk assessment aims to collect enough evidence to document our evaluation of the Council's arrangements, allowing us to prepare a commentary based on three reporting criteria. This process includes identifying and reporting any significant weaknesses in those arrangements and making suitable recommendations.

We will provide a commentary on the Council's arrangements against three reporting criteria:

- Financial sustainability – How the Council plans and manages its resources to ensure it can continue to deliver its services.
- Governance – How the Council ensures that it makes informed decisions and properly manages its risks.
- Improving economy, efficiency and effectiveness – How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

Commentary on value for money arrangements will be included in the 2024/25 Auditor's Annual Report. This will need to be issued by 30 November 2025 to comply with the revised requirements of the NAO Code.

Timeline

An audit timetable has been agreed with management. In Section 07 we include a provisional timeline for the audit. It is essential that all parties collaborate to ensure compliance with this timeline.



02 Audit risks

Our response to significant risks

We have set out the significant risks (including fraud risks denoted by*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.



What is the risk?

The financial statements as a whole are not free of material misstatements whether caused by fraud or error.

As identified in ISA (UK) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

We identify and respond to this fraud risk on every audit engagement.

What will we do?

- Identify fraud risks during the planning stages.
- Inquire of management about the risks of fraud and the controls put in place to address those risks.
- Understand the oversight given by those charged with governance of management's processes over fraud.
- Discuss with those charged with governance the risks of fraud in the entity, including those risks that are specific to the entity's business sector (those that may arise from economic industry and operating conditions).
- Consider whether there are any fraud risk factors associated with related party relationships and transactions and if so, whether they give rise to a risk of material misstatement due to fraud.
- Consider the effectiveness of management's controls designed to address the risk of fraud.
- Determine an appropriate strategy to address those identified risks of fraud.
- Perform mandatory procedures regardless of specifically identified fraud risks, including testing of journal entries and other adjustments in the preparation of the financial statements.
- Undertake procedures to identify significant unusual transactions.
- Consider whether management bias was present in the key accounting estimates and judgments in the financial statements.

Having evaluated this risk, we have considered whether we need to perform other audit procedures not referred to above. We concluded that those procedures included under 'Inappropriate capitalisation of revenue expenditure' are required.

Our response to significant risks

We have set out the significant risks (including fraud risks denoted by*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.



Financial statement impact

We have assessed that the risk of misreporting revenue outturn in the financial statements is most likely to be achieved through:

- Revenue expenditure being inappropriately recognised as capital expenditure at the point it is posted to the general ledger.
- Expenditure being classified as revenue expenditure financed as capital under statute (REFCUS) when it is inappropriate to do so.
- Expenditure being inappropriately transferred by journal from revenue to capital codes on the general ledger at the end of the year.

If this were to happen it would have the impact of understating revenue expenditure and overstating Property, Plant and Equipment (PPE) and Investment Property (IP) additions and/or REFCUS in the financial statements.

What is the risk?

Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.

We have assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure and inappropriate classification of expenditure as REFCUS (if material).

What will we do?

- Test PPE and IP additions to ensure that the expenditure incurred and capitalised is clearly capital in nature.
- Assess whether the capitalised spend clearly enhances or extends the useful life of asset rather than simply repairing or maintaining the asset on which it is incurred.
- Consider whether any development or other related costs that have been capitalised are reasonable to capitalise, i.e. the costs incurred are directly attributable to bringing the asset into operational use.
- Test REFCUS, if material, to ensure that it is appropriate for the revenue expenditure incurred to be financed from ringfenced capital resources. Based on our work at the planning stage of the audit we do not expect there to be material REFCUS in the year.
- Seek to identify and understand the basis for any significant journals transferring expenditure from revenue to capital codes on the general ledger at the end of the year.

Other areas of audit focus

We have identified other areas of the audit, that have not been classified as significant risks, but are still important when considering the risks of material misstatement to the financial statements and disclosures and therefore may be key audit matters we will include in our audit report.

What is the risk/area of focus, and the key judgements and estimates?	Our response: Key areas of challenge and professional judgement	What else will we do?
<p>Valuation of land and buildings and investment property</p> <p>The fair value of land and buildings (including surplus assets) and investment properties represent significant balances in the Council's accounts (2023/24 value was £50.5 million for land and buildings and £6.01 million for investment properties) and are subject to valuation changes, impairment reviews and depreciation charges.</p> <p>Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet.</p> <p>The valuation basis varies depending on the type of assets, and therefore subject to different input, estimation process and assumptions used.</p> <p>ISAs (UK and Ireland) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<p>We will:</p> <ul style="list-style-type: none">▪ Consider the work performed by the valuer, including the adequacy of the scope of the work performed, their professional capabilities and the results of their work.▪ Perform testing of key assumptions and methodologies on a sample of assets and consider the reasonableness of the estimation techniques employed.▪ Sample test key asset information used by the valuer in performing their valuation and agree this to what has been recorded in the fixed asset register and general ledger.▪ Consider if there are any specific changes to assets that have occurred and that these have been communicated to the valuer.▪ Consider changes to useful economic lives as a result of the most recent valuation.▪ Consider the annual cycle of valuations to ensure that assets have been valued within a 5-year rolling programme as required by the Code (land and buildings only).▪ Review land and building assets not subject to valuation in 2024/25 to confirm that the remaining asset base is not materially misstated.▪ Test accounting entries have been correctly processed in the financial statements.▪ Review the disclosures to ensure they are adequate in relation to estimation uncertainty.	<p>We will continue to consider the need to use EY Real Estates, our internal specialists on asset valuations, to support our work in this area. Based on procedures performed at the planning stage we do not expect to commission EY Real Estates.</p>

Other areas of audit focus

We have identified other areas of the audit, that have not been classified as significant risks, but are still important when considering the risks of material misstatement to the financial statements and disclosures and therefore may be key audit matters we will include in our audit report.

What is the risk/area of focus, and the key judgements and estimates?	Our response: Key areas of challenge and professional judgement	What else will we do?
<p>Pension asset / liability valuation</p> <p>The Local Authority Accounting Code of Practice and IAS19 require the Council to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by the Council.</p> <p>The Council's pension fund surplus is a material estimated balance, and the Code requires that this asset be disclosed on the Council's balance sheet. At 31 March 2024 this totalled £3.18 million.</p> <p>The information disclosed is based on the IAS 19 report issued to the Council by the actuary to the Council.</p> <p>Accounting for this scheme involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<p>We will:</p> <ul style="list-style-type: none">▪ Liaise with the auditors of Cambridgeshire Pension Fund, to obtain assurances over the information supplied to the actuary in relation to the Council.▪ Assess the work of the pension fund actuary including the assumptions they have used by relying on the work of PwC - Consulting Actuaries commissioned by the National Audit Office for all local government sector auditors and considering any relevant reviews by the EY actuarial team.▪ Undertake procedures to determine whether IFRIC 14 has been correctly considered in the pension asset valuation.▪ Evaluate the reasonableness of the Pension Fund actuary's calculations by comparing them to the outputs of our own auditor's specialist's model.▪ Review and test the accounting entries and disclosures made within the Council's financial statements in relation to IAS19.	<p>We will consider outturn information available at the time we undertake our work after production of the Council's draft financial statements, for example the year-end actual valuation of pension fund assets. We will use this to inform our assessment of the accuracy of estimated information included in the financial statements and whether any adjustments are required.</p>

Other areas of audit focus

We have identified other areas of the audit, that have not been classified as significant risks, but are still important when considering the risks of material misstatement to the financial statements and disclosures and therefore may be key audit matters we will include in our audit report.

What is the risk/area of focus, and the key judgements and estimates?

IFRS 16 Implementation

IFRS 16 Leases is applicable in local government for periods beginning 1 April 2024. It has been adopted, interpreted and adapted in the 2024/25 CIPFA Code of Practice on Local Authority Accounting which sets out the financial reporting framework for the Council's 2024/25 accounts.

IFRS 16 eliminates the operating / finance lease distinction for leases and imposes a single model geared towards the recognition of all but low-value or short-term leases. Where the Council is the lessee, these leases will now be recognised on the Balance Sheet as a 'right of use' asset and lease liability reflecting the obligation to make lease payments.

Successful transition will depend on the Council having captured additional information about leases, both new and existing, especially regarding future minimum lease payments. The Council will also have had to develop systems for capturing cost information that are fit for purpose, can respond to changes in lease terms and the presence of any variable (e.g., RPI-based) lease terms where forecasts will need to be updated annually based on prevailing indices.

At this stage, we do not expect the relevant financial statement line amounts relating to IFRS 16 to be material, therefore we have identified this as an inherent risk. We will, however, revisit this throughout the audit and will revise the risk designation if additional risk factors are identified.

Our response: Key areas of challenge and professional judgement

We will:

- Gain an understanding of the processes and controls developed by the Council relevant to the implementation of IFRS 16. We will pay particular attention to the Council's arrangements to ensure lease and lease-type arrangements considered are complete.
- Review the discount rate that is used to calculate the right of use asset and assess its reasonableness.
- Review management policies, including whether to use a portfolio approach, low value threshold, and asset classes where management is adopting as the practical expedient to non-lease components.
- Gain assurance over the right of use asset included in the 2024/25 financial statements.
- Sample test leases to ensure that transition arrangements have been correctly applied.
- Consider the accounting for leases provided at below market rate, including peppercorn and nil consideration, and the need to make adjustments to cost in the valuation of right of use assets at the balance sheet date.

Change in Payroll System

From 1 April 2024, the Council changed from using Zellis ResourceLink to using People XD for the Payroll IT system. This presents an audit risk around completeness of data transferred, implementation of new controls, and accessibility of historical data. Incomplete data transfer or inadequate controls over the new system could present a risk of misstatement in employee costs, officer's remuneration and / or exit packages.

We will:

- Gain an understand of the process by which the new system went live and the nature of any testing of the system transfer.
- Perform a walkthrough to gain an understanding of the design and implementation of new controls in the new system.
- Perform testing to gain assurance over the completeness of data transferred, where this impacts the 2024/25 financial year's transactions.



03 Value for Money risks

Value for Money

Council's responsibilities for value for money

The Council is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

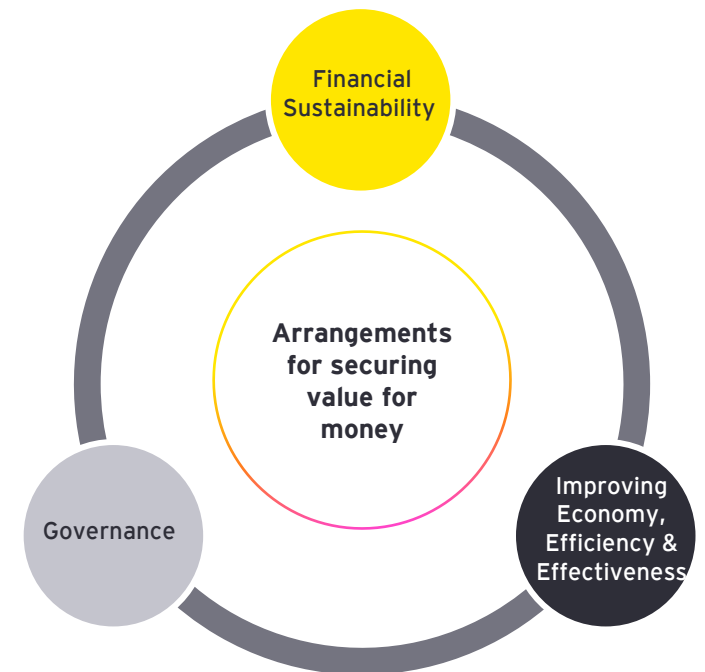
As part of the material published with the financial statements, the Council is required to bring together commentary on the governance framework and how this has operated during the period in a governance statement. In preparing the governance statement, the Council tailors the content to reflect its own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes a requirement to provide commentary on arrangements for securing value for money from the use of resources.

Auditor responsibilities

Under the NAO Code we are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the Council a commentary against specified reporting criteria (see below) on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

The specified reporting criteria are:

- Financial sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services.
- Governance - How the Council ensures that it makes informed decisions and properly manages its risks.
- Improving economy, efficiency and effectiveness - How the Council uses information about its costs and performance to improve the way it manages and delivers its services.



Value for Money

Planning and identifying risks of significant weakness in VFM arrangements

The NAO's guidance notes require us to conduct a risk assessment that collects sufficient evidence to document our evaluation of the Council's arrangements, allowing us to draft a commentary under the three reporting criteria. This involves identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations. In considering the Council's arrangements, we consider:

- The annual governance statement;
- Evidence of arrangements during the reporting period;
- Evidence obtained from our audit of the financial statements;
- The work of inspectorates and other bodies; and
- Any other evidence that we deem as necessary to facilitate the performance of our statutory duties.

We then evaluate whether there is evidence indicating significant weaknesses in arrangements. According to the NAO's guidance, determining what constitutes a significant weakness and the extent of additional audit work required to address the risk is based on professional judgment. The NAO indicates that a weakness can be considered significant if it:

- Exposes, or could reasonably be expected to expose, the council to significant financial loss or risk;
- Leads to, or could reasonably be expected to lead to, significant impact on the quality or effectiveness of service or on the council's reputation or unlawful actions; or
- Identifies a failure to take action to address a previously identified significant weakness, such as failure to implement or achieve planned progress on improvement plans.

Responding to identified risks of significant weakness

When planning work identifies a risk of significant weakness, the NAO's guidance requires us to consider the additional evidence needed to verify whether there is a significant weakness in arrangements. This involves conducting further procedures as necessary. We are required to report our planned procedures to the Audit and Risk Management Committee.

Value for Money

Reporting on VFM

If we determine that the Council has not made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources, the NAO Code mandates that we reference this by exception in the audit report on the financial statements.

Additionally, we are required to provide a commentary on the value for money arrangements in the Auditor's Annual Report. The NAO Code specifies that this commentary should be clear, readily understandable, and highlight any issues we wish to draw to the Council's or the wider public's attention. This may include matters that are not considered significant weaknesses in arrangements but should still be brought to the Council's awareness. It will also cover details of any recommendations from the audit and the follow-up of previously issued recommendations, along with our assessment of their satisfactory implementation. Our 2024/25 Auditor's Annual Report requires to be issued by 30 November 2025 to comply with the revised requirements of the NAO Code.

Status of our 2024/25 VFM planning

We have yet to complete our detailed value for money planning. However, one area of focus will be on the Council's governance arrangements, in light of the late publication of the 2022/23 and 2023/24 Draft Statement of Accounts. We will update the Audit and Risk Management Committee on the outcome of our value for money planning and our planned response to any additional identified risks of significant weaknesses in arrangements.



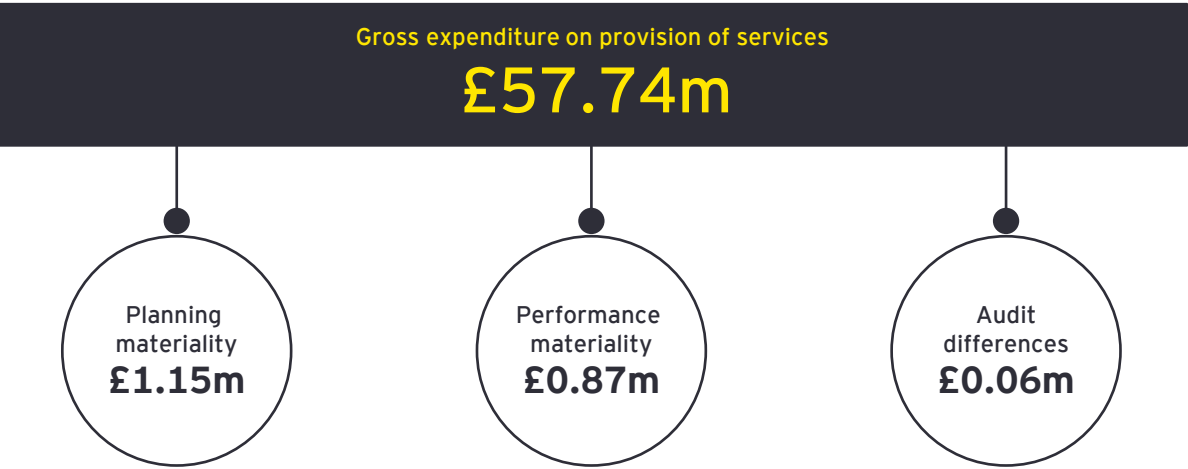
04 Audit materiality

Materiality

Council materiality

For planning purposes, Council materiality for 2024/25 has been set at £1.15 million. This represents 2% of the Council's 2023/24 gross expenditure on provision of services. It will be reassessed on receipt of the draft 2024/24 financial statements and throughout the audit process.

The Council is a public sector body, and the main function of the entity is to provide services to the local community. For a public sector entity, the expectations of users (including regulators) of the entity are focused on the measurement of expenditure and, as such, the income statement is considered the most appropriate basis for determining materiality for public sector bodies. We consider that gross expenditure on the provision of services is the area of biggest interest to the users of the Council's accounts.



We will keep the Audit and Risk Management Committee updated on any changes to materiality levels as the audit progresses.

We request that the Audit and Risk Management Committee confirm its understanding of, and agreement to, these materiality and reporting levels.

Key definitions

Planning materiality – The amount over which we anticipate misstatements would influence the economic decisions of a user of the financial statements.

Performance materiality – The amount we use to determine the extent of our audit procedures. We have set performance materiality at £0.87 million which represents 75% of planning materiality. We have considered the factors of having a higher likelihood of material misstatements based on prior year adjustments.

Per our initial assessment, we do not believe there are errors that are indicative of pervasive errors throughout the financial statements or a higher likelihood of misstatement in other areas. We have therefore used a higher end of 75% of our Planning Materiality as our Performance Materiality.

Audit difference threshold – We propose that misstatements identified below this threshold are deemed clearly trivial. The same threshold for misstatements is used for component reporting. We will report to you all uncorrected misstatements over this amount relating to the income statement and balance sheet that have an effect on income or that relate to other comprehensive income.

Other uncorrected misstatements, such as reclassifications and misstatements in the cashflow statement or disclosures and corrected misstatements will be communicated to the extent that they merit the attention of the Audit and Risk Management Committee, or are important from a qualitative perspective.



05 Scope of our audit

Audit process and strategy

Objective and Scope of our Audit scoping

In accordance with the NAO Code, our primary objectives are to conduct work that supports the delivery of our audit report to the Council. Additionally, we aim to ensure that the Council has established proper arrangements for securing economy, efficiency, and effectiveness in its use of resources, as mandated by relevant legislation and the requirements of the NAO Code.

We issue an audit report that covers:

1. Financial statement audit

Our opinion on the financial statements:

- Whether the financial statements give a true and fair view of the financial position of the group and its expenditure and income for the period in question; and
- Whether the financial statements have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction.

Our opinion on other matters:

- Whether other information published together with the audited financial statements is consistent with the financial statements.

Other procedures required by the Code:

- Examine and report on the consistency of the Whole of Government Accounts schedules or returns with the body's audited financial statements for the relevant reporting period in line with the instructions issued by the National Audit Office.

2. Arrangements for securing economy, efficiency and effectiveness (value for money)

We are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources and report a commentary on those arrangements.

Audit process and strategy

Audit Process Overview

Our audit involves:

- Identifying and understanding the key processes and internal controls;
- Substantive tests of detail of transactions and amounts;
- Reliance on the work of other auditors where appropriate; and
- Reliance on the work of experts in relation to areas, such as pensions and property valuations.

Our initial assessment of the key processes across the Council has not identified any processes where we will seek to test key controls, either manual or IT. Our audit strategy will, as in previous years, follow a fully substantive approach. This will involve testing the figures within the financial statements rather than looking to place reliance on the controls within the financial systems. We assess this as the most efficient way of carrying out our work and obtaining the level of audit assurance required to conclude that the financial statements are not materially misstated.

Analytics

We will use a data driven approach to enable us to capture whole populations of your financial data, in particular journal entries. These tools:

- Help identify specific exceptions and anomalies which can then be subject to more traditional substantive audit tests; and
- Give greater likelihood of identifying errors than random sampling techniques.

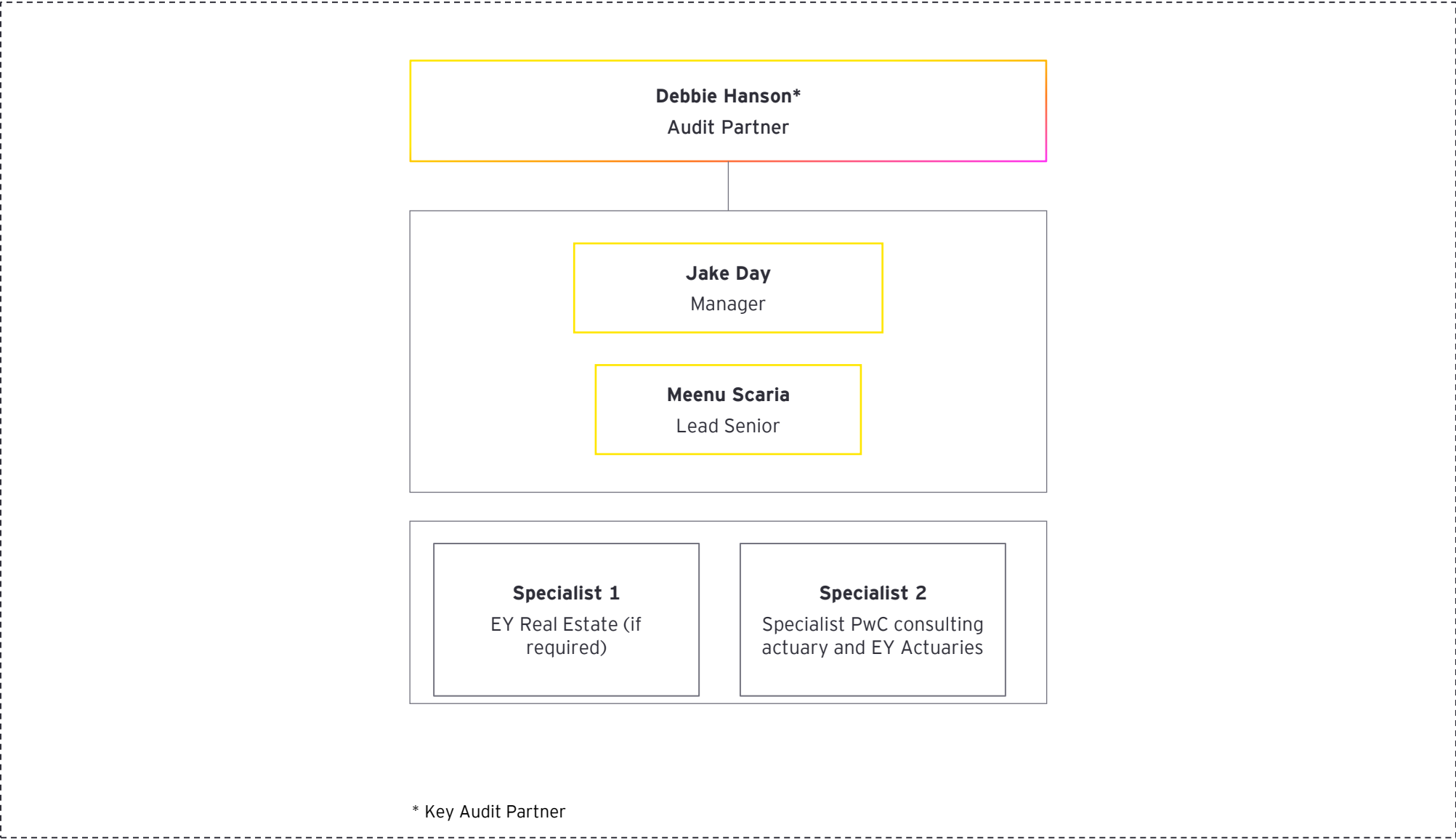
Internal audit

We will review internal audit plans and the results of their work. We will reflect the findings from these reports, together with reports from any other work completed in the year, in our detailed audit plan, where they raise issues that could have an impact on the financial statements.



06 Audit team

Audit team



Use of specialists

Our approach to the involvement of specialists, and the use of their work

When auditing key judgements, we are often required to use the input and advice provided by specialists who have qualifications and expertise not possessed by the core audit team. The areas where specialists are expected to provide input for the current year audit are:

Area	Specialists
Valuation of land and buildings	Management Specialist - Wilks Head & Eve EY Valuations Team - EY Real Estates (if deemed required)
Pensions disclosures	Management Specialist - Hymans Robertson PwC (Consulting Actuary to the NAO) EY Actuaries

In accordance with Auditing Standards, we will evaluate each specialist’s professional competence and objectivity, considering their qualifications, experience and available resources, together with the independence of the individuals performing the work.

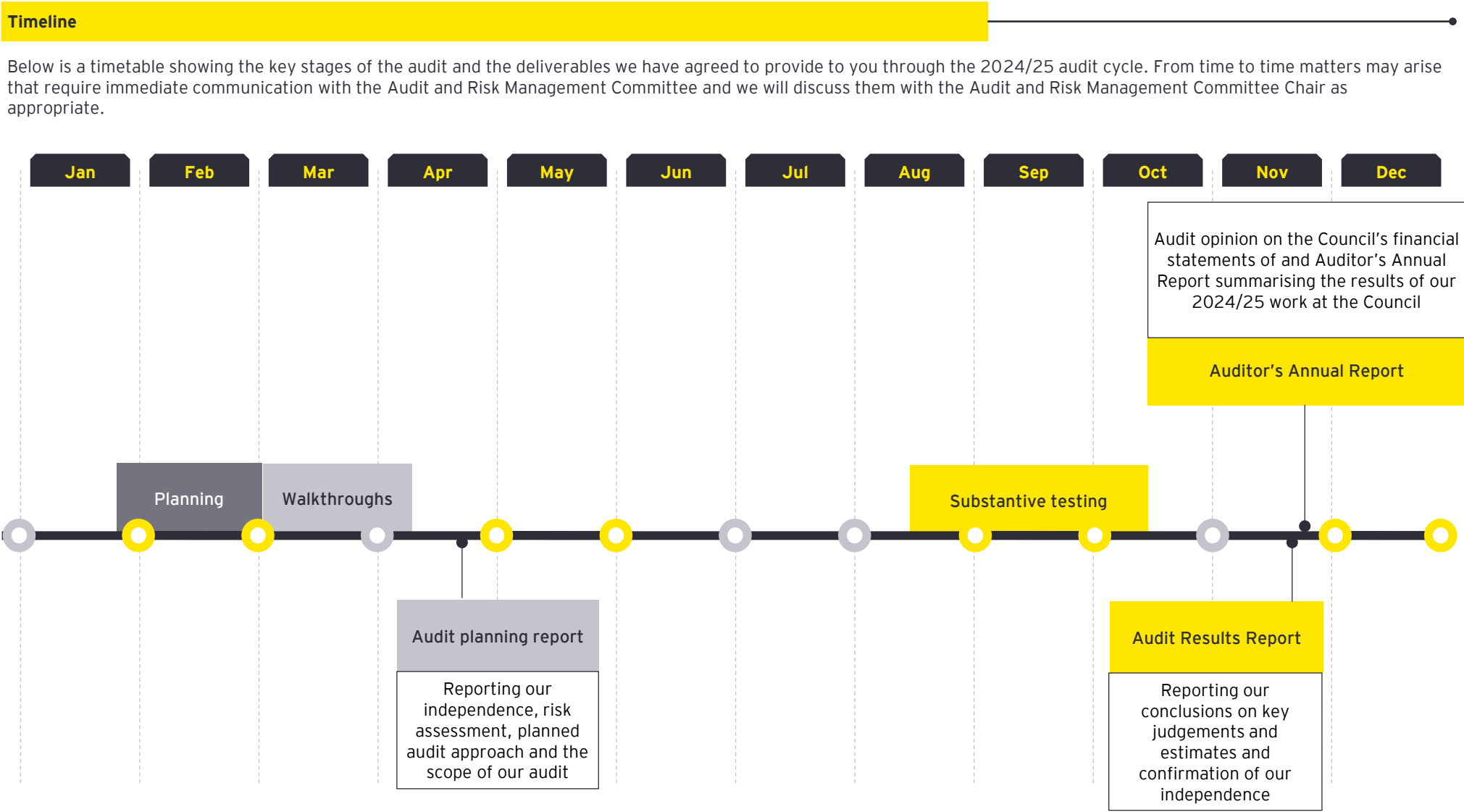
We also consider the work performed by the specialist in light of our knowledge of the Council’s business and processes and our assessment of audit risk in the particular area. For example, we would typically perform the following procedures:

- Analyse source data and make inquiries as to the procedures used by the specialist to establish whether the source data is relevant and reliable.
- Assess the reasonableness of the assumptions and methods used.
- Consider the appropriateness of the timing of when the specialist carried out the work.
- Assess whether the substance of the specialist’s findings are properly reflected in the financial statements.



07 Audit timeline

Timetable of communication and deliverables





08 Independence

Introduction

The FRC Ethical Standard 2024 and ISA (UK) 260 ‘Communication of audit matters with those charged with governance’, requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our integrity, objectivity and independence. The Ethical Standard, as revised in January 2024, requires that we communicate formally both at the planning stage and at the conclusion of the audit, as well as during the course of the audit if appropriate. The aim of these communications is to ensure full and fair disclosure by us to those charged with your governance on matters in which you have an interest.

Required communications	
Planning stage	Final stage
<ul style="list-style-type: none">▪ The principal threats, if any, to objectivity and independence identified by Ernst & Young (EY) including consideration of all relationships between you, your affiliates and directors and us;▪ The safeguards adopted and the reasons why they are considered to be effective, including any Engagement Quality review;▪ The overall assessment of threats and safeguards;▪ Information about the general policies and process within EY to maintain objectivity and independence; and▪ The details and significance of any breaches of this ethical standard in the relevant period.	<ul style="list-style-type: none">▪ In order for you to assess the integrity, objectivity and independence of the firm and each covered person, we are required to provide a written disclosure of relationships (including the provision of non-audit services) that may bear on our integrity, objectivity and independence. This is required to have regard to relationships with the entity, its directors and senior management, its affiliates, and its connected parties and the threats to integrity or objectivity, including those that could compromise independence that these create. We are also required to disclose any safeguards that we have put in place and why they address such threats, together with any other information necessary to enable our objectivity and independence to be assessed;▪ Details of any additional services provided and the fees charged in relation thereto;▪ Written confirmation that the firm and each covered person is independent and, if applicable, that any non-EY firms used in the group audit or external experts used have confirmed their independence to us;▪ Details of any inconsistencies between FRC Ethical Standard and your policy for the supply of non-audit services by EY and any apparent breach of that policy;▪ Details of all breaches of the IESBA Code of Ethics, the FRC Ethical Standard and professional standards, and of any safeguards applied and actions taken by EY to address any threats to independence; and▪ An opportunity to discuss auditor independence issues.

In addition, during the course of the audit, we are required to communicate with you whenever any significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place, for example, when accepting an engagement to provide non-audit services.

We ensure that the total amount of fees that EY and our network firms have charged to you and your affiliates for the provision of services during the reporting period, analysed in appropriate categories, are disclosed.

Relationships, services and related threats and safeguards

We highlight the following significant facts and matters that may be reasonably considered to bear upon our objectivity and independence, including the principal threats, if any. We have adopted the safeguards noted below to mitigate these threats along with the reasons why they are considered to be effective. However, we will only perform non-audit services if the service has been pre-approved in accordance with your policy.

Overall Assessment

Overall, we consider that the safeguards that have been adopted appropriately mitigate the principal threats identified and we therefore confirm that EY is independent and the objectivity and independence of David Riglar, your audit engagement partner and the audit engagement team have not been compromised.

Self interest threats

A self interest threat arises when EY has financial or other interests in your company. Examples include where we have an investment in your company; where we receive significant fees in respect of non-audit services; where we need to recover long outstanding fees; or where we enter into a business relationship with you. At the time of writing, there are no long outstanding fees.

At the time of writing, there are no non-audit services. No additional safeguards are required.

A self interest threat may also arise if members of our audit engagement team have objectives or are rewarded in relation to sales of non-audit services to you. We confirm that no member of our audit engagement team, including those from other service lines, has objectives or is rewarded in relation to sales to you, in compliance with Ethical Standard part 4. There are no other self interest threats at the date of this report.

Self review threats

Self review threats arise when the results of a non-audit service performed by EY or others within the EY network are reflected in the amounts included or disclosed in the financial statements.

There are no self review threats at the date of this report.

Management threats

Partners and employees of EY are prohibited from taking decisions on behalf of management of your company. Management threats may also arise during the provision of a non-audit service in relation to which management is required to make judgements or decision based on that work.

There are no management threats at the date of this report.

Other threats

Other threats, such as advocacy, familiarity or intimidation, may arise.

There are no other threats at the date of this report.

Other communications

EY Transparency Report 2024

EY has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained. Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the period ended 30 June 2024 and can be found here: **[EY UK 2024 Transparency Report](#)**.



09 Appendices

Appendix A – PSAA Statement of Responsibilities

As set out on the next page our fee is based on the assumption that the Council complies with PSAA's Statement of Responsibilities of auditors and audited bodies. See <https://www.psaa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>. In particular the Council should have regard to paragraphs 26-28 of the Statement of Responsibilities which clearly set out what is expected of audited bodies in preparing their financial statements. We set out these paragraphs in full below:

Preparation of the statement of accounts

26. Audited bodies are expected to follow Good Industry Practice and applicable recommendations and guidance from CIPFA and, as applicable, other relevant organisations as to proper accounting procedures and controls, including in the preparation and review of working papers and financial statements.

27. In preparing their statement of accounts, audited bodies are expected to:

- Prepare realistic plans that include clear targets and achievable timetables for the production of the financial statements;
- Ensure that finance staff have access to appropriate resources to enable compliance with the requirements of the applicable financial framework, including having access to the current copy of the CIPFA/LASAAC Code, applicable disclosure checklists, and any other relevant CIPFA Codes;
- Assign responsibilities clearly to staff with the appropriate expertise and experience;
- Provide necessary resources to enable delivery of the plan;
- Maintain adequate documentation in support of the financial statements and, at the start of the audit, providing a complete set of working papers that provide an adequate explanation of the entries in those financial statements including the appropriateness of the accounting policies used and the judgements and estimates made by management;
- Ensure that senior management monitors, supervises and reviews work to meet agreed standards and deadlines;
- Ensure that a senior individual at top management level personally reviews and approves the financial statements before presentation to the auditor; and
- During the course of the audit, provide responses to auditor queries on a timely basis.

28. If draft financial statements and supporting working papers of appropriate quality are not available at the agreed start date of the audit, the auditor may be unable to meet the planned audit timetable and the start date of the audit will be delayed.

Appendix B – Fees

The duty to prescribe fees is a statutory function delegated to Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Housing, Communities and Local Government.

This is defined as the fee required by auditors to meet statutory responsibilities under the Local Audit and Accountability Act 2014 in accordance with the requirements of the Code of Audit Practice and supporting guidance published by the National Audit Office, the financial reporting requirements set out in the Code of Practice on Local Authority Accounting published by CIPFA/LASAAC, and the professional standards applicable to auditors' work.

The agreed fee presented is based on the following assumptions:

- ▶ Officers meeting the agreed timetable of deliverables;
- ▶ Our financial statement opinion and value for money conclusion being unqualified;
- ▶ Appropriate quality of documentation being provided by the Council;
- ▶ An effective control environment; and
- ▶ Compliance with PSAA's Statement of Responsibilities of auditors and audited bodies. See <https://www.psaa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>. In particular the Council should have regard to paragraphs 26-28 of the Statement of Responsibilities which clearly sets out what is expected of audited bodies in preparing their financial statements. These are set out in full on the previous page.

If any of the above assumptions prove to be unfounded, we will seek a variation to the agreed fee. This will be discussed with the Council in advance.

	Current Year (2024/25)	Prior Year (2023/24)
	£	£
Total Fee – Code Work	158,632	144,006 (Note 1)
Proposed scale fee variation (Note 2)	TBC	TBC
Total fees	TBC	TBC

All fees exclude VAT

1. As set out in the joint statement on update to proposals to clear the backlog and embed timely audit issued by DHLUC, PSAA will use its fee variation process to determine the final fee the Council have to pay for the 2022/23 and 2023/24 audits, which were disclaimed.
2. The scale fee may be impacted by a range of factors which will result in additional work, which include but are not limited to:
 - Consideration of correspondence from the public and formal objections.
 - New accounting standards, for example full adoption or additional disclosures in respect of IFRS 16.
 - Non-compliance with law and regulation with an impact on the financial statements.
 - VFM risks of, or actual, significant weaknesses in arrangements and related reporting impacts.
 - The need to exercise auditor statutory powers.
 - Prior period adjustments.
 - Modified financial statement opinions.

Appendix C – Required communications with the Audit and Risk Management Committee

We have detailed the communications that we must provide to the Audit and Risk Management Committee.

		Our Reporting to you
Required communications	What is reported?	When and where
Terms of engagement	Confirmation by the Audit and Risk Management Committee of acceptance of terms of engagement as written in the engagement letter signed by both parties.	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Our responsibilities	Reminder of our responsibilities as set out in the engagement letter	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Planning and audit approach	<p>Communication of:</p> <ul style="list-style-type: none"> ▪ The planned scope and timing of the audit ▪ Any limitations on the planned work to be undertaken ▪ The planned use of internal audit ▪ The significant risks identified <p>When communicating key audit matters this includes the most significant risks of material misstatement (whether or not due to fraud) including those that have the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team</p>	Audit planning report - 12 May 2025 - Audit and Risk Management Committee
Significant findings from the audit	<ul style="list-style-type: none"> ▪ Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures ▪ Significant difficulties, if any, encountered during the audit ▪ Significant matters, if any, arising from the audit that were discussed with management ▪ Written representations that we are seeking ▪ Expected modifications to the audit report ▪ Other matters if any, significant to the oversight of the financial reporting process 	<p>Audit results report - TBC - Audit and Risk Management Committee</p> <p>Auditor's annual report - TBC - Audit and Risk Management Committee</p>

Appendix C – Required communications with the Audit and Risk Management Committee

		Our Reporting to you
Required communications	What is reported?	When and where
Going concern	<p>Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including:</p> <ul style="list-style-type: none"> Whether the events or conditions constitute a material uncertainty Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements The adequacy of related disclosures in the financial statements 	Audit results report - TBC - Audit and Risk Management Committee
Misstatements	<ul style="list-style-type: none"> Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation The effect of uncorrected misstatements related to prior periods A request that any uncorrected misstatement be corrected Material misstatements corrected by management 	Audit results report - TBC - Audit and Risk Management Committee
Fraud	<ul style="list-style-type: none"> Enquiries of the Audit and Risk Management Committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity Any fraud that we have identified or information we have obtained that indicates that a fraud may exist Unless all of those charged with governance are involved in managing the entity, any identified or suspected fraud involving: <ul style="list-style-type: none"> a. Management; b. Employees who have significant roles in internal control; or c. Others where the fraud results in a material misstatement in the financial statements The nature, timing and extent of audit procedures necessary to complete the audit when fraud involving management is suspected Matters, if any, to communicate regarding management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud Any other matters related to fraud, relevant to Audit and Risk Management Committee responsibility 	Audit results report - TBC - Audit and Risk Management Committee

Appendix C – Required communications with the Audit and Risk Management Committee

		Our Reporting to you
Required communications	What is reported?	When and where
Related parties	<p>Significant matters arising during the audit in connection with the entity's related parties including, when applicable:</p> <ul style="list-style-type: none"> ▪ Non-disclosure by management ▪ Inappropriate authorisation and approval of transactions ▪ Disagreement over disclosures ▪ Non-compliance with laws and regulations ▪ Difficulty in identifying the party that ultimately controls the entity 	Audit results report - TBC - Audit and Risk Management Committee
Independence	<p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, integrity, objectivity and independence</p> <p>Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> ▪ The principal threats ▪ Safeguards adopted and their effectiveness ▪ An overall assessment of threats and safeguards ▪ Information about the general policies and process within the firm to maintain objectivity and independence <p>Communication whenever significant judgements are made about threats to integrity, objectivity and independence and the appropriateness of safeguards put in place.</p>	<p>Audit planning report - 12 May 2025 - Audit and Risk Management Committee</p> <p>Audit results report - TBC - Audit and Risk Management Committee</p>
External confirmations	<ul style="list-style-type: none"> ▪ Management's refusal for us to request confirmations ▪ Inability to obtain relevant and reliable audit evidence from other procedures 	Audit results report - TBC - Audit and Risk Management Committee
Consideration of laws and regulations	<ul style="list-style-type: none"> ▪ Subject to compliance with applicable regulations, matters involving identified or suspected non-compliance with laws and regulations, other than those which are clearly inconsequential and the implications thereof. Instances of suspected non-compliance may also include those that are brought to our attention that are expected to occur imminently or for which there is reason to believe that they may occur ▪ Enquiry of the Audit and Risk Management Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Finance, Resources, Audit and Governance Committee may be aware of 	Audit results report - TBC - Audit and Risk Management Committee

Appendix C – Required communications with the Audit and Risk Management Committee

		Our Reporting to you
Required communications	What is reported?	When and where
Internal controls	Significant deficiencies in internal controls identified during the audit	Audit results report - TBC - Audit and Risk Management Committee
Representations	Written representations we are requesting from management and/or those charged with governance	Audit results report - TBC - Audit and Risk Management Committee
System of quality management	How the system of quality management (SQM) supports the consistent performance of a quality audit	Audit results report - TBC - Audit and Risk Management Committee
Material inconsistencies and misstatements	Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	Audit results report - TBC - Audit and Risk Management Committee
Auditors report	<ul style="list-style-type: none"> Key audit matters that we will include in our auditor's report Any circumstances identified that affect the form and content of our auditor's report 	Audit results report - TBC - Audit and Risk Management Committee

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Agenda Item No:	6	
Committee:	Audit and Risk Management Committee	
Date:	12 May 2025	
Report Title:	Council Debt Policy	

Cover sheet:

1 Purpose / Summary

The Council's Debt Policy has now been revisited and rewritten to ensure it fits in with best practice. The updated Policy is attached at Appendix 1.

The Policy has been written in conjunction with all departments to ensure its accuracy and viability.

The approach outlined will benefit the authority by:

- Achieving the best possible cash flow for the Council whilst ensuring that the liability to pay is calculated correctly
- Providing good financial management and control across the Council
- Enforcement action is reasonable, and;
- Those who are vulnerable are assisted in meeting their financial obligation to the Council

2 Policy Aims

The key aims of the Policy are as follows:

- To maximise the collection of income due by; - implementation of a transparent charging policy - accurate, clear and timely billing and; - deploying effective, appropriate and timely recovery processes
- To deploy recovery methods appropriate to debt type and debtor's ability to pay. Debtors identified as unable to pay will receive appropriate debt management and benefit advice, be helped to make and adhere to payment arrangements and understand options to minimise costs in the future.
- To facilitate a coordinated approach to managing multiple debts owed to the Council.
- To ensure that debts are managed in accordance with legislative provisions and best practice.
- To foster good financial management and control across the Council
- To ensure income relating to all types of debt is managed in accordance with the Council's Constitution, the Financial Rules and this Policy.
- To ensure performance in relation to debt recovery is regularly reported through the relevant management structures of the Council.

3 Recommendations

- It is recommended that members approve the updated Council Debt Policy as set out at Appendix 1.
- That delegated authority be given to the Chief Finance Officer for minor amendments in consultation with the relevant Portfolio Holder, to allow for the Policy to be updated and to take any service improvements or changes into account in the future.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder for Finance
Report Originator(s)	Peter Catchpole, Corporate Director and Chief Finance Officer Mark Saunders, Chief Accountant
Contact Officer(s)	Peter Catchpole, Corporate Director and Chief Finance Officer Mark Saunders, Chief Accountant
Background Paper(s)	

APPENDIX 1

Corporate Debt Policy

This version was published in 2025



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Introduction

This document is Fenland District Council's Corporate Debt Policy. It tells you: -

- How we collect debts owed to us and the stages we go through to do this,
- How to contact us to get advice,
- Information about other sources of help.

Aims and Objectives

This policy explains for our customers the Council's approach to debt collection, including how to avoid further recovery action and what to do if you have problems paying.

How This Policy Can Help You

The Council's Policy will explain:

- Types of Debt the Council Collect
- Why the Council Needs to Collect Debt
- The Legal Basis for Collecting Money
- What the Council do to Collect Debts
- Getting Help and Further Information

It is important that customers make all payments on time. Like any business, public bodies such as Councils rely on income from bills that are sent out to help them pay for local services and all the other bills that they have to pay.

Where you are unable to pay, it is very important that you contact the Council straightaway, so that we can: -

- Help you see if there are ways of reducing the amount you have to pay (i.e. by getting help with reducing your bill, such as through Council Tax Support or Council Tax discounts, for instance),
- Give you more time to pay where there is a good reason for late payment,
- Help refer to other organisations that may help with debt advice.
- Work in partnership with welfare advice agencies, where authorised, in connection with debts due to the Council.

***Remember you should never ignore a bill from us.
It won't go away.
Doing nothing could mean the bill gets bigger.
Delaying things could mean you get the next bill from us as well.***

Doing something now means quicker solutions, less worry and less stress.

Getting Help

The one thing anyone with a debt should not do is to ignore it.

The amount owed could increase as fees and charges are added. Court action could be taken. For debts like Council Tax and National Non-Domestic Rates (referred to as NNDR in this document) you could even be sent to prison for deliberately not paying.

Get help and advice anytime

The quickest way to get further information is to log onto our website for help and advice (you can also pay your Council Tax this way, quickly and easily as well):-

Website

Our website is always open! www.fenland.gov.uk Check this out first; it will often save you a phone-call or visit.

Contact Details

Council Tax Queries: www.angliarevenues.gov.uk/contact

National Non-Domestic Rates queries: www.angliarevenues.gov.uk/contact

Housing Benefit overpayment queries: www.angliarevenues.gov.uk/contact

Queries about all other debts owed to us Email: sundrydebtors@fenland.gov.uk

Other general queries about our services Email: info@fenland.gov.uk

Or Phone us

01354 654 321

Other help and advice

You can also get help from us in other ways, see page 20 for details.

Principles of Debt Collection

This policy is designed to help us follow the law, collect money to help pay for council services, treat everyone fairly and help people who cannot pay yet take firm action against people who will not pay.

We will ensure that:-

- Bills and other documents requesting payment are legal and timely (in relation to our recovery timetable each year),
- We will actively promote reductions such as Council Tax Support to help reduce the burden for those who cannot pay,
- Staff collecting debts will work to clear procedures and receive detailed training on them,
- We will make as much information available to debtors at all stages so that they understand the recovery process and its consequences.

Our office procedures will:-

- Be effective, ensuring that where people have the means, they fulfil their obligations by paying their debts,
- Understand the need for debtors to pay other bills as well as ours,
- Help debtors to sort out debt problems as early as possible,
- Try to separate those who cannot pay from those who will not pay and treat them accordingly,
- Allow for full appraisal of debtor's circumstances - providing sensible repayment arrangements,
- Be efficient and cost effective,
- Ensure we refer cases to other independent advice agencies where that will help the debtor.

We will constantly review and improve our processes to ensure that:-

- Any un-collectable debts to be written off in accordance with the financial regulations,
- Debt data is up to date, accurate and complete,
- Computer systems are continually monitored so action occurs - e.g. on default,
- Responsibilities are given to Council Officers to take decisions to help collect the debt that are in the best interests of both the Council and debtors.

Types of Debt We Collect

The Council collects these debts: -

Type of debt	What it is for? Who pays it?	How we collect it	Legal basis
Council Tax	<p>This helps fund services provided by us, the County Council, Fire and Police, Parish Councils.</p> <p>It is paid by every household in Fenland.</p> <p>Where there are joint owners or tenants, each person gets a copy of the Bill, and they are jointly responsible for paying it.</p>	<p>Bills are normally sent in March for the next financial year.</p> <p>It is normally payable over 10 monthly instalments that start in April.</p> <p>We can offer up to 12 monthly or 52 weekly instalments if you contact us before 1 April.</p>	The primary basis is the Local Government Finance Act 1992, with a number of regulations since then that relate to it.
Council Tax Support overpayment	<p>Where we have awarded too much Council Tax Support, such as where a person's income or household make-up have changed.</p> <p>The person who we paid it to must repay it to us.</p>	We add the money owed to your Council Tax Bill.	The primary basis is the Local Government Finance Act 2012, with a number of regulations since then that relate to it.
National Non-Domestic Rates (also called NNDR or Business Rates)	<p>This helps fund services provided by us, the County Council, Fire and Police, Parish Councils.</p> <p>It is paid by every commercial property in Fenland.</p>	<p>Bills are normally sent in March for the next financial year.</p> <p>It is normally payable over 10 monthly instalments.</p> <p>We can offer up to 12 monthly or 52 weekly instalments if you contact us before 1 April.</p>	The primary basis is the Local Government Finance Act 1988, with a number of regulations since then that relate to it.

Type of debt	What it is for? Who pays it?	How we collect it	Legal basis
Housing Benefit overpayment	<p>Where we have paid too much Housing Benefit, such as where a person's income or household make-up have changed.</p> <p>The person who we paid it to must repay it to us.</p>	<p>Where possible it is deducted from ongoing Housing Benefit, they are paid in the future at a set rate each week.</p> <p>Where not possible, the amount is due straightaway, and we will send an invoice.</p>	The primary basis is the Social Security Contributions and Benefits Act 1987 and 1992, with a number of regulations since then that relate to it.
<p>Sundry Debt (Other Services)</p> <p>For further details see 'Other debts owed to the Council – Sundry Debts' below.</p>	For other services that the Council provides, paid by the person who receives the service. This includes things like commercial waste collection, Rent, Licence Fees, Markets & Events, etc.	<p>For an ongoing service we will collect the debt in monthly instalments.</p> <p>For debts for a single service received, we will send an invoice for immediate payment.</p>	<p>Enforceable through the County Court, County Courts Act 1984.</p> <p>In case of Marine – Lien Process.</p>
Travellers Site Rents	<p>Rent is due on the travellers site pitches that we own.</p> <p>It is paid by the occupier of each pitch.</p>	<p>We collect payments personally.</p> <p>We collect payments weekly.</p>	Enforceable through the County Court, County Courts Act 1984.
Factory Unit and Office rents	<p>The Council owns industrial units across Fenland, as well as office buildings where individual offices are rented to local businesses.</p> <p>The business owners pay rent to the Council.</p>	We collect payments monthly from tenants.	Enforceable through the County Court, County Courts Act 1984.
Fixed Penalty Notices	<p>Parking Fines</p> <p>The person who owns the car.</p>	Parking ticket is issued.	Traffic Management Act 2004.

Why We Need to Collect Debts

There are three main reasons why we need to collect money: -

- To help fund Council services generally. The Council Tax and NNDR fall into this group. They help pay for the services that are provided by Fenland District Council, Cambridgeshire County Council, the Police, the Fire Service, Parish Councils and Peterborough Combined Authority. They make up about 25% of the money these organisations need to provide services. The rest comes from the Government and other charges made locally.
- To pay for specific services. This could be for mini factory rent, travellers' site pitches (to rent them), and the use of leisure facilities. This type of debt is normally where you are receiving a specific service from the Council and are charged for using just that service.
- Where you have received money from us that you are not entitled to. This is normally when you have been paid too much Housing Benefit or you have been awarded too much Council tax Support. This is where we paid you based on your income and household at a point in time, but that has now changed and we have paid you too much Housing Benefit, which you need to pay us back.

The Legal Basis for Collecting Money

Often Government law tells us what things we have to charge for, and how to collect them. This applies to things like Council Tax, NNDR and overpaid Housing Support.

In other instances, we charge after signing an agreement with you or have a policy that says we will charge for a service. In these cases, we will normally take action to recover money through the County Court.

What We do to Collect Debts

This is to describe how debts are collected from you and the stages that we go through.

Council Tax –

(Administered by Anglia Revenues Partnership on behalf of Fenland District Council)

These are the stages of collecting the Council Tax.

Anyone residing in or responsible for an unoccupied domestic property will receive a Council Tax bill. There is normally one bill per property (or for each part of it if it is divided into flats, etc.; also we send copies of the same bill to several people where they are jointly and severally liable, i.e. spouses).

Reductions are available:-

- Council Tax Support. This is for people on low incomes or who are not working. We work out how much you get based on your income, savings and who is living in the house. You can apply for Council Tax support by visiting our website www.fenland.gov.uk

- Single Persons Discount. This is 25% off the bill if you live alone.
- Other discounts and exemptions. There are many of these.

Further information about reductions is available from the Council, see page 4 for how to contact us.

The bill is normally payable over ten months starting in April each year. We will also give you fourteen days' notice of when the first payment is due.

If you move during the year, or your bill changes (because one of the reductions mentioned has been given or taken away) you will get a new bill. This will be payable in less payments (we call these "instalments"). The general rule is that for new bills sent after April, the number of payments is:-

Number of whole months left in the financial year /less one.

So, if you get a bill in May, you will get 9 instalments.

Remember though bills issued in January, February and March will have one instalment, i.e. they are payable in full straightaway.

You can now pay weekly, or over 12 months. Please contact us to arrange this (please don't start paying this way without contacting us first, as recovery action will continue as bills are issued automatically set for 10 instalments).

It is important payments are made on time. Where the process shown below states when further action happens, bear in mind that your payment needs to have both reached the Council and been allocated to your account, so you may need to make the actual payment earlier than the due date.

Please note that we only send a certain number of notices each year if you pay late. This means that you cannot pay late every month and avoid further recovery action.

Payments are normally due on the first day of the month. If you'd like to pay later each month, we can offer a Direct Debit facility that allows you to pay on one of these days of the month:-

1st, 10th or 20th of each month

We are able to offer later payment dates for Direct Debit payers as the loss of interest from late payment is balanced by the reduced costs of collecting payments by Direct Debit.

This is the process for taking action where payments are not made: -

What we send	What it is for	When we send it
Bill	Explains what is due, and when you need to pay	In March of each year for new financial year starting on 1 April. After a change of address, Council Tax Support, discount or other amendment affecting what you owe.

What we send	What it is for	When we send it
Reminder	To remind you a payment is late.	14 days after payment due.
Second Reminder	<p>To remind you that another payment is late where you have paid the first late after getting a Reminder.</p> <p>We will not send this if you have not paid after the first Reminder. In these cases the next document you get will be a Final Notice.</p>	14 days after the next payment is due.
Final Notice	<p>To inform you that you have lost your right to pay by instalments.</p> <p>Gives advice on next steps.</p>	<ul style="list-style-type: none"> • When a Reminder was sent, and nothing was paid. • When a Reminder was sent, you paid, a Second Reminder was sent, and you did not pay that. • Where you were sent a Reminder twice and paid late after both but also failed to pay for a third time.
Summons	<p>This allows us to go to Magistrates' Court and apply for a Court Order (Liability Order against you).</p> <p>We will charge you extra for this. The charge is currently £75.</p>	After the issue of a Final Notice, when a balance remains outstanding.
Notice of Liability Order	To tell you we have been granted a Liability Order and that you have 14 days to pay, or make an arrangement to pay	After the Liability Order is granted (the court hearing date shown on the summons).
Attachment of Earnings Attachment of Benefit	A request for deductions to be made from your earnings or income benefits.	After the Notice of Liability Order has been issued.
Enforcement – Compliance Stage	If you have not agreed a payment arrangement, we will pass your case to a private company (we do not	<p>14 days after the Liability Order is granted.</p> <p>This comes from the</p>

	<p>sell the debt but authorise the company to act for us) to recover what you owe us.</p> <p>The private company uses Enforcement Agents.</p> <p>When we pass your case to them, they will charge you £75. This is payable to them, they will send you a bill for this amount, plus what you owe us.</p> <p>They will contact you by phone and letter. You need to make a payment arrangement with them.</p>	<p>Enforcement Agent, not the Council.</p>
Enforcement Stage	<p>If the Enforcement Agents cannot make a payment arrangement, or any contact with you, your case moves to this stage 28 days after we pass your case to them.</p> <p>When your case moves to this stage, they will charge you a further £235.00 (plus 7.5% of the value of the debt that exceeds £1,500.00).</p> <p>This is payable to them, in addition to what you owe us and the £75 compliance stage fee.</p> <p>They will visit you. You will need to pay what's owed. They can identify and take goods to cover the debt.</p>	<p>When you do not pay the Enforcement Agent when they visit you.</p> <p>This comes from the Enforcement Agent, not the Council.</p> <p>The enforcement visits are included in these fees.</p>
<p>More information about the Enforcement Stage</p> <p>This stage is where Enforcement Agents have legal powers to recover the debt from you, but they cannot force entry into your property.</p> <p>They can visit you any day (including Sunday) between 6.00 a.m. and 9.00 p.m. They not permitted to visit on Bank Holidays and Christmas Day.</p> <p>They can identify for sale any goods you own except these things:- Items or equipment (for example, tools, books, telephones, computer equipment and vehicles) which are necessary for use personally by the debtor in the debtor's</p>		

employment, business, trade, profession, study or education, except that in any case the aggregate value of the items or equipment to which this exemption is applied shall not exceed £1,350;

Clothes, beds, bedding, furniture, household equipment, items and provisions as are reasonably required to satisfy the basic domestic needs of the debtor and every member of the debtor's household.

Cooker or microwave, fridge, washing machine, dining table and dining chairs to seat the debtor and every member of the debtor's household.

Land line telephone, or a mobile phone

Medical equipment and items needed for the care of a child or elderly person.

Safety and security equipment, e.g. burglar alarms, locks and CCTV system

Sufficient lighting and heating facilities.

Domestic pets and guide dogs

Any vehicle displaying a valid disabled person's badge, British Medical Association badge or other health emergency badge.

If you are "vulnerable" in the context of the law affecting Enforcement Agents, the Enforcement stage and Sale stage fees may not be recoverable unless the Enforcement Agent has, 'before proceeding to remove goods' (taken into control) given [you] an 'adequate opportunity' to get assistance and advice'.

See page 20 for examples of vulnerability. Please check with the Enforcement Agent before concluding that you are covered by the definition of "vulnerability".

Further information about vulnerability is available from the Enforcement Agent. Please see letters from them for their contact details.

Stage	What is it for	When
Enforcement – Sale or Disposal Stage	<p>If the Enforcement Agents cannot secure payment when they visit you, they will have identified goods to sell to clear your debt.</p> <p>When your case moves to this stage, they will charge you a further £110.00 (plus 7.5% of the value of the debt that exceeds £1,500.00).</p> <p>This is payable to them, in addition to what you owe us, and the Compliance stage and Enforcement stage fees mentioned previously.</p>	<p>14 days after the Liability Order is granted.</p> <p>Remember Enforcement Agents charge additional fees, and these can soon add up to large extra debts.</p>

	<p>This fee shall be charged when an Enforcement Agent attends the premises to remove goods and prepare for the sale of goods. They will take the goods and sell them to raise money to cover what you owe.</p> <p>Additional charges may be applied relating to the removal. These can include storage and locksmith's fees.</p>	
After Enforcement Agent action	<p>We will use other means to collect the money if the Enforcement Agents cannot collect enough money to clear what you owe.</p> <p>These include: - Bankruptcy proceedings. Charging Orders.</p>	If Enforcement Agents cannot get payment for us.
Committal to prison	The last resort for people refusing to pay their Council Tax.	When all action has failed, we will go back to the Magistrates' Court and ask you to be sent to prison, for up to 90 days.

National Non-Domestic Rates (also called “NNDR” or “Business Rates”)

These are the stages of collecting NNDR.

Everyone who occupies a commercial property in Fenland or owns one that is empty in Fenland will get a NNDR bill. Reductions are available: -

- Reliefs. There are many of these.

Further information about reliefs is available from the Council, see page 4 for how to contact us.

The bill is normally payable over ten months starting in April each year. We will also give you fourteen days' notice of when the first payment is due.

If you move during the year, or your bill changes (because one of the reductions mentioned has been given or taken away) you will get a new bill. This will be payable in less payments (we call these “instalments”). The general rule is that for new bills sent after April, the number of payments is: -
Number of whole months left in the financial year less one

So, if you get a bill in May, you will get 9 instalments.
Remember though bills issued in January, February and March will have one instalment, i.e. they are payable in full straightaway.

You can now pay over 12 months. Please contact us to arrange this (please don't start paying this way without contacting us first, as recovery action will continue as bills are issued automatically set for 10 instalments).

It is important payments are made on time. Where the process shown below states when further action happens, bear in mind that your payment needs to have both reached the Council and been allocated to your account, so you may need to make the actual payment earlier than the due date.

Please note that we only send a certain number of notices each year if you pay late. This means that you cannot pay late every month and avoid further recovery action.

Payments are normally due on the fifteenth day of the month.

This is the process for taking action where payments are not made: -

What we send	What it is for	When we send it
Bill	Explains what is due, and when you need to pay	In March of each year for new financial year starting on 1 April. After a change of occupier, relief or other thing affecting what you owe.
Reminder	To remind you a payment is late	14 days after payment due
Second Reminder	To remind you that another payment is late where you have paid the first late after getting a Reminder. We will not send this if you have not paid after the first Reminder. In these cases the next document you get will be a summons.	14 days after the next payment is due
Summons	To tell you your payment arrangement has been cancelled. The rest of the year's NNDR is now due. This allows us to go to	This is sent in 3 situations:- <ul style="list-style-type: none"> • When a Reminder was sent and nothing was paid. • When a Reminder was sent, you paid, a Second Reminder

	<p>Magistrates' Court and apply for a Court Order (Liability Order against you).</p> <p>We will charge you extra for this. The charge is currently £90.</p>	<p>was sent and you did not pay that.</p> <ul style="list-style-type: none"> Where you were sent a Reminder twice and paid late after both but also failed to pay for a third time.
Notice of Liability Order	To tell you we have been granted a Liability Order and that you have 14 days to pay, or make an arrangement to pay	After the Liability Order is granted (the court hearing date shown on the summons).
Enforcement – Compliance Stage	<p>If you have not agreed a payment arrangement we will pass your case to a private company (we do not sell the debt but authorise the company to take action for us) to recover what you owe us.</p> <p>The private company uses Enforcement Agents.</p> <p>When we pass your case to them, they will charge you £75. This is payable to them, they will send you a bill for this amount, plus what you owe us.</p> <p>They will contact you by phone and letter. You need to make a payment arrangement with them.</p>	<p>14 days after the Liability Order is granted.</p> <p>This comes from the Enforcement Agent, not the Council.</p>
Enforcement – Enforcement Stage	If the Enforcement Agents cannot make a payment arrangement, or any contact with you, your case moves to this stage 28 days after we pass your case to them.	<p>When you do not pay the Enforcement Agent when they visit you.</p> <p>This comes from the Enforcement Agent, not the Council.</p>

	<p>When your case moves to this stage, they will charge you a further £235.00 (plus 7.5% of the value of the debt that exceeds £1,500.00).</p> <p>This is payable to them, in addition to what you owe us and the £75 compliance stage fee.</p> <p>They will visit you. You will need to pay what's owed. They can identify and take goods to cover the debt.</p>	<p>The visits are included in these fees.</p>
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More information about the Enforcement Stage

This stage is where Enforcement Agents have legal powers to recover the debt from you, but they cannot force entry into your property.

They can visit you any day (including Sunday) between 6.00 a.m. and 9.00 p.m. or at any other time when the business is open outside of these times.

They can identify for sale any goods you own except these things: -
Items or equipment (for example, tools, books, telephones, computer equipment and vehicles) which are necessary for use personally by the debtor in the debtor's employment, business, trade, profession, study or education, except that in any case the aggregate value of the items or equipment to which this exemption is applied shall not exceed £1,350.

Land line telephone, or a mobile phone.

Safety and security equipment, e.g. burglar alarms, locks and CCTV system.

Sufficient lighting and heating facilities.

Any vehicle displaying a valid disabled person's badge, British Medical Association badge or other health emergency badge.

Stage	What is it for	When
Enforcement – Sale or Disposal Stage	<p>If the Enforcement Agents cannot secure payment when they visit you, they will have identified goods to sell to clear your debt.</p> <p>When your case moves to this stage, they will charge you a further £110.00 (plus 7.5% of the value of the debt that exceeds £1,500.00).</p> <p>This is payable to them, in addition to what you owe us, Compliance stage and Enforcement stage fees mentioned previously.</p> <p>This fee shall be charged when an Enforcement Agent attends the premises to remove goods and prepare for the sale of goods. They will take the goods and sell them to raise money to cover what you owe.</p> <p>Additional charges may be applied relating to the removal. These can include storage and locksmith's fees.</p>	<p>14 days after the Liability Order is granted.</p> <p>Remember Enforcement Agents charge additional fees and these can soon add up to large extra debts.</p>
After Enforcement Agent action	<p>We will use other means to collect the money if the Enforcement Agents cannot collect enough money to clear what you owe.</p> <p>These include: - Bankruptcy proceedings. Charging Orders.</p>	If Enforcement Agents cannot get payment for us.
Committal to prison	The last resort for people refusing to pay their Business Rates.	When all action has failed, we will go back to the Magistrates' Court and ask you to be sent to prison, for up to 90 days.

Other debts owed to the Council – Sundry Debts

Sundry debts include other debts and income due to the Council including but not limited to:

- Grants
- Rents
- Repair and Maintenance
- Marine Charges
- Room Hire
- Connection to Council Sewage Treatment Works
- Burial Exclusive Rights, Interments
- Trade Refuse Collection
- Domestic Bulky Collections
- Housing Standards – Improvement Notices, Fixed Penalty Notices
- Licence Fees
- Markets and Events
- Recharge for default works – Environmental Health

These are the stages of collecting Sundry Debts.

Bills are sent out when a debt becomes due, or if you pay the debt annually, we will send a bill at the start of each new financial year.

Further information about reductions is available from the Council, see page 4 for how to contact us.

Bills are normally payable straightway in whole payment unless the bill states a weekly, monthly or quarterly payment arrangement exists.

This is the process for taking action where payments are not made: -

What we send	What it is for	When we send it
Bill	Explains what is due, and when payment required	In March of each year for new financial year starting on 1 April. After a change that affects what you owe. When you become liable for a new debt.
Reminder	To remind a payment is late	14 days after payment due
Letter Before Action (May be sent depending on age of debt.)	To advise further action is to be taken	
Court action – County Court Judgement (This may affect an	Action through the court to obtain a County Court Judgement. Once obtained the	Sent after Reminder if debt remains outstanding.

What we send	What it is for	When we send it
individual's credit rating and make future credit agreements difficult. Court costs and fees will be added to the debt.	Council will enforce it, which may include an attachment of earnings, enforcement agent action to seize goods, order to attend court for questioning, bankruptcy proceedings, Garnishee Order or Charging Order on the non-payer's property. (Charging Order can be registered with HM Land Registry incurring extra costs)	
Or	Or	
Referral to a Debt Collection Agency	To collect the debt on behalf of the Council.	
Other action depending on type of Sundry debt		
Environmental Health Recharge for default works	E.g. Private sewage treatment clear up, Cesspit emptying. Which can include time recorded administration fees.	Recovery as above. Further Recovery – County Court Judgement. Registering of debt with Local Land Registry. HM National Land Registry.
Marine Charges	E.g. Mooring fees, Storage, Lifting, Yard Charges, Pump out.	Recovery as above. Further Recovery – Lien Process – Legal charge on your marine vessel which may incur additional charges..
Private Sector Housing	Non-compliance of Housing Legislation.	Recovery as above. Further Recovery - Civil Penalty Notice. Money judgement to enable – Writ, Warrant of Control, Attachment of Earnings, Third Party Debt Order, Charging Order which may lead to enforced sale and compulsory purchase order.

Other monies owed to the Council – (not billed via Sundry debts)

Type of balance owed	Description	How recovered
Disabled Facility Grants for homeowner	Balance of the works over £5,000 and only if the property is sold within 10 years of the works completion. (First £5000 is disregarded).	Land Charge on Property. Payment received upon sale of property.
Fixed Penalty Notices	Penalty charge notice issued for Parking Fine. Charge increased if not paid within 28 days of issue. Or Periphery Housing Legislation.	Parking Notice. Reminder issued to owner if unpaid after 28 days of issue, notifying full payment due. Second reminder issued if unpaid after a further 14 days. Summons to Magistrates Court which will incur further costs.

Payment Plan Policy

Fenland District Council has discretion to agree payment plans on any demand/invoice according to internal policy. (See Payment Plan Policy).

Vulnerable people

We have a responsibility to all residents and businesses in Fenland to collect the most debt that is owed to the Council. Doing this means that we can keep the amount of Council Tax we charge as low as possible (we cannot do the same for NNDR, as the basic overall amounts we charge are set by the Government).

We know that some customers may have trouble paying us. Some groups of people are particularly vulnerable. A person may be considered vulnerable in the following circumstances. The list is not exhaustive, and each case will be determined on its own merits:-

- The person is elderly
- The person is seriously ill or mentally or physically disabled
- The person has communication or learning difficulties
- The person has young children and where there is severe deprivation
- The person has recently been bereaved or made unemployed
- The person has difficulty in understanding written or spoken English

Falling into one of these categories does not automatically mean that recovery action is not appropriate. The Council will make individual decisions based upon the individual circumstances of the taxpayer or ratepayer to identify if recovery action is appropriate and, if so, what action to take.

If we become aware of someone being considered vulnerable as one of the above groups, we will do our best to take this into account and look at how we can agree

more extended payment arrangements as well as ensure that cases are not passed for further action when this is not appropriate.

Where Enforcement Agents working on our behalf have vulnerability concerns, they will talk to us (for Council Tax or NNDR debts) so that we can decide the best way forward.

Hardship

If you cannot pay, get in touch with us to talk through the options. Often, we can think of ways forward to help you that may be better than the ones you may think of.

We will look at your case on its own merit and may agree an extended payment arrangement taking into consideration all your debts. We will always expect you to pay your current year's Council Tax plus an amount towards the arrears.

In cases of extreme hardship, we will consider an application for a Discretionary Council Tax Relief. This is a reduction we can offset against your Council Tax Bill to reduce your payments.

Breathing Space

The new Breathing Space scheme, originally outlined by Government in February 2020 following campaigning from the debt advice and wider sector, went live on 4 May 2021.

The 60-day breathing space period will see enforcement action from creditors halted and interest frozen for people with problem debt. Council debt management processes have been amended to share breathing space details, and accommodate the breathing space process into internal procedures.

Further information

Please contact us if you have any questions about this policy, or any debt owed to the Council.

Here are the ways to contact us.

Website

Our website is always open! www.fenland.gov.uk Check this out first; it will often save you a phone-call or visit.

Phone us

01354 654321

We are open 24 hours a day, every day for payments by Debit Card.

We are open to help answer queries on Mondays to Fridays (except Public Holidays) between 9am and 4pm, and Saturdays between 9am and Noon.

Visit us

If you are unable to resolve your issue via our website, or by calling our customer Services Team:

To make an appointment, book online, call 01354 654321 or email info@fenland.gov.uk.

Only make an appointment if you have no other way to access services, to help ensure those that need help most can get it. Remember you can:

- Do it online at: www.fenland.gov.uk
- Email: info@fenland.gov.uk
- Call: 01354 654321

Write to us

Fenland District Council, Fenland Hall, County Road, March,
Cambs, PE15 8NQ

Independent Advice

Sometimes you may wish to talk to other people about money we are wishing to collect. Here are some organisations that can help you.

Money Advice Service www.moneyhelper.org.uk

Citizens Advice Bureau (also called the “CAB”)
www.citizensadvice.ruralcambs.org.uk 0808 278 7807 Freephone number.

Step Change Debt charity www.stepchange.org

Christians Against Poverty www.copuk.org

Age UK – www.ageuk.uk 0800 678 1602

Complaints

If you are unhappy with the service that we have given you, please contact us as soon as possible. We will always work with you to help resolve the matter. The different ways to contact us are shown on the previous page.

In the unlikely event that we cannot resolve your concerns, we have a formal complaints process that you can use.

We have a 3cs (comments, compliments and complaints) process with three stages.

At each stage, a more senior person investigates the matter.

Where we have not been able to resolve the matter, you can then complain to the Local Government Ombudsman. They are independent and can order a Council to reverse its decision in some cases.

Check **fenland.gov.uk/threecs** for our 3cs process. Link [3c's Policy](#)

Please see link - [Make a complaint - Fenland District Council](#)


If you have a complaint about Enforcement Agents, they will also have a complaints process. In the first instance, please contact them to raise any concerns you may have.

Legislative and regulatory framework

Local Government Acts 1992 (as amended)	Establishes requirements to manage the Council's financial affairs and the appointment of a Section 151 Officer.
Council Tax (Administration and Enforcement) Regulations 1992	Make provision for the administration and enforcement of Council Tax.
Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989	Make provision for the collection and enforcement of non-domestic rates.
Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) Regulations 2020	Establishes a debt respite scheme and establishes a breathing space moratorium and a mental health crisis moratorium.
Traffic Management Act 2004	Provide for the enforcement of parking, loading and waiting restrictions and processing of penalty charge notices.
Data Protection Act 2018	Controls the lawful passing of personal data from one part of the Council to another.
The Housing Benefit General Regulations 1987 and 1992	Sets out the legislation that governs the payment of Housing Benefit, including Housing Benefit overpayments and their associated recovery.
Social Security Contributions and Benefits Act 1992	The primary legislation for most benefits in the UK
Social Security Administration Act 1992	The primary legislation for most benefits in the UK
Taking Control of Goods Regulations 2013	Provides the legislation for the taking control of goods in the UK, including the use of enforcement agents.
County Courts Act 1984	Establishes a single county court and its jurisdiction.
Civil Procedure Rules 1998	Establishes the rules of Civil Procedure used by various courts in the UK.
Charging Orders Act 1979	An Act to make provision for imposing charges to secure payment of money due, or to become due, under judgments or orders of court; to provide for restraining and prohibiting dealings with, and the making of payments in respect of, certain securities; and for connected purposes.
Insolvency Act 1986	Consolidates enactments relating to company insolvency and winding up, and bankruptcy of individuals.
Equality Act 2010	Is an amalgamation of previous anti-discrimination laws. It is a law which protects from discrimination of unfair treatment based on certain personal characteristics such as age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race religion or belief, sex and sexual orientation.

General Data Protection Regulation 2016 (GDPR) and Data Protection Act 2018 (DPA2018)	The GDPR/DPA2018 place a duty on the Council to comply with the data protection principles relating to processing of personal data: (1)(a) Lawfulness, fairness and transparency; (1)(b) Purpose limitation; (1)(c) Data minimisation; (1)(d) Accuracy; (1)(e) Storage limitation; (1)(f) Integrity and confidentiality (security); (2) Accountability (including the rights of data subjects).
Freedom of Information Act (FOIA) 2000	Under the FOIA, the Council has a duty to make information available to the public upon request, unless specific exemption(s) apply. It is also obliged to proactively and routinely publish information that has been frequently requested in the past in its Publication Scheme. Information requests frequently include requests for information held in emails.
Local Government Acts 1972, 1985, 1988 and 1992, Lord Chancellor's Code of Practice on management of records.	Establishes requirements to manage records and information.
Practice on Records Management (S46 Freedom of Information Act)	Authority to share certain kinds of information with partners.
Safeguarding Vulnerable Groups Act 2006	An Act to make provision in connection with the protection of children and vulnerable adults.
Modern Slavery Act 2015	An Act designed to combat modern slavery in the UK.
Tribunal Courts and Enforcement Act 2007	An act which makes provision for tribunals and inquiries, particularly relating to the enforcement of judgments and debts.
Taking Control of Goods Regulations 2014	Make provision for recovery of fees and disbursements from debtors to enforcement agents in relation to the procedure for taking control of goods.
Landlord and Tenant Act 1954	Contractual obligations under lease agreements for the payment of rent and other property charges.
Land and Property Act 1925	Contractual obligations under lease agreements for the payment of rent and other property charges.
Housing and Planning Act 2016	The act which makes provision about housing, estate agents, rent charges, planning and compulsory purchase.
Miscellaneous Provisions Act 1986	Contractual obligations under lease agreements for the payment of rent and other property charges.
Regulation of Investigatory Powers Act 2000 (RIPA)	Governs the use of covert surveillance by public bodies.

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Agenda Item No:	7	
Committee:	Audit and Risk Management	
Date:	12/05/25	
Report Title:	Risk Based Internal Audit Plan 2025/26	

1 Purpose / Summary

In accordance with the *Global Internal Audit Standards in the Uk Public Sector* (GIAS (UKPS) (UKPS)), the Head of Internal Audit has prepared the attached Internal Audit Plan. It considers the areas for audit review and the availability of Internal Audit resources.

2 Key Issues

- The Council's Internal Audit Plan is produced on an annual basis. It is an estimate of the work that can be performed over the financial year 2025/26. Potential areas of the Council for audit are prioritised based on a risk assessment, enabling the use of Internal Audit resources to be targeted at areas of emerging corporate importance and risk.
- The format of the Plan reflects the Global Internal Audit Standards which this year replaced the Public Sector Internal Audit Standards. It also incorporates the governance and strategic management arrangements of Internal Audit resources.
- Following the External Assessment in December 2022, further work is being implemented and requires resource dedication. Additional work also needs to be resourced for transition and conformance to the new Standards.
- The total number of budgeted productive days for 2025/26 cannot be confirmed or used at present as our full-time auditor has very recently resigned to leave at the end of May and options for replacement are being explored. It is suggested that this Plan is treated as a draft and a further update is provided at a later meeting and advised to the Chair in between times.
- In 2024/25 298 days were allocated the Audit Plan to operational audit work and used to calculate the risk-based audit plan. This work contributes to the annual opinion on the effectiveness of the system of internal control, which is reported to the Audit & Risk Management Committee. 30 days are usually allocated for other productive assurance work. This includes proactive anti-fraud and error work such as the National Fraud Initiative, a contingency for responsive work and regular following up of previous recommendations.
- The number of days allocated per audit is designed to ensure that Audit assurance work is thorough, and it is appropriate that the minimum number of days per audit start at 12-15 days depending on the complexity of the audit. Follow up reviews of "limited" assurance-rated audits will be planned at 5 days.

- The risk-based Plan assumed that the team comprises 1.6 FTE and 1.0 for the Head of Internal Audit, although much of the Head's time will not be spent on operational audit work. A loss of one auditor will significantly reduce the resources and deliverables as the level of capacity to deliver the Plan is dependent on the current resource levels. This resourcing level is likely to be insufficient to provide continued internal audit coverage of all key control systems over a 3 to 5-year cycle and focus is therefore required on areas of risk and importance to ensure that audit resources are of value.
- This Plan will continue to be flexible to support ongoing and emerging risks that may arise throughout the year and, following Local Government Reorganisation discussions, Audit may be useful to assist with LGR workstream work.
- The draft Audit Plan for 2025/26 is attached at Appendix A. Due to uncertainty of resources the Plan details the key fundamental audits and operational audits, which are risk-assessed and in priority order.
- The Assurance rating classification is included at Appendix B.
- The Council's key financial systems or 'fundamental systems', due to their significance and materiality, are subject to audit reviews over the next 5 years. Appendix C shows that the auditing arrangements with ARP, Enforcement, Council Tax, Business Rates and Housing Benefits are reviewed annually. The remaining Finance systems will be audited over a three-year cycle. Additionally, Payroll is added as a fundamental annual audit area.

3 Recommendations

The Committee is asked to acknowledge the Internal Audit resources and to consider and note the attached draft Internal Audit Plan for 2025/26.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Chris Boden Leader and Finance Portfolio holder
Report Originator(s)	Deborah Moss – Head of Internal Audit
Contact Officer(s)	Peter Catchpole – Corporate Director & Chief Finance Officer Deborah Moss – Head of Internal Audit
Background Paper(s)	Accounts and Audit Regulations 2015 Public Sector Internal Audit Standards 2016 Global Internal Audit Standards 2025 Fenland District Council Corporate Plan FDC's Internal Audit Charter

Risk based Internal Audit plan
2025/2026



4 Introduction

- 4.1 This document sets out the annual Internal Audit risk-based plan (“the Plan”). It is intended to demonstrate how Internal Audit will support the overall aims and objectives of the Council by:
- providing the Chief Executive, Section 151 Officer and Audit and Risk Management Committee with an overall opinion each year on the Council’s control environment to support the Annual Governance Statement (AGS) requirements.
 - preparing Audit plans that give suitable priority to the Council’s priorities and key risks and concentrate resources on areas that have been identified as being the most vulnerable.
 - providing suggested actions to line management at the conclusion of each piece of audit work that will assist in continuous service improvement and reduce the risks identified.
 - identifying the Internal Audit resources required to deliver an Audit service that meets required professional standards; and
 - complying with professional standards.
- 4.2 The Plan is risk-based and covers the Council’s existing operations, while adding value by responding to emerging risks and promoting good governance.
- 4.3 The strategic aims for Internal Audit in 2025/26 are to:
- prepare, maintain and deliver the risk-based Internal Audit Plan.
 - proactively promote understanding of risk and control.
 - recommend actions that help systems meet at least ‘reasonable’ levels of control.
 - facilitate provision of assurance for the AGS.
- 4.4 The Plan is supported by the Team’s Service Plan, which is aligned to the Council’s Corporate Priorities, and is agreed with the Internal Audit team.

5 Role of Internal Audit

- 5.1 All local authorities must make proper provision for Internal Audit in line with the 1972 Local Government Act (S151) and the Accounts and Audit Regulations 2015. The latter states that authorities must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.
- 5.2 Fenland District Council has given responsibility for ensuring that statutory internal audit arrangements are in place to the Corporate Director & Chief Finance Officer. These arrangements form a key element of the District Council’s framework for corporate governance.
- 5.3 The Head of Internal Audit will oversee Internal Audit provision to the District Council on behalf of the Corporate Director & Chief Finance Officer.
- 5.4 The objectives, scope and definitions of Internal Audit are detailed in the Internal Audit Charter.

6 Risk Assessment

- 6.1 The Council's Internal Audit Plan is based on a risk assessment of all the Council's major systems and other auditable areas. This allows us to prioritise those areas and systems to be included within the plan. Key risk assessment factors include:

Factor	Description
Materiality – Value	The value of annual direct income / expenditure associated with the system / activities
Materiality – Volume	An estimate of the number of transactions processed by the systems / activities per annum
Significance / Profile	The significance of the system to the activities of the Council.
Complexity	The complexity of the systems / activities in terms of their operation and audibility
Change	Recent changes to the system or the likelihood of change to the systems in the audit period planned including reference to Transformation.
Regulatory / Contractual	Extent to which the system / activity is subject to regulation or contractual obligation
External Monitoring	The extent to which a service / activity is monitored or audited by an external body
Prior Audits	Overall rating of last audit and result of follow up.
Susceptibility to fraud and corruption	Opportunity within the system / activity for fraud and corruption to occur.
Staff Turnover	The turnover of staff, especially with key skills.

- 6.2 The risk assessment, and update of the annual Plan, is informed by consultation with key stakeholders, including:
- the Corporate Director & Chief Finance Officer.
 - the Corporate Director & Monitoring Officer.
 - the Corporate Management Team.
 - the Council's Assistant Directors and Heads of Service.
 - the Council's external auditors.
 - the Audit and Risk Management Committee.
- 6.3 Consultation helps ensure that stakeholder's views and risks are reasonably identified and reflected within the Plan. Where possible External Audit will place reliance on the work of Internal Audit, and other external providers of assurance will be referred to help formulate the annual audit opinion. This helps ensure that resources are used to the best effect, and duplication avoided.
- 6.4 The Standards require that the Plan must be based on an annual "assessment of the organisation's strategies, objectives and risks. This assessment must be informed by input from the board and senior management as well as the chief audit executive's

understanding of the organisation's governance, risk and control processes". The Plan is therefore informed by key corporate documents such as:

- The Business Plan.
- The Medium-Term Financial Strategy (MTFS); and
- The Council's Corporate Risk Register and local Service Risk Registers.

7 Key Themes

The key themes, which have driven our assessment of risk and strategic aims are:

Area	Comment
Financial excellence	There is a continued need to ensure value for money is achieved, including financial resilience and the ability to prioritise resources within increasing financial constraints and a changing control environment.
Corporate Governance arrangements	The Head of Internal Audit will independently review and give an opinion on the Council's arrangements for both corporate governance and risk management, to support the production of an annual governance statement to accompany the statement of accounts. The team will maintain an awareness of emerging risks to help provide advice on effective internal controls.
Assurance mapping	Where other well-developed assurance processes exist (eg documented Control Risk Self-Assessment reviews, quality management audits, the work of other review or inspection teams) the internal audit team will their assurance contribution to the overall audit opinion on internal control.
Improving information governance	As part of the planned audits the team will help to promote good information and data management practice throughout the organisation.
Risk management	Internal Audit will continue to assist teams identify business risks as part of audits. This will engage our customers in the management and maintenance of their risks and controls at an operational level and help identify and escalate concerns to the corporate risk register.
Minimising fraud and error	<p>The Internal Audit team will ensure that the Anti-Fraud & Corruption Policy & Internal Audit Strategy reflects best practice and will appraise fraud risks during audits.</p> <p>Internal controls will continue to be tested for effectiveness and the team will participate in data matching exercises, as provided by the National Fraud Initiative, to proactively identify fraud and error.</p>
Corporate priorities	The Corporate Plan and the Council priorities inform the Internal Audit Strategy. The Plan is based on the risk profile of activities supporting the Corporate Plan and will continuously be revised to reflect any emerging changes to corporate risk.

8 Audit Needs and Resources

- 8.1 The risk assessment process identifies auditable systems and helps to prioritise the Audit Plan in consultation with key stakeholders.
- 8.2 Systems assessed as below reasonable assurance, during the previous financial year, which are not subject to a planned audit will be considered for a follow-up review to assess the effective implementation by management of agreed audit recommendations/actions. Due to limited audit resources, follow-up work is likely to focus on red priority actions and actions deemed necessary to review eg those from an audit area given a limited assurance opinion.
- 8.3 Where common areas of risk are identified across several teams or Services, then the use of corporate themed reviews is considered to ensure an approach which is both consistent and makes effective use of resources.

- 8.4 Both the resources and capacity of the Internal Audit Team is considered annually whilst setting the annual plan. The Internal Audit Team currently has 1.6 full time equivalent auditors and a Head of Internal Audit. The uncertainty of this resource level is now an issue.
- 8.5 Unproductive days, such as training and annual leave, are deducted from the total resource to calculate the total number of planned productive days.
- 8.6 This Internal Audit Plan is produced and provides details for a 12-month period. The Head of Internal Audit will review and adjust the Plan, as necessary, in response to changes in the organisation's business, risks, operations, programs, systems, and controls, as well as the impact of Transformation work. Where work in progress occurs, it will be carried forward for completion within resources available in the next year.
- 8.7 It is suggested that this Plan is treated as a draft and a further updated Plan provided to Committee once resources are more settled.

9 Audit Delivery

- 9.1 The approach of Internal Audit is to use risk-based reviews, supplemented in some areas using system-based audits and themed reviews. All audits have regard to management's arrangements for:
- securing the proper, economic, efficient and effective use of resources.
 - achieving key performance indicators, where appropriate.
 - preventing fraud and irregularity.
- 9.2 The internal control system contains 9 key systems known as 'Fundamental' audits. A compliance approach is applied, as there is pre-existing confidence that controls are well designed, but the effective operation of the controls is a material concern. Testing for the effective operation of these controls is completed over a planned three-year cycle, although can be audited more frequently if assurance is required. The ARP auditing arrangements have allowed us to gain assurances on an annual basis for Council Tax, Business rates and Housing Benefits. A continuous auditing approach is adopted that spreads the testing throughout the year.
- 9.3 The remainder of the systems are prioritised by their risk-based assessment. The approach to each audit is agreed, with the auditee, during the planning stage of the audit.
- 9.4 In addition to these planned audits the team will complete other assurance work which adds value to the organisation. Examples include proactive anti-fraud and error work such as fraud risk education and data matching, project-based assurance, contingency for responsive work, and following up previous audit recommendations/actions.
- 9.5 The GIAS (UKPS) states that the Head of Internal Audit should consider accepting consulting engagements based on the potential to improve management of risks, add value and improve the organisation's operations. The team will participate in corporate projects that add value by improving governance and controls throughout the Council, as well as being part of the Corporate Risk Group that reviews the key risks facing the Council and also being part of the newly formed Corporate Governance Group.
- 9.6 Requests for unplanned work will be considered against capacity to ensure Internal Audit's independence, and the resource required to provide the Annual Audit Opinion, is not compromised. Any significant additional consulting activities, which impact delivery of the Plan, will be communicated to the Committee.
- 9.7 The output of audits completed during the year will inform the Annual Audit Opinion, which will conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. This will be reported through

the annual Internal Audit Outturn report which is a key source of assurance for the AGS.

10 Quality and Performance

- 10.1 Internal Audit maintains a manual, which sets out the standards to which all audit assignments are completed. It is planned to be reviewed and updated to reflect the best practice and professional standards.
- 10.2 The performance of Internal Audit is measured against targets and objectives set out in the Team Service Plan.
- 10.3 At a detailed level each audit assignment is reviewed and monitored by the HoIA, and customer feedback sought.
- 10.4 There is ongoing performance appraisal and supervision for Internal Audit staff during the year to support them in achieving their personal targets.
- 10.5 The Corporate Director & Chief Finance Officer shall in accordance with the Accounts and Audit regulations 2015 arrange for an assessment of quality independently of the Internal Audit service. Additionally, an external review of the Internal Audit Service is completed by external assessors every 5 years. This was last assessed in December 2022, where the highest rating of 'Generally Conforms' was received in all areas.
- 10.6 Internal Audit will continue to liaise closely with other internal audit services through the Cambridgeshire Audit Group, the Institute of Internal Auditors, the Chartered Institute of Public Finance Accountants, and the ARP shared audit partnership to share knowledge of best practice.

Appendix A: Internal Audit Plan 2025/26

Audit Title	Assessment Risk Rating	Last Audit & Opinion	Corporate Risk	Rationale for Audit / Scope	2025/26 days
Completion of in-progress audits from 2024/25 and 2024/25 brought forward					30
Closure of in-progress audits 2024/25					10
Workforce Planning	High	2018/19 Substantial	RR22 Resourcing (Service provision affected by organisational change / insufficient staff)	In light of LGR this review will compliment a corporate look at FDC workforce planning for the next year and three years to focus on the corporate risk of staff retention.	20
Key Financial Systems /Fundamentals					33
ARP Enforcement	Medium	2024/25 Substantial	Key Financial	As a fundamental audit, this area is reviewed annually.	15
Council Tax (Fundamental) *	Medium	2024/25 Reasonable	Key Financial	As a fundamental audit, this area is reviewed annually.	1*
Housing Benefits (Fundamental)*	Medium	2024/25 Reasonable	Key Financial	As a fundamental audit, this area is reviewed annually.	1*
Business Rates (Fundamental)*	Medium	2024/25 Reasonable	Key Financial	As a fundamental audit, this area is reviewed annually.	1*
Corporate Finance – Management Accounting System (MAS)	Medium	2021/22 Substantial	Key Financial	Key controls within the main accounting system to be reviewed.	12-15
Budgetary Control	Medium		Key Financial	Key controls.	12-15
Payroll	Medium	2024/25 In Progress		Key controls within Payroll system, or a cyclical area in full to be reviewed.	12-15

Risk-based audits					250
Disabled Facilities Grant Return for 24.25	Medium	2024/25 No opinion	Financial, Reputational.	An annual return to County is a regulatory requirement. To provide confirmation that the DFGs have been awarded in accordance with grant conditions.	2
Overtime	High	No previous audit record	RR22 Resourcing (Service provision affected by organisational change / insufficient staff) RR26 Financial Management. Failure to achieve savings targets.	This will support the council's priority to minimise overtime and provide assurance that it is claimed in line with our Policy. It will follow up the changes introduced by Transformation.	15
'Fenland Inspire Projects' Governance	High	NEW	RR15 Project Management Over-run of major Council projects in time or cost.	To review the internal controls and governance surrounding the 15 Inspire projects which carry a £40m+ budget.	15
IT - Cyber Security	High	2023/24 Adequate/ Reasonable	RR6 Cyber Resilience (Loss of ICT provision): Breach of ICT security, ICT failure, or cyber-attack, causing loss of service.	At the request of Committee, this audit will be repeated this year. Additionally, this will consider the new IIA Topical Requirement objectives.	15
Port Management	High		Risk: Failure to comply with the Council's policies and procedures.	An operational area within the Port service to be selected to ensure policies and procedures are being followed.	15
LATCo	Medium	NEW	RR20 Commercial & Investment Strategy (Failure of the Council's commercialisation and investment strategy) Risk: Commercial uncertainties associated with decisions taken as part of the Council's	To review that Fenland Futures has appropriate internal control and governance in place.	15

			Commercial and Investment Strategy.		
Corporate Finance – Supplier data amendment process (Anti-Fraud audit)	High	NEW	RR11 Fraud (Fraud and error committed against the Council) Risk: Fraud and error committed against the Council.	In line with anti-fraud measures this will review our process for handling supplier data amendment requests to ensure they are verified as authentic.	8
Contract Monitoring – Highways Streetlights	Medium	2017/18 Substantial	RR 3 Procurement & Contract Mgt: Failure of contractors/suppliers working on the Council's behalf.	Requested by Committee, this will cover a review of the new Streetlights contract.	15
Temporary Accommodation	Medium/High		RR25 Financial Impact due to External Factors (– additional pressures on the Council's overall finances.)	At the request of CMT. Limited scope/focus: the review seeks assurance on whether the throughput from TA is sufficiently smooth and efficient. This area is statutory and amounts to significant costs.	12
Cemeteries	Medium	2021.22 Adequate/ Reasonable	No identified corporate risk.	At the request of CMT. To review that the recommendations from the Transformation review have been introduced and benefits realised.	12
FACT	Medium	2018 Adequate	RR 3 Procurement & Contract Mgt: Failure of contractors/suppliers working on the Council's behalf. RR13 Partnership Working Failure of Governance in major partners, or in the Council, as a result of partnership working.	At the request of CMT. Validation of process.	12
Corporate H&S		2016/17	RR10 Health & Safety Major health and safety incident	Corporate H&S has not been reviewed in last 8 years. To consider either one area for	15

				review or to consider assurance over the controls identified in the risk register.	
Commercial Waste	Medium/High	2019/20 Adequate/ Reasonable	RR26 Financial Management. Failure to achieve savings targets. Risk: loss of income	Management request: To focus on the raising of invoices and debt recovery generally.	15
Carbon return/declaration	Medium	NEW	Accuracy of govt return and public information.	To review the validity and accuracy of the formula and calculation within the declaration.	6
Procurement – Use of Purchase Orders	Medium	NEW	Risk: Failure to comply with the Council's policies and procedures. RR26 Financial Management. Failure to achieve savings targets.	To work with Finance to assess whether the 'No PO, no pay' condition is operational.	12
Contract – Grounds Maintenance	Medium	2022/23 Substantial	RR 3 Procurement & Contract Mgt: Failure of contractors/suppliers working on the Council's behalf.	A new contract requested for review due to extra costs implications.	12
Green Waste	Medium	NEW		To assist with internal control review and advice over the new automation process of green waste.	12
Follow-up audits					
Leisure Contract Mgt – Follow Up		2024/25 Limited	RR 3 Procurement & Contract Mgt: Failure of contractors/suppliers working on the Council's behalf.	Follow up of a previously limited-opinion area to confirm that the agreed actions are implemented and working.	5
Public Health Funerals – Follow Up		2023/24 Limited		Follow up of a previously limited-opinion area to confirm that the agreed actions are implemented and working.	5
BCP – Follow up			RR23 Business Continuity / Disaster Recovery (Response to a localised operational issue)		

			Risks: • Lack of access to Council premises preventing service delivery. • Failure of ICT systems. • Resources become unavailable.		
General Follow Up of agreed actions					10
Total Risk Based Audits					
External Audits and Other Work					
Fraud Work – Investigations and NFI					
Contingency					
Food Waste - consultancy					
Economic Crime & Corporate Transparency ('Failure to Prevent Fraud Offence') advice					
Ad hoc advice					
Corporate Gov Group and Risk Mgt Group					
Monitoring of agreed audit actions					
Reporting to ARMC					
Subtotal External and Other Work					
Grand Total					

* These audits are conducted by our ARP partner authorities and will be reviewed by the Head of Internal Audit of FDC before final reports are issued.

Appendix B: Assurance Ratings:

An assurance rating is applied, when a system or process is reviewed, which reflects the effectiveness of the control environment.

Assurance Opinion	Definition
Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

In applying the most appropriate level of opinion, the internal auditor will use their professional judgement, based on the results of the audit, consideration of risk and consequences of areas of weakness for the organisation.

Appendix C: Fundamental Audit Plan

This is the proposed plan for internal audit reviews of controls considered fundamental to the Council:

System Name	2023/24	2024/25	2025/26	2026/27	2027/28	Current Overall assurance rating
Housing Benefits *	✓	✓	✓	✓	✓	Adequate / Reasonable (2024/25)
Council Tax *	✓	✓	✓	✓	✓	Adequate / Reasonable (2024/25)
Business Rates *	✓	✓	✓	✓	✓	Adequate / Reasonable (2024/25)
Enforcement	✓	✓	✓	✓	✓	Adequate / Reasonable (2024/25)
Capital Finance Planning & Asset Register	✓			✓		Substantial (2023/24)
Debtors & Collection Agency	✓			✓		Limited (Follow Up in 2024/25)
Creditors		✓			✓	Reasonable (2024/25)
Corporate Finance - Budgetary Control			✓			Substantial (2022/23)
Cash & Treasury Management	✓			✓		Substantial
Corporate Finance - Management Accounting System (MAS)			✓			Substantial (2021/22)

* ARP Auditing arrangements in place allow for an audit to be undertaken every year on these services by our ARP Partner authorities.

Agenda Item No:	8	
Committee:	Audit and Risk Management Committee	
Date:	12th May 2025	
Report Title:	Risk Management Policy and Strategy Review	

1 Purpose / Summary

- 1.1 To provide an update to the Audit and Risk Management Committee on the latest Risk Management Policy and Strategy.

2 Key Issues

- 2.1 The Council's Risk Management Strategy ensures the effective maintenance of a risk management framework by:-
- embedding risk management across core management functions;
 - providing tools to identify and respond to internal and external risk;
 - linking risks to objectives within services and regularly reviewing these.
- 2.2 The Audit and Risk Management Committee has asked that the Council's Risk Management Policy and Strategy is reviewed and presented to it annually.
- 2.3 The latest Risk Management Policy and Strategy (**Appendix A**) is attached to this report.

3 Recommendations

- 3.1 The latest Risk Management Policy and Strategy is agreed as attached at Appendix A to this report.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Chris Boden – Leader and Portfolio Holder for Corporate Governance
Report Originator(s)	Stephen Beacher – Head of ICT, Digital & Resilience
Contact Officer(s)	Paul Medd – Chief Executive Peter Catchpole –Corporate Director & Chief Finance Officer Stephen Beacher – Head of ICT, Digital & Resilience
Background Paper(s)	Previous reviews of the Risk Management Policy and Strategy: minutes of Audit and Risk Management Committee

1 Background / Introduction

- 1.1 This is the latest annual update in respect of the Risk Management Policy and Strategy.

2 Considerations

- 2.1 The Council has seven considerations when considering risk:-
- Performance – can we still achieve our objectives?
 - Service delivery – will this be disrupted and how do we ensure it continues?
 - Injury – how do we avoid injuries and harm?
 - Reputation - how is the Council's reputation protected?
 - Environment – how do we avoid and minimise damage to it?
 - Financial – how do we avoid losing money?
 - Legal – how do we reduce the risk of litigation?
- 2.2 Members and Officers share responsibility for managing risk:-
- Members - have regard for risk in making decisions
 - Audit and Risk Management Committee – oversee management of risk
 - Corporate Management Team – maintain strategic risk management framework
 - Risk Management Group – Lead Officers across the Council promote risk management and a consistent approach to it
 - Managers – identify and mitigate new risks, ensure teams manage risk
 - All staff – manage risk in their jobs and work safely.

3 Changes to the Risk Management Policy and Strategy

- 3.1 The Risk Management Policy and Strategy has been reviewed by the Corporate Risk Management Group and Corporate Management Team.
- The latest review process has found no need for any additions / deletions / amendments to this latest document.

4 Next Steps

- 4.1 Officers will continue to bring a reviewed and updated Risk Management Policy and Strategy to Audit and Risk Management Committee on an annual basis.

5 Conclusions

- 5.1 The risk management process provides assurance for the Annual Governance Statement, which is substantiated by reports from the Council's External Auditors in their issuance of an unqualified audit opinion.

- 5.2 Regular review (and updating as appropriate) of the Risk Management Strategy and Corporate Risk Register will further build the assurance required above.

APPENDIX 1

Risk Management Policy and Strategy

May 2025

Draft

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1 Policy Statement

- 1.1 It is the Council's policy to proactively identify, understand and manage the risks involved in service delivery, and those associated with our plans and strategies, to encourage responsible and informed risk-taking.

2 What is Risk?

- 2.1 Risk is the uncertainty of an event occurring that could have an impact on the achievement of the Council's key objectives.
- 2.2 Risk can arise from possible threats to objectives, as well as failure to take advantage of potential opportunities.
- 2.3 It is the combination of the probability of an event (likelihood) and its effect (impact).

3 What is Risk Management?

- 3.1 Risk Management is the process of understanding and managing the risks that an organisation is inevitably subject to in attempting to achieve its corporate objectives.
- 3.2 It is the process whereby the Council methodically addresses those risks or barriers to achieving its vision and objectives.
- 3.3 Effective risk management optimises the balance between risk and control. In this way the authority will better achieve its corporate objectives and enhance the value of services it provides to the community.

4 Aim of the Strategy

- 4.1 The aim of the strategy is to make risk management an integral part of management and decision-making, aligned with the structure, operations, and processes of the Council.

5 Strategy Objectives and Outcomes

- 5.1 The objectives of this strategy are to:
- ensure risk management remains an integral part of service, strategic and project planning, and decision-making.
 - manage risks to facilitate innovation, continuous improvement, and service transformation.
 - establish clear roles, responsibilities and reporting lines for risk management.

- anticipate and respond to changing social, environmental, and legislative needs as well as changes in the internal environment to minimise injury, damage and losses and maximise opportunity.
- ascertain and manage the likelihood and impact of risk, identify mitigating controls, and assign responsibility for control and monitoring of specific risks.
- provide a framework for escalating management of risk and allocating resources to identified priority risk areas.
- maintain effective partnership arrangements by ensuring that risk management is part of the Council's partnership governance arrangements.
- enable shared learning on risk management across the authority.
- review the strategy and processes for risk management at least annually.

5.2 The direct outcomes of effective risk management will be:

- effective use of resources
- informed decision making
- successful and efficient delivery of projects
- effective response to changes demands and needs
- responsive performance management and identification of priorities
- sound systems of control
- accountability and responsibility for risk and control
- sound workforce planning
- integrated responses to risk and opportunities

6 Risk Appetite and Tolerance Levels

- 6.1 Risk appetite and tolerance is the amount of risk an organisation is prepared to accept, or be exposed to, at any point in time. It can indicate where action is required to reduce risk to an acceptable level plus opportunities for positive outcomes which can be monitored.
- 6.2 The Council has adopted the approach and definitions used by CIPFA and the Institute of Risk Management:

Risk Appetite

‘The amount of risk an organisation is willing to seek or accept in the pursuit of its long-term objectives’.

An example may be consideration of the funds or resources that an organisation is prepared to invest in a venture where success is not guaranteed but that would yield benefits.

Risk Tolerance

‘The boundaries of risk taking outside which the organisation is not prepared to venture in the pursuit of its long-term objectives’.

An example may be a Treasury Management Strategy that rules out certain types of investment options.

- 6.3 Typically an individual's perception of an acceptable risk is the same irrespective of which definition is used. Differences may occur where risks cannot be controlled or eliminated. For example, political and legislative change is an external driver which cannot be fully mitigated. In this instance the risk tolerance, and ability to manage the risk, may be greater than risk appetite.
- 6.4 It is recognised that the tolerance or appetite is subjective and may change according to the environment, and the internal / external drivers. Consequently, it is important, regardless of the terms used, that everyone has a consistent approach to risk taking to prioritise resources effectively.
- 6.5 Risks to the Council are identified and assessed by officers. Following which, and as part of the Council's governance on such matters, these are presented to the Audit and Risk Committee for members to scrutinize and approve.
- 6.6 Different risk appetites can be illustrated on a five-by-five matrix using three levels: high, medium and low. The Council is risk aware and the current level is determined as medium. This provides guidance that any inherent risk scored at 15 or greater is to be considered for the Corporate Risk Register.
- 6.7 Once controls are in operation the risks can be scored again to illustrate the residual risk.

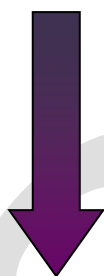
7 Risk Identification

- 7.1 The framework of Risk Management will ensure that risks are identified during both strategic and operational activity in respect of corporate and service priorities, project management, decision-making and policy setting, financial and performance monitoring, and planning.
- 7.2 Risk identification will include partnership working and commissioning. To manage risks effectively the Council will:
- provide assurance that risks associated with working in partnership will be identified, prioritised, and appropriately managed.
 - ensure partnerships have effective risk management procedures in place for all parties.

8 Risk Analysis and Scoring

- 8.1 Once the risks have been identified they will need to be assessed.
- 8.2 The Council has adopted a consistent scoring mechanism for all risk identification, as it enables identified risks from other systems to be escalated to the Corporate Risk Register.
- 8.3 This process requires risk owners to assess the level of risk by considering:
- The probability of an event occurring – (Likelihood)
 - The potential severity of the consequences should such an event occur – (Impact)
- 8.4 The risk score is calculated by multiplying the 'likelihood' score by the 'impact' score:

IMPACT	
Score	Classification
1	Insignificant
2	Minor
3	Moderate
4	Major
5	Catastrophic



LIKELIHOOD	
Score	Classification
1	Highly unlikely
2	Unlikely
3	Possible
4	Probable
5	Very likely

8.5 The impact and likelihood of risks is scored with regards the below levels:

Score	1	2	3	4	5
Criteria	Insignificant impact	Minor impact	Moderate Impact	Major Impact	Catastrophic Impact
Performance	Objectives still achieved with minimum extra cost or inconvenience	Partial achievement of objectives with compensating action taken or reallocation of resources.	Additional costs required and or time delays to achieve objectives – adverse impact on PIs and targets.	Unable to achieve corporate objectives or statutory obligations resulting in significant visible impact on service provision such as closure of facilities.	Unable to achieve corporate objectives and/or corporate obligations.
Service Delivery	Insignificant disruption on internal business – no loss of customer service.	Some disruption on internal business only – no loss of customer service.	Noticeable disruption affecting customers. Loss of service up to 48 hours.	Major disruption affecting customers. Loss of service for more than 48 hours.	Loss of service delivery for more than seven days.
Physical	No injury/claims.	Minor injury/claims (first aid treatment).	Violence or threat or serious injury/claims (medical treatment required).	Extensive multiple injuries/claims.	Loss of life.
Reputation	No reputational damage.	Minimal coverage in local media.	Sustained coverage in local media.	Coverage in national media.	Extensive coverage in National Media.
Environmental	Insignificant environmental damage.	Minor damage to local environmental.	Moderate local environmental damage.	Major damage to local environment.	Significant environmental damage attracting national and or international concern.
Financial	Financial loss < £200,000	Financial loss >£200,000 <£600,000	Financial loss >£600,000 <£1,000,000	Financial loss >£1,000,000 <£4,000,000	Financial loss >£4,000,000
Legal	Minor civil litigation or regulatory criticism	Minor regulatory enforcement	Major civil litigation and/or local public enquiry	Major civil litigation setting precedent and/or national public enquiry	Section 151 or government intervention or criminal charges

8.6 Both inherent and residual risk scores should be identified to assist in the effective review and monitoring of the controls in place.

8.7 The residual scores are then plotted onto the heat map within the corporate risk register.

9 Risk Control

- 9.1 Action to address significant and material risks must be disclosed in Service Plans and agreed by the Corporate Management Team and the Audit and Risk Management Committee, where appropriate.
- 9.2 Risk control is the process of taking action to minimise the likelihood of the risk event occurring and/or reducing the severity of the consequences should it occur.
- 9.3 There are a number of options for controlling risk:
- **Risk avoidance** involves the Council opting not to undertake a current or proposed activity because it is considered to be too risky.
 - **Risk reduction** is dependent on implementing mitigating actions which will minimise the likelihood of an event occurring or limit the severity of the consequences should it occur.
 - **Risk transfer** involves transferring liability for the consequences of an event to another body.
 - **Risk acceptance** is the level of exposure to risk that the Council deems acceptable.
 - **Risk sharing** is a method of sharing risk with other parties by distributing losses on a predetermined basis.
- 9.4 Most risks can be managed either by minimising the likelihood of the risk occurring and / or reducing the severity of the consequences should the risk occur. Relatively few risks must be avoided or transferred.
- 9.5 Managers must judge which courses of control action are the most appropriate to address each of the risks they have identified, taking advice where appropriate.

10 Monitoring, Reporting and Escalation

- 10.1 A key element of effective risk management is the on-going vigilance and the communication and escalation of risk information to the appropriate management level.
- 10.2 The framework for the reporting and escalation of risk within the Council is based on the organisational structure and normal reporting lines.
- 10.3 Risk owners, along with the Corporate Risk Management Group, will monitor the current assessments of risks as frequently as dictated by changing circumstances.
- 10.4 The Corporate Management Team will be provided with periodic updates on the status of significant risks as part of financial and performance monitoring reports. Likely risk impacts will be quantified at the earliest opportunity.
- 10.5 Audit and Risk Management Committee will receive an update on the current risk position at least bi-annually.

11 Annual Review and Assurance Statement

- 11.1 As part of the annual reporting process, the Corporate Management Team will perform an annual review of the effectiveness of the Council's corporate governance arrangements, including its risk management and internal controls processes over the prevailing financial year.
- 11.2 The outcome of this review will be reported to the Audit and Risk Management Committee and will form the basis of an assurance statement to be published annually in accordance with best practice.

12 Roles and Responsibilities for Managing Risks

Group	Role
Elected Members	Ensure that risks are taken into consideration for Committee and Council decisions.
Audit & Risk Management Committee (ARMC)	<p>Receive risk management reports and take appropriate action to ensure that corporate business risks are being actively managed including reporting to full council at least annually on its assurance work.</p> <p>The Chairman of Audit & Risk Management Committee will receive reports of exceptional risks throughout the year as appropriate.</p>
Corporate Management Team (CMT)	Maintain a formal framework for the management of risks in terms of operational and strategic risks and opportunities.
Corporate Director & Chief Finance Officer	<p>Monitor and promote effective application of strategic risk management across the authority and direct the Risk Management Group as required.</p> <p>Provide awareness and training on Risk Management to Members and Staff as appropriate.</p>
Corporate Risk Management Group (CRMG)	<p>Provide support for the delivery of the risk management strategy across the Council.</p> <p>Promote and advise upon risk management practices across all services of the Council and help to develop a consistent and effective approach to risk management is adopted within relevant Council management functions.</p>

Head of ICT, Digital & Resilience	<p>Monitor and promote effective application of operational risk management across the authority and support the CRMG as required.</p> <p>Provide awareness and training on risk management to Members and staff as appropriately identified via inductions and development programs.</p> <p>Receive intelligence of potential risks and consider the appropriate route for escalation.</p> <p>Inform CMT and the Chairman of ARMC of risks requiring attention.</p> <p>Recommend to CMT and ARMC changes to the Risk Management Framework to maintain its effectiveness.</p>
All Managers	<p>Ensure that risk is managed effectively in each service area in accordance with the corporate framework and to act as a conduit to ensure that the specialist advisers and the CRMG are made aware, as appropriate, of the significant risks faced and the actions proposed.</p> <p>Manage risk effectively in their service areas and to report on how major hazards and risks have been / are being managed.</p>
All Staff	<p>Manage risk effectively in their job and report material hazards / risks to their service managers.</p> <p>Undertake their job with the highest regard for safety, regulatory and policy guidelines, practices, and procedures.</p>

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Agenda Item No:	9	
Committee:	Audit and Risk Management Committee	
Date:	12 th May 2025	
Report Title:	Corporate Risk Register Review	

1 Purpose / Summary

- 1.1 To provide an update to the Audit and Risk Management Committee on the Council's Corporate Risk Register.

2 Key Issues

- 2.1 The Council's Risk Management Strategy ensures the effective maintenance of a risk management framework by:-
- embedding risk management across core management functions;
 - providing tools to identify and respond to internal and external risk;
 - linking risks to objectives within services and regularly reviewing these.
- 2.2 The Audit and Risk Management Committee has asked that the Council's Corporate Risk Register is reviewed and presented to it quarterly.
- 2.3 The latest Corporate Risk Register (**Appendix A**) is attached to this report.

3 Recommendations

- 3.1 The latest Corporate Risk Register is agreed as attached at Appendix A to this report.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Chris Boden – Leader and Portfolio Holder for Corporate Governance
Report Originator(s)	Stephen Beacher – Head of ICT, Digital & Resilience
Contact Officer(s)	Paul Medd – Chief Executive Peter Catchpole –Corporate Director & Chief Finance Officer Stephen Beacher – Head of ICT, Digital & Resilience
Background Paper(s)	Previous reviews of the Corporate Risk Register: minutes of Audit and Risk Management Committee

1 Background / Introduction

- 1.1 This is the latest quarterly update in respect of the Corporate Risk register.

2 Considerations

- 2.1 The Council has seven considerations when considering risk:-
- Performance – can we still achieve our objectives?
 - Service delivery – will this be disrupted and how do we ensure it continues?
 - Injury – how do we avoid injuries and harm?
 - Reputation - how is the Council's reputation protected?
 - Environment – how do we avoid and minimise damage to it?
 - Financial – how do we avoid losing money?
 - Legal – how do we reduce the risk of litigation?
- 2.2 Members and Officers share responsibility for managing risk:-
- Members - have regard for risk in making decisions
 - Audit and Risk Management Committee – oversee management of risk
 - Corporate Management Team – maintain strategic risk management framework
 - Risk Management Group – Lead Officers across the Council promote risk management and a consistent approach to it
 - Managers – identify and mitigate new risks, ensure teams manage risk
 - All staff – manage risk in their jobs and work safely.
- 2.3 Risk is scored by impact and likelihood. Each have a score of 1-5 reflecting severity. The overall score then generates a risk score if no action is taken, together with a residual risk score after mitigating action is taken to reduce risk to an acceptable level.
- 2.4 The level of risk the Council deems acceptable is the “risk appetite”. The Council accepts a “medium risk appetite” in that it accepts some risks are inevitable and acceptable whereas others may not be acceptable.
- 2.5 Managers consider risks as part of the annual service planning process. Each service has a risk register with the highest risks being reported at a strategic level, forming the Corporate Risk Register. The Corporate Management Team, supported by the Risk Management Group, ensures that the highest risks are regularly reviewed and mitigating action undertaken.
- 2.6 The Corporate Risk Register is very much a “living document”; the Audit and Risk Management Committee reviews it quarterly.
- 2.7 Where exceptional new risks present themselves, they can be referred to Audit and Risk Management Committee urgently as appropriate.

- 2.8 Risk appetite has been considered. The Council takes a medium risk appetite, accepting that the current climate in Local Government is subject to great change and that some risks are necessary in order for the Council to move forward and continue to deliver high quality, cost-effective services.
- As a result of this, in some instances it is not possible to significantly reduce residual risk. Having said this, some decisions may need to be made in a timely manner and this could increase risk appetite accordingly. The Council's overall risk appetite should be reviewed regularly.
- 2.9 Risk awareness is embedded across the Council and it is important that risk awareness and management is integral to the Council's culture. To achieve this, risk awareness and training are important.
- 2.10 It is important that Members have regard for risk when considering matters and making decisions at Council, Cabinet and Committees. In addition, Audit and Risk Management Committee must take a strategic overview of risk and consider the highest risks to the Council as set out in the Corporate Risk Register.

3 Changes to the Corporate Risk Register

- 3.1 The Risk Register has been reviewed by the Corporate Risk Management Group and Corporate Management Team.
- 3.2 Mitigating actions and progress have been updated.
- 3.3 Commentary regarding all risks and action being taken to ensure current risks are minimised has been updated in the Risk Register.
- 3.4 All updates are highlighted in green.
- 3.5 The register also includes some narrative around the Risk Management Process (at section 2); the Monitoring and Escalation Framework (at section 4); the Risk Appetite and tolerance levels; and a heat map showing all the residual risks at page 28.
- 3.6 In this updated register, a new risk has been created in respect of Local Government Reorganisation (LGR). The score for this (risk 1) will be considered again at the next review as we gain further information about the LGR process.

4 Next Steps

- 4.1 Officers will continue to bring a reviewed and updated Corporate Risk Register to Audit and Risk Management Committee on a regular basis.

5 Conclusions

- 5.1 The risk management process provides assurance for the Annual Governance Statement, which is substantiated by reports from the Council's External Auditors in their issuance of an unqualified audit opinion.
- 5.2 Regular review (and updating as appropriate) of the Risk Management Strategy and Corporate Risk Register will further build the assurance required above.

Corporate Risk Register

Reviewed and updated May 2025

1 Introduction

- 1.1 This is the latest Corporate Risk Register. Please refer to the Council's Corporate Risk Strategy for further information about how the Council approaches risk management. Actions and comments for each risk have been revised and other changes are highlighted in green.

2 Risk Management Process

- 2.1 Risk Management is designed to identify what could affect the achievement of objectives, and to plan a proportionate response.
- 2.2 The Council's approach to Risk Management is documented within the Risk Management Framework. It aims to ensure that risks are identified for both strategic and operational activity. This includes:
- corporate and service priorities;
 - project management;
 - decision-making and policy setting; and
 - financial and performance monitoring and planning.
- 2.3 The Risk Management Framework provides tools to manage risks for the different types of system and control environment, such as the Corporate Risk Register to capture and summarise significant and strategic risks; team risk registers which help inform service planning and actions; risk and hazard identification documents are shared with management as appropriate during audit reviews; and health and safety risk assessments which are updated annually by teams.
- 2.4 The frequency and mechanism for monitoring risks reflects the type of monitoring system, and the pace of changing circumstances, for example:
- Project risks will be recorded in project risk registers and are reviewed frequently throughout the project's life.
 - Operational risks are identified through audit and inspection work and are assigned dates and ownership.
 - Operational risks are identified through service planning and are linked to the service plan actions. These are typically monitored monthly through team meetings as part of the Councils Performance Management framework.
- 2.5 The Annual Governance Statement records governance actions, which are reviewed biannually as good practice. The Corporate Risk Register comprises strategic and significant risks. The register can both inform and reflect risks recorded in other risk management systems. It may refer to more detailed analysis of risks, presented to committees, such as the Medium-Term Financial Strategy. Appropriately, mitigation may be linked to specific actions recorded and monitored through service plans, or committee forward plans.
- 2.6 Risks are categorised and scored according to their impact and likelihood. This activity allows managers, to prioritise resources to mitigate them. Strategic and significant risks are defined by the Councils risk appetite.
- 2.7 The outcomes of this process are reported to the Audit and Risk Management Committee at least twice each year in the form of the attached Corporate Risk Register.
- 2.8 The review of the Risk Management Framework, Policy and Strategy, will be reported to the Audit and Risk Management Committee at least annually. The Risk Management process, and register, will provide assurance for the Annual Governance Statement.

3. How Risks Are Scored

- 3.1 The Council has adopted a consistent scoring mechanism for all risk identification, as it enables risks identified from other systems to be escalated to the Corporate Risk Register.
- 3.2 The probability - “likelihood”, and effect - “impact”, of each risk must be identified in order to help assess the significance of the risk and the subsequent effort put into managing it.
- 3.3 The risk score is calculated by multiplying the impact score by the likelihood score:

IMPACT	
Score	Classification
1	Insignificant
2	Minor
3	Moderate
4	Major
5	Catastrophic



LIKELIHOOD	
Score	Classification
1	Highly unlikely
2	Unlikely
3	Possible
4	Probable
5	Very likely

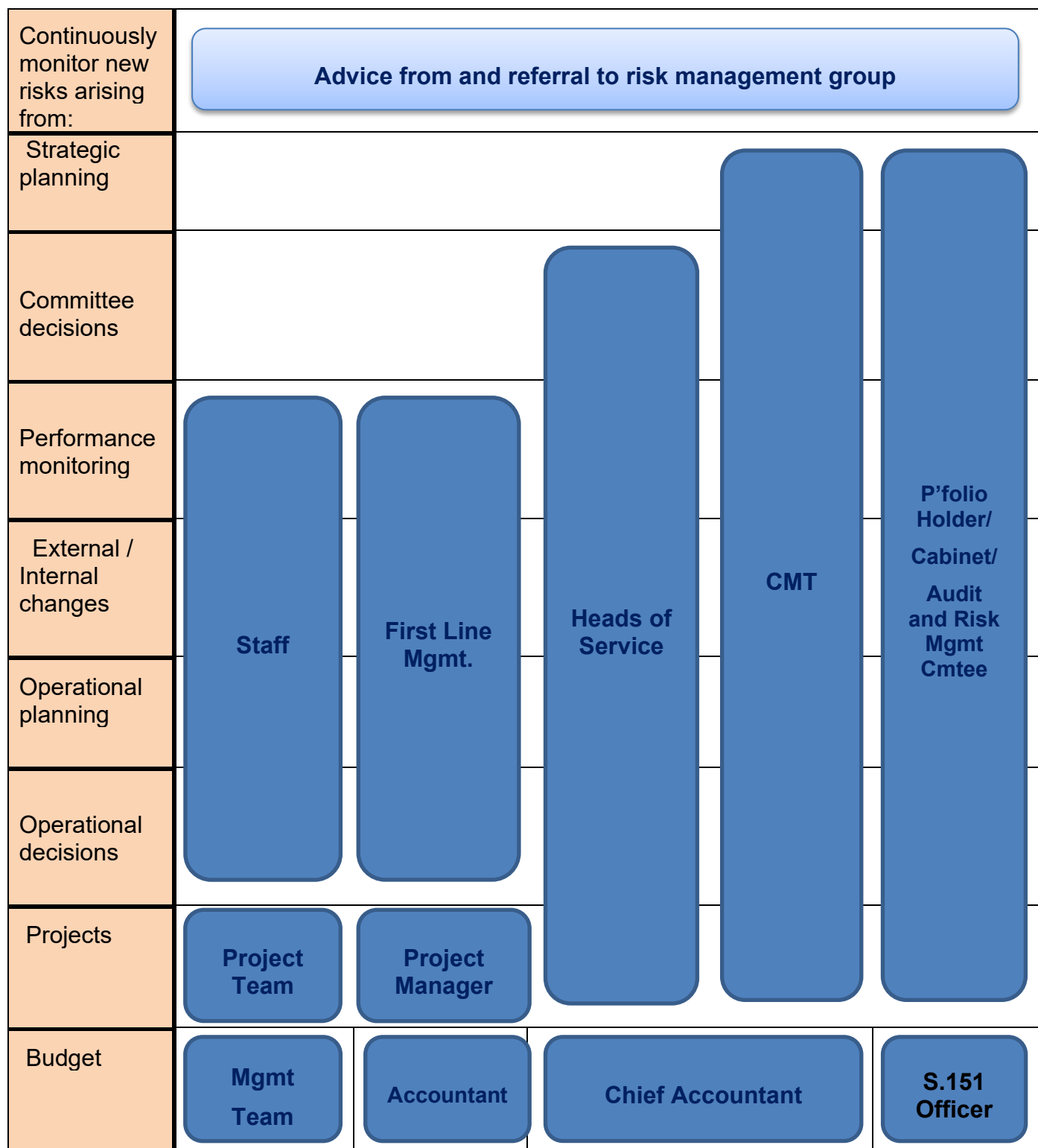
IMPACT x LIKELIHOOD = RISK SCORE

3.4 The impact and likelihood of risks is scored with regards the below levels:-

Score	1	2	3	4	5
Criteria	Insignificant impact	Minor impact	Moderate Impact	Major Impact	Catastrophic Impact
Performance	Objectives still achieved with minimum extra cost or inconvenience	Partial achievement of objectives with compensating action taken or reallocation of resources.	Additional costs required and or time delays to achieve objectives – adverse impact on PIs and targets.	Unable to achieve corporate objectives or statutory obligations resulting in significant visible impact on service provision such as closure of facilities.	Unable to achieve corporate objectives and/or corporate obligations.
Service Delivery	Insignificant disruption on internal business – no loss of customer service.	Some disruption on internal business only – no loss of customer service.	Noticeable disruption affecting customers. Loss of service up to 48 hours.	Major disruption affecting customers. Loss of service for more than 48 hours.	Loss of service delivery for more than seven days.
Physical	No injury/claims.	Minor injury/claims (first aid treatment).	Violence or threat or serious injury/claims (medical treatment required).	Extensive multiple injuries/claims.	Loss of life.
Reputation	No reputational damage.	Minimal coverage in local media.	Sustained coverage in local media.	Coverage in national media.	Extensive coverage in National Media.
Environmental	Insignificant environmental damage.	Minor damage to local environmental.	Moderate local environmental damage.	Major damage to local environment.	Significant environmental damage attracting national and or international concern.
Financial	Financial loss < £200,000	Financial loss >£200,000 <£600,000	Financial loss >£600,000 <£1,000,000	Financial loss >£1,000,000 <£4,000,000	Financial loss >£4,000,000
Legal	Minor civil litigation or regulatory criticism	Minor regulatory enforcement	Major civil litigation and/or local public enquiry	Major civil litigation setting precedent and/or national public enquiry	Section 151 or government intervention or criminal charges

4. Monitoring and Escalation Framework

4.1 The following diagram illustrates the key stakeholders for different classification of risk management:



5.0 Risk Appetite and Tolerance Levels

- 5.1 Risk appetite and tolerance is the amount of risk an organisation is prepared to accept, or be exposed to at any point in time. It can indicate where action is required to reduce risk to an acceptable level, plus opportunities for positive outcomes which can be monitored.
- 5.2 The Council has adopted the approach and definitions used by CIPFA and the Institute of Risk Management:

Risk Appetite

“The amount of risk an organisation is willing to seek or accept in the pursuit of its long-term objectives”.

An example may be consideration of the funds or resources that an organisation is prepared to invest in a venture where success is not guaranteed but that would yield benefits.

Risk Tolerance

“The boundaries of risk taking outside which the organisation is not prepared to venture in the pursuit of its long-term objectives”.

An example may be a Treasury Management Strategy that rules out certain types of investment options.

- 5.3 Typically an individual’s perception of an acceptable risk is the same irrespective of which definition is used. Differences may occur where risks cannot be controlled or completely eliminated. For example, political and legislative change is an external driver which cannot be fully mitigated. In this instance the risk tolerance, and ability to manage the risk, may be greater than risk appetite.
- 5.4 It is recognised that the tolerance or appetite is subjective, and may change according to the environment, internal and external drivers. Consequently, it is important, regardless of the terms used, that everyone has a consistent approach to risk taking to prioritise resources effectively.
- 5.5 The Councils risk appetite is set by the Corporate Management Team (CMT) and is reviewed periodically. This provides guidance to everyone on acceptable levels of risk taking, to encourage a consistent approach to risk management.
- 5.6 Different risk appetites can be illustrated on a five-by-five matrix as three levels: high, medium and low. The Council is risk aware and the current level is determined by CMT as medium. This provides guidance that any inherent risk scored at 15 or greater is to be considered for the Corporate Risk Register.
- 5.7 Once controls are in operation the risks can be scored again to illustrate the residual risk.

6. The Corporate Risk Register at a Glance

6.1 Please see below for a summary of current risks and their scores. More detail follows in section 7 of this document, in which the individual risks are ordered by severity of current risk, in descending order.

Ref	Risk	Risk if no action			Change	Current risk			Change	Page in register
		Impact	Likelihood	Score		Impact	Likelihood	Score		
25	Financial Impact due to External Factors (Funding changes which make the Council unsustainable / failure of external investment institutions)	5	5	25	↔	4	5	20	↔	9
3	Procurement & Contract Management (Failure of contractors/suppliers working on the Council's behalf)	4	4	16	↔	4	4	16	↔	10
27	Natural Disaster / Pandemic (The Council's ability to cope with a natural disaster / pandemic)	5	5	25	↔	4	4	16	↔	11
26	Financial Management (Failure to achieve savings targets / capital funding strategy / the Council's commercialisation and investment strategy)	5	5	25	↔	4	4	16	↔	12
24	Change in Government Priorities or Legislation (New or amended legislation / change of priorities)	5	5	25	↔	4	4	16	↔	13
6	Cyber Resilience (Loss of ICT provision)	5	5	25	↔	4	3	12	↔	14
23	Business Continuity / Disaster Recovery (Response to a localised operational issue)	5	5	25	↔	4	3	12	↔	15

22	Resourcing (Service provision affected by organisational change / insufficient staff)	4	5	20	↔	3	4	12	↔	16
1	Local Government Reorganisation (LGR)	5	3	15	NEW	4	3	12	NEW	17
10	Health & Safety (Major health and safety incident)	4	4	16	↔	3	3	9	↔	18
11	Fraud (Fraud and error committed against the Council)	5	4	20	↔	3	3	9	↔	19
13	Partnership Working (Failure of Governance in major partners, or in the Council, as a result of partnership working)	4	5	20	↔	3	3	9	↔	20
19	Communication & Engagement (Poor communications with stakeholders)	4	5	20	↔	3	3	9	↔	21
20	Commercial & Investment Strategy (Failure of the Council's commercialisation and investment strategy)	5	4	20	↔	3	3	9	↔	22
15	Project Management (Over-run of major Council projects in time or cost)	4	5	20	↔	3	2	6	↔	23

7 Corporate Risk Register

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
25 – Peter Catchpole (MS/SW)	<p>Financial Impact due to External Factors (Funding changes which make the Council unsustainable / Failure of External Investment Institutions)</p> <p>Risks:</p> <ul style="list-style-type: none"> Funding changes make Council unsustainable. Failure of external investment institutions. The current impact of inflation and how this may present additional pressures to the Council's overall finances. <p>Effects:</p> <ul style="list-style-type: none"> Economic changes, imposed savings requirements, changes to local government funding systems. Financial management of NNDR, CTS leads to change in income /spending making Council unsustainable. Failure of external investment institutions affecting availability of funds or return on investment reducing cash flow and resource availability. 	5	5	25	<p>Financial Regulations & Standing Orders; Appropriately trained staff; Professional economic forecasts; Community consultation on service priorities; Council for the Future programme; Political decisions linked to budget strategies; Executive steer of service /capital priorities; Review fees & changes; Reserves; Budget monitoring; Policy for maximum investment / borrowing levels limits liability; Credit ratings; Financial management; Insurance; Treasury Management Strategy; Using intelligence to model and plan for future changes and risks and move away from reliance on Govt funding to balance our budget; Regular monitoring of current position and reporting to Members; Inclusion in national working groups, modelling and lobbying for funding system; Sharing Council's Efficiency Plan with the Government allows guaranteed multi-year grant settlement raising funding certainty; Partnership working; Pursuing opportunities for external funding; Robust auditing of processes and policies.</p> <p>We closely monitor information received from government and relevant interest groups and sector representatives regarding anticipated changes in the financing of local government. Our Medium-Term Financial Plan articulates the key risks to the Council arising from potential changes in the current arrangements. The MTFP forecasts the gap between the cost of delivering Council services and the resources available, including any planned use of Council reserves.</p> <p>The Council has an agreed Commercialisation and Investment Strategy which will enable the Council to generate additional income. This provides a framework to determine which investment opportunities can be taken forward. Some income-generating investments have been made. However, the challenging economic outlook, particularly in respect of inflation and rising financing costs, is likely to reduce, at least in the short-term, the commercial viability of some planned investments.</p> <p>Each service is required to review and identify any opportunities for transformation, commercialisation and efficiency. The Council has now delivered Phase 2 of the 'Modernising Council Services' programme which is on target to deliver significant savings over the Council's current MTFP period. We have now started delivering the next phase of this transformation programme.</p> <p>It is unclear to what extent government will be able and willing to provide any level of financial support in response to the current economic challenges. To mitigate against significant rises in IDB levies additional funding has been received for 2024-25.</p> <p>The Treasury Management Strategy is subject to review by the Audit and Risk Management Committee prior to being considered and approved by Cabinet and Full Council in February each year. An annual report and a mid-year report are produced during the year for members' consideration in accordance with reporting requirements set out by CIPFA and the Council's treasury management position is regularly reviewed. The Council complies with relevant sector best practice.</p> <p>Defra has yet to set the levels of agreed revenue support for either Food Waste Transitional Funding or Extended Producer Responsibilities (EPR) making budget setting and resource management difficult. Capital funding for food waste implementation in 2026 has been received but raises concerns that it will be sufficient for the transition to weekly food waste collections.</p>	4	5	20	<p>The scope of the Transformation team is being reviewed to include support for Local Government Reorganisation and Inspire projects.</p> <p>The General Fund Budget Estimates and Medium-Term Financial Strategy (MTFS) Report, agreed by Cabinet and Council in February, projects a financial shortfall for 2025/26 of £1.432m increasing year on year amounting to around £3.4m by 2027/28. Although there are currently many uncertainties regarding the budget for 2025/26 and the MTFS, there remains a significant structural deficit which the Council will need to address.</p>

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
3 – CMT (All Managers)	Procurement & Contract Management Risk: Failure of contractors / suppliers working on the Council's behalf. Effect: Failure of contractor or partners to deliver services or meet agreed performance objectives leads to additional costs or failed objectives.	4	4	16	<p>Procurement processes, including financial aspects, contract standing orders, and equality standards; Creation of robust contracts; Accountability and risk ownership; Service Level Agreements; Contract monitoring; Trained / skilled staff; Project management; Relationship Management; Business Continuity plans; Ensuring contracts have risk registers and mitigation in event of contract failure; Ensuring all contractors have reviewed their business continuity plans; Individual Council services share their own contingency to cover for contractor failure, which forms part of the Business Continuity Plan for each service area; Potential contractors and suppliers are always checked for financial stability and business continuity by the Accountancy / Procurement teams before contracts are let.</p> <p>FDC has arrangements in place to manage / monitor the performance of the Tivoli Grounds Maintenance contract and the Freedom Leisure contract. All other contracts have a full review and governance process in place to ensure ongoing delivery and performance standards.</p> <p>The cost of living and energy crises form a significant challenge to the leisure business. Freedom Leisure and FDC are monitoring the situation closely and are working together to mitigate impact on the services provided to the local community in Fenland.</p> <p>Following an audit of our Contracts Register, there are several actions which will be followed up for implementation during an audit of procurement which will start in February 2025.</p> <p>A Contract Management Policy and associated standards and guidance toolkit will be considered to ensure that all contracts are managed in a consistent and compliant manner. This should be available to all contract managers.</p> <p>The Materials Recovery Contract is in place with a competent contractor for the 10,000 tonnes of blue bin recycling materials. The bulking and transfer of this material is in place into 2025.</p> <p>The Procurement Act has now come into force. Refresher training has been developed and rolled out to all staff. The Code of Procurement was agreed by Full Council in December 2024 and the Procurement Strategy was agreed at Full Council in February 2025.</p>	4	4	16	Alternative arrangements for the bulking and transfer of recyclable material are now in place.

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
27 – CMT (SB)	<p>Natural Disaster / Pandemic (The Council's ability to cope with a natural disaster / pandemic)</p> <p>Risks:</p> <ul style="list-style-type: none"> The Council's ability to cope with a natural disaster, or a pandemic / infectious disease situation. Failure to maintain robust emergency planning procedures. <p>Effect: Natural disaster: malicious or accidental incident affects support required by civilians or disrupts existing Council services.</p>	5	5	25	<p>Business Continuity and Emergency Planning procedures; Regular exercises and joint public sector workshops; Emergency Planning communications strategy; Review of approach with partner organisations as a result of lessons learned; Local Resilience Forum; Working with key partner agencies (Public Health, CPLRF, ARP etc.); Agile working, all relevant staff are enabled to work remotely; Ensure key emergency planning staff attend regular liaison meetings and training.</p> <p>Internal Audit carried out reviews of our Business Continuity and Emergency Planning processes during 2024.</p> <p>The Council retain the use of our four leisure centres for use as rest centre locations.</p> <p>The Council has a rota for 'on-call' senior officers at Gold (strategic), Silver (tactical) and Bronze (operational) levels to respond in the event of an incident. The Council's response to any such situation will complement, and support, that of the CPLRF.</p>	4	4	16	

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
26 – Peter Catchpole (MS/SW)	<p>Financial Management (Failure to achieve saving targets / capital funding strategy / the Council's commercialisation and investment strategy)</p> <p>Risks:</p> <ul style="list-style-type: none"> • Failure to achieve required saving targets. • Capital funding strategy failure. <p>Effects:</p> <ul style="list-style-type: none"> • Failure to achieve efficiency savings, or to maximise income. • Failure to achieve performance targets may result in greater than budgeted costs and potential risk of Council not being able to set a balanced budget. • Financial risks of capital funding shortfalls leading to increased burden to the Council. • Potential for marginal deficit in capital programme if future funding is not realised. 	5	5	25	<p>Heightened analysis of budgets; Implementing service transformation; Implementing procurement strategy; Corporate plan; Pursue action to increase income streams; Performance Management Framework; Robust workforce planning; Project management; Council for the Future programme; Corporate Asset Team; Monitoring of capital receipts and effect on capital programme; Additional funding opportunities identified and pursued; Project lead monitors site valuations; Marketing and identification of potential land purchases; Flexibility of planning guidance; Robust control of Corporate Transformation Plan; Regular progress reports and assurance to Members; Forward planning and horizon scanning; Asset Management Plan; Asset Disposal Strategy.</p> <p>Delivery of Council Efficiency targets continue including delivering planned savings in the Council's annual budget and medium-term financial strategy.</p> <p>The Council has delivered the TA2 transformation programme which has delivered savings over the Council's current MTFP period.</p> <p>A further specific challenge relates to future costs concerning the Port infrastructure and backlog maintenance of the property portfolio.</p> <p>Members are aware that whilst the associated costs are not yet factored into the capital programme and medium-term financial plan the impact is likely to be significant. The options for cost-avoidance and reduction will depend on significant strategic decisions to be taken as part of the budget-setting process.</p> <p>With the Council currently showing an in-year deficit position, we need to focus on all feasible interventions to bring this down considerably. These will include: limiting service budget expenditure to essential items only, withdrawing support for certain overtime and agency worker arrangements, suspending recruitment for certain unfilled roles on the establishment. The Council have a Savings Tracker which includes a list of deficit reduction issues for CMT/MT to consider and agree a way forward at each meeting. The Transformation Team will review their current work programme to focus on the priorities above whilst potentially decommissioning lower-level priority service review activity.</p> <p>Management Team will need to continue putting our efforts behind the following priority areas (not exhaustive): Homelessness; Port; Planning; Transformation/Operating Model (Applications); Staff costs; Environment Act Obligations; Capital Pressures; Debt,</p> <p>The updating of the Financial Regulations will be reviewed, and any changes will have to go through Cabinet and Full Council for approval before publishing.</p> <p>The final budget report for 2025/26 was agreed by Cabinet and Council on 24th February 2025.</p> <p>Members are reviewing priorities since the announcement of LGR.</p>	4	4	16	<p>The Accommodation project is currently on hold, awaiting the outcome of Local Government Reorganisation.</p> <p>The General Fund Budget Estimates and Medium-Term Financial Strategy (MTFS) Report, agreed by Cabinet and Council in February, projects a financial shortfall for 2025/26 of £1.432m increasing year on year amounting to around £3.4m by 2027/28. Although there are currently many uncertainties regarding the budget for 2025/26 and the MTFS, there remains a significant structural deficit which the Council will need to address.</p>

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
24 – CMT (PM/AB)	<p>Change in Government Priorities or Legislation (New or amended legislation / change of priorities)</p> <p>Risks:</p> <ul style="list-style-type: none"> • Change in legislation. • Change in government priorities. • Significant legal challenge. • Risk of GDPR breach and ICO sanction / fine. • Risk of administrative, or other challenge in relation to the Council's overall governance / acts / omissions. <p>Effect: Changes in national political priorities may result in immediate changes that require additional resource to achieve and fail to reflect priorities determined by consultation.</p>	5	5	25	<p>Monitoring Officer; Horizon scanning by Legal / CMT / Management Team; Financial & workforce planning; Membership of professional / Local Govt. bodies aids horizon scanning; Management of change approach to mitigate significant impact to the organisation; Detailed project plans to change implementation; Respond to consultations on new legislation; Insurance; Cabinet reports; Clear corporate planning and regular performance monitoring; Effective service/ financial planning; Respond to national consultation on key policy change; Membership of LGA as a Council Outside Body; Use intelligence to identify impending changes and their effects; Ensure staff trained and procedures changed; Use professional networking to identify best practice for responding to change; We respond to government consultations on changes to legislation / policy to influence its development; Operate in accordance with best practice; Seek specialist external legal advice, where required; Effective working with other local authorities; Understanding and acting on intelligence from LGA, CIPFA, and other local government sources; Resources identified, approved, and implemented without delay; Horizon scanning via professional bodies; Joint/collaborative working.</p> <p>The likelihood of legislative change remains high. We are keeping a watching brief as any changes are announced. We are monitoring expected legislative changes which may arise after the introduction of the Procurement Act which will replace the current EU law-based procurement regulations and lay down new rules and procedures for selecting suppliers and awarding contracts.</p> <p>The Council has in-house senior legal advice as well as through its links with external organisations, such as EM Lawshare and PCC Legal. Specialist external advice will be sought in relation to complex / technically challenging matters, as appropriate.</p> <p>The Elections Bill 2021 includes additional requirements relating to: Voter identification; Postal and Proxy voting measures; Clarification of undue influence; Accessibility of Polls; Overseas Electors; EU Voting and Candidacy Rights; The Electoral Commission; Notional Expenditure; Political Finance; Intimidation: New Electoral sanction; and Digital Imprints.</p> <p>The Environment Act included changes to waste collection and treatment for implementation from 2025-2027. This will involve changes in how we are funded and what is expected of us as a local authority collecting domestic and commercial waste and recycling.</p> <p>The Government have announced that they will facilitate a programme of local government reorganisation for two-tier areas. They will invite proposals for reorganisation, and take a phased approach to delivery, considering where reorganisation can unlock devolution, where areas are keen to move quickly or where it can help address wider failings. New unitary councils must be the right size to achieve efficiencies, improve capacity and withstand financial shocks. For most areas this will mean creating councils with a population of 500,000 or more, but there may be exceptions to ensure new structures make sense for an area, including for devolution, and decisions will be on a case-by-case basis. Members are reviewing priorities since the announcement of LGR as reported to O&S.</p> <p>The Procurement Act has now come into force. Refresher training has been developed and will be rolled out shortly.</p>	4	4	16	<p>The new Employment Bill being proposed by the Government is currently going through the House of Lords. The Bill intends to make provision to amend the law relating to employment rights; to make provision about procedure for handling redundancies; to make provision about the treatment of workers involved in the supply of services under certain public contracts; to provide for duties to be imposed on employers in relation to equality; to amend the definition of "employment business" in the Employment Agencies Act 1973; to provide for the establishment of the School Support Staff Negotiating Body and the Social Care Negotiating Bodies; to amend the Seafarers' Wages Act 2023; to make provision for the implementation of international agreements relating to maritime employment; to make provision about trade unions, industrial action, employers' associations and the functions of the Certification Officer; to make provision about the enforcement of legislation relating to the labour market; and for connected purposes. The impact of its implementation is likely to have a significant on all employers, and will require a review of all associated policies, Codes of Practices, procedures and some additional management training.</p> <p>Changes in the Environment Act require weekly food waste collections from all properties from April 2026. The council has a project team delivering these changes. The act also includes changes to waste collection and treatment. Funding for recycling collections through Extended Producer Responsibility, delivery of weekly food waste and Deposit Return Scheme all represent a significant change and present a risk to the authority.</p>

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
6 – Peter Catchpole (SB/AB)	Cyber Resilience (Loss of ICT provision) Risk: Breach of ICT security, ICT failure, or cyber-attack, causing loss of service. Effects: <ul style="list-style-type: none"> • Major ICT hardware / software failure, or attack (such as viruses, hacking, or malware) causes disruption to services, or a breach of security. • Financial penalties due to data loss. • Reputational damage. 	5	5	25	<p>Anti-virus software; Firewalls; Geographically distributed servers; Exercised Disaster Recovery plan; Data backed-up and stored off-site; Redundant power supplies; Clustered / virtual servers; Revised security policies; Service business continuity plans; All staff undertake cyber-security training annually; Effective auditing of systems; Regular penetration testing; Network monitoring.</p> <p>The Council subscribes to the National Cyber Security Centre's (NCSC) Web Check service that helps public sector organisations identify website threats. This service scans public sector websites to check if they are secure.</p> <p>Council ICT systems and website are as secure as possible with current anti-malware software and processes up to date. When vulnerabilities are made known by software vendors, software is promptly updated to reduce the risk of malicious attack.</p> <p>Our ICT infrastructure and processes are accredited against the PSN Code of Connection, PCI DSS, and Cyber Essentials Plus certification.</p> <p>Independent internal and external penetration testing is carried out annually to demonstrate our processes and security stance are adequate.</p> <p>An internal audit of our preparedness to protect our systems and data was carried out in 2024 and recommendations from this are being implemented.</p> <p>A cyber training course is delivered to all staff annually.</p>	3	4	12	<p>A presentation was delivered to members of this committee in February 2025 detailing the cyber threats, the authority's cyber defences, and how we would respond to an incident.</p>

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
23 – Peter Catchpole (SB/MG/AB)	<p>Business Continuity / Disaster Recovery (Response to a localised operational issue)</p> <p>Risks:</p> <ul style="list-style-type: none"> • Lack of access to Council premises preventing service delivery. • Failure of ICT systems. • Resources become unavailable. <p>Effects:</p> <ul style="list-style-type: none"> • Disruption of service provision. • The Council has undertaken a condition survey of Fenland Hall and significant repairs are needed. • Failure to secure and manage data leads to loss / corruption / inaccuracy of data, resulting in disruption to services and breaches of security. 	5	5	25	<p>Alarm and security systems; Fire drills; Business continuity plans; ICT disaster recovery plan; Geographically distributed sites; Remote working; Statutory building inspection and checks; Carrying out necessary works to rectify urgent issues; Effective auditing of systems and data held; Data backed-up securely off-site; Regular penetration testing; ICT Disaster Recovery procedures regularly tested; Additional ICT resource has been recruited; Provision of 'drop down' facilities for staff; Resilient internet feed to Fenland Hall; Resilience built into ICT infrastructure, where appropriate; Consideration given when a new system is procured or replaced as to whether it would be more appropriate to host this within the cloud in terms of resilience, capacity, performance, and cost.</p> <p>The Council has an Information Asset Register of all records it holds in both paper and electronic form. Worked with IT system suppliers and conducted a staff awareness campaign to ensure that staff understand and are compliant with GDPR; Majority of information held by the Council is held with a legal basis for holding (e.g. Elections and Council Tax records); All staff undergo GDPR training.</p> <p>The likelihood score reflects the global increase of cyber-crime; All Council employees undertake cyber security training; Improved ICT systems provide better/increased opportunities for remote/agile working; Where necessary, staff have the necessary equipment to be able to work away from the office with access to Council systems.</p> <p>All key / priority services have individual business continuity measures in place to maintain service delivery; The Council has implemented Pay Point, which has enabled our residents to pay their bills (by cash or card) in a much greater number locations across the district.</p>	4	3	12	

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
22 – CMT (SA/All Managers)	<p>Resourcing (Service provision affected by organisational change / insufficient staff)</p> <p>Risks:</p> <ul style="list-style-type: none"> Service provision affected by organisational change, or insufficient staff, to provide Council services. Increased competition from other employers within the same workforce pool. Insufficient leadership and/or management capacity. <p>Effects:</p> <ul style="list-style-type: none"> Constraints to effective workforce planning may lead to poor standards of service, or disruption to service. Service transformation can help build resilience but could also lead to a loss of qualified and knowledgeable staff exposing the council to risk of service failure or legal challenge. Service provision, or performance, affected by organisational change, industrial action, or staff sickness resulting in complaints, poor performance, or possible further costs. 	4	5	20	<p>Learning & development framework / training; Working environment / culture; Staff Committee; Flexible working; Established suite of people policies & procedures; Business continuity plans; Management training; 121s / Springboards / staff development; Service planning process; Access to interim staff; Effective sickness management; Effective governance structures; Audit & Risk Management Committee; Consultation with Management, Trade Union and Staff Partnership group (MTSP); Robust HR management procedures; Regular performance monitoring; Project management processes; Ensure all services have effective workforce plans, which ensure all work is prioritised; Effective succession planning; Effective use of project management approaches / principles when delivering priorities / strategies; Robust management of all organisational change; Culture of council remains effective; Comprehensive programme of health surveillance for groups of employees who work in certain service areas; Trained Mental Health First Aiders; Stress awareness / resilience training; Staff engagement and consultation processes.</p> <p>All services are required to publish service plans, learning requirements and workforce plans to ensure teams are staffed according to current establishment and to take account of priorities and longer-term trends. All service business continuity plans have been updated to ensure that key, priority and statutory services can be maintained in the event of a significant loss of staff through illness or absence.</p> <p>Where necessary, staff have the necessary equipment to be able to work away from the office with access to Council systems. Upskilling our managers to assist in the management of a remote workforce and support the wellbeing of their teams.</p> <p>Even with mitigation in place the challenges of attracting, recruiting and retaining staff is becoming increasingly difficult. As part of the Transformation programme, individual service reviews have commenced and will consider this issue as part of the process.</p> <p>All organisational changes must be supported by a full rationale and business cases and are considered by senior management; Proposed changes are subject to a consultation process, and then progressed by a wider project group to ensure all service provision issues are considered and managed. This project management approach is maintained for all such changes/programmes, and is supported by communication, engagement and training support for staff groups affected.</p> <p>The Council has a health and wellbeing programme in place which supports the existing suite of policies, codes of practices and processes, this includes a wide range of support to help promote and encourage their good health and wellbeing.</p> <p>Actions agreed from the most recent wellbeing survey include:</p> <ul style="list-style-type: none"> All managers will be invited to attend a two-day Mental Health First Aid course. All employees will be invited to a half-day Mental Health Awareness course. All new employees will be required to attend the training as part of their induction to the Council. <p>With the announcement of Local Government Reorganisation, it is envisaged that recruitment of vacant posts may be more difficult to fill, and retention of staff may prove to be more of a challenge. This will be closely monitored going forward.</p>	3	4	12	

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
1 - CMT	<p>Local Government Reorganisation (LGR) Programme of local government reorganisation for two-tier areas and neighbouring unitary councils.</p> <p>Risks:</p> <ul style="list-style-type: none"> • Disruption due to cancellation of LGR programme. • Difficulty recruiting new staff. • Difficulty retaining current staff. • Financial issues if LGR is cancelled or delayed. • Procurement challenges. • Normal control and procedures not being followed. • Impact on partnership arrangements. <p>Effects:</p> <ul style="list-style-type: none"> • Reduced workforce. • Budgetary challenges. • Reduced ability to negotiate contracts. 	5	3	15	<p>The Government have announced that they will facilitate a programme of local government reorganisation for two-tier areas. They will invite proposals for reorganisation, and take a phased approach to delivery, considering where reorganisation can unlock devolution, where areas are keen to move quickly or where it can help address wider failings. New unitary councils must be the right size to achieve efficiencies, improve capacity and withstand financial shocks. For most areas this will mean creating councils with a population of 500,000 or more, but there may be exceptions to ensure new structures make sense for an area, including for devolution, and decisions will be on a case-by-case basis. Members have begun reviewing priorities since the announcement of LGR.</p>	4	3	12	<p>FDC is working in collaboration with partner authorities.</p> <p>A 'workforce' workstream has been created to consider all staffing issues.</p> <p>Reduced contract lengths could increase costs.</p> <p>The need to negotiate novation clauses in contracts.</p> <p>The General Fund Budget Estimates and Medium-Term Financial Strategy (MTFS) Report, agreed by Cabinet and Council in February, projects a financial shortfall for 2025/26 of £1.432m increasing year on year amounting to around £3.4m by 2027/28. Although there are currently many uncertainties regarding the budget for 2025/26 and the MTFS, there remains a significant structural deficit which the Council will need to address.</p>

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
10 – CMT (SA)	Health & Safety (Major health and safety incident) Risk: Major health and safety incident. Effect: Major health and safety incident at leads to costs for inquiry, disruption to service, and possible prosecution.	4	4	16	<p>Health and Safety Policy / Codes of Practice; Quarterly meetings of Council Health & Safety (H&S) Panel; H&S Management System based on HSG65 (Plan, Do, Check, Act); H&S audits in all services; Specialist H&S Advisor; Corporate wide H&S training; Insurance; Aligned Port health and safety arrangements; Port Management Group and annual independent audit; Robust sickness management processes; Health and safety standing item on relevant team meetings; All services represented on H&S Panel meetings; Ensure equipment inventory and inspections are up to date; Collation of all Service Risk Assessment Registers; All high-risk areas have increased systems of management in place, e.g. Port Safety Management Group; Statutory building / equipment inspection programmes in place. Port Annual External Audit. External independent investigations into certain incidents.</p> <p>For all major contracts we ensure providers meet all statutory requirements.</p> <p>A thorough Health and Safety regime at the Council ensures that the residual risk remains carefully managed.</p> <p>Programme of targeted health and safety refresher training is in place as per service specification.</p> <p>Health and safety e-learning courses developed and rolled out on the Council e-learning platform.</p> <p>Health and Safety performance is monitored regularly.</p> <p>Flu jabs are being provided for employees and we also provide a Health Cash Plan scheme for staff (at no cost to the Council).</p>	3	3	9	

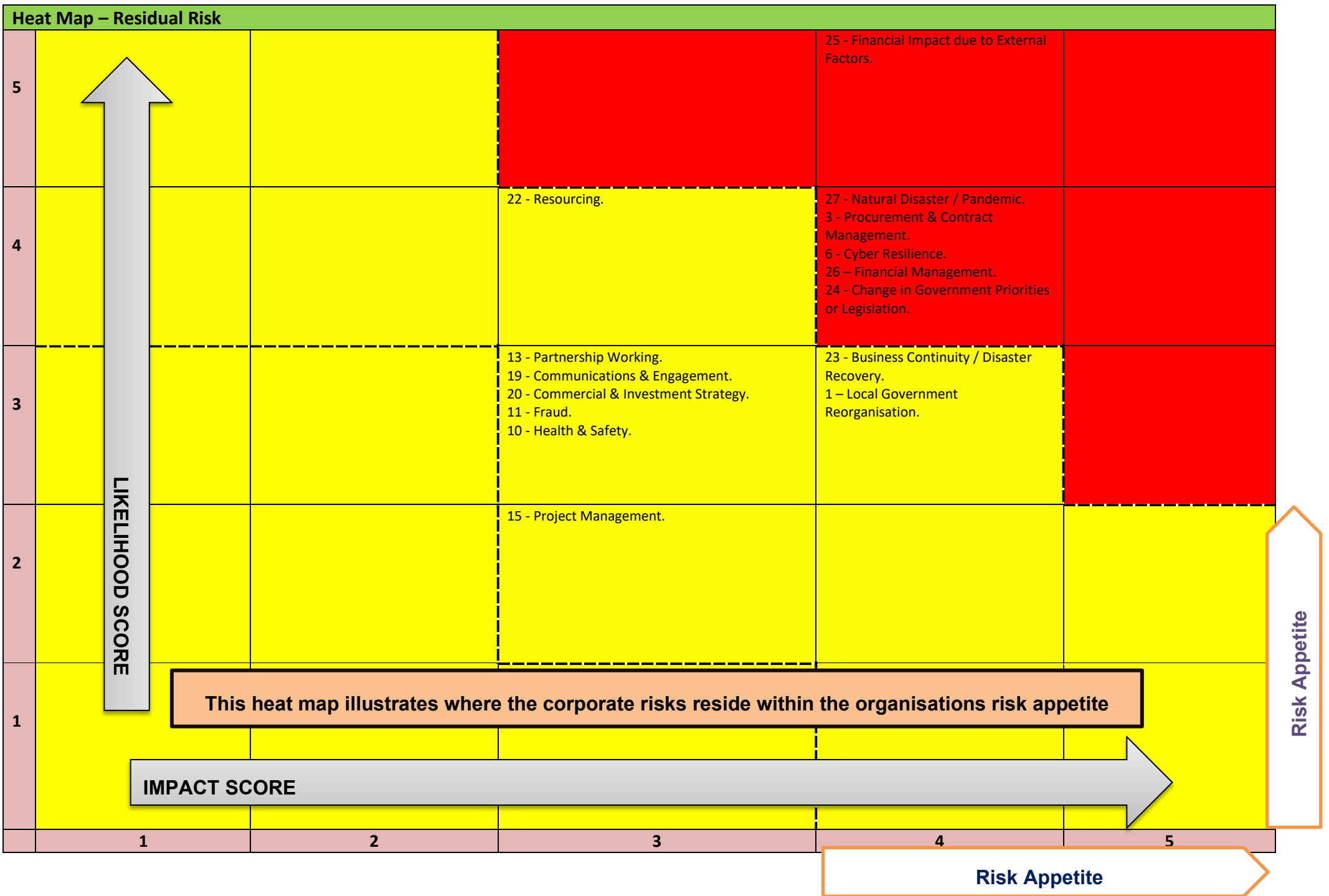
Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
11 – Peter Catchpole / Carol Pilson	<p>Fraud (Fraud and error committed against the Council)</p> <p>Risk: Fraud and error committed against the Council.</p> <p>Effects:</p> <ul style="list-style-type: none"> Potential for fraud, corruption, malpractice, or error, by internal or external threats. Immediate financial loss which could harm reputation, and lead to additional costs or penalties. 	4	4	16	<p>Anti-fraud & corruption policy / strategy; Financial regulations / Standing orders; Codes of conduct; Appropriately trained staff; Appropriate culture and risk awareness; Segregation of duties; Supported financial management system; Budget monitoring regime; Internal Audit review of systems and controls; Bribery & corruption / fraud risk assessments; Indemnity insurance; Whistle-blowing procedure; Annual Governance Statement; ARP fraud resource; National Fraud Initiative; Increased staff vigilance; Fraud awareness training for managers; Raised profile internally and externally for successful prosecutions.</p> <p>The Council works with the National Fraud Initiative (NFI) on assurance to achieve annual compliance.</p> <p>The Council has assisted with each annual NFI, cross-matching information with records held nationally.</p> <p>The Fraud team within the Anglia Revenues Partnership (ARP) continue to work on this subject.</p> <p>Financial regulations will be reviewed to ensure they are up to date and available to all staff.</p> <p>An updated training programme including fraud awareness is now available to all staff. The Procurement Act has now come into force, and refresher training has been developed and rolled out.</p>	3	3	9	<p>The current code of practice for registering outside interests has been reviewed by Internal Audit in light of the changes within the new Procurement Act.</p> <p>There will be a new 'due diligence' review for each major procurement carried out.</p>

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
13 – Carol Pilson / Peter Catchpole (All Managers)	<p>Partnership Working (Failure of Governance in major partners, or in the Council, as a result of partnership working)</p> <p>Risk: Failure of governance in major partners, or in the Council, as a result of partnership working.</p> <p>Effect: Partnership governance not adopted or followed leading to unachieved priorities or poor performance by major partner agencies (Cambs. and Peterborough Combined Authority, Anglia Revenues Partnership, CNC Building Control, CCTV).</p>	4	5	20	<p>Cabinet and Overview & Scrutiny; ARP Joint Committee and Operational Improvement Board; Joint risk registers and performance indicators; CNC Joint Members Board; Project plans / performance monitoring; Shared risk registers; PCCA Membership; Assurance that governance models correctly followed, and in the Council's interests; Support Members in governance of partnership bodies; Ensure that the Council's interests are protected as Members of the Combined Authority and as Officers working on joint projects; Ensure all partners have robust business continuity plans in place; GDPR compliance; Robust ICT governance processes; Data protection impact assessments.</p> <p>The Annual Governance Statement being reported to Audit & Risk Management Committee shows the Council is in a strong governance position.</p> <p>Scrutiny of key partners and contract monitoring takes place on an annual basis at O&S and Cabinet members sit on boards to ensure the effective delivery of partnership arrangements.</p>	3	3	9	

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
19 – CMT (DW/SA)	Communication & Engagement (Poor communication with stakeholders) Risk: Poor communications with stakeholders. Effects: <ul style="list-style-type: none"> • Poor communication with stakeholders, or staff, leads to poorly informed direction of resources, or lack of support for change. • Reputational damage. • Staff turnover. • Increased sickness absence. 	4	5	20	<p>Regular internal and external publications; Staff and management meetings; Regular staff communication from the Chief Executive; Key stakeholder networks for consultation; Forums for perceived hard to reach groups; Co-ordinated press releases; Comments, Compliments and Complaints monitoring and reporting procedure; Customer Service Excellence accreditation; Consultation strategy; MTSP; Customer Service Excellence (CSE) Action Plan; Staff survey; Wellbeing survey; Public consultations on key issues; 3CS refresher training; “What’s Breaking” communication and Vlog updates from the Chief Executive to all staff; Use of social media; Fully updated website.</p> <p>The Council's CSE performance is assessed each year by an external expert. The Council has a dedicated project team to ensure ongoing progress against CSE requirements/actions across all service areas to ensure consistent and effective communication to our customers.</p> <p>All change projects are supported by a robust project management approach, which includes a communication programme to ensure that stakeholders are fully informed.</p> <p>Regular Chief Executive's vlog to provide staff with updates on Council projects, share information about the organisation and its day-to-day business, and to be used as an opportunity to answer questions.</p>	3	3	9	

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
20 – CMT (PC/MS/DH/AG)	Commercial & Investment Strategy (Failure of the Council's commercialisation and investment strategy) Risk: Commercial uncertainties associated with decisions taken as part of the Council's Commercial and Investment Strategy. Effects: <ul style="list-style-type: none"> • Reputational damage. • Financial loss. • Impact on services, staff, or community. 	5	4	20	<p>Robust oversight and governance arrangements; Expert professional advice; Robust budget management; Thorough project management and business cases process; All governance requirements have been put in place and are robustly reviewed; Fenland Future Ltd (FFL) has been constituted, with all appropriate governance requirements in place; Dedicated external expert resources are identified and procured to support where required; Annual audit on all governance arrangements.</p> <p>This risk is closely monitored to enable any new actions for mitigation to be identified and put in place.</p> <p>The Council's Commercial and Investment Strategy has a scoring matrix to inform all potential investment opportunities, which are considered fully by the Investment Board before they are ratified.</p> <p>Full business cases for all identified opportunities are taken to the Investment Board for consideration. This includes deciding on the delivery methodology. i.e. FDC or FFL and resource required to deliver each project.</p> <p>FFL's Business Plan is updated each year and approved by the Council's Investment Board in accordance with the articles of association. Project plans setting out the preferred delivery routes for each of FFL's major projects have been prepared and the two sites now have outline planning permission. Work has progressed on the delivery models needed to develop them.</p>	3	3	9	An internal audit of the Commercial & Investment Strategy is planned for this financial year.

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
15 – CMT	<p>Project Management (Over-run of major Council projects in time or cost)</p> <p>Risk: Over-run of major Council projects in terms of time or cost.</p> <p>Effects:</p> <ul style="list-style-type: none"> • Failure to manage projects effectively leads to over-runs of time, or cost, or failure to achieve project aims. • Reputational damage. 	4	5	20	<p>Project Management methodology; Contract standing orders & financial regulations; Service plans; Budgetary control; Management, Cabinet and Portfolio Holder oversight; Forecasting; Horizon scanning; Amended ways of working; Robust project management; Effective risk registers for projects; All projects have a CMT sponsor with experienced management membership; Project management board oversight; Legal due diligence around grant agreements.</p> <p>Effective project management remains a Council priority.</p> <p>Major projects are closely monitored by CMT and Cabinet members and progress is reported to Council via Portfolio Holder briefings.</p> <p>The Council has now delivered Phase 2 of the Transformation programme which is on target to deliver significant savings over the Council's current MTFP period. We have now started delivering the next phase of this transformation programme.</p> <p>Governance arrangements around project management have been reviewed and rolled out.</p> <p>New project management software has been introduced to help manage major projects.</p>	3	2	6	



Agenda Item No:	10	
Committee:	Audit and Risk Management Committee	
Date:	12 th May 2025	
Report Title:	Regulation of Investigatory Powers Act (RIPA) Annual Report	

Purpose / Summary

This report is intended to provide members of the Audit and Risk Management Committee with an annual update on Fenland District Council's use of the Regulation of Investigatory Powers Act 2000 (RIPA).

Key issues

- Good practice suggests that the Councils Audit and Risk Management Committee (ARMC) should review the operational use of RIPA as well as undertaking any updates and amendments to the Council's RIPA Policy.
- The Council has not used RIPA since its activities were last reported to the ARMC on 12th February 2024.
- The Council completed a review of its RIPA Policy in 2023/24 and this was presented to and approved by the AMRC on 12th February 2024.

Recommendations

That the Audit and Risk Management Committee is requested to note this annual report on the Council's use of RIPA.

Portfolio Holder(s)	Cllr Chris Boden – Portfolio Holder for Finance
Report Originator(s)	Peter Catchpole – Corporate Director & s.151 Officer
Contact Officer(s)	Amy Brown – Assistant Director
Background Paper(s)	None

1. BACKGROUND

- 1.1 Local authorities exercise criminal investigation powers for numerous reasons e.g. fly tipping and planning enforcement. Officers are required to gather evidence to support their investigations and sometimes, it is necessary to do this via the use of surveillance.
- 1.2 RIPA and the Investigatory Powers Act 2016 (IPA2016) regulate the use of surveillance powers by public authorities including directed surveillance, the use of covert human intelligence sources (CHIS) and access to communications data.
- 1.3 Fenland District Council is a very rare user of these powers however, it is important that it has sufficient oversight of its activities to ensure that any considered use is compliant with the subject's human rights. Such surveillance is only lawful if the actions are necessary (to the required standard), proportionate, non-discriminatory, lawful and properly approved.
- 1.4 The types of activity regulated by RIPA and the IPA2016 include:

1.4.1 Directed Surveillance

This is covert surveillance conducted for the purpose of a particular investigation (which meets the relevant thresholds) or operation that is likely to result in the obtaining of private information about a person (and is not in immediate response to relevant events).

The relevant thresholds will be met if the covert surveillance is carried out for the purpose of preventing or detecting a criminal offence and it meets the serious crime test i.e. that the criminal offences which are sought to be prevented or detected are:

- Punishable whether on summary conviction or on indictment by a maximum term of at least 6 months of imprisonment; or
- Would constitute an offence under sections 146, 147 or 147A of the Licensing Act 2003 or section 7 of the Children and Young Persons Act 1933.

Private information includes any aspect of a person's private or personal relationships with others including family and professional or business relationships. For example, covert surveillance might mean the use of CCTV to monitor an individual's movement or their actions. Whilst the CCTV camera itself is overt, it is the use of the camera to track that specific individual's actions without them knowing which makes it covert.

Directed surveillance is only permitted if authorised by a Justice of the Peace.

1.4.2 Covert Human Intelligence Sources

This is the practice of using an officer or 3rd party (such as adults and/or children in certain circumstances) for the purposes of establishing and maintaining a personal or other relationship with a person for the covert purpose of obtaining information. This could be an officer who builds a relationship with an individual operating a business in order to gain evidence of an offence by that individual. It may also be the use of underage volunteers to purchase age restricted products.

The required criteria for the use of a CHIS to be authorised is for the 'prevention and detection of crime and the prevention of disorder'. The serious crime criteria do not apply to CHIS however their use also has to be approved by a Justice of the Peace at Magistrates Court.

1.4.3 Communications Data

Via the National Anti-Fraud Network (NAFN), the Council can require the release of communications data from communications service providers ("CSP") where appropriate circumstances exist. CSPs are anyone who provide a postal or telecommunications service e.g. Royal Mail, British Telecom, Vodafone etc.

Communications data is generated in the provision, delivery and maintenance of postal or telecommunications services but it does not include the content of the communication. For example, it is possible to obtain information which identifies the subscriber to a mobile phone and see the call history however, it is not possible to gain access to the actual content of the calls.

Councils only have the power to acquire the following data from CSP's:

- Billing, delivery and installation address;
- Contact telephone numbers;
- Periods of subscription use;
- Itemised telephone call records;
- Itemised records of connections to internet services;
- Provision, and use of forwarding/redirection services;
- Records of postal items, e.g. registered, recorded or special delivery postal items;
- Top up details for mobile phones, credit/debit card details and voucher top up details.

CSP's will only respond to requests from Council's via designated contacts who must have undertaken and passed a Home Office approved course. NAFN is a designated contact however, Fenland District Council does not currently subscribe to it and does not therefore directly acquire communications data however, the Anglian Revenues Partnership is a member of NAFN and can obtain data on our behalf in appropriate circumstances.

The ARP are required to report on their usage in support of this annual Report and in compliance with the Council's general record keeping requirements.

2 FENLAND DISTRICT COUNCIL AUTHORISED ACTIVITY

2.1 Details of the applications that Fenland District Council have made over the last 5 years are as follows:

2.1.1 Directed Surveillance or Covert Human Intelligence Sources

Description	2024/25	2020/2024
Number of Applications made	0	1
Number of Applications granted	0	1
Number of authorisations cancelled	0	1
Number of ongoing authorisations 2023/24.	0	0

2.1.2 Use of Acquisition and Disclosure of Communications Data

No applications for the disclosure of communications data were made during the municipal years 2020/21, 2021/22, 2022/23 and 2024/25. One application was made during 2023/2024 as previously reported.

2.2 There have been no reported instances of Fenland District Council having misused its powers under the relevant Acts or any use of RIPA over the last municipal year.

3 INSPECTION AND REPORTING

3.1.1 The Council continues to receive regular inspections from the Investigatory Powers Commissioner's Office (IPCO). The last inspection was carried out in 2024 and the next inspection is due in 2027. The outcome of the inspection was successful with some useful procedural pointers for implementation in relation to future applications. There were no major/immediate issues to address.

3.1.2 In addition to inspections, IPCO require the submission of annual statistical data each year for the purpose of compiling their annual report as well as for the Council to arrange for training to be carried out once in every three-year period:

3.1.2.1 IPCO's Annual Report is published on its website via the following link: [Annual Reports - IPCO](#) (the last report at the time of writing published 26 March 2024). Part 15 provides the findings in relation to local authorities.

- 3.1.2.2 At the time of last reporting, updated training had been provided to all relevant officers. In that regard, training was provided to enforcement officers and heads of service during Autumn 2022 and SIRO/Authorising Officer took place on 15th March 2023. Further training will be provided to all groups during the current municipal year.

4 REASONS FOR RECOMMENDATIONS

- 4.1 It is requested that members of the Audit and Risk Management Committee agree the recommendations set out in this Report in order to ensure that Fenland District Council is compliant with its responsibilities under the relevant legislation, associated Codes and guidance and IPCO inspection requirements.

5 CONSULTATION

- 5.1 There are no specific consultation requirements connected with the recommendations comprised within this Report.

6 ALTERNATIVE OPTIONS CONSIDERED

- 6.1 It is a constitutional requirement reflecting recommended best practice for the Audit and Risk Management Committee to receive an annual report relating to the Council's activity under the relevant Acts as well as any proposed updates to the RIPA Policy and updated training etc. There are therefore no recommended alternatives to this requirement.

7 IMPLICATIONS

7.1 Legal Implications

- 7.1.1 The legal implications are as set out in the main body of this Report and the associated RIPA Policy.

7.2 Financial Implications

- 7.2.1.1 There are no significant financial implications associated with the recommendations set out within this Report. The RIPA Policy requires an ongoing financial commitment to resourcing its operation by relevant officers and the associated training.

7.3 Equality Implications

- 7.3.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

7.3.2 The contents of this report do not directly impact on equality, in that it is not making proposals that will have a direct impact on equality of access or outcomes for diverse groups.

FENLAND DISTRICT COUNCIL
AUDIT AND RISK MANAGEMENT COMMITTEE WORK PROGRAMME 2024/25

Audit & Risk Management Committee: Work Programme 2025/26

Meeting	Item	Frequency	Presented by	Description
12 May 2025	External Audit Plan 2024/25	Annual	External Audit	To discuss the External Audit Plan for 2024/25
	Corporate Debt Policy	4 Yearly and as required	Sian Warren/Peter Catchpole	To agree proposed changes/updates to the Corporate Debt Policy
	Risk-Based Internal Audit Plan 2025/26	Annual	Deborah Moss	To approve the internal audit plan and resources for the forthcoming year
	Risk Management Policy & Strategy Review	Annual	Stephen Beacher	To provide an update to the Audit and Risk Management Committee on the latest Risk Management Policy and Strategy. To consider and note the annual review of risk management and corporate risk register.
	Risk Register – Quarterly update	Quarterly	Stephen Beacher	To review and approve the quarterly risk register.
	RIPA Annual Update	Annual	Amy Brown	To review the Council's use of the Regulation of Investigatory Power Act 2000 (RIPA).
	Audit and Risk Management Committee Work Programme proposed for 2025/26	Quarterly	Chair	Proposal for 2025/26
28 July 2025	Draft Statement of Accounts 2024/25	Annual	External Audit	To discuss the Draft Statement of Accounts 2024/25
	Draft Annual Governance Statement 2024/25	Annual	Deborah Moss	To review and approve the draft annual AGS publication. Regulation 6(1) of the Accounts and Audit Regulations 2015 requires the Council to conduct an annual review of the effectiveness of its system of internal control and publish an Annual Governance Statement (AGS). The

FENLAND DISTRICT COUNCIL
AUDIT AND RISK MANAGEMENT COMMITTEE WORK PROGRAMME 2024/25

				CIPFA Finance Advisory Network has issued detailed practical guidance for meeting the requirements of the Accounts and Audit Regulations
	Internal Audit Outturn and Quality Assurance Review 2024/25	Annual	Deborah Moss	To provide the Audit and Risk Management Committee with an overview of the work undertaken by Internal Audit during 2024/25. To provide the Head of Internal Audit's annual opinion on the system of internal control. To consider the effectiveness of Internal Audit.
	Risk Register – Quarterly update	Quarterly	Stephen Beacher	To review and approve the quarterly risk register.
	Audit and Risk Management Committee Annual Report 2024/25	Annual	Chair	To report to Full Council the commitment and effectiveness of the Audit and Risk Management Committee's work from April 2024 to March 2025.
	Audit and Risk Management Committee Work Programme	Quarterly	Chair / Peter Catchpole	Information Purposes
29 September 2025	Internal Audit Plan 2025/26 – Quarterly Update	Quarterly	Deborah Moss	To consider and note the activity and performance of the Internal Audit function.
	Audit and Risk Management Committee Work Programme	Quarterly	Chair	Information purposes.
24 November 2025	Annual Audit Letter 2024/25	Annual	External Audit	To note the independent external auditors, Ernst & Young (EY), Annual Audit Letter
	Audit Results/Completion Report 2024/25	Annual	External Audit	To receive the Audit Results Report on the 2024/25 external audit
	Letter of Representation 2024/25	Annual	Peter Catchpole/Sian Warren	To approve and sign the Letter of Representation for 2024/25
	Final Statement of Accounts 2024/25	Annual	Sian Warren	To approve the final Statement of Accounts for 2024/25
	Value for Money Report 2024/25	Annual	Sian Warren	To receive the VFM report for 2024/25

FENLAND DISTRICT COUNCIL
AUDIT AND RISK MANAGEMENT COMMITTEE WORK PROGRAMME 2024/25

	Treasury Management Strategy Statement and Annual Investment Strategy Mid-year review	6 monthly	Sian Warren	To review the activity for first 6 months of the year and to provide members with an update on matters pertinent to the Councils Treasury Management Strategy.
	Independent Member report	Progress report	Deborah Moss	To update ARMC members on the current situation regarding Independent Member(s) on Audit Committees
	Internal Audit Plan 2025/26 – Quarterly Update	Progress report	Deborah Moss	To consider and note the activity and performance of the Internal Audit function.
	Risk Register – Quarterly update	Quarterly	Stephen Beacher	To provide an update to the Audit and Risk Management Committee on the Council's Corporate Risk Register.
	Audit and Risk Management Committee Work Programme	Quarterly	Chair	Information Purposes
09 February 2026	Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2026/27	Annual	Mark Saunders	To endorse the strategy to be included in the final budget report
	Risk Register – Quarterly update	Quarterly	Stephen Beacher	To review and approve the quarterly risk register.
	Whistleblowing Policy and Annual Whistleblowing Update.	Annual	Sam Anthony	To review and approve the Policy and receive an annual update on whistleblowing activity.
	Internal Audit Plan 2025/26 Progress report Q3	Quarterly	Deborah Moss	To consider and note the activity and performance of the Internal Audit function
	Audit and Risk Management Committee Work Programme	Quarterly	Chair	Information Purposes
16 March 2026	Risk-Based Internal Audit Plan 2026/27	Quarterly	Deborah Moss	To approve the internal audit plan and resources for the forthcoming year

FENLAND DISTRICT COUNCIL
AUDIT AND RISK MANAGEMENT COMMITTEE WORK PROGRAMME 2024/25

	Annual Governance Statement Update 2024/25		Deborah Moss	To review and note the progress on the Annual Governance Statement action plan arising from 2024/25.
	Risk Management Policy & Strategy Review and Corporate Risk Register	Annual	Stephen Beacher	To provide an update to the Audit and Risk Management Committee on the latest Risk Management Policy and Strategy. To consider and note the annual review of risk management and corporate risk register.
	RIPA Annual Update			To review the Council's use of the Regulation of Investigatory Power Act 2000 (RIPA).
	Audit and Risk Management Committee Work Programme proposed for 2026/27.	Quarterly	Chair	Proposal for 2026/27.

FENLAND DISTRICT COUNCIL
AUDIT AND RISK MANAGEMENT COMMITTEE WORK PROGRAMME 2024/25

Cyclical Items (*not due this year unless policy or legislation changes require amendments prior to review date*)

- External Auditor Appointment Process Dec – Feb 2027
- Corporate Debt Policy (4 Years) February 2028
- Anti-Fraud & Corruption Policy and Strategy (4 Years) July 2027
- Anti-Money Laundering Policy (4 Years) November 2027
- Internal Audit Charter (3 years) July 2026
- Whistleblowing Policy frequency of review to be determined
- Risk Management Policy & Strategy Review March 2025

Annual Items

- RIPA Policy and Annual Update Annual
- Treasury Management Strategy Statement and Annual Investment Strategy Annual and Mid-year Review
- Internal Audit Annual Plan Annual
- Internal Audit Annual Report and Annual Opinion Annual
- ARMC Annual Report Annual
- Audit Results Report Annual
- Statement of Accounts Annual
- Letter of Representation Annual
- Annual Governance Statement Annual
- External Auditor's Report Annual
- Provisional External Audit Plan Annual
- Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy
- Annual Governance Statement Update Annual
- Treasury Management Annual Review Annual

Quarterly Items (each meeting)

- Internal Audit Progress Report Quarterly

FENLAND DISTRICT COUNCIL
AUDIT AND RISK MANAGEMENT COMMITTEE WORK PROGRAMME 2024/25

- Corporate Risk Register Update Quarterly

Audit and Risk Management Committee Training sessions 2024

- Statement of Accounts – Mark Saunders TBC
- Risk Register – Stephen Beacher TBC
- Cyber Security Planned 10/02/25

Audit and Risk Management Committee Action Plan

Title	Comments	Due by	RAG
Committee Training	Committee Members to discuss training requirements and provide officers with suggested training topics for future meetings.	Ongoing	
Report on Independent Member	A paper had previously been brought to committee but is now requested to be brought again for discussion and consideration of whether an independent member is desired and recommendation to Council.	Report taken Dec 24	Completed
Cyber Resilience	Committee to be given more information on our cyber resilience – to take place by the Head of ICT in a closed session with Committee.	Training session planned for 10/02/25	
Corporate Training	Committee asked for an update on the training provision.	Verbal update due at Feb 25.	

AUDIT AND RISK MANAGEMENT COMMITTEE WORK PROGRAMME 2024/25

Abbreviations Used in Audit & Risk Management Committee

AGS	Annual Governance Statement
ARG	Additional Restrictions Grant
ARP	Anglia Revenue Partnerships
BCP	Business Continuity Planning
BEIS	The Department for Business, Energy and Industrial Strategy
CFR	Capital Financing Requirement
CIPFA	Chartered Institute of Public Finance and Accountancy
CIS	Commercial Investment Strategy
CMT	Corporate Management Team
CNC	CNC Building Control
CPCA	Cambridgeshire & Peterborough Combined Authority
CPE	Civil Parking Enforcement
CPLRF	Cambridgeshire & Peterborough Local Resilience Forum
CTS	Council Tax Support
DFG	Disabled Facilities Grants
DPA	Data Protection Act
CSR	Comprehensive Spending Review
FFL	Fenland Future Ltd
GDPR	General Data Protection Regulations
GIAS	Global Internal Audit Standards (<i>replaced the PSIAS from April 2025</i>)
IAS	International Accounting Standards
IFRS	International Financial Reporting Standard
LGA	Local Government Association
LGR	Local Government Reform
LGSS	Local Government Shared Services
LRSG	Local Restrictions Support Grants
MHCLG	Ministry of Housing Communities and Local Government
MoU	Memorandum of Understanding
MRP	Minimum Revenue Provision
MTFP	Medium Term Financial Plan
MTSP	Management, Trade Union & Staff Partnership
NFI	National Fraud Initiative
NNDR	National Non-Domestic Rates
OIB	Operational Improvement Board (ARP)
OLTL	Other Long-Term Liabilities
PPA	Post Payment Assurance
PSAA	Public Sector Auditor Appointments
PSIAS	Public Sector Internal Audit Standards (<i>replaced by Global Internal Audit Standards from April 2025</i>)
PWLB	Public Works Loan Board
RIPA	Regulation of Investigative Powers

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