

AGENDA

AUDIT AND RISK MANAGEMENT COMMITTEE

TUESDAY, 17 FEBRUARY 2026

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 - 10)

To confirm the minutes of 24 November 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 Audit Results Report Year Ended 31 March 2025 - Statement of Accounts 2024/25 (Pages 11 - 60)

The purpose of this report is for members to review and approve the final Audit Results Report Year Ended 31 March 2025.

- 6 Internal Audit Plan 2025-26 Progress Report (Pages 61 - 72)

To report progress against the Internal Audit Plan 2025/26 and the work undertaken since the last meeting of Committee in November 2025, and the resulting level of assurance from the work.

To advise of any developments within the Internal Audit Team, amendments to the Plan, and any significant internal control or governance issues.

To provide a tracking information on the implementation of agreed audit actions and further progress and status update on those actions now overdue.

7 Corporate Risk Register Review (Pages 73 - 100)

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

8 Audit and Risk Management Committee Workplan (Pages 101 - 108)

For information purposes.

9 Items of Topical Interest.

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

Monday, 9 February 2026

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

AUDIT AND RISK MANAGEMENT COMMITTEE

MONDAY, 24 NOVEMBER 2025 - 4.00 PM



PRESENT: Councillor K French (Chairman), Councillor I Benney (Vice-Chairman), Councillor G Booth, Councillor G Christy and Councillor Mrs J French

APOLOGIES: Councillor S Harris

Officers in attendance: Sian Warren (Chief Accountant) and Deborah Moss (Head of Internal Audit)

ARMC12/25 PREVIOUS MINUTES.

The minutes of the meeting held 28 July 2025 were approved and signed, subject to the following amendment ARMC 6/25 it makes reference on a couple of instances to the 'quality policy, however, that should state equality policy.

ARMC13/25 DRAFT - AUDITOR'S ANNUAL REPORT 2024/25

Members received a presentation from Debbie Hanson of Ernst Young (EY), the Councils' external auditors.

Members asked the following questions:

- Councillor Booth asked for clarification with regards to the timescales associated with the delays in the working papers being provided. Debbie Hanson explained that generally there is a three-day response time to audit queries which is agreed with the Finance Team and the delay would have been beyond that agreed timescale. She added that she does have detailed records which are held on the portal which is shared with the Council and that is where the requests are logged along with a due date and that is then monitored when information is received. Debbie Hanson stated that the audit results report, that will come forward to the committee in the new year once the audit has been concluded, will include some more information on that. She explained that some of the areas were outstanding longer than others and where she has highlighted the audit on leases it was decided that the work on that subject was not going to be completed because the working papers were not complete. Debbie Hanson stated that she can provide the committee with more statistics and data if they would find that to be helpful. Councillor Booth stated that in the past he has made criticism against Ernst Young about them failing to meet deadlines with regards to audits having not taken place, however, it now appears that the criticism lies with the Council because we have not provided the requested information. He made the point that he is aware that there are instances when certain data is requested it is not freely available and it has to be obtained from the management information suite in order to try and obtain the information and quite often that delay can be caused by just creating the queries in order to get the information. Councillor Booth questioned whether there is more that can be done to be proactive by giving more advanced guidance with regards to what is going to be required and he would anticipate that the information which is being requested is extra to what has been provided already. Debbie Hanson stated that an audit has not been undertaken for two years and there have also been changes within the Council's Finance Team and officers were undertaking new roles and responsibilities which meant that a

learning process was also being undertaken for both the Council's Finance Team and members of the EY team. She expressed the view that this year was more about learning and getting to know each other and next year there should be a better understanding in advance of exactly what audit evidence is required for the individual areas as well as undertaking a split visit so that the information requests can be sent out earlier. Debbie Hanson explained that there have definitely been improvements this year and she expressed the opinion that it was always going to be a challenging year, with regards to going through an audit for the first time and with there being some changes to the processes of EY as well. She added that the team have been very accommodating and have tried to provide the information and there has been no resistance with regards to submitting the information and, in her view, it has been the challenges with regards to the size of the Finance Team, other competing priorities and the fact that some staff are new to the process as well.

- Councillor Christy referred to page 15 concerning the progress of full assurance and he added that he appreciates that it is a situation which a number of local authorities find themselves in but given the current audit status of the Council and the comments that have been made in the report he would like to know whether Debbie Hanson has a view as to when the Council will be realigned in order to be able to adhere to the National Audit Office implementation guidance or is it her opinion that it will take longer to get full assurance? Debbie Hanson expressed the view it will be a longer journey because unfortunately it just means that the 24/25 audit is actually in effect in the 23/24 position in terms of the level of assurance and because there are those gaps in opening balances and comparators it does mean that the Council is one year behind. She explained that the local audit reset is very much focused on a risk assessment approach to being able to move to an unqualified opinion and as a result the challenge is that there are two years where there are no assurance higher risk than if there is only got one disclaimer year and then there are the challenges with regards to Local Government Reorganization (LGR), but the timeframes for that may mean that it is not actually possible for EY to get to an unqualified opinion before LGR impacts and all of those complexities make the position more challenging.
- Councillor Mrs French referred to page 23 and stated that at a previous meeting the committee turned down the proposal to have the addition of an independent person to form part of the committee, and she questioned whether that is something which is going to be reconsidered. Deborah Moss stated that she agrees with the view of EY, which is why she brought the report forward to the committee in December 2024, and she added that she would be happy to bring the report back to committee at the next meeting should it be something that they wish to reconsider.
- Councillor Booth asked Debbie Hanson whether there is any impact to the Council as it does not have an independent person on the committee at the current time? He added as the Council does not have a person in that role, will EY require more assurance in governance or is it just something that they believe should be done as best practice to get the best out of what this committee is undertaking. Debbie Hanson explained that it does not have any direct impact on the work of the External Auditors, but it is recommended as good practice by CIPFA. She has seen it at most of the other councils that she works with and the experience that she has is that those Independent members bring an external view and specific expertise in relevant areas. Debbie Hanson added that it proves to be valuable and adds extra challenge to the audit committee, both to EY and also to the Council's own officers in terms of bringing that experience and, in her opinion, they are valuable members of an audit committee.
- Councillor Miss French asked members of the committee whether they would be content to see a report come back to the next committee and it was unanimously agreed. Deborah Moss advised members that it is likely to become a legislative requirement and, in her opinion, it would be prudent to consider appointing an independent person sooner rather than later as the recruitment process could take some time to find a suitable person.
- Councillor Benney referred to page 25 which refers to a significant risk concerning untimely publication of financial statements as well as a balance carried forward where the figures

are missing and he asked officers when that information will become available so that the balances are correct and signed off so that the accounts can be completed and the Council can then get back on track. He made the point that he is aware that EY had resourcing issues previously and, in his view, the Council has struggled to get realigned since then and he would like the Section 151 Officer, Peter Catchpole, to provide a response to the committee in due course.

- Councillor Benney added that he does have further questions for officers to respond to, including the fact that the Council has not reached the target of savings that were forecast and the reserves appear to be down to a very near minimal level. He questioned whether the Council is in a good place as the accounts have not been completed or signed off and there are many questions which need answering by Peter Catchpole.
- Councillor Benney added that it appears that the £5 million which was borrowed has been paid back and he made the point that members do not know whether the Council will need to undertake any further borrowing this year. He expressed the view that incomplete accounts can lead to poor decision making and, in his opinion, he believes that there are some concerns and red flags in the information which need highlighting to officers and for the committee to receive a response from the Section 151 Officer.
- Councillor Booth referred to the medium-term financial plan and stated that it has been highlighted that the Council will not necessarily meet the savings and he asked how much work has been undertaken when looking at the projections, particularly around the Future 2 programme and what is contained in it against where savings need to be made. He asked Debbie Hanson whether there has been an assessment undertaken to ascertain whether the Council is likely to be on track even though the targets are not being met and what type of assurance for that area can she give as there is only a couple of years shown and they do appear to be quite small to fill that £4 million pound gap? Debbie Hanson stated that, with regards to how much work EY have undertaken regarding the savings and the backward-looking ones with regards to what was achieved last year, it is relatively straight forward and the committee have noted that it was only 50% delivered. She explained that for the current year she has undertaken checks to ensure that there are plans in place to underpin those savings and has undertaken checks to look at how they are being monitored and reported on, which has given the higher percentage of 89% this year at the current forecast. Debbie Hanson added that she has undertaken checks to ensure whether the Council have arrangements in place to identify, manage and monitor the delivery of the savings and has been given comfort and assurance that they are being monitored and the projections do look as though they are improving. She added that she does agree with the point which has been made with regards to the levels of savings being relatively small in terms of them being £500,000 and the cumulative gap which is £4 million and, in her view, the Council needs to do other things in order to increase those levels of savings or income generation to bridge those gaps in future years. Debbie Hanson referred to the report and explained that the Council does have a budget equalisation reserve which is in place to help manage the budget and when possible, the Council has been putting money into the reserve, with this course of action being a mechanism to help set a balanced budget and manage it but a reserve can only be used once and when it has been used to support the budget then there needs to be alternative for the subsequent year to either reduce the level of spend or increase income. She made the point that Fenland is in a very similar position to many other local authorities with regards to the cost pressures which are impacting the Council with regards to pay and inflation and that is something which is having an impact on all councils. Debbie Hanson explained that the figures she has reviewed for Fenland are not as large as she has seen in some places when considering the level of future budget gaps and the reserve position is being managed at the current time, adding that underlying pressures will remain and then LGR will have an impact. She made the point that it will be the balances that will be of most interest as LGR occurs and that will include what are the usable reserve balances and what are the Council's cash balances, and it is those elements which are the critical things. Debbie Hanson explained that the difficulty in terms of getting assurance when there are two disclaimed years is actually how that gap of assurance is

filled in terms of what the usable reserves are in relation to the two years where an audit did not take place. She made the point that, due to that fact, the question arises as how to build up that assurance that there is material mis statement in those usable reserve balances.

- Councillor Booth stated that it would be useful for the committee to have a presentation from officers as to how that gap is going to be covered and what plans are in place.
- Councillor Benney stated that he agrees and added that the auditor's report is already 9 months out of date already and he added that there is missing information which he knows Peter Catchpole would be able to provide members with the answers that they require. He expressed the view that it appears to him that there is a lack of reserves and he questioned whether the Council will need to borrow further in the next year on a short-term basis. Councillor Benney stated that the savings the Council has do not appear to be significant and in the report it also states that the Council lost £362,000 on an investment and, in his opinion, the Council does need to be provided with an explanation as to where the Council is sitting with regards to its financial status.

Members AGREED to note the report.

ARMC14/25 TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW 2025/26

Sian Warren presented the report.

Members asked the following questions:

- Councillor Benney stated that the report states that the Council borrowed £5 million pounds last May and he asked for confirmation as to whether the Council will need to undertake further borrowing in May 2026 and if so, will that be higher than £5 million pounds. Sian Warren stated that the Council will be looking to undertake some short-term borrowing in February for cash flow purposes to get the Council to 1 April 2026, which is when several Government grants are received and then the loan will be repaid.
- Councillor Booth referred to the loss of capital from the property fund, and added that he has raised is concerns on numerous occasions with regards to investing in property funds and it appears that he was correct to have those concerns.
- Councillor Booth stated that it was £362,000 capital loss and he asked whether because of the investment returns did the Council reach anywhere near that figure or was it all completely lost? He added that normally with investments there is a period of 5 to 10 years to recover funds. Sian Warren explained that through interest it was possible to raise £260,000 over the period of time and ideally it would have been invested for 5 to 10 years but in this case that did not happen.
- Councillor Booth asked whether the Council is likely to be in a similar situation with the other property fund which he has noted in the officer's report. Sian Warren explained that following a recent meeting that she has attended it has been confirmed that a merger is going to take place and local authorities will be transferred across in this case whereas the other fund did not do that and they just wanted the pension funds.
- Councillor Booth asked whether there are any other investments in place with similar portfolios where the Council could be at risk of having capital loss and has an assessment been undertaken. Sian Warren confirmed that the property fund that the Council still has is the only one of the investments that is held and all of the other investments are with the local bank and Central Government.

Members AGREED to note the report.

ARMC15/25 INTERNAL AUDIT PLAN 2025/26 - PROGRESS REPORT

Deborah Moss presented the report.

Members asked the following questions:

- Councillor Benney stated that he notes from the report that there is a report concerning port management still to be completed, with over the past few months there have been several incidents concerning vessels, including collisions, two ships getting stuck on the sandbar and in the River Nene. He added that as the Council is the Statutory Harbour Authority, there are a very high number of incidents which are happening the port and made the point that it is listed in the Audit Plan as a high risk but, in his view, the port has the highest risk to the Council for anything that it does. Councillor Benney added that a great deal of the operation of the port side of the Harbour Authority the Council has no control over and once the Pilot steps onto a boat then that makes them responsible for that ship which costs millions of pounds. He made the point that when considering the number of incidents that have taken place over a comparatively short time, he would be interested to see what the report states and, in his opinion, the Statutory Harbour Authority is nothing but a drain on the Council but it is a legal obligation which the Council must fulfil. Councillor Benney added that there appears to be several incidents taking place when manoeuvring the ships in and out and it could be something that could potentially be a big risk to the Council. He asked whether that is something that will be reviewed as part of the audit plan? Deborah Moss stated that the reason it was added to the audit plan was at the suggestion of the Corporate Director as it was felt that there should be more compliance auditing undertaken in that area to get a general assurance of how things are operating due to the staff turnover, issues and incidents. She added that she can consider adjusting the terms of reference to incorporate health and safety, resourcing and training.
- Councillor Benney stated that he is aware that there is a new Harbour Master in post and the Pilots who are responsible for the ships once they board them. He added that it is the biggest risk to a Council because it is not their business, but he feels that it is something that needs to be looked at to ensure processes are in place to make them as safe as possible.
- Councillor Booth expressed the opinion that the harbour appears to be a very specialist area and he questioned whether the Audit Team have the skills to undertake an audit or whether it is an area where the Council should be looking for somebody with some external expertise to help in undertaking a review. He added that the compliance can be carried out with regards to the legislation but, in his view, it is more of the operational day to day review where an external specialist maybe required. Deborah Moss expressed the opinion that it is a very valid point and something that needs to be considered as officers do need to be confident to carry out an audit which can be undertaken up to a certain point. She added that it was her understanding that an independent report was carried out on the port each year, but she will clarify that.
- Councillor Benney stated that when he was the Portfolio Holder responsible for that area, when there was the need for specialist advice then the Maritime and Marine Organisation would be contacted for guidance as their speciality is marine processes. He added that he agrees with the point made by Councillor Booth, and he also feels that some specialist advice would be beneficial as, in his view, the number of incidents which have taken place over such a comparatively short time needs to be looked at.
- Councillor Christy stated that as he is the current Portfolio Holder for the Port, he agrees with Deborah Moss that the entry on the Audit Plan is very much to do with the management and governance of the organisation. He added that, with the incidents that have taken place, they would come under the risk assessments from an operational perspective, and those risk assessments are being assessed, updated and agreed. Councillor Christy added that following the recent incidents there are reports which are being produced which will outline what changes could be made to improve the situation.
- Councillor Mrs French stated that she has received correspondence from the Port of Sutton Bridge which she has passed to the Portfolio Holder and the Chief Executive. She added that due to the number of incidents which are taking place, she is fearful that it could end up costing the Council a great deal of money due to lack of business caused by ships being stuck out in the wash and ships unable to enter to unload their cargo.

- Councillor Christy asked for confirmation as to when the topic of cyber security may be coming to the committee as he has concerns due to the recent number of security cyber incidents taking place including some impacting local authorities. Deborah Moss explained that she has confirmed with the auditor that all of the testing has been completed and it is going to be awarded reasonable assurance. She added that there are still some outstanding items from the last audit which were not fully completed but in the Auditors opinion everything is well controlled, and it will form part of the agenda at the next committee meeting.
- Councillor Mrs French stated that the Audit Plan has overtime listed on it and is marked as high and not started and she asked for clarity regarding concerns that the Audit Team has. Deborah Moss explained that this was highlighted as a corporate issue which has been raised by the management team as they were trying to cut the expenditure on overtime and there is a report being formalised for the Corporate Management Team to discuss the overtime options and how overtime can be reduced and controlled. She added that she hopes that it will be an audit of value if it is back ended to the end of the year in order to see that those actions which have been introduced prove to be effective. Deborah Moss explained that previously it was the intention for the audit to be a brief compliance audit of the overtime worked against the overtime policy but now the audit will be widened slightly because of any options and any approvals which come forward.
- Councillor Booth asked why the entry concerning overtime is listed as high as, in his view, it sounds as though it is more an issue concerning the management of overtime. He stated that it does not necessarily mean it is a high-risk item and whilst there may be a high amount of overtime it could be to do with the control of overtime. Deborah Moss explained that it is listed as high due to the inherent risk and an unacceptable level of expenditure against it. She added that it has been raised as an issue and that is why it appears on the audit plan. Councillor Booth expressed the view that would be the quantum as opposed to what the controls are, and it does not necessarily make it a high-risk item in his opinion. Deborah Moss stated due to some of the discussions that have taken place it has been listed as high just because it has been raised due to other issues and not just to do with the spend.
- Councillor Mrs French stated that is the overtime issue for refuse collections or events which the Council runs and she added that most people work set hours and has concerns where the issue is with regards to overtime. Deborah Moss stated that until the audit is undertaken, she cannot provide that information, but she believes it is across several services and not one.
- Councillor Miss French stated that earlier Deborah Moss had asked whether the committee were content with the format of how outstanding audits are being presented and she asked the committee for their feedback.
- Councillor Booth stated that the tables which show the results from the individual audits are the best that have ever been presented. He added that they show the high-level summaries and what the actions are and he has been asking for this type of format over numerous years. Councillor Booth stated that the part concerning outstanding actions is slightly confusing as the information is for detail which covers multiple years, but he appreciates that a summary is provided. Deborah Moss stated that is a valid point and she agrees and hopes that going forward the audits shown will be those which are timelier and more recent.
- Councillor Booth stated that the focus should be on the high risk and medium items as the committee would not be so worried about the low-risk entries as the concentration needs to be on those which have the most impact to the Council.

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

(Councillor Christy declared that he is the Chairman of FACT)

ARMC16/25 CORPORATE RISK REGISTER REVIEW

Members considered the report and made comments as follows:

- Councillor Benney stated that LGR is listed on the plan and, in his opinion, the cost implication to the proposed changes have not been fully thought through and asked that, due to the amount of money which is going to have to be spent to dissolve the Council as well as the large amount of work which is going to have to be undertaken to prepare for LGR, whether the risk rating shown is sufficient. Deborah Moss stated that when LGR was added to the risk register she recalls that there was quite a deal of discussion whether or not it should be its own risk or whether it just automatically impacts on the other risks that are already present on the register but it was felt that due to its own importance that it needed its own entry. She added that every time that there is something that is discussed with links with LGR, they have been added as a sub risk under the LGR table.
- Councillor Booth referred to page 79 which refers to the issue of no purchase order and no payment, and he questioned whether there are instances where the Council is asking for payment to suppliers without there being a purchase order. He added that if that is the case what is the impact especially if there are local tradespeople who will be effected? Sian Warren explained that the Council should be raising purchase orders for any required service and supply, but it has never been enforced. She added that with the Council moving the Agresso system to the cloud, it has been used as an opportunity to ensure that everybody is completing a purchase order. Sian Warren stated that with LGR, other local authorities have adopted that regime and it was felt that the Council should also be working in the same way going forward. Councillor Booth stated that it is likely to be a cultural issue where some departments have not raised purchase orders in the past and by changing that culture it should not really impact suppliers if the correct process is being followed. Sian Warren agreed.
- Councillor Benney stated that every business and every organisation is open to fraud where there is money involved and fraud can be instances such as people claiming 25% single person discount for Council Tax when they are not entitled to it and even though reports are made to alert the Council that fraudulent claims are taking place there does not appear to be any follow up and that is quite serious fraud. He added that Anglia Revenues Partnership (ARP) deal with Council Tax and they need to be dealing with the instances of fraudulent claims, but it is having a financial impact on the Council, and he questioned whether there are steps that can be taken to address the instances of fraud which are taking place. Deborah Moss advised members that if there are any individual cases which members have referred to ARP and are not getting a satisfactory response then she will contact them. She added that the Council has signed up to the NFI initiative and for the one in December, a data gathering exercise is being undertaken of all the single person discount and election information and there will be a cross match between the two data sets and single person discount will get picked up. Deborah Moss added that each case will be investigated based on its risk assessment.
- Councillor Mrs French stated that majority of fraud with Council Tax is the 25% Council Tax discount and that across all the authorities that use ARP it was recognised that there was £5 million pounds owed across the authorities and £2.5 million pounds owed locally. She explained that in September ARP have also won an award.
- Councillor Booth referred to page 91 and stated that he notes that officers have been attending training with APM, and he asked whether there is a defined methodology. He added that he had noted that there is also some new project software which has been introduced. Deborah Moss stated that they do use one specific piece of software and she is not entirely sure what the qualifications which are attained will be used for but possibly to set the Council up for LGR and Inspire. She stated that there are 13 officers who are working towards or who have already gained the qualification with a further 8 spaces available.
- Councillor Booth asked whether there is a defined project methodology process. Deborah Moss agreed to provide a verbal response at the next meeting.
- Councillor Benney asked whether Deborah Moss has any indication on what type of impact the changes to employment law will have on the Council? He added that the Council could

find themselves in a position where staff members need more management and time spent with them and he questioned whether there are any further resources which are planned to assist with the changes? Deborah Moss stated that would need to be a question for Sam King, Head of Human Resources.

- Councillor Booth asked whether officers are comfortable as no changes to any of the scores have been made and he asked whether proper assessments are being carried out? Deborah Moss explained that the register was reviewed, and it was decided that there was nothing within the register which was effected in a significant way to effect the scores but once the final accounts are through then it will need to be revisited to check the scores.

Members AGREED to approve the latest Corporate Risk Register.

ARMC17/25 AUDIT AND RISK MANAGEMENT COMMITTEE WORK PROGRAMME

Members considered the Audit and Risk Management Committee Workplan.

The Chairman confirmed that the February meeting has been moved to Tuesday 17 February at 4pm and a further discussion will be held with regards to the date of the March meeting.

Councillor Christy asked whether the subject of cyber security will come to the next committee and whether it will need to be discussed in a confidential session. Deborah Moss explained that it will form part of her progress report and will come to the February meeting, and she does not feel that it would need to be a confidential report.

Members AGREED to note the workplan.

ARMC18/25 ITEMS OF TOPICAL INTEREST.

There were no items of topical interest.

5.13 pm

Chairman

Agenda Item 5

Agenda Item No:	5	
Committee:	Audit & Risk Management Committee	
Date:	17 February 2026	
Report Title:	Audit Results Report Year Ended 31 March 2025 - Statement of Accounts 2024/25	

1 Purpose / Summary

The purpose of this report is for members to review and approve the final Audit Results Report Year Ended 31 March 2025.

2 Key issues

- The annual accounts are prepared in accordance with the Code of Practice on Local Authority Accounting (The Code) issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and based on International Financial Reporting Standards (IFRS).
- The draft unaudited Statement of Accounts 2024/25 were published on 30 June 2025.
- The Annual Governance Statement (AGS) 2024/25 was approved by this Committee at the 28 July 2025 meeting and is included in the Statements for completeness.
- Under the Government's Reset and Recovery legislation, the 2024/25 Statement of Accounts is subject to a disclaimed audit report.
- The Final Statement of Accounts are still being amended to include the findings of the attached audit report and will be circulated to this Committee for note before the 28th February 2026 publishing date.
- Following approval by this Committee, and subject to EY having completed all outstanding work, it is anticipated that they will 'sign off' the accounts by 28 February 2026.
- Following the auditors' signature, the accounts will be published on our website and notice will be given by advertisement in the local papers and on our website, that the audit has been concluded.

3 Recommendations

It is recommended:

- (i) that the final Audit Results Report Year Ended 31 March 2025 presented be noted;
- (ii) that delegation be given to the Chairman of Audit & 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.

Wards Affected	All
Forward Plan Reference	
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder for Finance
Report Originator(s)	Peter Catchpole, Corporate Director and Chief Finance Officer Sian Warren, Chief Accountant
Contact Officer(s)	Peter Catchpole, Corporate Director and Chief Finance Officer Sian Warren, Chief Accountant
Background Paper(s)	Closure of accounts working papers 2024/25 EY Audit Completion Report – Year ended 31 March 2025

Fenland District Council

Audit results report

Year ended 31 March 2025

9 February 2026



Shape the future
with confidence



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



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

9 February 2026

Dear Committee Members,

2024/25 Audit results report

We attach our audit results report, summarising the status of our audit for the forthcoming meeting of the Audit and Risk Management Committee.

The audit is designed to express an opinion on the 2024/25 financial statements and address current statutory and regulatory requirements. This report contains our findings related to the areas of audit emphasis, our views on Fenland District Council's (the Council's) accounting policies and judgements and material internal control findings. Each year sees further enhancements to the level of audit challenge, the exercise of professional judgement and the quality of evidence required to achieve the robust professional scepticism that society expects. We thank the management team for supporting this process.

The Audit and Risk Management Committee, as the Council's body charged with governance, has an essential role in ensuring that it has assurance over both the quality of the draft financial statements prepared by management and the Council's wider arrangements to support the delivery of a timely and efficient audit. We consider and report on the adequacy of the Council's external financial reporting arrangements and the effectiveness of the Audit and Risk Management Committee in fulfilling its role in those arrangements as part of our assessment of Value for Money arrangements; and consider the use of other statutory reporting powers to draw attention to weaknesses in those arrangements where we consider it necessary to do so. We draw Audit and Risk Management Committee members' and officers' attention to the Public Sector Audit Appointment Limited's Statement of Responsibilities (paragraphs 26-28) which clearly sets out what is expected of audited bodies in preparing their financial statements.

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 the contents of this report with you at the Audit Committee meeting on 17 February 2026.

The [EY UK 2025 Transparency Report | EY - UK](#) provides details regarding the firm's system of quality management, including EY UK's system of quality management annual evaluation conclusion as of 30 June 2025.

Yours faithfully

Debbie Hanson

Partner

For and on behalf of Ernst & Young LLP

Enc

Contents

- 01 Executive Summary
- 02 Areas of Audit Focus
- 03 Value for Money
- 04 Audit Report
- 05 Audit Differences
- 06 Assessment of Control Environment
- 07 Other Reporting Issues
- 08 Independence
- 09 Appendices

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.psa.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 sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the 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 in accordance with the statement of responsibilities. 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 Executive Summary

Executive Summary – Context for the audit

Context for the audit - Measures to address local audit delays

Timely, high-quality financial reporting and audit of local bodies is a vital part of the democratic system. It supports good decision making by local bodies and ensures transparency and accountability to local taxpayers. There is general agreement that the backlog in the publication of audited financial statements by local bodies has grown to an unacceptable level and there is a clear recognition that all stakeholders in the sector need to work together to address this. Reasons for the backlog across the system have been widely reported and include:

- Lack of capacity within the local authority financial accounting profession;
- Increased complexity of reporting requirements within the sector;
- A lack of auditors and audit firms with public sector experience; and
- Increased regulatory pressure on auditors, which in turn has increased the scope and extent of audit procedures performed.

MHCLG has worked collaboratively with the FRC and other system partners, to develop and implement measures to clear the backlog. The approach to addressing the backlog consists of three phases:

- Phase 1: Reset involving clearing the backlog of historic audit opinions up to and including financial year 2022/23 by 13 December 2024. This has now been delivered.
- Phase 2: Recovery from Phase 1, starting from 2023/24, in a way that does not cause a recurrence of the backlog by using backstop dates to allow assurance to be rebuilt over multiple audit cycles. The backstop date for audit of the 2024/25 financial statements is 27 February 2026. This process of rebuilding assurance will take several years to achieve. The NAO, supported by the MHCLG and the FRC, are responsible for issuing guidance and have been liaising with audit firms to understand the complexities involved and to seek to ensure a more consistent approach for restoring assurance for disclaimed periods. The NAO has now published its Local Audit Reset and Recovery Implementation Guidance (LARRIG) 06 setting out considerations for rebuilding assurance following the issue of disclaimed audit opinions under the backstop arrangements. The guidance predominantly focuses on the rebuilding of assurance over reserves, where it is more difficult to obtain assurance because of the way in which they accumulate over successive years. It also continues to recognise that the approach needed to rebuild assurance will differ authority to authority and will need to be considered in the context of both inherent risk factors which all authorities subject to recently disclaimed opinions will share, and factors specific to each individual authority's system of internal control and financial reporting. We will continue to consider the impact of this on our audit approach. In 2024/25 we have continued to audit the closing balance sheet and in-year transactions, which allows the build back of assurances over a large number of balances within the financial statements where audit procedures can be completed for successive years.
- Phase 3: Reform involving addressing systemic challenges in the system and embedding timely financial reporting and audit.

As reported in our Audit Completion Report dated 31 January 2025, we issued a disclaimer of opinion on the Council's 2022/23 and 2023/24 financial statements under these arrangements to reset and recover local government audit. In 2024/25, we have continued to audit the closing balance sheet and in-year transactions. Although the level of assurance gained has increased, we have not yet obtained sufficient evidence to have reasonable assurance over all in-year movements and closing balances. As a result of the disclaimer of opinion on the 2023/24 financial statements, we do not have assurance over some brought forward balances from 2023/24 where we did not gain assurance (the opening balances). This means we do not have assurance over all 2024/25 in-year movements and the comparative prior year movements. We also do not have assurance over all the 2023/24 comparative balances disclosed in the 2024/25 financial statements. Taken together with the requirement to conclude our work by the 2024/25 back stop date, the lack of evidence over these movements and balances mean we are unable to conclude that the 2023/24 financial statements are free from material and pervasive misstatement of the financial statements. We therefore anticipate issuing a disclaimed 2024/25 audit opinion.

Appendix A sets out the current position of Fenland District Council in rebuilding to return to a position of full assurance on its financial statements as compared with the timeline envisaged by the NAO's LARRIG 01. This is informed by the summary of the assurances we have gained from our 2023/24 and 2024/25 audit procedures, set out at Appendix B.

Executive Summary

Scope update

In our Audit Planning Report presented at the 12 May 2025 Audit and Risk Management Committee meeting, we provided you with an overview of our audit scope and approach for the audit of the financial statements. We carried out our audit in accordance with this plan, with the following exceptions:

- In our Audit Planning Report, we communicated that our audit procedures would be performed using a materiality of £1.15 million. We updated our planning materiality assessment using the draft consolidated results and have also reconsidered our risk assessment. Based on our materiality measure of gross revenue expenditure on services, we have updated our overall materiality assessment to £1.25 million. This results in updated performance materiality, at 75% of overall materiality, of £0.94 million, and an updated threshold for reporting misstatements of £0.06 million.

Status of the audit

Our audit work in respect of the opinion is substantially complete. The following items relating to the completion of our audit procedures were outstanding at the date of this report.

- Agreement of final Statement of Accounts
- Management representation letter
- Subsequent events review
- Agreement of revaluation surplus
- REFCUS testing

Details of each outstanding item, actions required to resolve and responsibility is included in Appendix D.

Value for Money

In our Auditors Annual Report presented at the 24 November 2025 Audit and Risk Management Committee, we reported that we had completed our value for money (VFM) risk assessment and that we had identified no risks of significant weaknesses in arrangements.

Audit differences

- Management have corrected misstatements amounting to £0.67 million.
- We noted an uncorrected misstatement amounting to £0.45 million. This was in relation to a REFCUS item which the Council were unable to provide sufficient evidence for. This was uncorrected as it is below performance materiality.
- Various disclosure misstatements throughout the Statement of Accounts have been noted and corrected by management.

Executive Summary (cont'd)

Other reporting issues

We have reviewed the information presented in the Annual Governance Statement for consistency with our knowledge of the Council. We have no matters to report as a result of this work.

We have not yet completed the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts.

Areas of audit focus

In our Audit Planning Report we identified a number of key areas of focus for our audit of the financial report of the Council. This report sets out our observations and status in relation to these areas, including our views on areas which might be conservative and areas where there is potential risk and exposure. Our consideration of these matters and others identified during the period is explained within the 'Areas of Audit Focus' section of this report and summarised below.

Where applicable we have identified those matters that we consider to be key audit matters. Key audit matters are selected from the matters we communicate to you that in our opinion are of most significance to the current period audit and required significant attention in performing the audit. In accordance with ISA (UK) 701 key audit matters are included in our auditor's report.

Risk	Status of our work
Fraud Risk 1 - Misstatements due to fraud or error	<ul style="list-style-type: none">We have completed our work on this area and have not identified any misstatements.
Fraud Risk 2 - Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure including Revenue Expenditure Funded from Capital Under Statute (REFCUS)	<ul style="list-style-type: none">We have completed our work on PPE Additions and have not identified any misstatements.We have completed our work on REFCUS, pending final executive review. We have noted an uncorrected misstatement amounting to £0.45 million. This was in relation to a key item which the Council were unable to provide sufficient evidence for. This was uncorrected as it is below performance materiality.
Inherent Risk 1 - Valuation of land and buildings and investment property	<ul style="list-style-type: none">We have completed our work on this area and have identified a misstatement of £0.42 million. This has been corrected by management.
Inherent Risk 2 - Pension liability valuation	<ul style="list-style-type: none">We have completed our work on this area and have identified a misstatement of £0.10 million. This has been corrected by management.
Inherent Risk 3 - Implementation of IFRS 16	<ul style="list-style-type: none">We have been unable to complete our work on this area as a thorough analysis of the Council's leases that required capitalisation under IFRS 16 had been undertaken by the Council.
Inherent Risk 4 - Change in payroll system	<ul style="list-style-type: none">We have completed our work on this area and have not identified any misstatements.

Executive Summary (cont'd)

Areas of audit focus (cont'd)

We request that you review these and other matters set out in this report to ensure:

- There are no further considerations or matters that could impact these issues;
- You concur with the resolution of the issue;
- There are no further significant issues you are aware of to be considered before the financial report is finalised; and
- There are no matters, other than those reported by management or disclosed in this report, which we believe should be brought to the attention of the Audit and Risk Management Committee or Board of Directors.

Control observations

During the audit, we did not identify any significant deficiencies in internal control.

We did however identify two areas of improvement recommendations in relation to management's financial processes and controls. These relate to:

- Related parties - We have noted that the Council only obtain Declaration of Interest (DOI) forms for Cabinet members and not all Council members. The DOI forms do not include date of birth or addresses, meaning that Companies House searches are not possible. We therefore recommend that going forward the Council request Declaration of Interests for all Council members. The Declaration of Interests form should also be amended to ask members about any other companies where they are a Senior Officer/Director, as the form currently only asks about income directly received from Fenland DC. The form should also include details of date of birth and addresses.
- PPE depreciation - Individual asset useful lives are not included within the Council's Fixed Asset Register. Depreciation is calculated in individual excel spreadsheets whereas depreciation should be automatically calculated within the Fixed Asset Register. This makes it difficult for us to recalculate depreciation on an asset-by-asset basis. We recommend that going forward the Council adopt asset useful lives within the Fixed Asset Register so that depreciation can be automatically calculated.

Independence

Please refer to Section 08 for our update on Independence.

Executive Summary (cont'd)

Financial statement reporting assessment

Management, and the Audit and Risk Management Committee, as the Council's body charged with governance, have an essential role in supporting the delivery of an efficient and effective audit. Our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and management's responsiveness to issues identified during the audit. The table below and over-page sets out our views on the effectiveness of the Council's arrangements to support external financial across a range of relevant measures.

Where we have been unable to undertake all planned procedures, this is likely to extend the timetable to recover assurance on the Council's financial statements.

In addition, the illustrative timescale for the process of re-building assurance set out in the NAO's Local Audit Reset and Recovery Implementation Guidance (LARRIG) 01, together with our view of the Council's actual progress against that timescale, the reasons for that and what still needs to be done to successfully rebuild assurance is set out on Page 15. The timetable set out in LARRIG 01 assumes that disclaimers for 2022/23 and all prior open audit years were issued by the statutory backstop date of 13 December 2024.

Area	Status			Explanation	Further detail
	R	A	G		
Timeliness of the draft financial statements	Effective			The financial statements were published by the 30 June 2025 deadline set out in the Accounts and Audit Regulations. However, the Annual Governance Statement (AGS) was not published alongside the financial statements are required per the regulations.	The Council were unaware of the requirement to publish the AGS along with the accounts by the deadline and have agreed to ensure the 2025/26 AGS is published prior to the statutory deadline. We have therefore deemed the process to be 'effective'.
Quality and completeness of the draft financial statements	Ineffective			The first version of the draft financial statements published by the Council had significant internal inconsistencies, typographical and arithmetic errors that should have been identified through internal quality review prior to publication.	The Council published a second version of the draft 2024/25 financial statements in July 2025. Whilst these were significantly improved, we have still identified various disclosure errors during the audit.
Delivery of working papers in accordance with agreed client assistance schedule	Requires Improvement			Working papers and requested evidence were often not provided in line with the agreed timetable.	N/A

Executive Summary (cont'd)

Financial Statement reporting assessment (cont'd)

Area	Status			Explanation	Further detail
	R	A	G		
Quality of working papers and supporting evidence	Requires Improvement			Whilst working papers and supporting evidence were generally of a good standard, there were instances where evidence provided did not satisfy all of the requested audit criteria.	The IFRS 16 leases working paper was of poor quality and had not assessed whether any of the Council's leases were required to be capitalised under the new standard.
Timeliness and quality of evidence supporting key accounting estimates	Ineffective			<p>Significant delays were experienced in the provision of supporting evidence from the Council's valuer (WHE) for the valuation of PPE and IP assets. There were also delays in responses from the Council and in sharing our queries with the Council's actuary (Hymans Robertson) in relation to IAS19 Pensions.</p> <p>In addition, we were unable to complete our planned procedures in relation to IFRS 16 leases due to the completeness of leases not being assessed appropriately as outlined above.</p>	The quality of evidence and explanations in relation to the valuation of PPE and IP assets were of a poor quality, resulting in requests for clarification and further evidence. This resulted in delays to the audit.
Access to finance team and personnel to support the audit in accordance with agreed project plan	Requires Improvement			The Chief Accountant endeavoured to support the audit to the best of their ability and was generally responsive to audit queries. We did however note that during the period when the Chief Accountant was on leave, responses to queries from the team were slower and this impacted on the completion of the audit. We recognise that, as we reported in the previous year, this is largely due to capacity issues in relation to both the Chief Accountant and the wider finance team, which impacts on their ability to respond to audit requests. Whilst we do not have any concerns in regard to access to the finance team or other key personnel, there are issues in relation to the overall capacity of the finance team to support the delivery of an audit in a timely manner, due to other competing priorities and business critical activities.	We have raised the capacity of the finance team as a Governance recommendation within Section 03 of this report.
Volume and value of identified misstatements	Effective			The value of identified misstatements is below performance materiality.	N/A
Volume of misstatements in disclosure	Requires Improvement			We have detected various misstatements in disclosure as a result of our work performed.	N/A

Executive Summary (cont'd)

Financial Statement reporting assessment (cont'd)

Given that this is the first substantive audit performed in the last three financial years, there were numerous challenges for both ourselves as the auditors and for the Council's finance team. These included the departure of the previous Chief Accountant who had a key role in the preparation of the financial statements in previous years, and the resulting need for the new Chief Accountant and other members of the finance team to take on new roles and responsibilities related to the accounts. Despite these challenges, both teams have worked effectively together, allowing us to start to gain assurance over several account areas. The Council have indicated that they are committed to the audit process and to the build back of assurance, taking on board feedback from our 2024/25 audit and associated reporting. While there are still numerous challenges to be faced for 2025/26 and improvements to be made, as outlined in this report, the Council has taken a step in the right direction with the 2024/25 audit and the knowledge gained by both the Council and EY will have a positive impact on the audit in future years.



02 Areas of Audit Focus

Areas of Audit Focus

Fraud Risk 1 - Presumptive risk of management override

 Fraud Risk

What is the risk, and the key judgements and estimates?

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

We did not identify any transactions during our audit which appeared unusual or outside the Council's normal course of business.

Our journal entry testing has not identified any instances of inappropriate posting of journals.

Our response to the key areas of challenge and professional judgement

We undertook the following procedures to address this fraud risk:

- Identified other fraud risks during the planning stage.
- Inquired with management as to the risks of fraud and the controls put in place to address those risks.
- Understood the oversight given by those charged with governance of management's processes over fraud.
- Discussed with those charged with governance the risks of fraud in the entity, including those risks that are specific to the entity's business sector.
- Considered whether there were 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.
- Considered the effectiveness of management's controls designed to address the risk of fraud.
- Determined an appropriate strategy to address those identified risks of fraud.
- Performed mandatory procedures regardless of specifically identified fraud risks, including testing of journal entries and other adjustments in the preparation of the financial statements.
- Reviewed accounting estimates for evidence of management bias.
- Undertook procedures to identify significant unusual transactions.
- Considered whether management bias was present in the key accounting estimates and judgements in the financial statements.

We utilised our data analytics capabilities to assist with our work, including journal entry testing. We also assessed journal entries for evidence of management bias and evaluated the business rationale.

Areas of Audit Focus (cont'd)

Fraud Risk 2 - Inappropriate capitalisation of revenue expenditure

 Fraud Risk

What is the risk, and the key judgements and estimates?

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.

Our response to the key areas of challenge and professional judgement

We undertook the following procedures to address this fraud risk:

- Tested PPE and IP additions to ensure that the expenditure incurred and capitalised is clearly capital in nature.
- Assessed 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.
- Considered 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.
- Tested REFCUS to ensure that it is appropriate for the revenue expenditure incurred to be financed from ringfenced capital resources.
- Identified and understood the basis for any significant journals transferring expenditure from revenue to capital codes on the general ledger at the end of the year.

What are our conclusions?

We have not identified any material weaknesses in controls or evidence of material management override.

We have not identified any instances of inappropriate capitalisation being applied.

We have completed our work on REFCUS and noted an uncorrected misstatement amounting to £0.45 million. This was in relation to a key item which the Council were unable to provide sufficient evidence for. This was uncorrected as it is below performance materiality.

Areas of Audit Focus (cont'd)

Inherent Risk 1 - Valuation of land and buildings and investment property

What is the risk, and the key judgements and estimates?

The fair value of land and buildings (including surplus assets) and investment properties represent significant balances in the Council's accounts (2024/25 value in the draft statement of accounts of £61.35 million for land and buildings and £6.49 million for investment properties) 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 balances recorded in the balance sheet.

The valuation basis varies depending on the type of assets, and therefore subject to different input, estimation process and assumptions used.

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.

Our response to the key areas of challenge and professional judgement

We undertook the following procedures to address this risk:

- Considered 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.
- Performed testing of key assumptions and methodologies on a sample of assets and considered the reasonableness of the estimation techniques employed.
- Sample tested key asset information used by the valuer in performing their valuation and agreed this to what has been recorded in the fixed asset register and general ledger.
- Considered if there are any specific changes to assets that have occurred and ensured that these have been communicated to the valuer.
- Considered changes to useful economic lives as a result of the most recent valuation.
- Considered 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).
- Reviewed land and building assets not subject to valuation in 2024/25 to confirm that the remaining asset base is not materially misstated.
- Tested accounting entries have been correctly processed in the financial statements.
- Reviewed the disclosures to ensure they are adequate in relation to estimation uncertainty.

What are our conclusions?

We have identified a corrected misstatement resulting in an increase of £0.42 million in the valuation of land and buildings. This was in relation to the incorrect floor area being used by the valuer in the valuation of a property. We are satisfied from our testing that this was an isolated incident.

We have not identified any other issues with the valuation of land and buildings and investment property.

Areas of Audit Focus (cont'd)

Inherent Risk 2 - Pension liability valuation

What is the risk, and the key judgements and estimates?

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.

The Council's pension fund liability is a material estimated balance, and the Code requires that this liability be disclosed on the Council's balance sheet. At the 31 March 2025 this totalled £10.15 million.

The information disclosed is based on the IAS 19 report issued to the Council by the actuary to the Council.

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.

Our response to the key areas of challenge and professional judgement

We undertook the following procedures to address this risk:

- Liaised with the auditors of Cambridgeshire Pension Fund, to obtain assurances over the information supplied to the actuary in relation to the Council.
- Assessed 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.
- Undertook procedures to determine whether IFRIC 14 has been correctly considered in the pension asset valuation.
- Evaluated the reasonableness of the Pension Fund actuary's calculations by comparing them to the outputs of our own auditor's specialist's model.
- Reviewed and test the accounting entries and disclosures made within the Council's financial statements in relation to IAS19.

What are our conclusions?

We have identified a corrected misstatement resulting in an increase of £0.10 million in the pension liability. This was in relation to a difference in the figures reported by the actuary and the financial statements.

We were unable to gain full assurance over this area as we do not have any assurance over the audit procedures carried out over the 2022 triennial valuation. As the 2025 triennial valuation will be audited in the 2025/26 financial year, we do not anticipate this being an issue in the subsequent year.

We have not identified any other issues with the pension liability valuation.

Areas of Audit Focus (cont'd)

Inherent Risk 3 - Implementation of IFRS 16

What is the risk, and the key judgements and estimates?

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.

Our response to the key areas of challenge and professional judgement

We undertook the following procedures to address this risk:

- Gained an understanding of the processes and controls developed by the Council relevant to the implementation of IFRS 16.
- Reviewed 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.

What are our conclusions?

We were unable to complete our procedures over the implementation of IFRS 16 as the Council had not completed an appropriate evaluation of those leases that would fall under the standard.

We therefore have no assurance over the related balances and disclosures in the financial statements for 2024/25.

Areas of Audit Focus (cont'd)

Inherent Risk 4 - Change in payroll system

What is the risk, and the key judgements and estimates?

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.

Our response to the key areas of challenge and professional judgement

We undertook the following procedures to address this risk:

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

What are our conclusions?

We did not identify any issues with the change in payroll system or the relative controls in place.

Areas of Audit Focus (cont'd)

Other matters

As set out in Appendix B, we have been unable to complete all planned procedures for the 2024/25 audit. When taking this along with our inability to complete the 2022/23 and 2023/24 audits, we will be disclaiming the 2024/25 audit opinion.

We set out in Appendix A the timeline for reaching an unqualified opinion.



03 Value for Money

Value for Money

The Council's responsibility for Value for Money (VFM)

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 its financial statements, the Council is required to bring together commentary on its governance framework and how this has operated during the period in a governance statement. In preparing its governance statement, the Council tailors the content to reflect its own individual circumstances, consistent with the requirements set out in the NAO Code of Audit Practice. This includes a requirement to provide commentary on its arrangements for securing value for money from their use of resources.

Risk assessment and status of our work

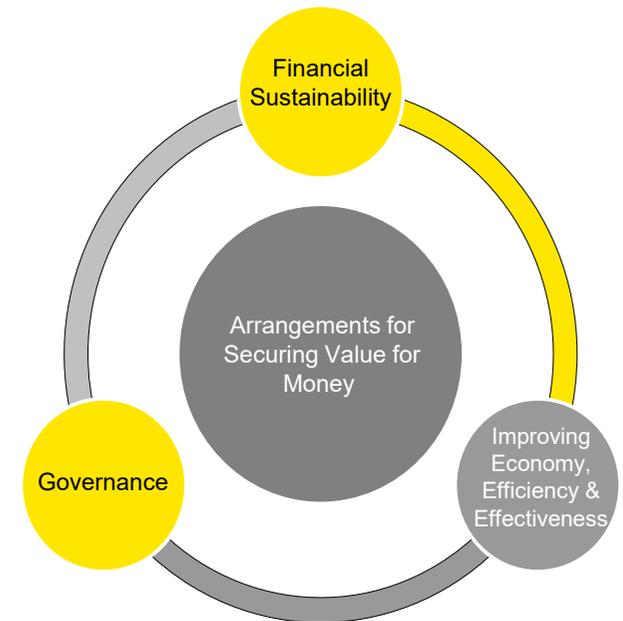
We are required to consider whether the Council has made 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources.

Our value for money planning and the associated risk assessment is focused on gathering sufficient evidence to enable us to document our evaluation of the Council's arrangements, to enable us to draft a commentary under three reporting criteria (see below). This includes identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations.

We will provide a commentary on the Council 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; and
- 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.

In our Audit Planning Report, we noted that we had yet to complete our detailed value for money planning, but that one area of focus will be on the Council's governance arrangements, due to the late publication of the 2022/23 and 2023/24 Draft Statement of Accounts. Having completed our VFM risk assessment we have not identified any further risks of significant weaknesses in arrangements. Having completed our work to address the risk we had identified, as outlined on the next page, we have concluded that there is no significant weakness in arrangements and therefore expect to have no matters to report by exception in our audit report.



Corporate Governance (cont'd)

Risk of significant weakness in VFM arrangements

What is the risk of significant weakness?	What arrangements did this impact?	What did we do?
<p>Timely publication of the financial statements</p>	<p>Governance: How the Council ensures that it makes informed decisions and properly manages its risks</p>	<p>Within our Audit Planning Report, we identified the Council's governance arrangements as an area of focus for our 2024/25 audit, in light of the late publication of the 2022/23 and 2023/24 draft Statement of Accounts, and the significant weakness regarding this reported in 2023/34.</p> <p>To consider whether this was a significant weakness, we confirmed that the draft Statement of Accounts were published by the statutory deadline of 30 June. Upon receipt of the draft Statement of Accounts we considered the quality of those statements, and the level of errors noted on review of these. We also assessed the timeliness and quality of requested working papers and responses to audit queries.</p>

Findings

We gave careful consideration as to whether the weaknesses in the financial statement procedures referred to in the table on Pages 9 and 10 of this report indicated a significant weakness. On balance, we concluded that, due to the improvements in the timeliness of the production of the accounts in 2024/25 compared to prior years and the support provided by the finance team, along with the fact that we have not identified any issues with the Council's in year financial reporting or monitoring, the issues we have noted did not represent a significant weakness in overall governance arrangements for 2024/25. The value of misstatements within the Statement of Accounts is relatively low, and many of the requested working papers were provided within our deadline and were of suitable quality.

We do however note that there were still some issues in relation to the quality of the first draft of the Statement of Accounts, as well as with the quality of evidence provided by the Council to support key accounting estimates such as leases. As such, we are likely to again identify the financial statements process as a risk of significant weakness in 2025/26 and expect to see further improvements in the Council's processes in this area.

We have provided our VFM narrative commentary in our 2024/25 Auditor's Annual Report which was issued on 14 November 2025.



04 Audit Report

Audit Report

Draft audit report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FENLAND DISTRICT COUNCIL

Disclaimer of Opinion

We were engaged to audit the financial statements of Fenland District Council ('the Council') for the year ended 31 March 2025. The financial statements comprise the:

- Movement in Reserves Statement;
- Comprehensive Income and Expenditure Statement;
- Balance Sheet;
- Cash Flow Statement;
- The related notes 1 to 38 including material accounting policy information and including the Expenditure and Funding Analysis; and
- Collection Fund and the related notes 1 to 6.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

We do not express an opinion on the accompanying financial statements of the Council. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

The Accounts and Audit (Amendment) Regulations 2024 (Statutory Instrument 2024/907) ('the Regulations') which came into force on 30 September 2024 required the accountability statements for the year ended 31 March 2025 to be approved not later than 27 February 2026 ('the backstop date').

Our planned audit work in the current year was focused on transactions in the year and the current year balance sheet.

Due to the disclaimers of opinion on the financial statements in the prior years and delays in receiving associated audit evidence in advance of the backstop date, we have not been able to complete the detailed audit procedures that would be needed to obtain sufficient appropriate audit evidence to issue an unmodified audit report on the Council's financial statements for the year ended 31 March 2025.

In addition, the Council has not disclosed the impact of the transition and implementation of IFRS 16 and the associated disclosure requirements.

Therefore, we are disclaiming our opinion on the financial statements.

The audits of the financial statements for the years ended 31 March 2023 and 31 March 2024 for Fenland District Council were not completed for the reasons set out in our disclaimers of opinion on those financial statements dated 5 December 2024 and 26 February 2025 respectively.

Matters on which we report by exception

Notwithstanding our disclaimer of opinion on the financial statements we have nothing to report in respect of whether the annual governance statement is misleading or inconsistent with other information forthcoming from the audit, performed subject to the pervasive limitation described above, or our knowledge of the Council.

We report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 (as amended)
- we make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014 (as amended)
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 (as amended)
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 (as amended)
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014 (as amended)
- we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We have nothing to report in these respects.

Responsibility of the Chief Financial Officer

As explained more fully in the Statement of the Chief Financial Officer's Responsibilities set out on page 26 of the financial statements, the Chief Financial Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, for being satisfied that they give a true and fair view and for such internal control as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to cease operations, or has no realistic alternative but to do so.

Audit Report (cont'd)

Draft audit report (cont'd)

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Council's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Code of Audit Practice 2024 and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2024, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in November 2024, as to whether Fenland District Council had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether Fenland District Council put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether Fenland District Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 (as amended) to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the accounts of Fenland District Council in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended) and the Code of Audit Practice issued by the National Audit Office.

We cannot formally conclude the audit and issue an audit certificate until the NAO, as group auditor, has confirmed that no further assurances will be required from us as component auditors of Fenland District Council.

Use of our report

This report is made solely to the members of Fenland District Council, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose, as set out in paragraph 85 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council and the Council's members as a body, for our audit work, for this report, or for the opinions we have formed.

Debbie Hanson (Key Audit Partner)
Ernst & Young LLP



05 Audit Differences

Audit Differences

In the normal course of any audit, we identify misstatements between amounts we believe should be recorded in the financial statements and the disclosures and amounts actually recorded. These differences are classified as 'known' or 'judgemental'. Known differences represent items that can be accurately quantified and relate to a definite set of facts or circumstances. Judgemental differences generally involve estimation and relate to facts or circumstances that are uncertain or open to interpretation.

Summary of adjusted differences

We highlight the following misstatements which have been corrected by management that were identified during the course of our audit:

- £0.42 million debit to property, plant and equipment and credit to the revaluation reserve in relation to an incorrect floor area being used in the valuation of a property.
- £0.10 million debit to the pension reserve and credit to the pension liability in relation to a difference in those figures reported by the actuary and the financial statements.
- £0.15 million debit to non-current assets and credit to earmarked reserves in relation to rental income that was not included in the financial statements.

We also noted an uncorrected misstatement amounting to £0.45 million. This was in relation to a REFCUS item that the Council were unable to provide sufficient evidence for. This was uncorrected as it is below performance materiality.

There were also various disclosure misstatements that were noted and corrected by management.



06

Assessment of Control Environment

Assessment of Control Environment

Summary of control observations and recommendations

Control observation and impact	Grading			Recommendation	Management Response
	H	M	L		
Related parties - We have noted that the Council only obtain Declaration of Interest (DOI) forms for Cabinet members and not all Council members. The DOI forms do not include date of birth or addresses, meaning that Companies House searches are not possible.		Moderate		We recommend that going forward the Council request Declaration of Interests for all Council members. The Declaration of Interests form should also be amended to ask members about any other companies where they are a Senior Officer / Director, as the form currently only asks about Income directly received from Fenland DC. This form should also include data on date of birth and addresses.	This was discussed with EY. It has been agreed that going forward the Council will ensure that this will be carried out.
PPE depreciation - Individual asset useful lives are not included within the Council's Fixed Asset Register. Depreciation is calculated in individual excel spreadsheets whereas depreciation should be automatically calculated within the Fixed Asset Register. This makes it difficult for us to recalculate depreciation on an asset-by-asset basis.		Low		We recommend that going forward the Council adopt asset useful lives within the Fixed Asset Register so that depreciation can be automatically calculated.	The Council will revisit this calculation and make it clearer how the depreciation is calculated and then added to the Fixed Asset Register.

Grading	Definition
High	Matters or issues considered to be fundamental to the mitigation of material risk, maintenance of internal control or good corporate governance. Action should be taken either immediately or within three months.
Moderate	Matters or issues considered to be of major importance to maintenance of internal control, good corporate governance or best practice for processes. Action should be taken within six months.
Low	A weakness which does not seriously detract from the internal control framework. If required, action should be taken within 6-12 months.



07

Other Reporting Issues

Other Reporting Issues

Consistency of other information published with the financial statements, including the Annual Governance Statement

We must give an opinion on the consistency of the financial and non-financial information in the Fenland District Council Statement of Accounts 2024/25 with the audited financial statements.

We must also review the Annual Governance Statement for completeness of disclosures, consistency with other information from our work, and whether it complies with relevant guidance.

Financial information in the Fenland District Council Statement of Accounts 2024/25 and published with the financial statements was consistent with the audited financial statements.

We have reviewed the Annual Governance Statement and can confirm it is consistent with other information from our audit of the financial statements, and we have no other matters to report.

Whole of Government Accounts

Alongside our work on the financial statements, we also review and report to the National Audit Office (NAO) on your Whole of Government Accounts return. The extent of our review, and the nature of our report, is specified by the NAO.

We have not yet performed the procedures required by the NAO on the Whole of Government Accounts submission. We cannot issue our Audit Certificate until these procedures are complete, and the NAO has confirmed no further procedure are required.

Other powers and duties

We have a duty under the Local Audit and Accountability Act 2014 (the Act) to consider whether to report on any matter that comes to our attention in the course of the audit, either for the Council to consider it or to bring it to the attention of the public (i.e. "a report in the public interest"). We are also able to issue statutory recommendations under Schedule 7 of Section 27 of the Act. Statutory recommendations under Schedule 7 must be considered and responded to publicly and are shared with the Secretary of State,

We did not identify any issues which required us to issue a report in the public interest or issue statutory recommendations under Schedule 7.



08

Independence

Independence

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and your company, and its directors and senior management and its affiliates, including all services provided by us and our network to your company, its directors and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

Relationships

There are no relationships from 1 April 2024 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

Services provided by EY

There are no services provided by EY from 1 April 2024 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

As at the date of this report, there are no future services which have been contracted and no written proposal to provide non-audit services has been submitted.

Independence (cont'd)

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.

A breakdown of our fees is shown in the table to the right.

As set out in our Audit Planning Report the agreed fee presented was 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;
- ▶ The Council having an effective control environment; and
- ▶ The Council complying 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.

If any of the above assumptions prove to be unfounded, we seek a variation to the agreed fee. A narrative summary of the areas where we expect to raise scale fee variations for the audit of the Council are set out in the fee analysis on this page.

	Current Year	Prior Year
Scale Fee - Code Work	£158,632	£72,003
Proposed scale fee variation	TBC Note 2	£193 Note 1
Total audit	TBC	£72,196
Other non-audit services not covered above	£0	£0
Total non-audit services (Note 3)	£0	£0
Total fees	TBC	£72,196

All fees exclude VAT

(1) PSAA have now determined the final fee for the 2023/24 audit, on which a disclaimed opinion was issued as set in our 2023/24 Audit Completion Report. The final fee is set out in the above table.

(2) We propose to submit a scale fee variation to PSAA for additional 2024/25 work covering the following areas:

- Work performed on the inherent risk on the change in payroll system.
- Initial work performed over the inherent risk on the implementation of IFRS 16.
- Work performed by our internal EY Pensions specialist in relation to the Council's 2022/23 and 2023/24 pension liability.
- Work performed on restarting the inspection period.
- Work performed over the review of version one of the Statement of Accounts and adjusting those errors.

(3) 2022/23 is the final year that EY will audit the Council's Housing Benefit subsidy claim. Therefore, we have not provided any non-audit services for 2023/24 or 2024/25.

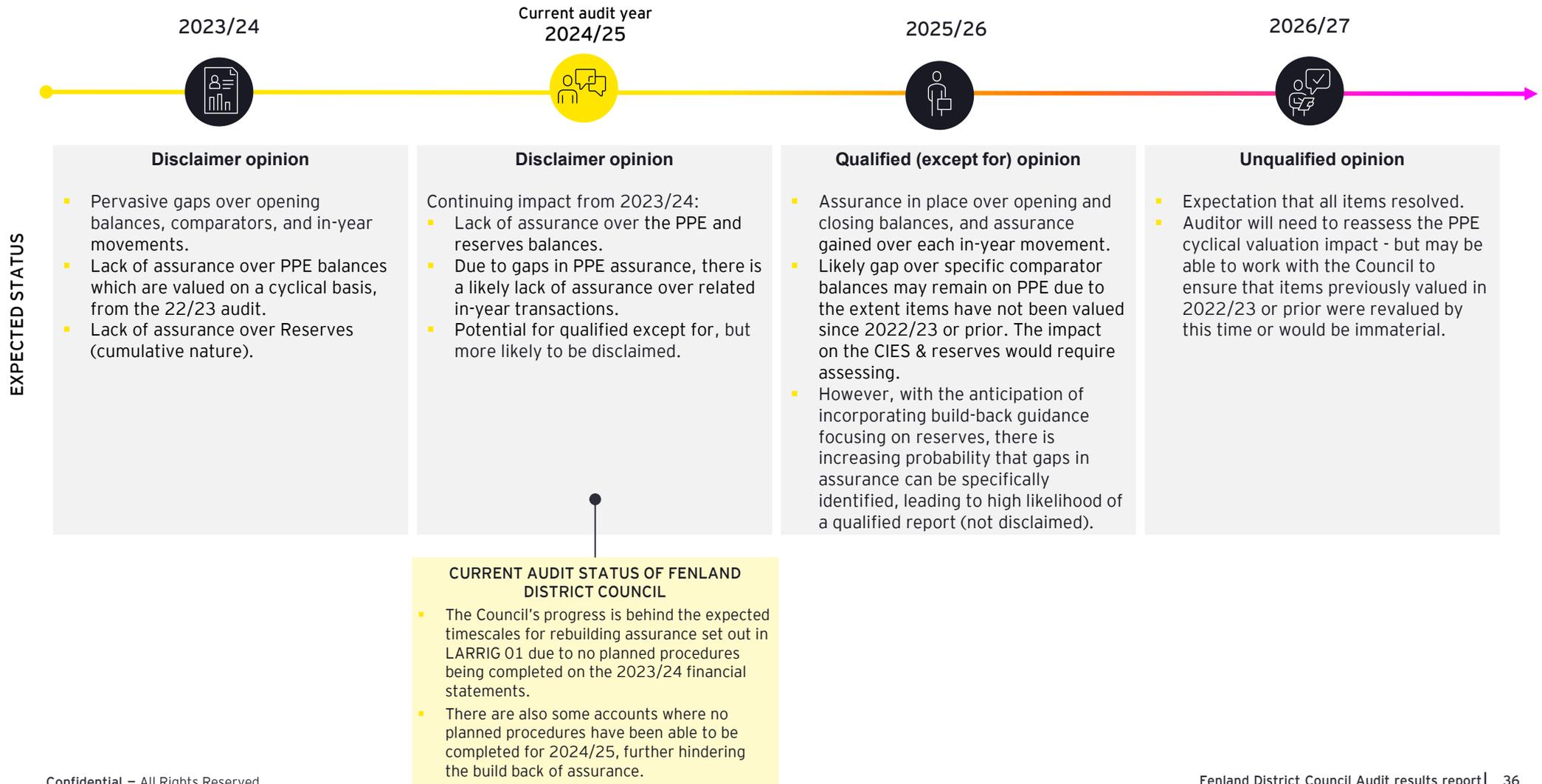


09 Appendices

Appendix A - Progress to full assurance

Progress to full assurance

Set out below is the illustrative timescale for the process of re-building assurance set out in the NAO's Local Audit Reset and Recovery Implementation Guidance (LARRIG) 01, together with our view of the Council's actual progress against that timescale, the reasons for that and what still needs to be done to successfully rebuild assurance. The timetable set out in LARRIG 01 assumes that disclaimers for 2022/23 and all prior open audit years were issued by the statutory backstop date of 13 December 2024.



Appendix B – Updated summary of assurances

Summary of Assurances

The table below summarises the audit work we have completed on the 2023/24 and 2024/25 financial statements to demonstrate to the Audit and Risk Management Committee the level of assurance that has been obtained as a result of the financial statements audit.

Account area	Assurance rating 2023/24	Assurance rating 2024/25	Summary of work performed
Property, Plant and Equipment ('PPE')	None	Partial	We have completed testing of the 2024/25 additions and disposals to the fixed asset register, audited the valuation of a sample of assets revalued in 2024/25 and performed procedures to obtain assurance over the existence of assets on the fixed asset register and the Council's right to recognize those assets. As the Council undertook a full revaluation in 2024/25, we have full assurance over the balance of PPE held at valuation at 31 March 2025, a net which have book value of £53.55 million. However, until we can rebuild assurance over any additions of PPE carried at historic cost in the disclaimed periods, totalling £6.37 million, we are unable to obtain substantial assurance over the completeness and valuation of PPE. We also do not have assurance over the £2.34 million of transfers out of assets under construction in 2024/25. We were unable to complete this procedure as the Council was unable to provide supporting evidence for our testing.
Infrastructure Assets	None	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Investment Property	None	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025. As the Council undertook a full revaluation of their investment property in 2024/25, we have substantial assurance over this area.
Long Term & Short Term Investments	None	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Long Term Debtors	None	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Short Term Debtors	None	None	We have completed some of our planned audit procedures in this area. However, we have been unable to complete procedures over the verification of existence of Short Term Debtors, and as such have not obtained assurance over the closing balance at 31 March 2025. This is due to us being unable to obtain a suitable year end population for us to test.
Cash and Cash Equivalents	None	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Short Term Creditors	None	None	We have completed some of our planned audit procedures in this area. However, we have been unable to complete procedures over the agreement of subledger or verification of existence of Short Term Creditors, and as such have not obtained assurance over the closing balance at 31 March 2025. This is due to us being unable to obtain a suitable year end population for us to test.

Appendix B – Updated summary of assurances (cont'd)

Summary of Assurances (cont'd)

Account area	Assurance rating 2023/24	Assurance rating 2024/25	Summary of work performed
Long Term Borrowings	None	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Provisions (short and long term)	None	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025. We do not have assurance over any movements in provisions from the previous unaudited periods.
Grants received in advance	None	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Local Government Pension Scheme	None	Partial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025. However, we were unable to gain substantial assurance over this area as we do not have any assurance over the audit procedures carried out over the 2022 triennial valuation. As the 2025 triennial valuation will be audited in the 2025/26 financial year, we do not anticipate this being an issue in the subsequent year.
Leases	None	None	We were unable to complete any of our planned audit procedures in this area as detailed in Section 02 of this report.
Collection Fund	None	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Comprehensive Income and Expenditure Statement (including Payroll and the Housing Benefit Account)	None	Partial	We have completed some of our planned testing on the Comprehensive Income and Expenditure Statement in 2024/25. We were however unable to complete our procedures on the testing of Other Income (£11.53 million) & Other Expenditure (£39.32 million). This is because we were unable to reconcile a suitable testing population back to the figures within the draft Statement of Accounts. In addition, due to the disclaimed opinion in 2023/24, we do not have assurance over comparative balances and movements and opening balances within the accounts. As such, we were unable to obtain assurance that all of the in-year movements recorded in the statement are accurate.
Reserves	None	None	We have completed our work on the movements in reserves in 2024/25, However, until we have completed our work programme on the rebuilding of assurance following the disclaimed audit opinion, we are unable to obtain substantial assurance over the usable and unusable reserves of the Council reported in the financial statements.
Cash Flow Statement	None	None	We were unable to complete any of our planned audit procedures in this area. This is due to the Council being unable to provide the requested working papers within a suitable timeframe.

Appendix C – Required communications with those charged with governance

Required communications with those charged with governance

There are certain communications that we must provide to those charged with governance. We have detailed these here together with a reference of when and where they were covered:

Our Reporting to you		
Required communications	What is reported?	When and where?
Terms of engagement	Confirmation by the audit 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.	Audit planning report - Audit and Risk Management Committee - 12 May 2025
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 - Audit and Risk Management Committee - 12 May 2025
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 	Audit results report - Audit and Risk Management Committee - 17 February 2026

Appendix C – Required communications with those charged with governance (cont'd)

		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 related to going concern ▪ Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements ▪ The appropriateness of related disclosures in the financial statements 	Audit results report - Audit and Risk Management Committee - 17 February 2026
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 - Audit and Risk Management Committee - 17 February 2026
Fraud	<ul style="list-style-type: none"> ▪ Enquiries of the audit 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"> ▪ Management; ▪ Employees who have significant roles in internal control; or ▪ 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 Committee responsibility. 	Audit results report - Audit and Risk Management Committee - 17 February 2026
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 - Audit and Risk Management Committee - 17 February 2026

Appendix C – Required communications with those charged with governance (cont'd)

		Our Reporting to you
Required communications	What is reported?	When and where?
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>Communications 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 - Audit and Risk Management Committee - 12 May 2025</p> <p>Audit results report - Audit and Risk Management Committee - 17 February 2026</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 - Audit and Risk Management Committee - 17 February 2026
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 committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the audit committee may be aware of 	Audit results report - Audit and Risk Management Committee - 17 February 2026
Significant deficiencies in internal controls identified during the audit	<ul style="list-style-type: none"> ▪ Significant deficiencies in internal controls identified during the audit 	Audit results report - Audit and Risk Management Committee - 17 February 2026

Appendix C – Required communications with those charged with governance (cont'd)

		Our Reporting to you
Required communications	What is reported?	When and where?
Written representations we are requesting from management and/or those charged with governance	<ul style="list-style-type: none"> Written representations we are requesting from management and/or those charged with governance 	Audit results report - Audit and Risk Management Committee - 17 February 2026
System of quality management	<ul style="list-style-type: none"> How the system of quality management (SQM) supports the consistent performance of a quality audit 	Audit results report - Audit and Risk Management Committee - 17 February 2026
Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	<ul style="list-style-type: none"> Material inconsistencies or misstatements of fact identified in other information which management has refused to revise 	Audit results report - Audit and Risk Management Committee - 17 February 2026
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 - Audit and Risk Management Committee - 17 February 2026

Appendix D – Outstanding matters

Outstanding matters

The following items relating to the completion of our audit procedures are outstanding at the date of the release of this report:

Item	Actions to resolve	Responsibility
Agreement of final Statement of Accounts	Agreement of the final version of the Statement of Accounts, ensuring all adjustments have been made appropriately.	EY and management
Management representation letter	Receipt of signed management representation letter	Management and Audit and Risk Management Committee
Subsequent events review	Completion of subsequent events procedures to the date of signing the audit report	EY and management
Agreement of revaluation surplus	A minor query is with the Council to resolve	EY and management
REFCUS testing	Executive review is yet to be completed	EY

Appendix E – Regulatory update

The English Devolution and Community Empowerment Bill – Audit Measures

Background

On 16 December 2024, the Government published the English Devolution White Paper. The White Paper outlines how England is one of the most centralised countries in the world and contends that over-centralisation is holding back the prosperity of the regions. As a result, there is an intention from Government to widen and deepen devolution to local areas across England. The English Devolution and Community Empowerment Bill (the Bill) is intended to provide the legislative framework to do this by setting out a standardised framework of devolved powers, duties and functions. The bill is in six parts:

- Part 1 introduces the new devolution architecture for England, centred around the new category of “strategic authorities” (SAs). These are organisations designated by Government to have responsibility for strategy development and programme delivery over larger functional economic areas.
- Part 2 outlines the powers and duties which existing and future SAs will have, and the new process by which new powers and duties can be conferred on SAs by Government in the future.
- Part 3 is focused on measures designed to strengthen local government and communities.
- Part 4 is intended to strengthen the accountability of the local government sector by reforming the local audit system, including the establishment of the Local Audit Office (LAO) as the body responsible for overseeing local audit.
- Part 5 concerns the banning of upwards only rent review clauses for commercial leases to prevent vacant shops and regenerate high streets in communities across England.
- Part 6 contains the technical sections related to the Bill, including on regulations, commencement and extent.

The draft legislation can be found in full at [English Devolution and Community Empowerment Bill](#).

Part 4 of the Bill - Reforming local audit

The Bill is intended to overhaul the local audit system as is part of the wider measures to address the backlog in local government audit previously considered by this report. Specifically:

- The LAO will be established with the aim of radically simplifying the current audit system and bringing functions together under a single organisation with a clear remit. The LAO will be responsible for coordinating the system, standard setting, contracting, quality oversight and reporting. It will also support and enable wider measures to address pressing challenges, including reforms to financial reporting; strengthening audit capacity and capability; and establishing public provision of audit to support the private market.
- The LAO will be responsible for audit quality and the regulation of audit providers. Regulatory powers can be delegated.
- The LAO will be responsible for auditor appointment to all local audits other than for NHS bodies, will set indicative fees, publish those fees and make final determinations on the fees to be paid. The ability of local authorities to appoint their own auditors is removed.
- Audit firms will be required to nominate ‘lead individuals’ and have pre-approval of their own eligibility criteria.
- The responsibility for production of the Code of Audit Practice passes from the NAO to LAO. The LAO is also able to determine technical standards that auditors must follow.
- Statutory guidance for Audit Committees will be developed by LAO in conjunction with the Local Government Association, CIPFA and other relevant bodies.

We will continue to keep you updated as these arrangements develop.

Appendix F – Management representation letter

Management representation letter

Ernst & Young

One Cambridge Square, Cambridge, CB4 0AE

This letter of representations is provided in connection with your audit of the financial statements of Fenland District Council ("the Council") for the year ended 31 March 2025. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the Council financial position of Fenland District Council as of 31 March 2025 and of its income and expenditure for the year then ended in accordance with CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

We understand that the purpose of your audit of our financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with the Accounts and Audit Regulations 2015 and CIPFA LASAAC Code of Practice on Local Authority accounting in the United Kingdom 2024/25.
2. We acknowledge, as members of management of the Council, our responsibility for the fair presentation of the financial statements. We believe the financial statements referred to above give a true and fair view of the financial position, financial performance (or results of operations) and cash flows of the Council in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, and are free of material misstatements, including omissions. We have approved the financial statements.
3. The material accounting policy information adopted in the preparation of the financial statements are appropriately described in the financial statements.
4. As members of management of the Council, we believe that the Council has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, that are free from material misstatement, whether due to fraud or error.
5. We believe that the effects of any unadjusted audit differences, summarised in the accompanying schedule, accumulated by you during the current audit and pertaining to

the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. We have not corrected these differences identified by and brought to the attention from the auditor because they are below performance materiality.

6. We confirm the Council does not have securities (debt or equity) listed on a recognised exchange.

B. Non-compliance with law and regulations, including fraud

1. We acknowledge that we are responsible to determine that the Council's activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws and regulations, including fraud.
2. We acknowledge that we are responsible for the design, implementation and maintenance of a system of internal control to prevent and detect fraud and that we believe we have appropriately fulfilled those responsibilities.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any identified or suspected non-compliance with laws or regulations, including fraud that may have affected the Council (regardless of the source or form and including without limitation, any allegations by "whistleblowers"), including non-compliance matters:
 - involving financial improprieties;
 - related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Council's financial statements;
 - related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the Council's activities, its ability to continue to operate, or to avoid material penalties;
 - involving management, or employees who have significant roles in internal controls, or others; or
 - in relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;

Appendix F – Management representation letter (cont'd)

Management representation letter (cont'd)

- Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
 3. We have made available to you all minutes of the meetings of the Council, Cabinet, and Audit & Risk Management committees (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the audit period to the most recent meeting on the following date: 17 February 2026.
 4. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Council/Authority's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the period end. These transactions have been appropriately accounted for and disclosed in the financial statements.
 5. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with CIPFA LASAAC Code of Practice on Local Authority accounting in the United Kingdom 2024/25.
 6. We have disclosed to you, and the Council has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
 7. From the date of our last management representation letter through the date of this letter we have disclosed to you, to the extent that we are aware, any (1) unauthorized access to our information technology systems that either occurred or to the best of our knowledge is reasonably likely to have occurred based on our investigation, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material impact to the financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.

3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that we have given to third parties.

E. Going Concern

1. Note 37 to the financial statements discloses all the matters of which we are aware that are relevant to the Council's ability to continue as a going concern, including significant conditions and events, our plans for future action, and the feasibility of those plans.

F. Subsequent Events

1. Other than any events described in Note 38 to the financial statements, there have been no events subsequent to period end which require adjustment of or disclosure in the financial statements or notes thereto.

G. Other information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the narrative report and Annual Governance Statement within the Statement of Accounts.
2. We confirm that the content contained within the other information is consistent with the financial statements.

H. Climate-related matters

1. We confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation and disclosure of climate-related matters has been considered.
2. The key assumptions used in preparing the financial statements are, to the extent allowable under the requirements of CIPFA LASAAC Code of Practice on Local Authority accounting in the United Kingdom 2024/25 aligned with the statements we have made in the other information or other public communications made by us.

I. Reserves

We have properly recorded or disclosed in the financial statements the useable and unusable reserves.

J. Contingent Liabilities

We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of

Appendix F – Management representation letter (cont'd)

Management representation letter (cont'd)

recording a contingent loss (other than those disclosed or accrued in the financial statements).

We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements, and there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance.

K. Estimates

1. We confirm that the significant judgments made in making the Property, Plant and Equipment valuation, and IAS19 Pensions estimate have taken into account all relevant information of which we are aware.
2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the above estimates.
3. We confirm that the disclosures made in the financial statements with respect to the accounting estimates, including those describing estimation uncertainty, are complete and are reasonable in the context of CIPFA LASAAC Code of Practice on Local Authority accounting in the United Kingdom 2024/25.
4. We confirm that appropriate specialized skills or expertise has been applied in making the above estimates.

L. Use of the Work of a Specialist

We agree with the findings of the specialists that we engaged to evaluate the valuation of the Pension Liability and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialist.

Yours faithfully,

(Chief Financial Officer)

(Chairman of the Audit Committee)

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP

The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited. Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

© 2025 Ernst & Young LLP. Published in the UK.
All Rights Reserved.

UKC-038208 (UK) 03/25. Creative UK.
ED None

Information in this publication is intended to provide only a general outline of the subjects covered. It should neither be regarded as comprehensive nor sufficient for making decisions, nor should it be used in place of professional advice. Ernst & Young LLP accepts no responsibility for any loss arising from any action taken or not taken by anyone using this material.

ey.com/uk

Agenda Item No:	6	
Committee:	Audit and Risk Management Committee	
Date:	17 February 2026	
Report Title:	Internal Audit Plan 2025-26 Progress Report	

Purpose / Summary

- To report progress against the Internal Audit Plan 2025/26 and the work undertaken since the last meeting of Committee in November 2025, and the resulting level of assurance from the work.
- To advise of any developments within the Internal Audit Team, amendments to the Plan, and any significant internal control or governance issues.
- To provide a tracking information on the implementation of agreed audit actions and further progress and status update on those actions now overdue.

Key issues

- The Council's Internal Audit Plan is produced on an annual basis. It is an estimate of the work planned for the financial year. 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 new Global Internal Audit Standards require the Chief Audit Executive to report to the audit committee on the Internal Audit activity and performance relative to the Plan.
- Proactive quarterly monitoring of the Internal Audit plan will enable the Committee to understand the Internal Audit activity which has successfully taken place and the associated assurance level.
- The Standards require that progress tracking and confirmation is carried out and status reports prepared on the implementation of audit recommendations/ agreed actions.

Recommendations

For Members of Audit and Risk Management Committee to consider and note the activity and performance of the Internal Audit function.

To note the current status of agreed actions and review and challenge overdue high-risk items.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Councillor Chris Boden – Leader and Finance Portfolio Holder
Report Originator(s)	Deborah Moss – Head of Internal Audit
Contact Officer(s)	Peter Catchpole - Corporate Director & s151 Officer pcatchpole@fenland.gov.uk 01354 622201 Deborah Moss – Head of Internal Audit dmosse@fenland.gov.uk
Background Paper(s)	Annual Risk-Based Internal Audit Plan 2025/26 Internal Audit Reports Internal Audit's Agreed Actions Spreadsheet (Tracker)

1 Background / Introduction

- 1.1 This report includes details of the Internal Audit activity undertaken since the last reporting to committee in November 2025 and an overview of the work for the audit year against the Audit Plan.
- 1.2 The annual Internal Audit Plan is formulated in advance, following an assessment of risks inherent to services and systems of the Council based on Internal Audit and Management knowledge at that time. During the period that follows, changes in the control environment may occur due to, for example:
 - introduction of new legislation/regulations
 - new risk or issue identified
 - changes of staff
 - changes in software
 - changes in procedures and processes
 - changes in service demand

- 1.3 The Internal Audit Team is currently resourced at 2.1 FTEs which includes the Head of Internal Audit leaving only 1.1 FTE Auditors. The remaining 0.4 FTE vacancy is currently being considered as to how best it may be used.

One point of note is that there is no provision for IT audit within the Service – in terms of either resource or competency. The team has undertaken an audit of Cyber Security and could additionally carry out reviews on areas such as data protection and information retention and security, but technical IT areas are not audited within FDC. A consideration needs to be made with this regard.

2 Audit Work Undertaken

- 2.1 On completion of each audit a formal report is issued to the relevant Service Manager and relevant Corporate Director. A copy is also sent to the s.151 Officer. Each report contains a management action plan, with action owners and target implementation dates, that has been agreed with the Service Manager/Head of Service to address any observations and recommendations raised by the Internal Auditor. Progress on these agreed actions is monitored by Internal Audit on a regular basis.

- 2.2 **Audits completed:** The following audits have been undertaken and completed since the last report:

- Streetlights
- Cyber Security
- Commercial Waste

Appendix A provides further details for each audit including the assurance opinion and a summary of agreed actions.

- 2.3 **Audits in progress:** The following audits are in progress and will be reported to Committee in future progress reports:

- Anglia Revenues Partnership Enforcement
- FACT Community Transport (Concessionary Travel Scheme)
- NNDR Business Rates (undertaken by ARP)
- Corporate Health & Safety
- Cemeteries

- 2.4 **Audit Plan changes:**

It is anticipated that not all the audit engagements will be completed by the end of the year and may be carried over into next year.

The Fenland Inspire review may now take the form of joint working with the Transformation Officers to gain assurance over the governance of the projects.

- 2.5 **Overview of progress against the Internal Audit Plan 2025.26**

This table provides the status of the audit engagements in the Audit Plan, and the audit assurance opinion for each of the reviews that has been completed.

	Audit Title (by corporate priorities)	Risk Rating in IA Plan	Status (RAG rated)	Audit Opinion Given	High priority actions	Medium priority actions
Key Financial Systems - Fundamentals						
1	Corporate Finance – Main Accounting System	Medium	Final Report	Reasonable	0	5
2	Council Tax & Housing Benefits - Billing & CT Reduction Scheme	Medium				
3	CT & HB – Recovery of Overpayments	Medium	In Progress			
4	NNDR Business Rates	Medium	In Progress			
5	ARP Enforcement	Medium	End of testing			
Contract						
6	Contract - Streetlights	Medium	Final Report	Reasonable	3	6
7	Contract – Grounds Maintenance	Medium	Not started			
Risk-based Audits						
8	Supplier Amendments (Anti-fraud)	High	Final Report	Limited	4	0
9	Corporate – Performance Mgt (Follow up)	Medium	Final Report	Reasonable/ Limited		
10	Disabled Facilities Grants verification	Medium	Completed	Reasonable	0	3
11	Payroll (Starters, Amendm'ts, Leavers)	High/Med	Final Report	Reasonable	0	13
12	Commercial Waste	Medium	Final Report	Reasonable	0	6
13	Cyber Security	High	Final Report	Reasonable	0	3
14	FACT (Fenland Community Transport)	Medium	End of testing			
15	Corporate - H&S	Medium	In Progress			
16	Cemeteries – Follow up	Medium	In Progress			
17	Overtime	High	Not started			
18	Fenland Inspire Projects	High	Not started			
19	Port Management	High/Med	Not started			
20	Temporary Accommodation	Med/High	Not started			

2.6 Other audit activities:

- Risk Management Group
- Corporate Governance Group
- Following up outstanding recommendations
- Assurance Mapping of our corporate risks
- Corporate Debt Group
- Governance Assurance questionnaire

- Ad hoc advice to Services
- LGR Workforce Workstream
- NFI annual CT SPD exercise
- NAFN fraud alert work

3. Agreed Actions Monitoring

3.1 Outstanding Audit Issues/Recommendations

Internal Audit continues to monitor the implementation of management's agreed actions arising from completed audit engagements. This section provides an update on progress, highlights any overdue or high-risk items, and draws attention to matters requiring escalation in line with the Global Internal Audit Standards.

Outstanding and overdue actions are reported regularly to Management Team. A database tracker of all agreed actions is accessible to all action owners to enable them to monitor their agreed actions and to provide status or progress updates.

3.2 Status Summary

- A total of 176 agreed actions are currently being tracked (from 22/23 to 25/26).
- 111 actions have been completed.
- 64 actions remain open, of which 6 are rated high-risk.
- 43 actions are overdue, including 6 high-risk items.

3.3 Overdue and High-Risk Actions

The Standards require Internal Audit to inform the Audit Committee where delays in implementing agreed actions expose the organisation to significant risk.

Appendix B provides a list of red/high-risk actions that are overdue. These actions are being monitored by Internal Audit and Management Team to ensure progression. For each action Management has provided the status and progress, revised timelines and explanations, which the Committee is asked to review.

3.4 Management's Acceptance of Risk

Where management has chosen to accept a level of residual risk that Internal Audit considers outside the organisation's risk appetite, this is brought to the Committee's attention. The following cases require Committee oversight:

- Estates (asset management plan) – management has accepted the risk and does not intend to implement the agreed action.

The Committee is invited to consider whether this risk acceptance is appropriate.

Conclusion

Internal Audit will continue to monitor progress and report significant delays, risk acceptance decisions, and emerging themes to the Audit Committee. The Committee is asked to:

- Note the current status of agreed actions
- Review and challenge overdue high-risk items
- Consider the appropriateness of management's accepted risks

APPENDIX A: Audits completed and agreed actions.

Audit Area	Audit Opinion	Agreed Audit Actions		Agreed Action
		High	Med	
Streetlights	Reasonable	3	6	<p><i>To gain assurance that there are appropriate levels of governance, risk management and internal controls for the management and maintenance of the streetlighting contract and to ensure that there are effective and efficient procedures in place for the repair, upgrade, maintenance, programme and electrical testing of streetlights.</i></p> <p><u>Key Findings:</u></p> <ul style="list-style-type: none"> • Incorrect contractor's invoices – double charging of some jobs, and duplicate payments made to the contractor. • Inventory – not updated by contractor, incorrect electrical and structural testing dates for some assets. <ul style="list-style-type: none"> ▪ Certification - Unable to confirm correct certification has been obtained for each individual streetlight asset. ▪ Supplier contract – not signed. ▪ Service Level Agreements - out of date and unsigned (Clarion). ▪ Admin fee – not charged on the management of streetlights for Parish councils and Clarion. ▪ Contractor's invoices - received late. ▪ Process Notes - No written procedures covering full fault logging process. Other process notes were out of date. ▪ Replacement works – No large-scale replacement works have been issued since commencement of new contract. <p><u>Agreed Actions:</u></p> <ul style="list-style-type: none"> ▪ Incorrect contractor's invoices were found, requiring recovery of the overpayment made by the Council. A control was agreed for amendment of the Rectification database to enable invoice payment checking and avoid duplicate payment. ▪ Inventory - Secure the updated inventory [from the contractor]. ▪ Certification - Engage with the contractor to obtain correct test certificates. Check to confirm all streetlights have been electrically tested and have valid certificate. ▪ Supplier contract – Liaise with supplier to formalise and sign the contract. Contractor's insurances to be rechecked before contract is

				<p>signed.</p> <ul style="list-style-type: none"> ▪ Service Level Agreements – Review expired SLAs in conjunction with new contract alignment. Update and formally agree/ sign revised SLAs with parish councils and Clarion. ▪ Admin fee – Consider and decide whether an admin fee for both Clarion & Parish Councils should be charged. ▪ Contractor's invoices - Engage with contractor to obtain outstanding invoices and ensure invoices are received promptly in future. ▪ Process Notes– for the complete streetlight process and MyFenland checking Database process notes to be updated. ▪ Replacement works– Engage with the contractor to ensure that the Service can schedule and commence large-scale replacement works.
Cyber Security	Reasonable	0	3	<p><i>To gain assurance that the Council has robust procedures over governance, risk and control in place in relation to the business objectives and risks over ICT Cyber Security.</i></p> <p><u>Agreed Actions:</u></p> <ul style="list-style-type: none"> • The Cyber Security Plan will be revised and then presented to the Corporate Governance Group • A suitable suite of reports for CMT will be developed that cover, for example, the number of cyberattack attempts, trends, vulnerabilities, progress on training. • All new staff (and Members) will not have access to Council systems until the Acceptable Use Policy is formally acknowledged, during the induction process and thereafter on an annual basis.
Commercial Waste	Reasonable	0	5	<p><i>To gain assurance that the Council has robust procedures over governance, risk and control in place in relation to the business objectives and risks for Commercial Waste. Due to the change in management of the trade waste service and concerns over debt management, it was felt by the Head of Service that an internal audit would be appropriate focusing on the raising of invoices, income collection and debt management.</i></p> <p><u>Key Findings:</u></p> <ul style="list-style-type: none"> ▪ The Commercial Waste Strategy requires a review and update to be presented to Council for approval. ▪ Single point of failure ▪ Discounts and rates not applied accurately

				<p>when raising invoices</p> <ul style="list-style-type: none"> ▪ The Service is not being advised promptly of non-payment of an invoice and the customer continues to receive service despite not paying ▪ No regular aged debt reporting <p><u>Agreed Actions:</u></p> <ul style="list-style-type: none"> ▪ Develop a procedural manual to avoid single point of failure ▪ Review and update the Commercial Waste Strategy and present to Council for approval ▪ Validate that discounts have been accurately reflected in invoiced amounts. ▪ Establish regular aged debt reporting as part of the service. ▪ Develop transfer of data from Agresso into Bartec system. ▪ Introduce regular checks to ensure customers pay their trade waste invoices and a process of chasing non-payers. ▪ Proactive chasing of overdue invoice by reminder emails or telephone calls. ▪ Develop and include commercial waste income and debt KPIs in service performance.
--	--	--	--	---

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

The text below is an indication of the different assurance ratings used:

Assurance	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.

<p>Reasonable Assurance <i>(previously Adequate)</i></p>	<p>There is generally a 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 audited.</p>
<p>Limited Assurance</p>	<p>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.</p>
<p>No Assurance</p>	<p>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.</p>

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.

The above definitions are based on an analysis of existing practice and common definitions.

Appendix B – Overdue Red/High Risk Agreed Audit Actions @ Jan 26

Audit Area	Agreed Action	Status /Progress
Trading Ops - Port Commercial & Marine 2021/22	Formal arrangement in place for the joint venture with LCC for the management of the leisure moorings at the Cross Keys Marina: a meeting needs to be arranged with the Duty Holder, the Harbour Master, Portfolio Holder and LCC to discuss and get an agreement in place as a matter of urgency	In Progress - Resolution is being actively pursued. The leases these are agreed and signed awaiting LCC to get their freeholder sign off which is the EA. Head of Service confirmed that both he and the PCC Head of Legal are actively pursuing it.
Estates	The Asset Management plan needs to be reviewed and updated to provide a clear outline on the governance, risk and reporting processes for managing assets, acquisitions and disposals. This is a repeat action from the April 2020 Internal Audit Report of Trading operations – Estates.	LGR Cancellation. With the advent of LGR Mgt believes that this document is no longer required and we will continue with the previous document and priorities established there. The properties database will be maintained instead.
Cyber Security	The Head of ICT Digital & Resilience should: a) Liaise with MT to ensure that all staff complete the cyber security training annually by monitoring completion regularly, advising heads of service of their completion statistics and escalating the collective statistics to CMT/MT monthly. b) Ensure that an unannounced and appropriate “phishing” exercise is arranged and carried out to test all staff’s ability to react to a simulated cyber-attack.	In Progress Original actions complete but results showed a need to monitor new training and exercise. Phishing recheck is now imminent and will be completed by end of the financial year.
Creditor Supplier Amendments	Fortnightly reporting of changes to supplier standing data to be introduced and checked by an independent officer. (frequency to be reviewed dependant on volume of changes). 100% checks on changes to bank accounts should be performed, to assist with the prevention of fraud.	In Progress Still working on this - we do have a report but just need fine tuning - This will be fully completed by 23 Feb as part of the Agresso upgrade. The independent check is likely to be performed by a second person within the Creditors team.
Insurance	(a) Succession planning for the role of Insurance & Procurement Manager to be formalised as part of the Finance Service Plan.	In Progress Individuals have now been identified; procedures notes are being completed and training taking place. This can only be fully completed once the renewal training has taken place in August 2026.

Streetlighting	Engagement with the contractor to obtain correct test certificates and to check against inventory Checks will be undertaken to confirm that all streetlights have been electrically tested and have valid certificate.	<p>In Progress</p> <p>electrical and structural testing task currently remains incomplete. The contractor has completed all of the actual testing works and we have all but 12 certificates I believe for the electrical testing, but we are still awaiting the structural test certs. These were forwarded to us but were incorrect and so we are awaiting the contractor to correct.</p>

Agenda Item No:	7	
Committee:	Audit and Risk Management Committee	
Date:	17th February 2026	
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 There are no changes to residual risk scores this quarter.

4 Next Steps

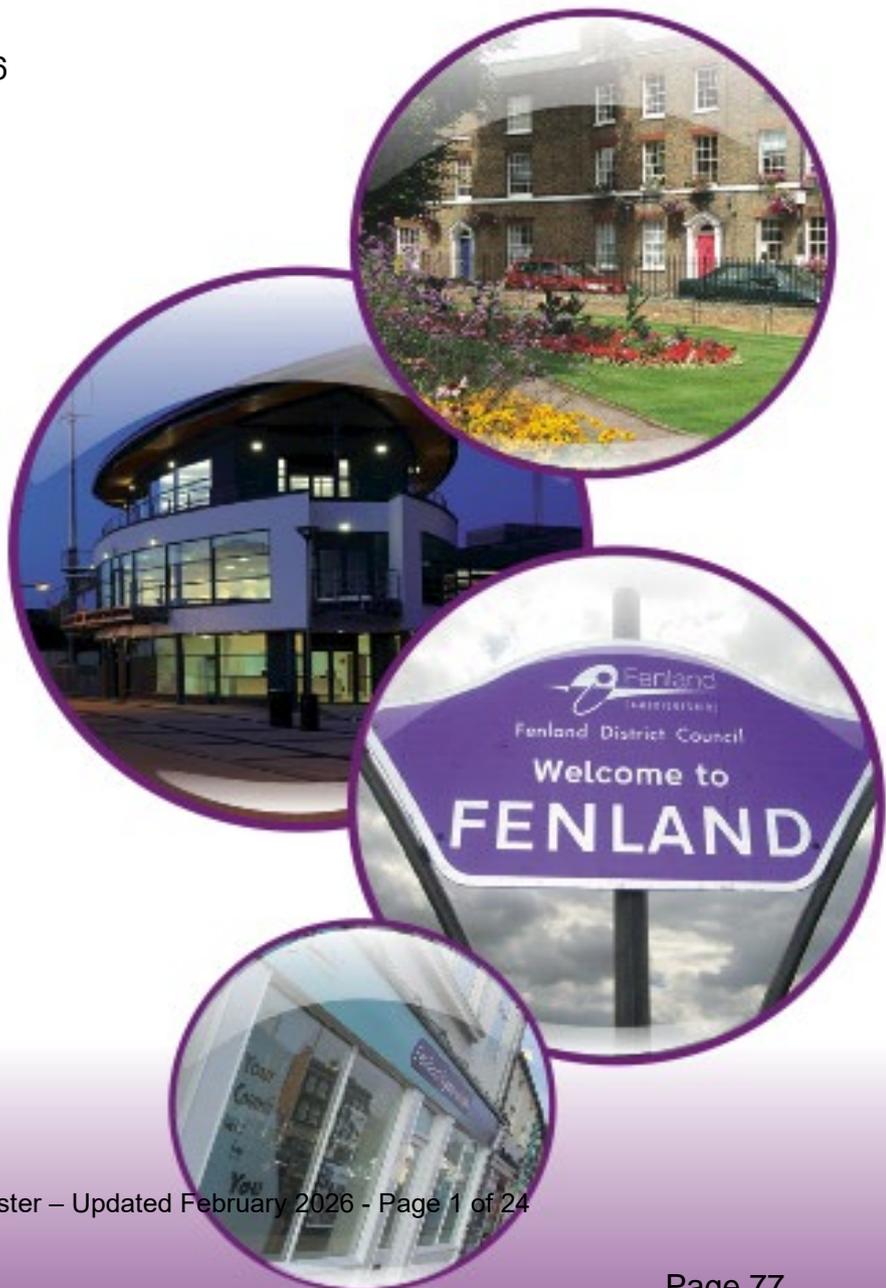
- 4.1 Officers will continue to bring a reviewed and updated Corporate Risk Register to Audit and Risk Management Committee on a regular basis.

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 February 2026



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

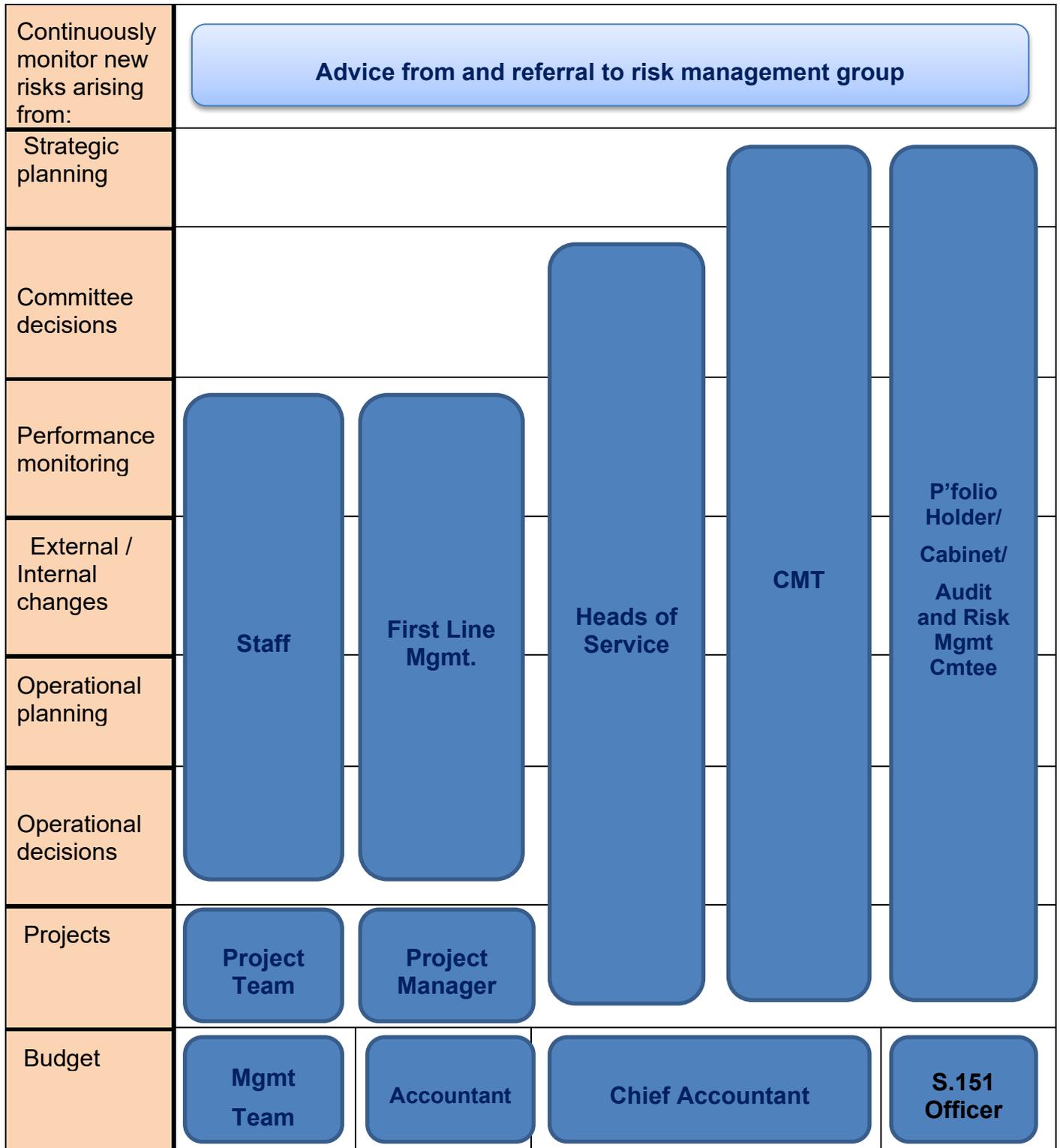
IMPACT x LIKELIHOOD = RISK SCORE

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
27	Natural Disaster / Pandemic (The Council's ability to cope with a natural disaster / pandemic)	5	5	25	↔	4	4	16	↔	10
26	Financial Management (Failure to achieve savings targets / capital funding strategy / the Council's commercialisation and investment strategy)	5	5	25	↔	4	4	16	↔	11
24	Change in Government Priorities or Legislation (New or amended legislation / change of priorities)	5	5	25	↔	4	4	16	↔	12
3	Procurement & Contract Management (Failure of contractors/suppliers working on the Council's behalf)	4	4	16	↔	4	3	12	↔	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	↔	4	3	12	↔	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 (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> <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> <p>The new burdens funding from Defra (Department for Environment, Food & Rural Affairs) may not be sufficient to cover the new food waste initiative.</p> <p>Extended Producer Responsibility Payment (pEPR) delivered £1.5m income for FDC in 2025/26. There remains a lack of transparency over how this will be calculated and there is the risk that this important income will reduce with overall recycling changing.</p>	4	5	20	<p>The Fairer Funding Review and the Business Rates Re-Set included in the 2026/27 Financial Settlement is a major change to the previous year's budget setting and has caused uncertainty for the Council's budget for 2026/27 and the next two years.</p> <p>A pay claim has been submitted by Unison for 2026/27 for 10% or £3,000 (whichever is the greater). FDC have budgeted 4% for next year's pay rise.</p>

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> <p>Relevant staff have taken part in the first two phases of Exercise Pegasus. This is the largest ever simulation of a pandemic and involves participation from every government department. The government have committed to communicating the findings and lessons of this exercise, as recommended by the Covid-19 inquiry, and a post-exercise report will be delivered in due course. A pandemic remains the top risk of the UK’s national risk register.</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 (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 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. 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.</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. The Investment Strategy is reviewed annually by ARMC. 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> <p>The financial outcome for the financial year 2024/25 resulted in a surplus. A tracker has been created to evidence the potential benefits and costs savings from the transformation programme. It also tracks savings realised. An Additional Resource Authorisation Form has been introduced to approve resource by Finance and CMT. An updated debt management policy has been delivered.</p> <p>The Finance team are actively encouraging the wider use of 'No PO, No Pay', which is a process within our financial management system which will deliver improved financial management.</p>	4	4	16	<p>The projected financial shortfall for 2025/26 has reduced from £1.432m in the 2025/26 Budget to £0.3m.</p> <p>Members are considering an LGR reserve that will protect our revenue position in 2025/26 and future years.</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 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> <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>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>	4	4	16	The Economic Crime and Corporate Transparency Act 2023 became enforceable from September 2025 creating a new offence of 'failure to prevent fraud and making companies liable if they fail to have reasonable measures in place.

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)	<p>Procurement & Contract Management</p> <p>Risk: Failure of contractors / suppliers working on the Council's behalf.</p> <p>Effect: Failure of contractor or partners to deliver services or meet agreed performance objectives leads to additional costs or failed objectives.</p>	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>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 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> <p>Following an audit of our Contracts Register in February 2025, the actions identified to be followed up during an audit of procurement have now been completed.</p> <p>An Audit of our preparation for the Procurement Act was completed in 2024/25. This produced a Reasonable Assurance Opinion with 6 Actions.</p>	4	3	12	We are currently working with partners across Cambridgeshire to review synergies in contracts / procurements.

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)	<p>Cyber Resilience (Loss of ICT provision)</p> <p>Risk: Breach of ICT security, ICT failure, or cyber-attack, causing loss of service.</p> <p>Effects:</p> <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>A mandatory on-line cyber training course is completed by all staff annually.</p> <p>A presentation was delivered to members of Audit & Risk Management Committee in February 2025 detailing the cyber threats, the authority’s cyber defences, and how we would respond to an incident. This was to increase Members’ awareness and understanding before receiving assurance or making challenge.</p> <p>An internal audit of our preparedness to protect our systems and data was carried out in 2024 and recommendations from this have now been implemented.</p> <p>Another internal audit is currently taking place looking at the council’s cyber resilience. Cyber security is a rapidly evolving field, making regular audits a recommended best practice.</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	
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> <p>Service business continuity plans are currently being updated and reviewed.</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 (SK/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.</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 impending 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 where we will be looking at quarterly statistics.</p>	3	4	12	<p>We have developed a new Management Development Programme for all existing, new and aspiring managers, which will further upskill our management population around their management skills, enabling them to support and develop their teams more effectively.</p> <p>We have delivered additional 'Managing Change' skills workshops to our management population to help them prepare their teams and themselves for the forthcoming changes. We will shortly be delivering 'Coping with Change' workshops for the wider workforce.</p> <p>As we approach LGR there is the risk that attrition rates will increase due to uncertainty, but this will be closely monitored.</p>

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. <p>Reduced ability to negotiate contracts.</p>	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> <p>FDC is working in collaboration with partner authorities. A 'workforce' workstream has been created to consider all staffing issues.</p> <p>Reduced contract lengths could increase costs. 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>	4	3	12	<p>A Programme Manager has now been appointed to deliver LGR and will commence towards the end of this financial year.</p> <p>Leads have been assigned from each partner to the 9 workstreams. These meetings commenced at the end of January.</p>

Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
10 – CMT (SK)	<p>Health & Safety (Major health and safety incident)</p> <p>Risk: Major health and safety incident.</p> <p>Effect: Major health and safety incident at leads to costs for inquiry, disruption to service, and possible prosecution.</p>	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 are now available 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 has assisted with each bi-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> <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 (to include conflicts of interest check).</p> <p>NAFN fraud alerts are shared with FDC for awareness and action, allowing us to be alert to a potential known fraud and to put prevention in place.</p> <p>An Internal Audit has been undertaken on Declarations of Interest and improvement actions are underway to improve the declarations and register process.</p> <p>Mandatory on-line training courses have been introduced for all employees and include Anti-Bribery training and a Bribery Refresher course.</p>	3	3	9	The Economic Crime and Corporate Transparency Act 2023 became enforceable from September 2025 creating a new offence of 'failure to prevent fraud and making companies liable if they fail to have reasonable measures in place.

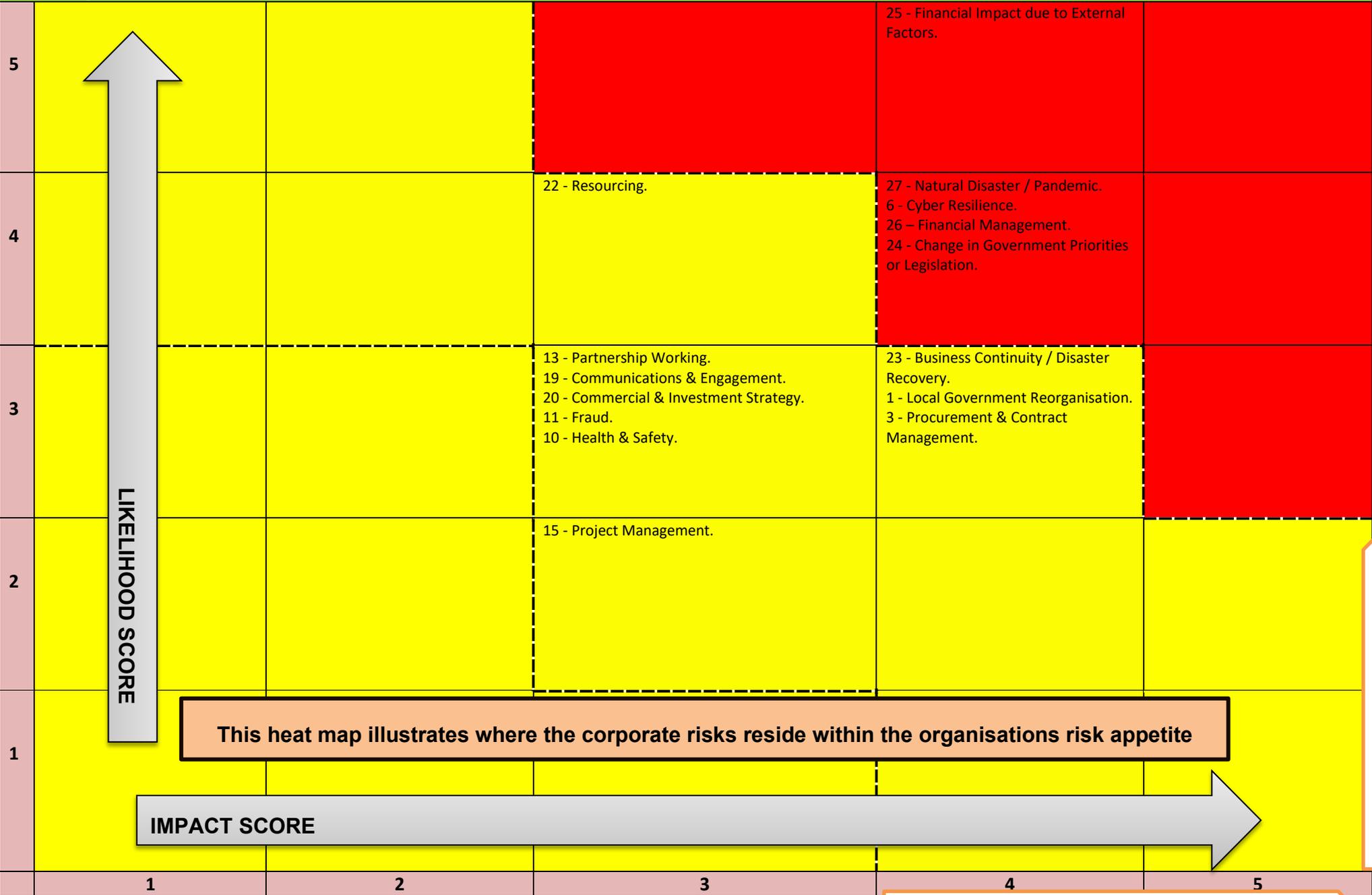
Number – Owner	Risk and Effects	Inherent Scores			Mitigation	Residual Scores			Comments / Actions since Last Review
		Impact	Likelihood	Total		Impact	Likelihood	Total	
13 – Carol Pilson / Peter Catchpole (All Managers)	<p>Partnership Working (Failure of Governance in major partners, or in the Council, 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/SK)	<p>Communication & Engagement (Poor communication with stakeholders)</p> <p>Risk: Poor communications with stakeholders.</p> <p>Effects:</p> <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; Consultation strategy; MTSP; 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>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> <p>Another round of staff briefings will take place during November to provide updates. Three dates have been arranged to ensure all staff have the opportunity to attend.</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/SW/DH/AG)	<p>Commercial & Investment Strategy (Failure of the Council's commercialisation and investment strategy)</p> <p>Risk: Commercial uncertainties associated with decisions taken as part of the Council's Commercial and Investment Strategy.</p> <p>Effects:</p> <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; 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	The latest Business Plan will be for 2 years (26/28) and will be going to the Investment Board for approval before the end of March 2026.

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 meetings and 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>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> <p>21 officers are now trained on the APM Fundamentals Qualification, and a Microsoft Project training module has been delivered across the Council.</p>	3	2	6	

Heat Map – Residual Risk



This heat map illustrates where the corporate risks reside within the organisations risk appetite

LIKELIHOOD SCORE

IMPACT SCORE

Risk Appetite

Risk Appetite

DRAFT Audit & Risk Management Work Programme for 2026.27

Meeting	Item	Frequency	Presented by	Description
11 May 2026 (proposed date)	External Audit Plan 2025/26	Annual	External Audit	To discuss the External Audit Plan for 2025/26.
	Internal Audit Charter & Risk-Based Internal Audit Plan 2026/27	Annual	Deborah Moss (Head of Internal Audit)	To approve the internal audit plan and resources for the forthcoming year
	Annual Governance Statement Update 2025/26	Mid-year	Deborah Moss (Head of Internal Audit)	To review and note the progress on the Annual Governance Statement action plan arising from 2025/26.
	Risk Management Policy & Strategy Review	Annual	Stephen Beacher (Head of ICT)	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 (Head of ICT)	To review and approve the quarterly risk register.
	Treasury Management Annual Review 2025/26	Annual	Sian Warren (Chief Accountant)	To consider the overall financial and operational performance of the Council's treasury management activity for 2025/26
	Whistleblowing Policy and Annual Whistleblowing Update.	Annual	Sam King (Head of HR &OD)	To review and approve the Policy and receive an annual update on whistleblowing activity.
	Mandatory Training – verbal update	One-off	Sam King (Head of HR & OD)	As requested by the Committee, a verbal update on the mandatory training position.
	RIPA Annual Update	Annual	Amy Brown (Assistant Director)	To review the Council's use of the Regulation of Investigatory Power Act 2000 (RIPA).
	Exemptions to the Code of Procurement	Quarterly	Peter Catchpole (Corporate Director & S.151 Officer)	To advise of all exemptions to the Code of Procurement signed off since the last report and the reasons for each exemption.

	Audit and Risk Management Committee Work Programme proposed for 2026/27	Quarterly	Chair	Proposal for 2026/27
27 July 2026	Risk Register – Quarterly update	Quarterly	Stephen Beacher (Head of ICT)	To review and approve the quarterly risk register.
	Draft Annual Governance Statement 2024/25	Annual	Peter Catchpole Deborah Moss	To review and approve the draft annual AGS for 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 CIPFA Finance Advisory Network has issued detailed practical guidance for meeting the requirements of the Accounts and Audit Regulations
	Internal Audit Annual Report and Opinion 2025/26	Annual	Deborah Moss (Head of Internal Audit)	To provide the Audit and Risk Management Committee with an overview of the work undertaken by Internal Audit during 2025/26. To provide the Head of Internal Audit's annual opinion on the system of internal control. To consider the effectiveness of Internal Audit.
	Audit and Risk Management Committee Effectiveness Review and Annual Report 2025/26	Annual	Chair	To review the report of Committee to Full Council on the commitment and effectiveness of the Audit and Risk Management Committee's work from April 2025 to March 2026.
	Exemptions to the Code of Procurement	Quarterly	Peter Catchpole (Corporate Director & S.151 Officer)	To advise of all exemptions to the Code of Procurement signed off since the last report and the reasons for each exemption.

	Audit and Risk Management Committee Work Programme	Quarterly	Chair / Peter Catchpole	Information Purposes
21 September 2026	External Audit Plan	Annual	External Audit	
	Draft Statement of Accounts 2025/26	Annual	Sian Warren (Chief Accountant)	To review and approve the draft Statement of Accounts 2025/26
	Internal Audit Plan 2026/27– Quarterly Update Q2	Quarterly	Deborah Moss	To consider and note the activity and performance of the Internal Audit function.
	Exemptions to the Code of Procurement	Quarterly	Peter Catchpole (Corporate Director & S.151 Officer)	To advise of all exemptions to the Code of Procurement signed off since the last report and the reasons for each exemption.
	Audit and Risk Management Committee Work Programme	Quarterly	Chair	Information Purposes
30 November 2026	Draft – Auditor’s Annual Report 2025.26	Annual	External Auditors	To receive the draft Auditor’s Annual Report on the 2025/26 external audit.
	Treasury Management Strategy Statement and Annual Investment Strategy Mid-year review	6 monthly	Sian Warren (Chief Accountant)	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.
	Internal Audit Plan 2025/26 – Quarterly Update	Progress report	Deborah Moss (Head of Internal Audit)	To approve the updated internal audit plan and resources for the year. To consider and note the activity and performance of the Internal Audit function. To consider the implementation of audit actions.
	Risk Register – Quarterly update	Quarterly	Stephen Beacher (Head of ICT)	To provide an update to the Audit and Risk Management Committee on the Council’s Corporate Risk Register.

	Exemptions to the Code of Procurement	Quarterly	Peter Catchpole (Corporate Director & S.151 Officer)	To advise of all exemptions to the Code of Procurement signed off since the last report and the reasons for each exemption.
	Audit and Risk Management Committee Work Programme	Quarterly	Chair	Information Purposes.
8 February 2027	Annual Audit Letter 2025/26	Annual	External Audit	To note the independent external auditors, Ernst & Young (EY), Annual Audit Letter
	Audit Results/Completion Report 2025/26	Annual	External Audit	To receive the Audit Results Report on the 2025/26 external audit
	Letter of Representation 2025/26	Annual	Peter Catchpole/Sian Warren	To approve and sign the Letter of Representation for 2025/26
	Final Statement of Accounts 2025/26	Annual	Sian Warren (Chief Accountant)	To approve the final Statement of Accounts for 2025/26
	Value for Money Report 2025/26	Annual	Sian Warren	To receive the VFM report for 2025/26
	Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2026/27	Annual	Sian Warren	To endorse the strategy to be included in the final budget report
	Risk Register – Quarterly update	Quarterly	Stephen Beacher (Head of ICT)	To review and approve the quarterly risk register.
	Internal Audit Plan 2025/26 Progress report Q3	Quarterly	Deborah Moss (Head of Internal Audit)	To consider and note the activity and performance of the Internal Audit function
	Exemptions to the Code of Procurement	Quarterly	Peter Catchpole (Corporate Director & S.151 Officer)	To advise of all exemptions to the Code of Procurement signed off since the last report and the reasons for each exemption.
	Audit and Risk Management Committee Work Programme	Quarterly	Chair	Information Purposes

15 March 2027	Internal Audit Charter & Risk-Based Internal Audit Plan 2026/27	Quarterly	Deborah Moss (Head of Internal Audit)	To approve the internal audit plan and resources for the forthcoming year
	Risk Management Policy & Strategy Review and Corporate Risk Register	Annual	Stephen Beacher (Head of ICT)	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.
	Annual Governance Statement Update 2025/26		Peter Catchpole Deborah Moss	To review and note the progress on the Annual Governance Statement action plan arising from 2025/26.
	Whistleblowing Policy and Annual Whistleblowing Update.	Annual	Sam King (Head of HR & OD)	To review and approve the Policy and receive an annual update on whistleblowing activity.
	RIPA Annual Update	Annual	Amy Brown (Assistant Director)	To review the Council's use of the Regulation of Investigatory Power Act 2000 (RIPA).
	Exemptions to the Code of Procurement	Quarterly	Peter Catchpole (Corporate Director & S.151 Officer)	To advise of all exemptions to the Code of Procurement signed off since the last report and the reasons for each exemption.
	Audit and Risk Management Committee Work Programme proposed for 2027/28.	Quarterly	Chair	Proposal for 2027/28.

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 (2 years) March 2027

Annual Items

- RIPA Policy and Annual Update
- Whistleblowing Annual Update.
- Internal Audit Annual Plan
- Internal Audit Annual Report and Annual Opinion
- ARMC Annual Report
- Audit Results Report
- Statement of Accounts
- Letter of Representation
- Annual Governance Statement
- External Auditor's Report
- Provisional External Audit Plan
- Treasury Management Annual & mid-year Review
- Annual Governance Statement Update

Quarterly Items (each meeting)

- Internal Audit Progress Report
- Corporate Risk Register Update
- Exemptions to the Code of Procurement

To be proposed by ARMC

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	Completed
Corporate Training	Committee asked for an update on the training provision.	Verbal update due at Feb 25.	Completed

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