

East Cambridgeshire District Council

Meeting: Audit Committee

Time: 4:30 pm

Date: Tuesday 21 October 2025

Venue: Council Chamber, The Grange, Nutholt Lane, Ely, CB7 4EE

Enquiries regarding this agenda: Patrick Adams

Telephone: (01353) 616298

Email: patrick.adams@eastcambs.gov.uk

Committee membership

Quorum: 3 members

Conservative Members

Cllr David Brown (Chair)

Cllr Keith Horgan

Cllr Lucius Vellacott (Vice-Chair)

Substitutes:

Cllr Christine Ambrose Smith

Liberal Democrat and Independent Group Members

Cllr Lorna Dupré

Cllr James Lay

Cllr Ross Trent

Substitutes:

Cllr Mark Inskip

Cllr Gareth Wilson

Lay Member

Stephen Joyce

Lead Officer

Jude Antony, Director Finance

AGENDA

1. **Public Question Time** [oral]
The meeting will commence with up to 15 minutes public question time
2. **Apologies and Substitutions** [oral]
3. **Declarations of Interest** [oral]
To receive declarations of interest from Members for any Items on the Agenda in accordance with the Members Code of Conduct

4. Minutes	Page 5
To confirm as a correct record the Minutes of the meetings of the Audit Committee held on 15 July 2025	
5. Chair's Announcements	[oral]
6. Annual Governance Statement 2024/25 – Final Draft	Page 13
7. External Audit Plan for 2024/25 – Oral update	[oral]
8. Internal Audit Plan for 2026/27	Page 57
9. Internal Audit Progress Report	Page 59
10. Information Governance Annual Report	Page 73
11. Anti-Fraud and Corruption Strategy – Policy Update	Page 79
12. Forward Agenda Plan	Page 103

NOTES:

- Members of the public are welcome to attend this meeting, but they are asked, where possible, to notify the Democratic Services Manager (jane.webb@eastcambs.gov.uk) in advance. Members of the public can gain entry by reporting to Reception during Office Hours or can enter via the door in the glass atrium at the back of the building for evening meetings.

The meeting will be webcast and a live stream of the meeting will be available. Further details can be found at <https://eastcambs.gov.uk/node/2636> Please be aware that all attendees, including those in the public gallery, will be visible on the livestream.

- Public Questions/Statements are welcomed on any topic related to the Committee's functions as long as there is no suspicion that it is improper (e.g. offensive, slanderous or might lead to disclosures of Exempt or Confidential information). Up to 15 minutes is allocated for this at the start of the meeting. Further details about the Public Question Time scheme are available at: <https://eastcambs.gov.uk/about-council/meetings-agendas-and-minutes/public-participation-meetings>
- The Council has adopted a 'Purge on Plastics' strategy and is working towards the removal of all consumer single-use plastics in our workplace. Therefore, we do not provide disposable cups in our building or at our meetings and would ask members of the public to bring their own drink to the meeting if required.
- Fire instructions for meetings:
 - If the fire alarm sounds, please make your way out of the building by the nearest available exit i.e. the back staircase or the fire escape in the Chamber. Do not attempt to use the lifts.
 - The fire assembly point is in the front staff car park by the exit barrier.

- The building has an auto-call system to the fire services so there is no need for anyone to call the fire services.

The Committee Officer will sweep the area to ensure that everyone is out.

5. Reports are attached for each agenda item unless marked “oral”.
6. If required, all items on the agenda can be provided in different formats (e.g. large type, Braille or audio tape, or translated into other languages), on request, by calling Main Reception on (01353) 665555 or e-mail: translate@eastcambs.gov.uk
7. If the Committee wishes to exclude the public and press from the meeting, a resolution in the following terms will need to be passed:

“That the press and public be excluded during the consideration of the remaining item no(s). X because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the item(s) there would be disclosure to them of exempt information of Category X of Part I Schedule 12A to the Local Government Act 1972 (as amended).”



Minutes of a meeting of the Audit Committee

Held in the Council Chamber, The Grange, Nutholt Lane, Ely
on Tuesday, 15 July 2025, at 4:30 pm

Present Cllr Christine Ambrose Smith (Substitute)
Cllr David Brown (Chair)
Cllr Lorna Dupré
Cllr Keith Horgan
Cllr Ross Trent
Stephen Joyce – Independent Lay Member

Officers Patrick Adams – Senior Democratic Services Officer
Ian Smith – Director Finance & S151 Officer

In Attendance Rachel Ashley-Caunt – Head of Internal Audit (IA)
Anastasia Lukhtan – External Audit (EY)
David Riglar – External Audit (EY)

1. Public Question Time

No public questions were received.

2. Apologies and Substitutions

Apologies were received from Cllr James Lay and Cllr Lucius Vellacott. Cllr Christine Ambrose Smith substituted for Cllr Lucius Vellacott. It was noted that Cllr Lorne Dupré was attending a Council meeting of Cambridgeshire County Council and so would be late.

3. Declarations of Interest

No declarations of interests were made.

4. Minutes

The Committee received the Minutes of the meeting held on 15 April 2025.

It was resolved:

That the Minutes of the meeting of the Committee held on 15 April 2025 be confirmed as a correct record and be signed by the Chair.

5. Chair's Announcements

The Chair announced that this would be the last Audit Committee meeting before the retirement of Ian Smith, Director Finance and Section 151 Officer. On behalf of the Committee, the Chair thanked Ian for his work over the years and wished him a long and happy retirement.

6. Internal Audit Annual Report and Opinion 2024/25

The Head of Internal Audit presented the Internal Audit Annual Report and Opinion 2024/25 (AA37, previously circulated) on the Council's governance, risk and control framework for 2024/25 and the basis for this opinion. In previous years the Council had achieved a moderate assurance but the Annual Report for 2024/25 had received a good assurance; 78% of reports had received either a good or substantial assurance and 96% of audit recommendations had been complied with.

Cllr Lorna Dupré joined the meeting at 4:40 pm.

Stephen Joyce was pleased to see the Council achieve a good assurance and he asked whether a higher-level assurance was realistic. The Head of Internal Audit stated that a good assurance was impressive, and it would be very difficult for the Council to improve on this, given the number of different risks and challenges facing the authority. Stephen Joyce agreed that the Council should not be directing its resources towards attempting to improve its assurance rating, as in his experience it was nearly impossible for a council to achieve a substantial rating.

Stephen Joyce noted that the Anglia Revenues Partnership had received three adequate/reasonable assurances, and he asked what the Council could do to improve this. The Head of Internal Audit assured the Committee that no high-risk findings had been raised in the audits of the Revenues and Benefits service provided by the Anglia Revenues Partnership and there was a general assurance that the systems were operating as expected. Cllr Keith Horgan stated that he was Vice-Chair of the Joint Committee of the Anglia Revenues Partnership, which provided an award-winning service, and he believed that the organisation was moving in the right direction. He agreed to discuss how further improvements could be made with the Head of Internal Audit outside the meeting and was happy to raise any concerns that Committee members had at the meetings of the Joint Committee.

The Chair proposed and Cllr Keith Horgan seconded the recommendation in the report.

It was resolved:

That the Committee noted the Annual Internal Audit Report and Opinion for 2024/25.

7. Draft Annual Government Statement 2024/25

The Committee considered the Annual Governance Statement 2024/25, (AA36, previously circulated), presented by the Chief Executive. He explained that this was a two-stage process, with a consultation period before the final Annual Governance Statement came to the Committee in October.

It was noted that the date of the launch of the new waste service needed to be corrected from April 2026 to June 2026 on page 21 of the Annual Governance Statement.

The Chief Executive reported that the local authority was in the process of recruiting a new Director Finance and he expected a recommendation for an appointment to be taken to Council in September.

The Chair proposed, and the Cllr Keith Horgan seconded the recommendation in the report.

It was unanimously resolved to

Instruct the Chief Executive to formally consult with members and substitutes of the Committee to enable a final draft to be presented to the next meeting in October 2025.

8. External Audit Plan for 2024/25

The Committee received the External Audit Plan for 2024/25 (AA34, previously circulated), presented by David Riglar and Anastasia Lukhtan of EY. David Riglar highlighted the report and the risks identified.

In reply to Stephen Joyce, David Riglar explained that it was standard practice to rotate the external auditors and this was why he had replaced Mark Hodgson who had briefed him before he left.

In reply to the Director Finance, David Riglar confirmed that it was inevitable that the Council would be receiving a disclaimed audit opinion for 2024/25. He explained that after receiving a disclaimed audit opinion in 2023/24, the authority would be receiving disclaimed audit opinions for the next 3-4 years. The Council will receive assurances from the audit of in-year transactions.

In reply to Cllr Lorna Dupré, David Riglar stated that he would correct the typographical error on page 70, in the second sentence of the second paragraph of the details regarding the Implementation of IFRS 16 risk, to explain that if there was a lease arrangement that involved an asset that the Council was using, that asset will be recognised on the balance sheet.

In response to concerns raised by Cllr Lorna Dupré and Stephen Joyce, the Director Finance explained that there had been some confusion regarding the process for preparing group accounts between officers and the external auditors, which had resulted in the initial figures being shown in the wrong format in the 2023/24 accounts. Corrections had been made for the 2024/25 accounts.

In reply to Stephen Joyce, David Riglar indicated that the word “valuations” would have been more accurate than “liabilities” in the heading regarding IAS19, Accounting for Pension Assets. He provided details of the complexities of the accounting standards and the calculations required for assessing this risk. In reply to Cllr Keith Horgan, David Riglar stated that the figure of £2,891 million was a surplus position.

In response to Stephen Joyce, David Riglar explained that the gross revenue expenditure figure on page 87 of the agenda would be updated based on the draft 2024/25 accounts. The Committee expressed its satisfaction in the materiality levels, as laid out on page 87 of the agenda. David Riglar gave further assurances that these percentages were an industry standard.

In reply to Stephen Joyce, David Riglar reported that interim testing had been delayed because officers were focusing on the closedown process including the draft accounts.

It was unanimously resolved

To note the External Audit Plan for 2024/25.

9. Draft Statement of Accounts 2024/25

The Committee considered the Council’s draft Statement of Accounts for 2024/25 (AA35, previously circulated). The Director Finance presented the report and stated that the aim was to get them approved by the Committee in late 2025 or early 2026. David Riglar explained that the external auditors were working with the finance team to ensure that the audit went smoothly.

It was noted that the final word on page 148 of the agenda should be corrected to “asterisk”. It was agreed that the year in the final line on page 190 of the agenda should be 2024/25 and not 2023/24.

David Riglar explained that the accounts would be signed off by 27 February 2026 and resources were in place to complete all planned procedures on time. It was noted that officers would have to work a large number of hours to assist with the process.

In reply to Cllr Keith Horgan, the Director Finance agreed to find out what the “discretionary benefits” were, in relation to pensions, referred to in the final bullet point on page 130 of the agenda. He also agreed to find out why the value for loans to individuals and the private sector had increased between years. In reply to Cllr Keith Horgan, the Director Finance reported that the actuary had agreed that the Council’s contribution should reduce for 2026/27.

The Chair proposed and Cllr Horgan seconded the recommendation in the report.

It was unanimously resolved:

To note that the Council's draft Statement of Accounts 2024/25 has been published on the Council's website.

10. Internal Audit Progress Report

The Head of Internal Audit presented the Internal Audit Progress Report (AA38, previously circulated), which advised the Committee of the work of Internal Audit completed during the financial year to date, and the progress against the Internal Audit Plan.

In response to Cllr Keith Horgan, the Head of Internal Audit confirmed that there was one overdue action relating to procurement in housing allocation and homelessness. It was agreed that this needed to be rectified but it was not necessary to refer this to the Finance and Assets Committee.

The Head of Internal Audit shared Stephen Joyce's concerns regarding the need to ensure that evidence for the change of bank account information was supplied and the need to ensure that contracts were accurately added to the Council's contract register. She agreed to update the Chair on the questions regarding property transactions, that had been raised earlier.

The Chair proposed and Cllr Horgan seconded the recommendation in the report.

It was unanimously resolved:

To note that progress being made by Internal Audit in the delivery of the Audit Plan and the key findings.

11. Internal Audit External Quality Assessment 2025

The Head of Internal Audit presented a report (AA39, previously circulated) on the outcome of the external quality assessment of the Internal Audit service. She explained that the assessment had concluded that the service conformed with the internal audit standards, which was the highest rate that could be achieved. The overall assessment had shown that the service was either "excelling" or was "established" in the three key areas that were assessed.

Members of the Committee congratulated the Head of Internal Audit and her team on achieving such a high rating. The Head of Internal Audit announced that the team's quality assurance and improvement plan and strategy would focus on developing resources, meaning supporting staff development and training and looking at the best use of technology. She hoped that internal auditors would be able to liaise more regularly with managers to ensure the plan remained risk based throughout the year.

The Chair proposed and Cllr Christine Ambrose Smith seconded the recommendation in the report.

It was resolved:

To note the outcome of the external quality assessment and action plans.

12. Corporate Risk Management Update

The Finance Director presented this report (AA40, previously circulated) on the latest Corporate Risk Register. It was noted that the name of the report writer needed to be corrected to that of the Finance Director and the colour code in the final column on page 278 for risks C7 and C8 needed to be added.

Cllr Keith Horgan welcomed the fact that local government reorganisation was in the Risk Register. He requested that in the future the report should include a list of any amendments that had been made to the Register, since the last meeting.

Cllr Lorna Dupré welcomed the fact that the inherent risk score for risk C4, data protection, had increased and she suggested that as the score was 16, the RAG rating should be red not amber. The Head of Internal Audit assured Stephen Joyce that information governance was audited on a regular basis. It was noted that the Committee would receive the annual information report at its next meeting.

In response to Cllr Lorna Dupré, the Director Finance explained that the likely effect of climate change on the environment and its residents had led to impact scores of 3 for risk C7, Climate Change. Cllr Dupré asked for more details on how impact scores were calculated. In response, the Director Finance explained that the way in which impact scores were worked out, were detailed more fully in the risk management policy and framework documents, which were approved by the Committee every two to three years.

With regards to risk A2, the East Cambridgeshire Trading Company, Stephen Joyce asked if the Committee could receive a briefing note on how the company was performing and more details on the security of the loan given by the Council to the company.

In response to Stephen Joyce, the Director Finance explained that the majority of the underspend in 2024/25 that was noted in risk B1, balancing the annual budget, was due to additional income in Business Rates and interest receipts. With regards to risk A7, waste collection, the Director Finance stated that capital funding had been received from the Government for food waste vehicles, but revenue funding had not yet been received. The risk was that the revenue costs would have to be found from the Council's general fund.

It was agreed that the risk management group should be asked to consider whether the recruitment of a new Director Finance and Section 151 officer should be a separate risk. It was noted that the concerns of the Committee would have to be reported to the new members of the risk management group, following the retirement of the Director Finance.

Cllr Keith Horgan proposed and the Chair seconded the recommendation in the report.

It was resolved:

To note the Corporate Risk Register, as set out in Appendix 2.

13. Forward Agenda Plan

The Committee received the Forward Agenda Plan. It was noted that the meetings scheduled for February and March might have to be rearranged to aid with the signing off of the accounts.

It was agreed that the review of risk management should be considered at the next meeting of the Committee in October, instead of February as scheduled, as it was important to receive some assurances regarding continuity following the retirement of the Director Finance and Section 151 officer and to review the other risks.

It was resolved:

That the Forward Agenda Plan be noted.

The meeting closed at 6:05 pm.

Chair:.....

Date:

TITLE: ANNUAL GOVERNANCE STATEMENT 2024/25 – FINAL DRAFT

Committee: Audit Committee

Date: 21 October 2025

Author: Chief Executive

Report No: AA75

Contact Officer: John Hill, Chief Executive

Email: john.hill@eastcambs.gov.uk

Room No. 103, The Grange, Ely

1.0 Issue

- 1.1. Consideration of the final draft of the Annual Governance Statement (AGS) for 2024/25.

2.0 Recommendations

- 2.1. Members are requested to approve the final draft of the Annual Governance Statement for 2024/25 for final sign off by the Leader of the Council and Chief Executive.

3.0 Background/Options

- 3.1. The Audit Committee (ref 15 July 2025 Agenda Item 7) received the first draft of the AGS and resolved to instruct the Chief Executive to bring forward the final draft for members consideration following an opportunity for all members of the Committee to provide comments and input.
- 3.2. The Chief Executive, in consultation with the Chairman, invited members and substitutes of the Committee to feedback comments by 11 September 2025.

4.0 Arguments/Conclusion

- 4.1. The Chief Executive received comments/input from three Committee members and presents a final draft to the Committee for approval for sign off by the Leader of Council and Chief Executive.
- 4.2. The final draft (Appendix 1) and Appendix 2 has been revised to take account of these comments (where appropriate) and amendments shown in italics. A summary of the comments of individual members are attached in Appendix 3 with the appropriate action taken by the Chief Executive in relation to the AGS. In addition to detailed comments and queries, the independent lay member concluded that the AGS draft demonstrated strong commitment to good governance continues to be clear and reassuring and his review did not identify any fundamental issues of substance.

5.0 Additional Implications Assessment

5.1 In the table below, please put Yes or No in each box:

Financial Implications No	Legal Implications No	Human Resources (HR) Implications No
Equality Impact Assessment (EIA) No	Carbon Impact Assessment (CIA) No	Data Protection Impact Assessment (DPIA) No

6.0 Appendices

Appendix 1 – Annual Governance Statement 2024/25 – Final Draft

Appendix 2 – Progress against 2023/24 Actions

Appendix 3 – Summary of member comments and Chief Executive response

7.0 Background Documents:

Audit Committee – 15 July 2025

Agenda Item 7

Final Draft Annual Governance Statement 2024/25

1. Scope of responsibility

- 1.1. East Cambridgeshire District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. East Cambridgeshire District Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the ways in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2. In discharging this overall responsibility, East Cambridgeshire District Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and this includes arrangements for the management of risk.
- 1.3. East Cambridgeshire District Council has approved and adopted a Local Code of Corporate Governance which is consistent with the principles of the CIPFA/ SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the Code is included on our website at [Code of Corporate Governance 2016 V4](#).
- 1.4. This statement explains how East Cambridgeshire District Council has complied with the principles of the Code and also meets the requirements of regulation 4 (3) of the Accounts and Audit Regulations 2015 which requires all relevant bodies to prepare an Annual Governance Statement.

2. The purpose of the governance framework

- 2.1. The governance framework comprises the systems and processes, culture and values, by which the Council is directed and controlled, and its activities through which it accounts to, engages with, and leads its communities. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.
- 2.2. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.
- 2.3. The governance framework has been in place at the Council for the year ended 31 March 2025 and up to the date of the approval of this statement.

3. The governance framework

The Council's Code of Corporate Governance recognises that effective governance is achieved through the following core principles:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable economic, social, and environmental benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting and audit, to deliver effective accountability

4. Key elements of the Governance Framework

The following is a brief description of the key elements of the systems and processes that comprise the Council's governance arrangements, including any developments in 2024/25 and areas of focus for 2025/26:

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Key element	How the Council achieves this	Development in 2024/25
Maintaining codes of conduct which define standards of behaviour for elected Members and staff, and policies dealing with whistleblowing and conflicts of interest and that these codes and policies are communicated effectively.	<ul style="list-style-type: none"> The Constitution contains a Members Code of Conduct, which is underpinned by the Nolan Principles of Public Life. Members are required to complete a declaration of interests which is published on the website for transparency. <i>The monitoring officer sends out annual reminder to members and officers to update.</i> There is a separate Employee Code of Conduct, which is supported by HR policies and procedures. Codes, policies and procedures are shared with new employees as part of the induction process. The Council has a Whistleblowing Policy, which is available to employees. 	<ul style="list-style-type: none"> During 2024/25, there were no Code of Conduct complaints against Councillors which were subject to investigation and conclusion. <i>(Stage 4) The monitoring officer is requested by audit the report details of complaints at stage 4 (Investigation)</i> The Whistleblowing policy was subject to independent review by Protect and a revised policy was approved and adopted. Member seminars were conducted to support the Debate Not Hate campaign, which the police hosted regarding Operation Ford and Hate Crime reporting.
Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.	<ul style="list-style-type: none"> Corporate policies and strategies, which are regularly reviewed, are available on the Council website. The Constitution contains responsibilities for functions of the Council, Policy Committees, Regulatory Committees and other Committees, Joint Committees and Other Partnership Bodies. It also contains Proper Officer Functions and Rules of Procedure. The Monitoring Officer advises whether decisions are in accordance 	<ul style="list-style-type: none"> Updated Contract Procedure Rules were approved and adopted to reflect the Procurement Act 2023. During 2024/25, the HR team introduced two new and four updated HR policies, including:

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Key element	How the Council achieves this	Development in 2024/25
	<p>with the Constitution, and a summary list of responsibilities are included in a Monitoring Officer Protocol.</p> <ul style="list-style-type: none"> The Council ensures compliance with established policies, procedures, laws and regulations through a number of channels. The Chief Executive is responsible and accountable to the Council for all aspects of operational management. The Director Finance & S151 Officer is responsible for ensuring that appropriate advice is given on financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal control. The Legal Services Manager is responsible for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with. The Localism Act 2011 requires the Council to prepare a Pay Policy Statement for each financial year. The Statement must be prepared and approved by the end of March each year. The 2024/25 Pay Policy was approved by Council in February 2024 and the 2025/26 Policy in February 2025. Managers within the Council are responsible for putting in place systems of control to ensure compliance with policies, procedures, laws and regulations. This is a key control and as such Service Leads are asked to provide annual assurance that they have promoted relevant policies and made sure that all staff are aware of relevant requirements and exercise due controls. Statements have been received from Service Leads in relation to 2024/25 and assurances have been provided that policies and procedures have been suitably promoted across the service and staff are aware of key policies, procedures and expected standards (including the receipt of gifts and hospitality, contract procedure rules and the Code of Conduct). Service Leads have provided assurance that they have maintained an up to date awareness of the latest legal requirements affecting their service and have noted where potential changes in legislation may require action in 2025/26. The Monitoring Officer issues reminders on the recording of gifts and hospitality via email to all staff, twice yearly. 	<p>Agency and Other Off payroll Working; Family leave and flexible working; Menopause at Work; Equality, Diversity and Inclusion; Performance Management Scheme; and Employee Volunteering Scheme.</p> <ul style="list-style-type: none"> Within building control, targets and key performance indicators have been aligned with the latest requirements. The Council now operates within a Building Safety Regulator (BSR) Code of Conduct and an Internal Building Control Charter sets out the requirements of staff. The Homelessness and Rough Sleeper Strategy was approved, setting out the Council's strategy and action plan for the next five years, in accordance with the Homelessness Act 2002. A staff social media policy has been written and approved, this has been communicated to staff and is available on the intranet.

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Key element	How the Council achieves this	Development in 2024/25
	<ul style="list-style-type: none"> The Information Officer organises GDPR/Data Protection/Freedom of Information training for all staff on a yearly basis, including providing training at induction and when new changes take place, to ensure staff are kept up to date and are aware of their responsibilities. Training on Contract Procurement Rules is mandatory for all Service Leads at least once every three years. Children and Adults at Risk Safeguarding Policy adopted and available to stakeholders. 	<ul style="list-style-type: none"> Progress has been made with regards to the corporate compliance with Web Content Accessibility Guidance (WCAG) 2.2 statutory accessibility regulations for the Council's published communication. Newly written or revised policies, action plans, guidance documents and marketing materials, both external and internal, have been made fully accessible prior to publishing in the digital or printed format. This year, the Reprographics team has taken the responsibility of managing the Council's intranet and introduced a more intuitive organisation of the content and creation of a new interface that follows the Government Digital Services (GDS) principles and ensures a user-friendly, accessibility compliant platform. Increased use of Planning Performance Agreements (PPAs).

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Key element	How the Council achieves this	Development in 2024/25
<p>Focus and further development for 2025/26</p> <ul style="list-style-type: none"> Phase 2 of the Reprographic team's project will focus on further design and functionality improvements, and the introduction of governance standards to the Council's internal website. <i>(Due to be completed by 31 December 2025)</i> <i>Achieving WCAG 2.2 compliance is a continuous process, involving regular audits, updates, and revisions to ensure our digital services remain accessible and inclusive for all users</i> 		

Principle B: Ensuring openness and comprehensive stakeholder engagement		
Key element	How the Council achieves this	Development in 2024/25
Documenting a commitment to openness and acting in the public interest	<ul style="list-style-type: none"> • There is public access to all Committee meetings except where items for discussion are of a confidential nature. The Council continues to be committed to ensuring that members of the public are involved in the decision-making process. • There are specific schemes in place to allow members of the public to speak at both Planning and Licensing Committee meetings, and the Council has also issued general guidance on public question time at other meetings, including Full Council. • In order to demonstrate its openness, the Council also publishes on the website the Constitution, Council and Committee agendas, reports, minutes and decision lists. • The Council publishes on its website the recommended datasets in accordance with the Local Government Transparency Code 2015 issued by the Department for Communities and Local Government in February 2015. • The Equality, Diversity and Inclusion Policy sets out the Council's commitment to an inclusive and supportive environment for staff, Members, contractors and visitors that is free from discrimination. • To demonstrate its compliance with the Public Sector Equality Duty, the Council produced and published an Equality, Diversity and Inclusion Monitoring Report which presents an analysis of the following areas: <ul style="list-style-type: none"> ▪ Equality objectives; ▪ Service delivery; ▪ Equality impact assessments; ▪ Complaints and satisfaction; ▪ Access to information; ▪ Equality in employment; 	<ul style="list-style-type: none"> • Ensuring accessibility of documents relating to Council and Committees on Council's website through redesign of agenda and report templates. • The Council's gender pay gap was reported to Finance and Assets Committee in September 2024. • Adoption of the updated Equality, Diversity and Inclusion Policy 2025-2028. • The Elections Act required councils to comply with specific accessibility standards, which the council enacted in preparation for the June 2024 elections. • Within Planning, agents panel recommenced in May 2024 and will be held at least twice a year. Feedback from attendees was positive.

Principle B: Ensuring openness and comprehensive stakeholder engagement		
Key element	How the Council achieves this	Development in 2024/25
	<ul style="list-style-type: none"> ▪ Gender Pay Gap; ▪ Progress against agreed Equality Action Plan; <p>This has been published on the Council's website.</p> <ul style="list-style-type: none"> • Equality Impact Assessments (EIAs) and Comprehensive Impact Assessments (CIAs) inform policy development and decision making. These are published on the Council's website. • e-learning training course for all staff and Members entitled 'Equality and Diversity Essentials.' 	<ul style="list-style-type: none"> • <i>New Equality Action Plan 2025/28 agreed by Finance & Assets January 2025</i>
Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability, and encouraging open consultation	<ul style="list-style-type: none"> • Residents are regularly informed about the Council's activities through the Council website, work with the local media, social media and other channels. • The Council has adopted a Constitution which sets out how the Council operates, how decisions are taken and the procedures which should be followed. All meetings are open to the public except where there are confidential matters to discuss. • Community Engagement Strategy adopted and subject to action plans. • The Council undertakes regular consultation exercises, ranging from small focus groups of customers to large scale questionnaires and face-to-face surveys. A Register of Consultees is held which gives individuals, community groups and associations the opportunity to consider new or revised policies, strategies or functions and to express their opinions, concerns and make suggestions. To encourage as wide a participation as possible, an invitation for further individuals to join the register is included in the Consultation section of the Council's website. • The Statement of Community Involvement (SCI) sets out how the Council involves and consults with the public and wider stakeholders when planning for future local development across the District. This is published on the Council's website and 	<ul style="list-style-type: none"> • Project team delivered the new website in Autumn 2024, this required engagement with internal users and close stakeholders for their feedback and input into the navigation and content of the website. • In 2024/25 the Communications Team supported projects including: · Love Your Street (littering awareness) · Ask for Ani (domestic abuse) · Support for the Community Safety Partnership – for example the knife crime awareness sessions and

Principle B: Ensuring openness and comprehensive stakeholder engagement		
Key element	How the Council achieves this	Development in 2024/25
	<p>covers consultation arrangements in respect of planning applications and planning policy matters, including the preparation of the Local Plan.</p> <ul style="list-style-type: none"> Regular media releases are used as a means of keeping residents of the District informed of current and upcoming issues and Council decisions. The Council endeavours to ensure that all communications with the public are accessible to all by providing a translation service, large print and braille. The Economic Development team have a customer relationship management (CRM) system which they use to communicate with local businesses. Equity of participation and wider social outcomes (e.g. in health) are fundamental principles of the Council's leisure service provision and is reflected in service specifications and the physical activity generation programme. The Healthy You Programme is based on community engagement and specific user feedback forms part of the evaluation process. Further examples of community engagement and networking include Landlord Forums, Agents Forums, Taxi Driver Forums, Growth Hub, Chamber of Commerce, Growth Works with Skills and the East Cambs Business Boost. Live web-streaming of Council and Committee meetings. Youth engagement takes place through planned events. User and non-user market research is incorporated into the service specification for the ECDC owned leisure centre ('The Hive') operated by GLL. 	<p>also the Gateway underpass project which received significant media coverage.</p> <ul style="list-style-type: none"> Two Youth Fusion events were held over the summer of 2024. Engagement events held informing stakeholders about the introduction of Biodiversity Net Gain requirements. <i>The council's IT team has improved the live streaming of committee meetings to resolve the issues experienced previously.</i> The Communities and Partnerships team commenced work on updating the Council's Register of Consultees and community engagement toolkit. Working with the integrated neighbourhood team, What Matters to You and MyCAW (Measure Yourself

Principle B: Ensuring openness and comprehensive stakeholder engagement		
Key element	How the Council achieves this	Development in 2024/25
		<p>Concerns and Wellbeing) have been used more extensively in 2024/25.</p> <ul style="list-style-type: none"> • Agents panel recommenced in May 2024 and will be held at least twice a year. • Introduction of a negotiation protocol so that all stakeholders understand how the Planning service will engage with its customers post application submission was launched in May 2024. This will be continually reviewed. • Planning service customer charter and negotiation protocol released to improve clarity and transparency on how the service operates.
<p>Focus and further development for 2025/26</p> <ul style="list-style-type: none"> • An external engagement exercise is to be run to gauge the thoughts about the new website from external users, including residents. • Parish Council event to be held in 2025 to guide them on how best to interact with the planning service and contribute to planning decisions and to update on the changes in legislation within planning. • Development of a customer feedback form for Building Control to be added to the website in 2025/26. • The Register of Consultees will be promoted, following its update. 		



Principle B: Ensuring openness and comprehensive stakeholder engagement		
Key element	How the Council achieves this	Development in 2024/25
<ul style="list-style-type: none"><i>Public Survey on Local Government Reorganisation</i>		

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits		
Key element	How the Council achieves this	Development in 2024/25
Developing and communicating a vision which specifies intended outcomes for citizens and service users and is used as a basis for planning	<ul style="list-style-type: none"> The Council has approved two Corporate Objectives:- To be financially self-sufficient and provide services driven by and built around the needs of our customers; and, To enable and deliver commercial and economic growth to ensure that East Cambridgeshire continues to be a place where people want to live, work, invest and visit. The Corporate Plan for the period 2023-2027 was approved by Council in July 2023. It contains three themes which set out the main areas where the Council will concentrate work over the period: <ul style="list-style-type: none"> Sound financial management Cleaner, greener East Cambridgeshire Sustainable communities <p>Within each of these themes the Council set out the priorities for the year. Details of all the above, together with any committee reports referred to in this statement, can be found on the Council's website.</p> The Medium-Term Financial Strategy (MTFS) is presented to Council on an annual basis to support the budget papers and the Corporate Plan. The MTFS sets out the level of savings that need to be achieved over the medium term. Savings plans and income generation targets are developed to achieve the budget requirement set out in the MTFS. The Environment & Climate Change Strategy and Action Plan sets out the Council's vision, which is that by 2050 the Council's operations will reach net zero carbon emissions, and steps that will be taken to support our communities and East Cambridgeshire's biodiversity and environmental assets so they can adapt and flourish as the climate changes. Silver level Investors in the Environment accreditation. 	<ul style="list-style-type: none"> Climate and Nature Strategy 2024-28 approved. <i>The Council adopted the Hedgehog Recovery Supplementary Planning Document following consideration by the Finance & Assets Committee on 26 September 2024.</i>

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits		
Key element	How the Council achieves this	Development in 2024/25
	<ul style="list-style-type: none"> Local Enforcement Plan adopted in March 2023 which sets out level of service to expect for all stakeholders in enforcement service. 	
Translating the vision into courses of action for the authority, its partnerships and collaborations	<ul style="list-style-type: none"> During 2024/25 performance reporting against Service Delivery Plans was reported to respective committees. Service Delivery Plans are reviewed every year in line with any changes to the Corporate Priorities and in accordance with the development of the budget to ensure the necessary resources are in place for their delivery. Staff appraisals and performance reviews are linked to corporate and service level plans. Where commissioned services are delivered jointly with partners this is reflected in Service Delivery Plans and performance against both service delivery targets and budgets are monitored. There are service contracts in place between the Council and its Trading Companies. In addition, the Council, through the respective Shareholder Committee, approves each Trading Company business plan. There is a shareholder agreement in place between the respective companies and the Council. The Communications Team undergoes an annual call round of Parish Councils to assess their feedback on the service it provides. 	<ul style="list-style-type: none"> Service Delivery Plans reviewed and approved by committees in March 2024, with six monthly progress updates. New Health and Wellbeing, Community Engagement and Vulnerable Community strategies were adopted in March 2024 which identified an action plan and targets. Updates provided in year and included in service plan. Working closely with the Integrated Neighbourhood Board, who will help deliver the recently adopted Health and Wellbeing Strategy. Waste and Recycling Policy 2026 approved to ensure transparency and clarity for residents about the services they are entitled too.

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits		
Key element	How the Council achieves this	Development in 2024/25
		<ul style="list-style-type: none"> <i>ECSS has improved performance in 2024/25 as reported to operational services committee June 2025.</i>
<p>Focus and further development for 2025/26</p> <ul style="list-style-type: none"> An area of challenge has been the performance standards relating to the use of paper and the target for 25% of councillors to receive their agendas electronically. The percentage of councillors receiving some materials electronically has increased to 42.86%, and 28.57% are now receiving fully electronic agendas. The democratic services team will continue to explore ways in which paper document production can be reduced. In relation to extensions of time (EOTs) for planning applications, to introduce reporting on how many are used and why. <i>A Project Board has been established to provide oversight of the rollout of the new waste collection service, ensuring that objectives are met, risks are managed, and progress is effectively monitored.</i> 		

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes		
Key element	How the Council achieves this	Development in 2024/25
Reviewing the effectiveness of the authority's decision-making framework, including delegation arrangements, decision making in partnerships and robustness of data quality	<ul style="list-style-type: none"> The Council's decision-making framework is set out in the Council's Constitution including an effective scheme of delegation. The Council's Constitution is kept under continuous review in line with best practice. The Constitution includes the Shareholder Committee roles of the Finance and Assets Committee and the Operational Services Committee for the East Cambridgeshire Trading Company (ECTC) and East Cambridgeshire Street Scene (ECSS), respectively, and the Anglia Revenues Partnership Joint Committee. Business Continuity Management arrangements are in place to support delivery of services and outcomes in the case of unforeseen events. The Housing Register has been brought back in-house from the 1st November 2024. <i>The Council ensures the robustness of its data quality through Records Management Guidance and mandatory annual Data Protection training, requiring all data to be accurate, reliable, timely, relevant, complete, and secure.</i> 	<ul style="list-style-type: none"> <i>Council agreed revised proportionality arrangements -December 2024</i>
Measuring the performance of services and related projects and ensuring that they are delivered in accordance with defined outcomes and that they represent the best use of resources and value for money	<ul style="list-style-type: none"> Performance management in the Council is based on the Corporate Plan priorities supported by Service Delivery Plans. The Council's two Policy Committees (Operational Services and Finance and Assets) approve and monitor performance against Service Delivery Plans. A summary of the overall performance of the Council, linked to the promises detailed in the Corporate Plan, is included in the introduction to the Statement of Accounts. The Council has established a robust financial planning process which includes a Medium-Term Financial Strategy, frequent budget monitoring reports to officers and quarterly budget monitoring reports to Policy Committees. 	<ul style="list-style-type: none"> Updated Performance Management Scheme for officers. Building Control services have been applying the new reporting mechanisms required by the Building Safety Regulator. Better use and additional modules of existing systems is being explored to streamline

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes		
Key element	How the Council achieves this	Development in 2024/25
	<ul style="list-style-type: none"> Customer satisfaction surveys are issued by services such as the Care and Repair team. These seek to ensure that outcomes meet requirements i.e. improved accessibility and efficient and effective processes. Service Lead participation in professional networks enables sharing of latest best practice and benchmarking. Measurement of sickness absence performance. 	<p>processes and support this reporting.</p> <ul style="list-style-type: none"> <i>Following the December 2024 LGR announcement, a Chief Executive and Leader working group is developing business case(s) for submission in November, with ECDC collaborating with SCDC, CCC, FDC, and Peterborough on Proposal B.</i>
Focus and further development for 2025/26 <ul style="list-style-type: none"> Actions arising from Building Safety Regulator inspection for Building Control services. 		

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Key element	How the Council achieves this	Development in 2024/25
Defining and documenting the roles and responsibilities of Members and management, with clear protocols for effective communication in respect of the authority and partnership arrangements	<ul style="list-style-type: none"> The Council's Constitution sets out how the Council operates and decisions are made. This contains separate articles and key documents covering the Member Code of Conduct, Proper Officer functions, and protocols for the Monitoring Officer. As the Head of Paid Service, the Chief Executive leads the officers and chairs the Council's Corporate Management Team. The other two statutory officers, the Monitoring Officer and S151 Officer report directly to the Chief Executive and are both members of the Corporate Management Team. Regular meetings are held between the Leader of the Council and the Chief Executive, as well as between the Leader and the Corporate Management Team, to maintain a shared understanding of roles and objectives. (In addition, regular meetings are also held with the leaders of the Opposition alongside the Corporate Management Team). 	
Ensuring that financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015)	<ul style="list-style-type: none"> The Council establishment includes a Chief Finance Officer (CFO), ensuring the financial management arrangements conform with the requirements within the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015). This responsibility was discharged by the Director Finance, S151 Officer, during 2024/25. 	
Ensuring effective arrangements are in place for the discharge of the Monitoring Officer function	<ul style="list-style-type: none"> The Monitoring Officer is a statutory appointment under Section 5 of the Local Government and Housing Act 1989. These responsibilities were delivered by the Director Legal in 2024/25. The Monitoring Officer undertakes to discharge their statutory responsibilities with a positive determination and in a manner that enhances the overall reputation of the 	

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Key element	How the Council achieves this	Development in 2024/25
	<p>Council. In doing so they will also safeguard, so far as is possible, members and officers whilst acting in their official capacities, from legal difficulties and/or criminal sanctions.</p> <ul style="list-style-type: none"> It is important that Members and officers work together to promote good governance within the Council. The Monitoring Officer plays a key role in this and it is vital therefore, that Members and officers work with the Monitoring Officer to enable them to discharge their statutory responsibilities and other duties. There are working arrangements and understandings in place between the Monitoring Officer, members and the Corporate Management Team which are designed to ensure the effective discharge of the Council's business and functions. These arrangements are detailed in the Monitoring Officer Protocol, which is a key document in the Council's Constitution. 	
Ensuring effective arrangements are in place for the discharge of the Head of Paid Service function	<ul style="list-style-type: none"> The role of Head of Paid Service is defined in the Local Government and Housing Act 1989. In East Cambridgeshire District Council, it is assigned to the Chief Executive as set out in the Constitution and all necessary powers are delegated to fulfil the statutory role. The Council is also required to provide the Head of Paid Service with staff, accommodation and other resources sufficient to enable the performance of the function. The annual budget proposed to Council, prepared by officers, seeks to align the provision of Council resources with the delivery of the Corporate Plan. In this manner, the Head of Paid Service is ensuring that the Council is fulfilling its duty. 	
Providing induction and identifying the development needs of members and officers in relation to their strategic	<ul style="list-style-type: none"> There is a Member induction and training programme in place. Members are also required to undertake specific training before performing certain duties such as planning and licensing. Additional Member seminars are also arranged throughout the year to deal with specific issues as they arise. 	<ul style="list-style-type: none"> Member seminars in 2024/25 included: June 2024: Planning Regulations

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Key element	How the Council achieves this	Development in 2024/25
roles, supported by appropriate training	<ul style="list-style-type: none"> There is an induction programme for all new employees. Staff training and development needs are reviewed at performance appraisals and supervision meetings. All officer posts within the Council have a detailed job description and person specification. The development needs of officers are determined through an annual performance appraisal, a key outcome of which is a Personal Development and Training Plan. This Plan provides a link between service and corporate priorities and career development. Requests for professional/vocational training are presented to Corporate Management Team annually for final consideration. Staff training includes modules relating to data protection, accessibility, fire safety, mental health at work, bomb threats, safeguarding, risk management and procurement compliance. Continuous professional development completed by professional officers. Succession planning within key service area roles. 	<p><i>April 2024 Domestic Abuse Policies</i></p> <p>June 2024 and November 2024: LGA Model Code of Conduct</p> <p>July 2024: Anglia Revenues Partnership</p> <p>September 2024: Bus Cycle Walk</p> <p>October 2024: Hate Crime reporting</p> <p>January 2025: Council budget</p> <p>March 2025: Operation Ford</p> <ul style="list-style-type: none"> Building Control team members completed the BSR validation competency exams, enabling the Council to join the national register of Building Inspectors.
Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing	<ul style="list-style-type: none"> Healthy You programme is promoted with Council staff. Promotion of health and wellbeing resources available via the Council's intranet pages. Remote Working Policy adopted and health and safety advice available to support staff working on and off site. 	<ul style="list-style-type: none"> Updated the Family Friendly Guidance to include the new right to carer's Leave and the changes to flexible working from April 2024. Introduced a Menopause at Work policy to develop

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Key element	How the Council achieves this	Development in 2024/25
	<ul style="list-style-type: none"> Grant funding is utilised to support health initiatives and to offer value for money services to residents to combat health inequalities. Details of health and safety working group and codes of practice made available to all staff. Flexible retirement policy in place. 	<p>understanding and support of menopause at work issues.</p> <ul style="list-style-type: none"> Implemented a volunteering policy which supports staff to do a range of volunteering opportunities that positively impact the community, helps vulnerable people in our society and/or helps to improve the environment in East Cambridgeshire. DAHA accreditation for the housing and community advice team (benchmark for how housing providers should respond to domestic abuse in the UK). Training regarding the Council's PREVENT and domestic violence duties delivered in June 2024.
Proactive and effective use of technology to support service delivery	<ul style="list-style-type: none"> Adoption of employee self-service systems for payroll and human resources activity. The HR service actively supports staff to access and use the HR and Payroll system. Using the Employee Self-Service (ESS) functionality, staff are able to submit mileage and expenses claims, childcare claims, book annual leave (and other forms of leave). The HR service also supports managers using the People Manager platform to 	<ul style="list-style-type: none"> Increased use of electronic working in Building Control with over 95% of documentation now sent out electronically.

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Key element	How the Council achieves this	Development in 2024/25
	<p>manage their team's time and expenses claim forms, leave requests, sickness absence etc.</p> <ul style="list-style-type: none"> Refreshing and reviewing systems to ensure these remain effective and up to date. 	
<p>Focus and further development for 2025/26</p> <ul style="list-style-type: none"> Ongoing development of Customer Relationship Management systems and use of these. Staff survey to be undertaken in 2025/26. <i>Currently the council does not have any active AI policy. However, it intends to develop one by end of 2026.</i> 		

Principle F: Managing risks and performance through robust internal control and strong public financial management		
Key element	How the Council achieves this	Development in 2024/25
Reviewing the effectiveness of the framework for identifying and managing risks and for performance and demonstrating clear accountability	<ul style="list-style-type: none"> The Council has a Risk Management Policy and framework to detail the approach to managing risks. The latest Policy was approved by Full Council in February 2024. The Council's Corporate Risk Register is the result of continuous review by a Risk Management Group, the Corporate Management Team and the Audit Committee, of the key risks that may have an impact on achieving the Council's objectives. Each risk shows the owner, the key controls in place to minimise any impact on the Council and its provision of services to stakeholders and sources of assurance. Individual projects and partnerships are also subject to risk assessments. Service Leads are asked to identify and highlight major risks at a service level for consideration by the Risk Management Group. Other service risks are managed by Service Leads via the Service Planning process. The Strategic Business Continuity Plan ensures that the Council is able to plan for, and respond to, a disruptive incident in order to continue service delivery and business operations at an acceptable predefined level. Risks are considered when drafting project and event plans and reviewed at the end of each stage, as part of the project planning process. The Communications Team regularly enters into new partnerships and collaborations. It carefully monitors all formal and informal agreements and carries out risk assessments as required, for example when contracting work on behalf of other service leads, or hosting publicity events. 	<ul style="list-style-type: none"> Negotiation protocol and other streamlining projects have meant that time spent on individual planning applications has dropped. This has built additional capacity within the team and has improved timeliness of decision making. (EOTs reduced by 51% and back log by 38%)
Ensuring compliance with the principles of the CIPFA Financial Management Code	<ul style="list-style-type: none"> The Council's s151 Officer's self-assessment in 2021/22 against key elements of the Code identified no areas requiring action for compliance. 	

Principle F: Managing risks and performance through robust internal control and strong public financial management		
Key element	How the Council achieves this	Development in 2024/25
Ensuring an effective scrutiny function is in place.	<ul style="list-style-type: none"> The Council has a Call-In and Referral Up Procedure which is part of the Constitution. This enables councillors to call in decisions made through the Policy Committees. Council can then consider the matter afresh and make a final decision which could be to uphold, amend or reject the previous decision of the Policy Committee. The Council provides Members to other Scrutiny Committees, where required, to review the performance and effectiveness of other public service providers as well as the Council. Examples include the Cambridgeshire Police & Crime Panel, Health & Wellbeing Board and the Community Safety Partnership. Independent Remuneration Panel (IRP) was appointed to make recommendations on allowances paid to councillors. 	<ul style="list-style-type: none"> Recommendations of the IRP took effect from 1st April 2024.
Ensuring effective counter fraud and anti-corruption arrangements are in place	<ul style="list-style-type: none"> An Anti-fraud and Corruption Strategy is in place which includes procedures relating to Money Laundering and Bribery Act. The Council participates in the National Fraud Initiative (NFI) exercises to identify potential indicators of fraud or error and is also participating in the Cambridgeshire Fraud Hub. Fraud reporting email address made available for reporting concerns. The Whistleblowing policy also provides a route for raising concerns in confidence. 	
Gaining assurance on risks associated with delivering services through third parties	<ul style="list-style-type: none"> The Council's Corporate Risk Register details the governance controls that it maintains over its trading companies, to ensure that any risks associated with these are quickly identified. As part of the processes included in this, is the need for the companies to produce an annual Business Plan that includes a risk management section for approval at Committee. 	

Principle F: Managing risks and performance through robust internal control and strong public financial management		
Key element	How the Council achieves this	Development in 2024/25
Undertaking the core functions of an audit committee, as identified in Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2022)	<ul style="list-style-type: none"> The Audit Committee, for the financial year 2024/25, operated in line with its terms of reference and supporting procedure rules covering internal and external audit, risk management, annual statement of accounts, corporate governance and internal control arrangements, and anti-fraud and corruption arrangements. In accordance with guidance, the Audit Committee does not engage in decision making which would impact upon its independence. 	<ul style="list-style-type: none"> <i>New Lay Member joined Audit Committee in July 2024</i> Audit Committee members participated in a self-assessment against the CIPFA 2022 guidance and devised an action plan for ongoing improvement. An Annual report to Council, reflecting on the work of the Committee was produced for 2024/25 and approved by Full Council in May 2025.
Arrangements for managing data to ensure security, quality and accuracy	<ul style="list-style-type: none"> The Council has a Data Protection Officer (DPO) and Senior Information Responsible Officer (SIRO). Training is provided to staff on data protection, including as part of induction processes. Service Leads ensure data is managed in line with Council policy and procedure. Where parts of the service are outsourced or delivered in partnership, and the third-party processes or has access to Council data, assurance is obtained from the third party regarding the robustness of systems and controls it has in place. 	
Focus and further development for 2025/26 <ul style="list-style-type: none"> Update of fraud policies, including to recognise the 'failure to prevent fraud' arising from the Economic Crime and Corporate Transparency Act 2023. 		



Principle F: Managing risks and performance through robust internal control and strong public financial management

Key element	How the Council achieves this	Development in 2024/25
<ul style="list-style-type: none">• Implementation of the new waste collection service - go live in June 2026.• Ongoing development of the Bereavement Service and new service design.• <i>Implementation of Audit Committee improvement / Action Plan.</i>• <i>S151 officer to conduct for the self-assessment against the CIPFA Financial Management code in 2025/26.</i>		

Principle G: Implementing good practices in transparency, reporting, and audit, to deliver effective accountability		
Key element	How the Council achieves this	Development in 2024/25
Ensuring that the authority provides timely support, information and responses to external auditors and properly considers audit findings and recommendations.	<ul style="list-style-type: none"> The Council provides support and information to the externally appointed auditors (EY LLP). Audit findings and recommendations are reported through the Audit Committee. 	<ul style="list-style-type: none"> The External Audit of the 2022/23 and 2023/24 Accounts were both signed off by EY during 2024/25 with a disclaimed audit opinion. The disclaimed opinion was given as problems with the Local Audit Market had resulted in EY being unable to complete their testing by the backstop date legislated by Government. During debate at Audit Committee it was made clear that The Council could have done nothing to prevent the audit opinion given. It should be noted that the Council published their 2023/24 draft Accounts in line with the Statutory requirement.
Incorporating good governance arrangements in respect of partnerships and other joint working and ensuring that they are reflected across the authority's overall governance structures.	<ul style="list-style-type: none"> The Council demonstrates a strong commitment to working in partnership with other agencies to deliver priority outcomes and ensure that this partnership activity provides value for money and added value. The governance arrangements for key partnerships are kept under review. Governance arrangements for significant partnerships, such as the East Cambridgeshire Trading Company, East Cambridgeshire Street Scene and the Anglia Revenues Partnership, are documented in the Constitution. 	<ul style="list-style-type: none"> 'The Hive' was subject to Quest Leisure benchmarking in 2024, with an outcome of 'Good'.

Appendix 1

<p>Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon</p>	<ul style="list-style-type: none"> • During 2024/25 Internal Audit was delegated to North Northamptonshire Council which was led by a professionally qualified Chief Internal Auditor in accordance with the CIPFA Statement on the Role of the Head of Internal Audit in Public Service Organisations, Public Sector Internal Audit Standards and the Local Government Application Note. • The Internal Audit Charter is in line with the Public Sector Internal Audit Standards and provides for the necessary access required to exercise this key role. • The Chief Internal Auditor has been an attendee at all Audit Committee meetings and progress reports on delivery of the audit plan have been provided throughout the financial year. • Implementation of audit recommendations are subject to monthly follow ups by the Internal Audit team and progress is reported to every Committee meeting via a progress report. 	<ul style="list-style-type: none"> • Implementation of 96% of agreed actions from Internal Audit reports due during 2024/25. • The Audit Committee received a briefing on the implications of the Global Internal Audit Standards and approved a revised Internal Audit Charter to align with these from April 2025. • <i>Council appointed Mr Stephen Joyce as an Independent (Lay) Member of the Audit Committee. Mr Joyce, recently retired as Finance Director of the Royal Society of Chemistry, brings significant financial and governance expertise to the Committee. His appointment strengthens the Council's assurance framework and supports the effective delivery of audit and governance responsibilities.</i>
<p>Focus and further development for 2025/26</p> <p>To receive the outcome of the External Quality Assessment of Internal Audit and monitor implementation of any actions arising.</p>		



EAST CAMBRIDGESHIRE
DISTRICT COUNCIL

Appendix 1

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5. Review of effectiveness

- 5.1. East Cambridgeshire District Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the directors within the Council who have responsibility for the development and maintenance of the governance environment, the Chief Internal Auditor's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 5.2. The following is a brief description of the roles and processes that have been applied in evaluating the effectiveness of the governance framework:

1. The Council

- In July 2023 the Council approved the Corporate Plan for 2023-2027 which forms the basis of the performance management framework. Council reviews progress against the plan, ensuring it remains committed to the priorities whilst delivering a balanced budget. An updated action plan for 2024-25 was approved by Council in July 2024.
- Council approved financial documents including the Medium-Term Financial Strategy, Capital Strategy, General Fund Revenue Budget, Treasury Management Strategy, and the Council Tax Reduction Scheme. The Medium-Term Financial Strategy provides the financial structure for the policy and budget framework, corporate planning, annual service planning and budget setting.
- Section 151 of the Local Government Act 1972 requires that every local authority shall make arrangements for the proper administration of their financial affairs and shall ensure that one of their officers has responsibility for administration of those affairs. This role was discharged by the Council's Director, Finance and S151 Officer during 2024/25.
- The CIPFA Financial Management Code published in October 2019 sets out the financial standards of financial management for local authorities. Full adoption of the Code commenced on 1st April 2021. A self-assessment by the s151 Officer in 2021/22 did not highlight any areas of non-conformance with key principles of the Code. An independent review by Internal Audit of the self-assessment was also conducted and areas for further consideration have been reported.
- The Council has appointed Independent Persons in accordance with the standards framework to be compliant with the Localism Act 2011.
- Council approved key strategies and policies such as the Corporate Plan and the revised Corporate Risk Management Policy are in place and communicated.

2. The Finance and Assets Committee

- The Committee reviewed and noted quarterly budget monitoring reports and regular updates on assets.
- The Committee recommended that Council approve financial reports, such as the Treasury Management Strategy, Treasury Management Annual Performance Review, the Annual Investment Strategy, Revenue Budgets, Capital Strategy, Council Tax, overall Council Budget reports, and reviewed the minutes of the ARP

Joint Committee, as the partnership which delivers revenues and benefits for the Council.

- In undertaking its role as the Shareholder Committee for East Cambridgeshire Trading Company (ECTC), the Committee approved the Business Plan for 2024/25 (March 2024) and 2025/26 (March 2025). The Committee also noted the ECTC accounts for 2023/24 in September 2024.
- The Committee received the annual Health and Safety report for 2023/24 in September 2024. This provided a summary of East Cambridgeshire District Council (Council), East Cambs Trading Company (ECTC) and East Cambs Street Scene (ECSS) health and safety performance to the end of the financial year 2023/24 and set out the commitments relating to health and safety for the year 2024/25.
- The Committee received the Annual Equality Monitoring report including actions aimed at reducing the gender pay gap.
- The Committee received an Asset Management Plan for 2024/25 in March 2025.

3. The Audit Committee

- The Committee performed the role of the Audit Committee as defined by the Public Sector Internal Audit Standards, which covered internal and external audit matters, risk management arrangements, corporate governance including internal control arrangements and the annual governance statement, anti-fraud and corruption arrangements, and the statement of accounts.
- The Committee received reports on corporate risks, the work and findings of internal audit, including the annual report, and external audit reports, letters and briefings. It also reviewed and approved the Annual Governance Statement for 2023/24.
- The committee received regular updates on the outcome of internal audit assignments and the implementation of actions agreed based on those findings.
- Members of the Committee engaged in a self-assessment against the latest CIPFA guidance on Audit Committees (2022) to identify areas for further development.

4. The Operational Services Committee

- The Committee received and noted budget monitoring reports.
- An update on the Community Safety Partnership was received for the Committee's noting.
- The Committee approved an updated Housing Adaptation & Repairs Policy for 2025–30.
- The Committee considered and approved the Homelessness and Rough Sleeper Strategy, setting out the Council's strategy and action plan for the next five years.
- In January 2025, the Committee approved the updated Equality, Diversity and Inclusion Policy 2025-2028.
- In undertaking its role as the Shareholder Committee for East Cambridgeshire Street Scene (ECSS), the Committee received performance reports for the delivery

of the waste and street cleansing services by ECSS. The Committee also approved the ECSS Business Plan for 2024/25 and half yearly performance report. The Committee also noted the ECSS statutory accounts and governance statement for 2023/24.

5. Relationship between the Council and its Trading Companies

The shareholder arrangements for the Finance and Assets and Operational Services Committee are detailed above. In addition, there are a number of matters reserved for Council (as the sole shareholder) as detailed in the Shareholder Agreement. The Council continues to implement the revised arrangements for the membership of the ECTC and ECSS board and wider member scrutiny (ref: Council – 17 October 2019 Agenda Item 14 and 15) specifically the appointment of the Leader of Council or Deputy Leader of Council and the respective Chairman of Committee to the Boards as Observers ***(with Council in July 2023 resolving that the Vice Chair of Operational Services Committee may serve as the ECSS Observer where the Chair of Operational Services is also the Deputy Leader)***, the membership of the Boards to include the respective Director, delegations of functions of Council to the respective Committee to meet its shareholder responsibilities and an annual all member shareholder seminar.

6. Internal Audit

- The Council takes assurance about the effectiveness of the governance environment from the work of Internal Audit, which provides independent and objective assurance across the whole range of the Council's activities. It is the duty of the Chief Internal Auditor to give an opinion on the adequacy and effectiveness of internal control within the Council. This opinion has been used to inform the Annual Governance Statement.
- The Chief Internal Auditor's annual report was presented to the Audit Committee in July 2025. This report outlined the key findings of the audit work undertaken during 2024/25 including any areas of significant weakness in the internal control environment.
- The Chief Internal Auditor's annual opinion for 2024/25 is that:
'It is my opinion that **Good Assurance** can be given over the adequacy and effectiveness of the Council's control environment for 2024/25 This control environment comprises of the system of internal control, governance arrangements and risk management. Any limitations over this opinion are detailed and explained further [within the report]'.

The following is noted:

'For the audits completed by the Internal Audit service in 2024/25, 100% of the opinions given in relation to the control environment and compliance have been of at least Moderate Assurance. There have been no reports issued with an opinion of 'high' organisational impact. Of the audits completed by the Internal Audit service, 73% of opinions were of 'Substantial' or 'Good'; and

'Of the agreed management actions due for implementation during 2024/25, 96% had been completed during the year'.

7. External audit

- Under the Government's local public audit regime, the Audit Commission initially, and more recently Public Sector Audit Appointments Limited, have awarded contracts for work previously carried out by the Audit Commission's audit practice. As a result, Ernst & Young (now EY) have been the appointed external auditor for East Cambridgeshire District Council since 1st September 2021.
- EY reported to the Audit Committee on 4th November 2024 in the Audit Completion Report to Those Charged with Governance, that they had issued a disclaimed audit report on the Council's financial statements for 2022/23 under the arrangements to reset and recover local government audit. It was confirmed to the Audit Committee that the Council could not have avoided this outcome and this related to the national 'backstop' position.
- EY's report on the 2023/24 accounts was presented to the Audit Committee in February 2025. As a result of the 2022/23 disclaimed audit report, whilst they have commenced limited work to rebuild assurance ahead of the 2023/24 backstop date, they had not been able to complete the planned programme of work to obtain sufficient evidence to have reasonable assurance over all closing balances. As a result of the 2022/23 disclaimed audit report, they do not have assurance over the brought forward balances from 2022/23 (the opening balances). This means they do not have assurance over 2023/24 in-year movements and some closing balances. They also do not have assurance over the 2022/23 comparative amounts disclosed in the 2023/24 financial statements. Taken together with the requirement to conclude their work by the 2023/24 backstop date, the lack of evidence over these movements and balances mean they were unable to conclude that the 2023/24 financial statements are free from material and pervasive misstatement of the financial statements. They therefore reported to the Audit Committee a disclaimed 2023/24 audit opinion.

8. Other inspection agencies

- In 2025, the Building Safety Regulator (BSR) carried out an inspection of the Council's building control functions under Section 58Z8 of the Building Act 1984. The inspection was to assess compliance with the Council's legal duties under the Building Act 1984 and ascertain the efficiency and effectiveness of systems, controls and procedures in exercising your building control functions in relation to BSR's Operational Standards Rules (OSRs). The outcome was a single contravention for which actions are already underway to resolve.

6. Significant governance issues and actions

The review of the effectiveness of the Governance Framework has provided a satisfactory level of assurance. The review process has highlighted the following significant issue:

- The 2023/24 Accounts have been signed with a disclaimed opinion, and it is considered highly likely that the 2024/25 Accounts will also be subject to a disclaimed opinion as the external auditors are unlikely to be able to validate all reserve balances carried forward prior to the backstop date for these Accounts of February 2026.

- Recruitment to statutory role of s151 Officer to take place in 2025.

Based on the work that has been completed, assurance can be taken that the governance arrangements at East Cambridgeshire District Council are fit for purpose.

7. Statement by Leader of the Council and Chief Executive

The Council has in place strong governance arrangements which we are confident protect its interests and provide necessary assurances to the community and stakeholders.

We propose over the coming year to continually address any issues arising that need addressing in order to further enhance its governance arrangements.

Signed:

.....

Councillor Anna Bailey
Leader of the Council

Date:

.....

John Hill
Chief Executive

Date:

Appendix 2 – Progress Against 2023/24 Actions

The 2023/24 Governance Statement detailed issues and actions for further development and focus in 2024/25. This Appendix outlines progress against these actions and makes appropriate recommendations for inclusion in the current draft Governance Statement.

Principle	Actions	Progress and Further Recommendations
A. Integrity, ethical values and respect for the rule of law	<p>Publication of Whistleblowing policy</p> <p>Draft social media guidelines</p> <p>Review of Planning Service – reduce reliance on external consultants</p>	<p>The updated Whistleblowing Policy was published in March 2024</p> <p>Complete</p> <p>Phase 1 of the review has now been completed. Major projects are now overseen by two Major Project Officers (rather than contracted to consultants) Where an applicant requests a planning performance agreement internal staff are used to cover the requirements of the PPA, this enables staff to extend knowledge and skills, and ensure we keep the service knowledge within the team. If needed agency staff can be brought into support non major and householder applications. The service still has a number of vacancies and therefore agency staff are still used. There is a recruitment drive currently live which concludes in June, with staff expected to start August/September depending on notice periods. The recruitment market is still extremely challenging, and this action will be kept under review.</p>

<p>Corporate compliance with Web Content accessibility Guidelines (WCAG) 2.2</p>	<p>We have developed and issued staff guidance and resources to support consistent and accessible communication practices across the Council including in-person accessibility training sessions and workshops for relevant officers.</p> <p>We have rebuilt the Council's official website and the intranet incorporating all four accessibility principles: perceivable, operable, understandable and robust. New information architecture, more intuitive grouping and presentation of information, new responsive and technology friendly layouts, and a partially rewritten content ensure that our website and intranet is easy to use for all and can accommodate people with visual impairments, physical and visual disabilities, and low literacy skills.</p>
<p>LGA's 'Debate not Hate' Campaign</p>	<p>Cross party motion brought to Council on 23rd May 2024, which was resolved unanimously, for the Council to subscribe to the LGA's Debate not Hate campaign.</p>
<p>Compliance with accessibility standards and new requirements for overseas votes</p>	<p>The Elections Team has adhered to the accessibility standards set forth in the Elections Act 2022 and the Equality Act 2010. They have ensured that all polling stations are accessible to everyone by providing features such as ramps, lower polling booths, writing aids, magnifying glasses, ballot paper selectors, and large ballot papers.</p>

		The new requirements for overseas voters have shifted from a manual process to an automated system. Overseas voters can now register through the government portal, which automatically submits their information to ECDC. Once approved, these voters will remain on the register for three years, after which they will need to reapply for registration. ECDC will send a reminder letter 6 months before the registration expires.
B. Openness and Stakeholder engagement	<p>Communications Team to support the Waste Team with changes to bin services</p> <p>Parish Council event – Planning process</p> <p>Update communication engagement toolkit</p> <p>Introduction of Customer Charter for Planning</p> <p>Updating Equality, Diversity and Inclusion Policy for 2025-2028</p> <p>Feedback form for Building Control</p>	<p>Ongoing</p> <p>Complete; the Parish Council forum will become a regular fixture for the service.</p> <p>The Council published its updated Community Engagement Strategy</p> <p>Complete and embedded within the service. The charter complements the corporate customer standards policies</p> <p>Following a period of public consultation, the Equality, Diversity and Inclusion Policy 2025-2028 was adopted by the finance and assets committee in January 2025</p> <p>To be implemented in 2025/26</p>
C. Defining outcomes – economic, social and environmental benefits	<p>Development of new website</p> <p>Update pre-applications planning changes schedule</p>	<p>Phase 1 complete, Phase 2 ongoing</p> <p>Completed</p>

D. Intervention to optimise the achievement of intended outcomes	<p>Utilisation of Building Safety Regulator by Building Control</p> <p>Revised arrangements for Committees as agreed by Council (ref. recission motion Agenda Item 11 – 24 May 2024)</p>	<p>Building Safety Regulator audit completed with only three minor recommendations for process improvement</p> <p>A Guidance Note was issued by the Chief Executive on 4 June 2024 and sent to all members, in accordance with the Council's decision on 23 May 2024.</p>
E. Developing Capacity	<p>Introduction of Menopause at Work Policy</p> <p>Update Family Friendly Guidance</p> <p>Training – Council PREVENT and domestic violence duties</p>	<p>Following consultation with Unison, the Menopause at Work Policy was implemented in January 2025</p> <p>Updated the Family Leave and Flexible working policy in May 2024 to reflect the changes to the flexible working regulations from April 2024</p> <p>Domestic violence training has been provided to all staff. New members of staff are required to all undertake the free Prevent training that is available on the government website</p>
F. Risk Management	<p>Implementation of new Waste Service</p> <p>Development of Bereavement Centre and new service design</p>	<p>New monthly waste project board set up with ECSS. Ongoing and on track for implementation in June 2026</p> <p>Final business case signed off and procurement exercise completed. Additional CIL funding allocated and commencement on site planned for July / August 2025 and completion in Summer 2026</p>

G. Transparency, reporting and Audit	New Global Internal Audit Standards	Audit Committee received a report on the new Internal Audit Standards at its meeting on the 16 July 2024.
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APPENDIX 3 – SUMMARY OF MEMBER COMMENTS AND CHIEF EXECUTIVE RESPONSE

Please note that comments/proposed amendments and factual/typographical observations were received from Councillors Horgan and Vellacott together with then Stephen Joyce, lay member on Audit Committee. The Appendix below summarises substantive member comments and the appropriate references to amendments made by the Chief Executive to the Annual Governance Statement.

ISSUE	RESPONSE
Clarification on reporting arrangements to Audit from the Monitoring officer	Agreed (ref. Appendix 1 p3)
Include regularity of reminder to members re declarations of interest	Agreed (ref Appendix 1 p3)
Further clarification on improvements to external facing website	Agreed (ref Appendix 1 p6)
Relevance of the Council commitments for 2021-24 from Equality Action Plan – update required	Agreed and updated (ref Appendix 1 p8)
Acknowledge technical problems related to live streams of meetings	Agreed (ref Appendix 1 p9)
Include reference to LGR Public Survey	Agreed (ref Appendix 1 p11)
Comment – any further strategies completed in 2024?	Agreed (ref Appendix 1 p14)

Include reference to improving ECSS performance	Agreed (ref Appendix 1 p14)
Include reference to the arrangements for the implementation of new waste collection arrangements	Agreed (ref Appendix 1 p14)
Identify mechanisms to ensure robustness of data quality	Agreed (ref Appendix 1 p15)
Include reference to the changes to the proportionality arrangements in December 2024	Agreed (ref Appendix 1 p15)
Include reference to arrangements for co-ordinating business cases in relation to LGR	Agreed (ref Appendix 1 16)
Arrangements for liaison with opposition Group Leaders with Corporate Management Team	Agreed (ref Appendix 1 p17)
Clarification on timetable on drafting the Council's first AI policy	Agreed (ref Appendix 1 p21)
Include further quantitative evidence of improvements to planning arising from the revised Negotiation protocol	Agreed (ref Appendix 1 p22)
Need to provide timetable for a further self-assessment by S151 officer against the CIPFA financial management code	Agreed (ref Appendix 1 p25)
Include reference to the implementation of the Audit Committee Improvement/Action Plan	Agreed (ref Appendix 1 p25)
Include reference to appointment of Lay Member	Agreed (ref Appendix 1 p24 and27)
Further clarification on revised arrangements in July 2023 for observers	Agreed (ref Appendix 1 p30)

TITLE: Internal Audit Plan development 2026/27

Committee: Audit Committee

Date: 21st October 2025

Author: Chief Internal Auditor

Report number: AA76

Contact officer:

Rachel Ashley-Caunt, Chief Internal Auditor

Rachel.ashley-caunt@eastcambs.gov.uk

1.0 Issue

- 1.1. To advise and consult the Committee on the Internal Audit plan development process for 2026/27.

2.0 Recommendations

- 2.1. The Committee notes and endorses the proposed approach to development of the Internal Audit plan for 2026/27.
- 2.2. The Committee highlights any risk areas where assurances are required during the year ahead to the Chief Internal Auditor by 16th January 2026.

3.0 Background/Options

- 3.1. In setting the annual audit plan, the Global Internal Audit Standards require that the Internal Audit plan must:
- ‘Consider the internal audit mandate and the full range of agreed-to internal audit services;
 - Specify internal audit services that support the evaluation and improvement of the organisation’s governance, risk management and control processes;
 - Consider coverage of information technology governance, fraud risk, the effectiveness of the organisation’s compliance and ethics programs, and other high-risk areas;
 - Identify the necessary human, financial and technological resources necessary to complete the plan; and
 - Be dynamic and updated timely in response to changes in the organisation’s business, risk operations, programmes, systems, controls and organisational culture’.
- 3.2. The North Northamptonshire Council Internal Audit service is commissioned to provide 210 audit days to deliver East Cambridgeshire District Council’s annual internal audit plan.

4.0 Arguments/Conclusions

- 4.1. In order to ensure that the Audit Plan for 2026/27 address the Council's key risks and adds value to the organisation, it is proposed that the Chief Internal Auditor will identify and prioritise the areas for coverage by:
- a) Reviewing the Council's Risk Register and Corporate Plan;
 - b) Analysing coverage of Internal Audit reviews over the last four years and the assurance opinions provided following each review, to identify any assurance gaps or areas where follow up work would be of value;
 - c) Identifying any other sources of assurance for each of the Council's key risks, which may reduce the added value of an Internal Audit review and where work could be aligned with other assurance providers;
 - d) Identifying any areas of the Audit Universe (the range of potential areas for audit review across the Council) which have not been subject to Internal Audit review during the last four years, including areas which are IT related, fraud risks and ethical governance;
 - e) Consultation with the Audit Committee to discuss the planning process and areas where Members require assurances from Internal Audit during 2026/27, in the form of this report; and
 - f) Meetings with senior management to discuss key risks and emerging risk areas for the year ahead and any areas where Internal Audit support would be beneficial either in an assurance or consultancy role.
- 4.2. All potential audit coverage identified will be risk assessed and prioritised for inclusion in the Audit Plan, in consultation with senior management, based on risk, other sources of assurance available and potential value added from a review.
- 4.3. The resulting draft Internal Audit Plan will then be presented to the Audit Committee in March 2026 for review and formal approval.

5.0 Additional Implications Assessment

5.1 In the table below, please put Yes or No in each box:

Financial Implications	Legal Implications	Human Resources (HR) Implications
No	No	No
Equality Impact Assessment (EIA)	Carbon Impact Assessment (CIA)	Data Protection Impact Assessment (DPIA)
No	No	No

6.0 Appendices

None

7.0 Background documents

None

TITLE: Internal Audit Progress Report

Committee: Audit Committee

Date: 21st October 2025

Author: Chief Internal Auditor

Report number: AA77

Contact officer:

Rachel Ashley-Caunt, Chief Internal Auditor

Rachel.ashley-caunt@eastcambs.gov.uk

1.0 Issue

- 1.1. To advise the Committee of the work of Internal Audit completed during the financial year to date, and the progress against the Internal Audit Plan.

2.0 Recommendations

- 2.1. That the Committee notes the progress made by Internal Audit in the delivery of the Audit Plan and the key findings.

3.0 Background/Options

- 3.1. The role of Internal Audit is to provide the Audit Committee, and management, with independent assurance on the effectiveness of the internal control environment. Internal audit coverage is planned so that the focus is upon those areas and risks which will most impact upon the Council's ability to achieve its objectives.
- 3.2. Since the last progress report, three audit reports have been finalised from the 2025/26 audit plan and the key findings are summarised in Appendix 1.
- 3.3. Since the last Audit Committee update, five actions arising from audit reports have been implemented by officers. There is one overdue action.

4.0 Arguments/Conclusions

- 4.1. The attached report (Appendix 1) informs the Committee on progress to date against the Audit Plan.

5.0 Additional Implications Assessment

- 5.1 In the table below, please put Yes or No in each box:

Financial Implications	Legal Implications	Human Resources (HR) Implications
No	No	No
Equality Impact Assessment (EIA)	Carbon Impact Assessment (CIA)	Data Protection Impact Assessment (DPIA)
No	No	No

6.0 Appendices

7.0 Background documents

Internal Audit Plan 2025/26



Internal Audit Progress and Performance Update

October 2025

1. Introduction

- 1.1 The Internal Audit service for East Cambridgeshire District Council provides 210 days to deliver the 2025/26 Annual Audit Plan.
- 1.2 The Public Sector Internal Audit Standards (the Standards) require the Audit Committee to satisfy itself that it is receiving appropriate assurance about the controls put in place by management to address identified risks to the Council. This report aims to provide the Committee with details on progress made in delivering planned work, the key findings of audit assignments completed since the last Committee meeting and an overview of the performance of the audit team.

2. Performance

Delivery of the 2025/26 Audit Plan

- 2.1 The Internal Audit service has a target to deliver at least 90% to draft report stage by 31st March, which remains on track. Progress on individual assignments is shown in Table 1.

Are clients satisfied with the quality of the Internal Audit assignments?

- 2.2 To date, one survey response has been received in relation to feedback on completed assignments for the 2025/26 audit plan. This is summarised on page 9.

Based upon recent Internal Audit work, are there any emerging issues that impact upon the Internal Audit opinion of the Council's Control Framework?

- 2.3 Since the last Audit Committee update, the Internal Audit team has finalised three audit reports. The key findings were as follows:

Disaster recovery

This internal audit was conducted to provide assurance over East Cambridgeshire District Council's disaster recovery arrangements, focusing on the Council's ability to restore critical systems and data in the event of an unplanned outage, incident, or cyber-attack.

The scope of the audit covered the adequacy and effectiveness of disaster recovery controls and processes. This included the review of Business Impact Analyses (BIAs), identification of critical systems and supporting IT infrastructure, the existence and integration of Incident Management Plans (IMPs), supplier contact management, and the approval and accessibility of the Disaster Recovery Plan (DRP). The audit also examined recovery time objectives, backup and restoration practices, governance structures, and communication protocols. Testing was carried out through document reviews, interviews, and sampling of key disaster recovery components and BIAs.

The audit found that the Council has established a strong foundation for disaster recovery, with good assurance provided across most areas. BIAs were up to date and comprehensive, and the DRP was found to be current, approved, and distributed appropriately. The IMP was in place and integrated with other key plans, although it

lacked detailed recovery procedures. A secure and complete supplier contact list was maintained. The Council conducts annual disaster recovery testing, but the audit identified a need for a more formal post-test review process to document lessons learned and track improvements. As a result, two recommendations were made: to formally document the approval process for the DRP and IMP, and to implement a structured post-testing review process.

Roles and responsibilities were clearly defined in both the DRP and IMP, with appropriate escalation and communication protocols in place. Backup procedures followed best practices, including offsite replication and regular integrity testing. Out-of-hours support was provided internally by the ICT team, with contact details documented and tested. Governance and risk reporting processes were found to be effective, though currently informal.

Based on the work performed during the audit, assurance opinions were given as follows:

Assurance Opinion	
Control Environment	Good (Green)
Compliance	Good (Green)
Organisational Impact	Low (Green)

Information requests

The objective of the audit was to assess the adequacy and effectiveness of the Council's arrangements for managing Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests. This area was selected for review due to its statutory importance, the reputational and compliance risks associated with non-compliance with the Freedom of Information Act 2000 (FOIA) and Environmental Information Regulations 2004, and the need to ensure transparency and accountability in the Council's handling of public information

The audit sought to provide assurance over the design and operation of controls in place for processing, recording, and responding to information requests. The review focused on the consistency and timeliness of request handling, the application and justification of exemptions and exceptions, the accuracy and completeness of performance reporting, the escalation and review processes for complex or overdue requests, compliance of the Council's Publication Scheme, and internal review and complaints handling procedures. Testing included a review of sample information requests, performance reports and internal procedures.

The Council has a well-established framework for managing FOI requests, supported by a central logging system, standard operating procedures (SOP), and experienced staff. However, the decentralised handling of EIR requests across multiple departments has led to inconsistencies in process and reporting. Whilst FOI requests are generally well-managed, the lack of standardisation and reporting for EIR requests has

resulted in significant under-reporting. This affects the accuracy of published statistics and the reliability of the Annual Information Governance Report. The Council demonstrates strong practices in FOI handling, including timely responses, structured review processes, and effective use of exemptions and exceptions.

The Information Officer's expertise and proactive engagement with departments are notable strengths, underpinned by a culture of accountability, collaboration, and continuous improvement. Four medium-priority recommendations have been made to address the findings. These focus on standardising EIR processes and reporting, updating the information requests SOP to include escalation guidance, and publishing a compliant Publication Scheme in line with the Information Commissioner's Office (ICO) model. If implemented, these actions will strengthen the Council's information governance arrangements and support continued compliance with statutory obligations.

Based on the work performed during the audit, assurance opinions were given as follows:

Assurance Opinion	
Control Environment	Good (Green)
Compliance	Moderate (Amber)
Organisational Impact	Low (Green)

Asset management

The Council has a duty to ensure that land and property assets under its control comply with relevant statutory and regulatory standards, which include a wide range of health and safety responsibilities. To meet these obligations, the Council must ensure that regular checks and inspections are carried out, and that control measures are in place and recorded to ensure compliance. This audit sought assurance over the asset management processes for corporate properties and the management of leased assets.

In summary, the audit found that there is an approved Corporate Asset Management Plan for 2025/26, though some information in the document is out of date and should be reviewed. Roles and responsibilities for asset management are clearly defined and regular reports are presented to the Finance and Assets Committee to ensure oversight. Introducing quantitative performance measures on statutory and regulatory compliance would further improve monitoring.

The Corporate Asset Management Plan states that a comprehensive asset management database was being finalised. However, during the audit it was established that work on the database had stalled following changes in personnel. As a result, information relating to assets currently remains held in several different locations. Testing also found some inconsistencies in the information published in the Council's asset register. Officers should reassess use of the database and resume development of the system if possible. This would also assist with harmonising data and ensure that there is a clear understanding of the Council's estate.

There is a planned maintenance programme with an approved budget to improve the condition of assets. The programme should be informed by regular condition surveys, however officers acknowledged that the last surveys completed are outdated and a regular cycle of surveys has not taken place in recent years. These should be renewed to ensure that there is a clear understanding of the condition of the Council's assets and associated maintenance costs expected.

Testing of a sample of operational properties found that electrical, gas, lift, and water safety inspection surveys and tests were up to date and compliant with regulations. Officers should ensure that overdue re-inspections in relation to asbestos and fire safety are completed promptly. Similarly, testing of a sample of tenanted properties found that the premises were generally compliant with statutory requirements, with obligations for tenants to maintain properties in good, clean and tidy conditions clearly documented in lease and licence agreements. Responsibility for the testing of firefighting equipment at traveller sites should be clarified to ensure that there is appropriate compliance with statutory duties.

Based on the work performed during the audit, assurance opinions were given as follows:

Assurance Opinion	
Control Environment	Moderate (Amber)
Compliance	Good (Green)
Organisational Impact	Low (Green)

2.4 Implementation of audit recommendations by officers

Where an Internal Audit review identifies any areas of weakness or non-compliance with the control environment, recommendations are made and an action plan agreed with management, with timeframes for implementation.

Since the last Audit Committee meeting, five agreed actions have been implemented by officers. An overview is provided in Table 2.

At the time of reporting, there is one action which is overdue for implementation – which is more than three months overdue. This relates to the need to undertake a review of the procedures to improve the drafting of contract documents in a timely manner and, therefore, the accuracy of the Contracts Register, with management oversight of completion of such requests.

Table 1 - Progress against 2025/26 Internal Audit Plan

						Assurance Opinion			
Assignment		Planned start	Status		Assurance sought	Control Environment	Compliance	Org impact	Comments
Key financial systems									
Bank reconciliations		Q4	Not started						
Payroll		Q3	Not started						
Accounts payable		Q4	Not started						
Accounts receivable		Q4	Not started						
Key policy compliance									
Information requests		Q2	Final report issued		To provide assurance over the timely and compliant handling of Freedom of Information (Fol) and Environmental Information Requests (EIRs).	Good (Green)	Moderate (Amber)	Low (Green)	See section 2.3
Procurement compliance		Q4	Planning						
Risk based audits									
Asset management		Q1	Final report issued		To provide assurance over asset management processes, including both compliance regimes for corporate properties and management of leased assets.	Moderate (Amber)	Good (Green)	Low (Green)	See section 2.3
Disaster recovery		Q1	Final report issued		To provide assurance over the Council's disaster recovery arrangements to support restoration of systems in the case of an unplanned outage or incident	Good (Green)	Good (Green)	Low (Green)	See section 2.3

						Assurance Opinion			
Assignment		Planned start	Status		Assurance sought	Control Environment	Compliance	Org impact	Comments
Major project – Bereavement Centre		Q3	Planning						
Staff engagement and support		Q3	Planning						
Governance of the trading companies		Q3	Not started						
Net Zero		Q3	Not started						
Preparedness for changes in waste regulations		Q3	Not started						
Governance and Counter Fraud									
Counter Fraud support / promotion / policies		TBC	As required		Not applicable – consultancy work.	Daily monitoring of Report Fraud mailbox			
National Fraud Initiative		TBC	As required		Not applicable – consultancy work.				
Risk management support and real time assurances		Q1 – Q4	Ongoing		Ongoing assurances over the controls listed in the Risk Register and supporting embedding of risk management.	Assurances provided on risk entries throughout the year.			
Annual Governance Statement support		Q1	Complete			N/A			

Table 2 - Implementation of agreed management actions

	'High' priority recommendations		'Medium' priority recommendations		'Low' priority recommendations		Total	
	Number	% of total	Number	% of total	Number	% of total	Number	% of total
Actions due and implemented since last Committee meeting	1	100%	-	-	4	100%	5	83%
Actions overdue by less than three months	-	-	-	-	-	-	-	-
Actions overdue by more than three months	-	-	1	100%	-	-	1	17%
Totals	1	100%	1	100%	4	100%	6	100%

Customer Satisfaction

At the completion of each assignment, the Auditor issues a Customer Satisfaction Questionnaire to each client with whom there was a significant engagement during the assignment. The Head of Service and the Line Manager receive a CSQ for all assignments within their areas of responsibility. The standard CSQ asks for the client's opinion in relation to the assignment. The responses received during the year to date are set out below.

Question	Excellent	Good	Fair	Poor
Quality - How would you rate the overall quality of the internal audit conducted?	1			
Communication - How effective was the communication from the audit team throughout the audit process?	1			

Question	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Communication - Audit findings and recommendations were clearly explained and documented.	1				
Professionalism - The audit team was professional and courteous in their interactions with you.	1				
Value - The audit provided valuable insights and recommendations that will help improve your processes.		1			

Question	Yes	No
Quality - Were the audit objectives and scope clearly defined and communicated?	1	
Communication - Did the audit team keep you informed of the audit progress and any issues encountered?	1	

Glossary

At the completion of each assignment the Auditor will report on the level of assurance that can be taken from the work undertaken and the findings of that work. The table below provides an explanation of the various assurance statements that the Committee might expect to receive.

Compliance Assurances		
Level	Control environment assurance	Compliance assurance
Substantial	There is a sound system of internal control to support delivery of the objectives.	The control environment is operating as intended with no exceptions noted which pose risk to delivery of the objectives.
Good	There is generally a sound system of internal control, with some gaps which pose a low risk to delivery of the objectives.	The control environment is generally operating as intended with some exceptions which pose a low risk to delivery of the objectives.
Moderate	There are gaps in the internal control framework which pose a medium risk to delivery of the objectives.	Controls are not consistently operating as intended, which poses a medium risk to the delivery of the objectives.
Limited	There are gaps in the internal control framework which pose a high risk to delivery of the objectives.	Key controls are not consistently operating as intended, which poses a high risk to the delivery of the objectives.
No	Internal Audit is unable to provide any assurance that a suitable internal control framework has been designed.	Internal Audit is unable to provide any assurance that controls have been effectively applied in practice.

Organisational Impact	
Level	Definition
High	The weaknesses identified during the review have left the Council open to a high level of risk. If the risk materialises it would have a high impact upon the organisation as a whole.
Medium	The weaknesses identified during the review have left the Council open to medium risk. If the risk materialises it would have a medium impact upon the organisation as a whole.
Low	The weaknesses identified during the review have left the Council open to low risk. This may have a low impact on the organisation as a whole.

Limitations and responsibilities

Limitations inherent to the internal auditor's work

Internal Audit is undertaking a programme of work agreed by the Council's senior managers and approved by the Audit Committee subject to the limitations outlined below.

Opinion

Each audit assignment undertaken addresses the control objectives agreed with the relevant, responsible managers.

There might be weaknesses in the system of internal control that Internal Audit are not aware of because they did not form part of the programme of work; were excluded from the scope of individual internal assignments; or were not brought to Internal Audit's attention.

Internal control

Internal control systems identified during audit assignments, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgement in decision making; human error; control processes being deliberately circumvented by employees and others; management overriding controls; and unforeseeable circumstances.

Future periods

The assessment of each audit area is relevant to the time that the audit was completed in. In other words, it is a snapshot of the control environment at that time. This evaluation of effectiveness may not be relevant to future periods due to the risk that:

- The design of controls may become inadequate because of changes in operating environment, law, regulatory requirements or other factors; or
- The degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management; internal control and governance; and for the prevention or detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

Internal Audit endeavours to plan its work so that there is a reasonable expectation that significant control weaknesses will be detected. If weaknesses are detected additional work is undertaken to identify any consequent fraud or irregularities. However, Internal Audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected, and its work should not be relied upon to disclose all fraud or other irregularities that might exist.

TITLE: INFORMATION GOVERNANCE ANNUAL REPORT

Committee: Audit Committee

Date: 21st October 2025

Author: Director Legal & Monitoring Officer (SIRO)

Report No: AA78

Contact Officer: Maggie Camp, Director Legal & Monitoring Officer
maggie.camp@eastcambs.gov.uk
01353 616277
Room 112, The Grange, Ely

1.0 ISSUE

- 1.1. To receive an overview of the Council's activity in respect of how it has discharged its responsibilities in matters relating to information governance during 2024/25.

2.0 RECOMMENDATION(S)

- 2.1. Members are requested to note the report.

3.0 BACKGROUND/OPTIONS

- 3.1. The Council has statutory obligations to meet as set out in legislation including dealing with Freedom of Information requests, Environmental Information Regulation requests, Subject Access requests, Data Protection requests and Data Breaches. The Information Commissioner's Office ("ICO") is the UK's supervisory authority set up to uphold information rights in the public interest, promote openness by public bodies and data privacy for individuals and monitors compliance with legislation.
- 3.2. This report provides a summary of the Council's performance during 2024/25 in responding to requests for information received under the legislations referred to above. It also reports on the management of data breaches and data protection training. More information is provided in each section.
- 3.3. Freedom of Information
The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 impose an obligation on public authorities to provide public access to certain information held by them. On receipt of a valid request for information, the authority must comply with that request as required by the legislation, unless an exemption can be applied.
- 3.4. Anyone has a right to request information from a public authority. The Council's three separate duties when responding to these requests are:
- To tell the requester whether we hold any information falling within the scope of their request.

- To provide that information, unless an exemption to the law allows it to withhold the information; and
- To respond to the request within 20 working days.

3.5. Statistics:

Table 1: Number of FOI/EIR requests received:

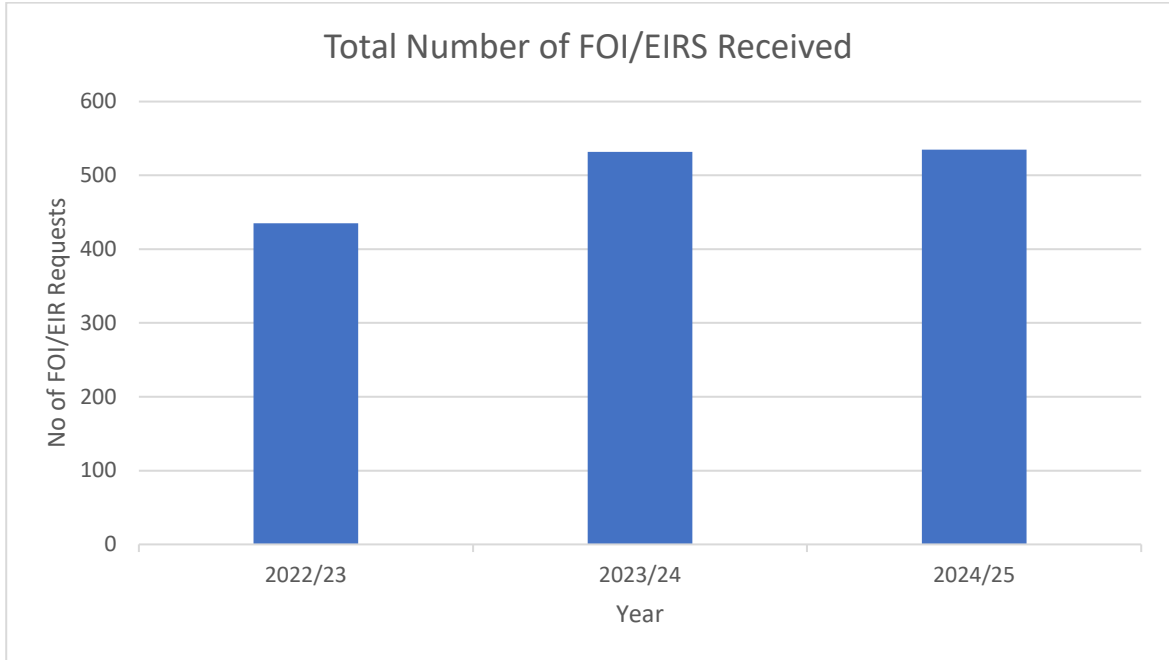
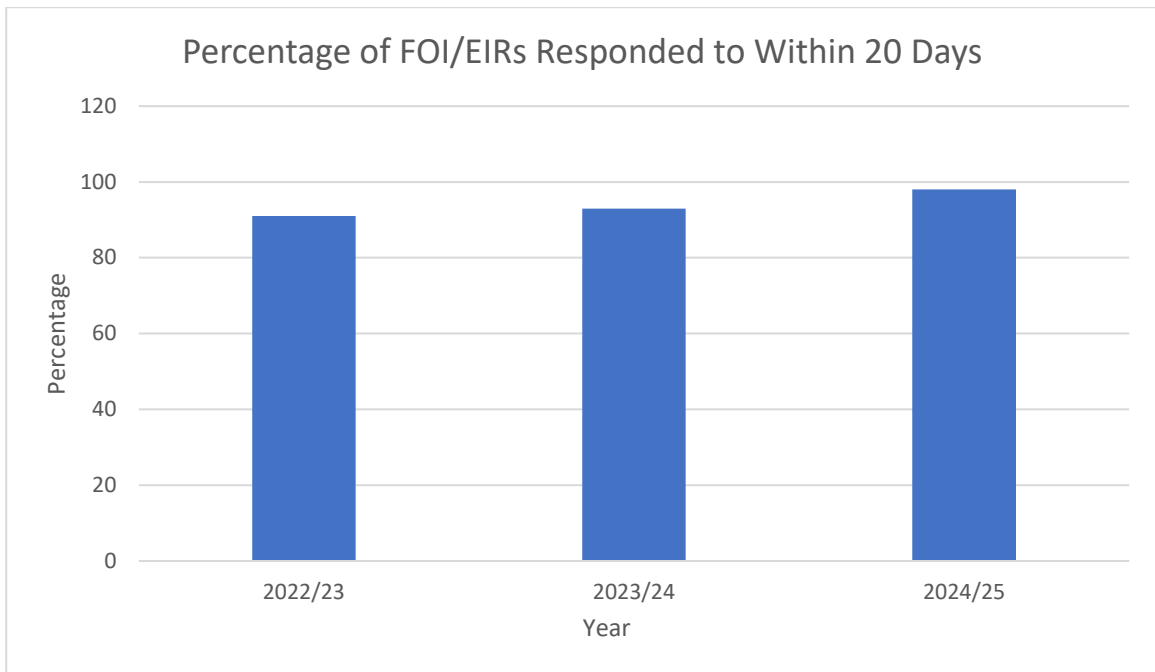


Table 2: Proportion of FOI/EIR requests completed within 20 working days:



- 3.6. The ICO considers that responding to 90% of requests within the 20-working day timescale is adequate; however, as can be noted above, the Council is consistently above this each year, with 93% in 2023/24 and 98% in 2024/25.

- 3.7. If a requester is unhappy with their FOI/EIR request, they can request an internal review. If they remain unhappy following an internal review, then the matter can be referred to the ICO.
- 3.8. In 2022/23, 4 internal reviews were requested, with none escalated to the ICO. In 2023/24, 5 internal reviews were requested, with none escalated to the ICO. In 2024/25, 2 internal reviews were requested, with none escalated to the ICO.
- 3.9. The average officer time to respond to a FOI request is 1 hour and 24 minutes. All FOI responses answered by officers, are sent back to the Information Officer for double checking, removal of meta data and if required, redacting. The Information Officer then sends the response out to the requester. This procedure reduces the risk of releasing incorrect and/or personal data.
- 3.10. Data Subject Access Requests and Data Protection Requests
- A Data Subject Access Request ("DSAR"). enables individuals the right to access any personal data an organisation holds on them.
- A Data Protection Request ("DPA") is a request from other public bodies, either internal or external, for personal data for investigation purposes.
- 3.11. DSAR's can be complex to process as they often involve multiple data subjects' personal data within each record. This means that detailed redaction must take place to ensure that disclosure is accurate and does not inadvertently include other data subjects' personal data. Each request may include hundreds of records from many departments within the Council.
- 3.12. The Council also receives "one off" DPA requests for personal information from third parties, including the police and other government agencies. The Information Officer maintains a register of these requests, which includes assessing whether the Council can lawfully disclose the information and logging exemptions relied on when personal data is shared with third parties.
- 3.13. Statistics:

Table 3: Number of DSARs and DPA Requests received:

3.14. Data Breaches

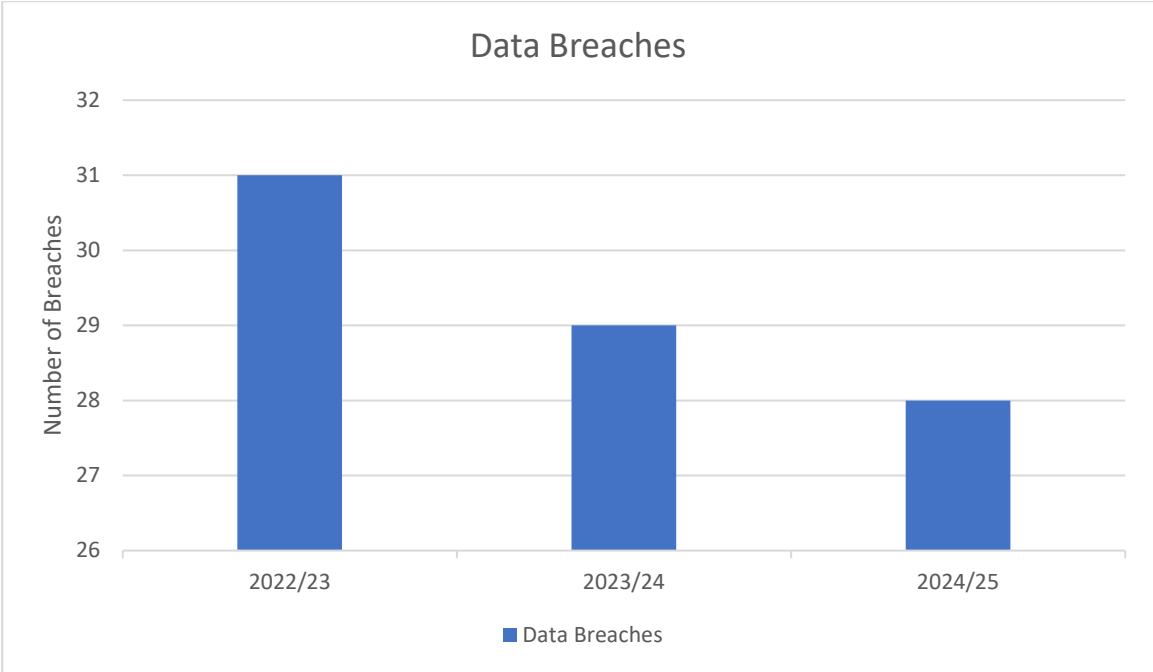
A personal data breach means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data.

3.15. The Information Officer assesses each breach to consider the likelihood and severity of the risk of rights and freedoms as a result of the breach. From this assessment, it is decided if the breach needs to be reported to the ICO. By law, the Council has 72 hours from time of notification of the breach to report breaches that meet the threshold to the ICO. For the period 2024/25, one data breach was reported to the ICO on request.

3.16. For each reported breach, recommendations are made to the relevant officer and Service Lead. The most common data breach is sending emails to the wrong party.

3.17. Statistics

Table 4: Number of Data Breaches



3.18. Data Protection Training

There is no requirement set out in the UK GDPR regarding Data Protection training for staff; however, Principle 7 of the UK GDPR states that “*Data Controllers (i.e. the Council) are responsible for the compliance with the principles and must demonstrate this to data subjects and the regulator*”.

3.19. Data Protection training is provided for all staff and Members. The training is on a 2-year schedule, with full training in year 1 and refresher training in year 2. The Council maintained a 100% completion rate for staff for 2024/25 (for the third year in a row).

3.20. Staff who do not have access to a computer in their role with the Council are provided with appropriate level training, i.e. via toolbox talks for ECSS and ECTC staff.

3.21. The Council decided not to make Data Protection training compulsory for Members. In 2024/25, 2 Councillors completed Data Protection training.

3.22. Transparency Code

The Council has statutory obligations to publish data as required by the Local Government Transparency Code 2014. Publishing under the Code gives the public access to numerous datasets of information covering a wide range of matters, for example from procurement to parking.

3.23. The data sets are updated regularly according to the Transparency Code on the Council's Open Data page on the Council's website, and these are updated either monthly, quarterly or annually.

4.0 ARGUMENTS/CONCLUSION(S)

4.1. It was agreed at Audit Committee meeting in October 2023 that an Annual Information Governance report be presented to Members.

5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

5.1. There are no additional financial implications arising from this report.

5.2. Equality Impact Assessment (EIA) not required.

5.3. Carbon Impact Assessment (CIA) not required.

6.0 APPENDICES

None.

Background Documents:

East Cambridgeshire District Council Open Data page
<https://www.eastcambs.gov.uk/notices/open-data>

TITLE: Anti-Fraud and Corruption Strategy

Committee: Audit Committee

Date: 21st October 2025

Author: Director Finance

Report number: AA79

Contact officer:

Jude Antony, Director Finance

jude.antony@eastcambs.gov.uk

1.0 Issue

- 1.1. Part 4, Section 7 of the Council's Constitution details the Council's Anti-Fraud and Corruption Strategy. This section of the Constitution was last updated in 2022 and is in need of review and update. The review also needs to be conducted in light of the new offence of 'failure to prevent fraud' established through the Economic Crime and Corporate Transparency Act 2023.

2.0 Recommendations

- 2.1. The Committee is asked to recommend to Full Council the adoption of the updated Anti-Fraud and Corruption Strategy as attached as appendix 1 to this report.

3.0 Background/Options

- 3.1. As part of the Constitution, the Anti-Fraud and Corruption Strategy needs to be approved for adoption by Full Council. However, it is felt appropriate to first bring it to this Committee to ensure that a full review takes place of the new content before being presented to Council.
- 3.2. The current Strategy was approved by Full Council on 21st February 2023.
- 3.3. A new offence of 'failure to prevent fraud' was established through the Economic Crime and Corporate Transparency Act 2023 and came into effect from September 2025. The Act mandates that corporate entities must implement adequate measures to prevent fraudulent activity within their operations. As a result of the provisions of the Act, organisations can be held criminally liable if their employees, subsidiaries, agents or other persons associated with them commit a fraud intending to benefit the organisation, and the organisation did not have reasonable fraud prevention procedures in place.
- 3.4. This new legislation places the onus on organisations, such as the Council, to demonstrate that they have taken reasonable steps to prevent fraud, which includes implementing robust anti-fraud policies, conducting regular risk assessments, and ensuring proper staff training. Organisations which can demonstrate that they had 'reasonable procedures' in place to prevent fraud will be able to use this as a defence.

4.0 Arguments/Conclusions

4.1. The Anti-Fraud and Corruption Strategy has been reviewed and updated. Amended sections are shown in ***bold italics***. These relate to:

- Definition of fraud – now based on Fraud Act 2006 rather than Audit Commission definition (para 1.6);
- Added section around the Economic Crime and Corporate Transparency Act 2023 (para 1.8);
- Added action plan (para 7.4); and
- Appendix B to reflect the latest legislation on money laundering.

4.2. In order to comply with the Economic Crime and Corporate Transparency Act, organisations must prove they have taken reasonable steps to prevent fraud. This allows them to use the defence of having ‘reasonable procedures’ in place. The legislation outlines six principles of reasonable prevention that organisations should implement, to demonstrate they are adequately addressing the risk of fraud. The six principles are:

Principle 1: Top level commitment

4.3. Responsibility for the prevention and detection of fraud rests with those charged with the governance of the organisation, who are expected to foster a culture where fraud is unacceptable. This is evidenced by the Council through:

- An Anti-Fraud and Corruption Strategy which sets out a zero tolerance commitment to all forms of fraud, bribery, and corruption. The strategy applies to councillors, employees, contractors/suppliers, partners, consultants, agency and contracted staff, service users, volunteers and members of the public. All are expected to demonstrate integrity and honesty.
- The Council has a comprehensive fraud prevention policy framework in place, including the Anti-Fraud and Corruption Strategy, Bribery Act 2010 policy statement, Anti-Money Laundering Policy statement, and Whistleblowing Policy. Collectively these policies establish clear roles and responsibilities for the prevention, detection, reporting and investigation of suspected fraudulent activity.
- Members of Corporate Management Team are key contacts under the Council’s Whistleblowing Policy and foster an open culture, where staff feel empowered to speak up if they encounter fraudulent practices. Corporate Management Team and Service Leads also have the responsibility to ensure that effective systems of control are in place corporately and within their directorate to prevent and detect fraud, and that those systems operate properly. Corporate Management Team and Service Leads submit an annual assurance statement, to inform the Council’s Annual Governance Statement.

Principle 2: Risk assessment

- 4.4. The organisation must assess the nature and extent of its exposure to the risk of employees, agents and other associated persons committing fraud in scope of the offence. The risk assessment should be dynamic, documented and kept under regular review. This is evidenced by the Council through:

- A risk management policy and framework with a clear risk assessment and monitoring process for all risks. The risk of “Failure of corporate governance and counter fraud and corruption controls” is captured and monitored as part of the Corporate Risk Register. The risk is regularly reviewed and updated as part of ongoing risk management processes.
- The Internal Audit team conduct assessments of the risk of fraud, bribery, theft or corruption when drafting each Assignment Planning Record, requiring the service leads to highlight any known risks and associated controls.

This is acknowledged as an area where activity could be extended through a dedicated fraud risk assessment. As such, an action has been included in the Anti-Fraud and Corruption Strategy.

Principle 3: Proportionate risk-based prevention procedures

- 4.5. Under the legislation, an organisation’s procedures to prevent fraud by persons associated with it need to be proportionate to the fraud risks it faces and to the nature, scale and complexity of the organisation’s activities. They also need to be clear, practical, accessible, effectively implemented and enforced. This is evidenced by the Council through:

- The Anti-Fraud and Corruption Strategy setting out clear roles and responsibilities for fraud prevention, deterrence, detection and investigation.
- Key financial and procurement policies such as the Financial Procedure Rules and Contract Procedure Rules which set out controls to prevent fraud within the Council’s financial systems and processes, including purchasing and contracting.
- Individual systems and services with risk-based prevention procedures in place. This includes, for example, the separation of duties and access controls in key financial systems and functions as well as the Council’s recruitment and management processes which aim to establish the integrity of employees.
- The Anglia Revenues Partnership (ARP) Fraud and Investigations Team is responsible for all suspected council tax discount fraud and NNDR fraud investigations, in accordance with the requirements of The Regulation of Investigatory Powers Act 2000, the Human Rights Act 1998 and its own Counter Fraud Policy.
- Established processes for Declarations of Interest, Related Parties Declarations, the Gifts and Hospitality process and the Members Register of Interests reduce the risk of conflicts of interest arising.

- Independent external audit is an essential safeguard in the stewardship of public money. Whilst detection of fraud is not the primary role of external audit they have a responsibility to review the Council's arrangements to prevent and detect fraud and irregularity, and arrangements designed to limit the opportunity for corrupt practices.
- The Council takes an active part in the National Fraud Initiative (NFI) as organised by the Cabinet Office. This involves a rolling programme of electronic data extraction, data matching, review and investigation of matched reports and reporting on outcomes. The extracted data is matched with other data from public sector organisations to highlight potential fraudulent activity.

Principle 4: Due diligence

- 4.6. Organisations should apply due diligence procedures, taking a proportionate and risk-based approach, in respect of persons who perform or will perform services for or on behalf of the organisation, in order to mitigate identified fraud risks. This is evidenced by the Council through:
- The Constitution sets out processes for proportionate due diligence in procuring contracts. This includes seeking key information from successful bidders, such as insurance certificates, policies, accreditations and DBS checks (where relevant).
 - Checklists are applied for proportionate due diligence on grant payments.

Principle 5: Communication

- 4.7. Organisations should seek to ensure that their fraud prevention policies and procedures are communicated, embedded and understood throughout the organisation, through internal and external communication. The Council evidences this through:
- Publishing of the Anti-Fraud and Corruption Strategy within the Constitution, available on the Council's external website.
 - Ensuring access to key policies, such as the Whistleblowing policy, for staff on the intranet.
 - Annual fraud awareness promotional activity, internally and externally, to raise awareness of the Council's zero tolerance and policy coverage.

Principle 6: Monitoring and review

- 4.8. Ongoing monitoring and review processes should be in place to ensure the effectiveness of anti-fraud measures, adapt to new risks, and improve arrangements. The Council evidences this through:
- The regular review and update of key policies and reporting on this to the Audit Committee.
 - Regular review of the Corporate Risk Register.

5.0 Additional Implications Assessment

5.1 In the table below, please put Yes or No in each box:

Financial Implications No	Legal Implications No	Human Resources (HR) Implications No
Equality Impact Assessment (EIA) No	Carbon Impact Assessment (CIA) No	Data Protection Impact Assessment (DPIA) No

6.0 Appendices

Appendix 1: Anti-Fraud and Corruption Strategy

7.0 Background documents

None

CONSTITUTION

7. ANTI-FRAUD AND CORRUPTION STRATEGY

1.0 INTRODUCTION

- 1.1 East Cambridgeshire District Council takes its responsibilities to protect the public purse very seriously and is fully committed to the highest ethical standards, in order to ensure the proper use and protection of public funds and assets. The Council has a zero tolerance stance to all forms of fraud, corruption and theft, both from within the Council and from external sources.
- 1.2 Good corporate governance requires that the Council must demonstrate that it is firmly committed to dealing with fraud and corruption and will deal equally with perpetrators both from inside and outside the Council. There will be no distinction made in investigation and action between cases that generate financial benefits and those that do not. This strategy will not compromise any equalities legislation or any associated Council policies.
- 1.3 In addition, by minimising losses through fraud the Council ensures that the scarce resources available are used for the purposes they were intended for i.e. to support the delivery of the objectives set out in the Corporate Plan.
- 1.4 The strategy applies to councillors, employees, contractors/suppliers, partners, consultants, agency and contracted staff, service users, volunteers, members of the public and businesses. All are expected to demonstrate integrity and honesty and offer assistance where necessary.
- 1.5 This strategy has been created with due regard to current best practice. It embodies a series of measures designed to frustrate any attempted fraudulent or corrupt act and the steps to be taken if such an act occurs. For ease of understanding, it is separated into five areas:
 - Culture Section 2
 - Prevention and responsibilities Section 3
 - Deterrence Section 4
 - Detection and investigation Section 5
 - Awareness and training Section 6

The Council is also aware of the high degree of external scrutiny of its affairs by a variety of bodies such as External Audit, the Local Government Ombudsman, Central Government Departments (including HM Revenue and Customs and the Department for Work and Pensions), and the Media. The Council welcomes such scrutiny.

- 1.6 ***Fraud is a criminal offence as defined by the Fraud Act 2006. Most commonly it occurs when a person dishonestly makes a false representation in order to gain for themselves or cause loss to another.*** Section 1 of the Fraud Act 2006 created a new general offence of fraud and introduced three ways of committing it: -

□

- Fraud by false representation
- Fraud by failing to disclose information
- Fraud by abuse of position

It also created new offences: -

- Obtaining services dishonestly
- Possessing, making and supplying articles for use in frauds
- Fraudulent trading applicable to non-corporate traders

Corruption is defined as “*the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person*”.

In addition, this strategy covers “*the failure to disclose an interest in order to gain financial or other pecuniary benefit*”.

- 1.7 Some possible frauds that the Council may incur include:
- Identity; submitting false identification documentation, deceased identification, stolen identification, false immigration documentation
 - Procurement; false / duplicate invoices, false suppliers, inflated invoices, mis-use of grant project funding
 - Insurance fraud; false claims
 - Recruitment; false CVs, false sickness claims, exaggerated mileage claims, timesheet falsifying
 - Council Tax; false single person discounts being claimed, false exemptions, false discounts
 - Business Rates; small business relief, charitable exemptions, discounted properties, empty properties, illegal billboards
- 1.8 ***The Council takes its responsibilities under the Economic Crime and Corporate Transparency Act 2023 seriously. Under this Act, the offence of failure to prevent fraud can apply and an organisation may be criminally liable where an employee, agent, subsidiary, or other “associated person”, commits a fraud intending to benefit the organisation and the organisation did not have reasonable fraud prevention procedures in place. This Anti-Fraud and Corruption Strategy sets out the framework by which the Council ensures reasonable fraud prevention procedures are in place and includes actions to continuously improve.***
- 1.9 The Council also abides by the provisions of the Bribery Act 2010 that covers, amongst other things, the offences of bribing another person, of accepting a bribe and organisational responsibility. The Council’s Policy Statement covering the Bribery Act is included as Appendix A to this strategy.
- 1.10 Theft is defined as “*appropriating property belonging to another with the intention of permanently depriving the other of it*”. Incidents of theft should also be reported to the Council’s insurance team at insurance@eastcambs.gov.uk.
- 1.11 The Council further has a money laundering policy aimed at preventing the Council becoming inadvertently involved in such activity. Details of this are included in Appendix B.
- 2.0 CULTURE**
- 2.1 The culture of the Council has always been one of openness and the core values of fairness; trust and value support this. The Council’s culture therefore supports the opposition to fraud and corruption.
- 2.2 The prevention / detection of fraud and corruption and the protection of the public purse are everyone’s responsibility.

- 2.3 The Council's elected members and employees play an important role in creating and maintaining this culture. They are positively encouraged to raise concerns regarding fraud and corruption, immaterial of seniority, rank or status, in the knowledge that such concerns will, wherever possible, be treated in confidence.
- 2.4 Concerns must be raised when members or employees reasonably believe that one or more of the following has occurred, is in the process of occurring or is likely to occur:
- a criminal offence
 - a failure to comply with a statutory or legal obligation
 - improper unauthorised use of public or other funds
 - a miscarriage of justice
 - maladministration, misconduct or malpractice
 - endangering of an individual's health and safety
 - damage to the environment
 - deliberate concealment of any of the above.
- 2.5 Depending on the nature of the concerns, these should initially be raised with a line manager. Where this is not appropriate, or an individual feels unable to do so, the Council's Monitoring Officer, Director, Finance or Internal Audit should be approached. The Council also has a Whistleblowing Policy which enables concerns to be raised in confidence. The Council will ensure that any allegations received in any way, including by anonymous letters or phone calls, will be taken seriously and investigated in an appropriate manner, subject to the requirements of the Human Rights Act 1998.
- 2.6 The Council will deal firmly with those who defraud the Council, or who are corrupt, or where there has been financial malpractice. There is, of course, a need to ensure that any investigation process is not misused and, therefore, any abuse (such as employees raising malicious allegations) may be dealt with as a disciplinary matter.
- 2.7 When fraud or corruption have occurred because of a breakdown in the Council's systems or procedures, the Chief Executive, Directors and the relevant Service Lead will ensure that appropriate improvements in systems of control are implemented to prevent a reoccurrence. The Council's Internal Audit service will assist in reviewing the control environment and follow up on actions arising.

3.0 **PREVENTION AND RESPONSIBILITIES**

ELECTED MEMBERS

- 3.1 The Role of Elected Members
- 3.1.1 As elected representatives, all members of the Council have a duty to citizens to protect the Council from all forms of abuse.
- 3.1.2 This is conducted through the Anti-fraud and Corruption Strategy and compliance with the Code of Conduct for Members, the provisions of the Council's Constitution (including the Council's Financial Procedure Rules) and relevant legislation.

- 3.1.3 Elected members sign to the effect that they have read and understood the Code of Conduct when they take office. These conduct and ethical matters are specifically brought to the attention of Members during induction and include the declaration and registration of interests and gifts and hospitality. The Monitoring Officer advises Members of new legislative or procedural requirements.

EMPLOYEES

3.2 The Role of Managers

- 3.2.1 Managers at all levels are responsible for the communication and implementation of this strategy in their work area. They are also responsible for ensuring that their employees are aware of the Financial Procedure Rules and the provisions of the Council's Constitution, and that the requirements of each are being met in their everyday business activities. In addition, managers must make their employees aware of the requirements of the code of conduct for local government employees through the induction process.
- 3.2.2 Managers are expected to strive to create an environment in which their staff feel able to approach them with any concerns they may have about suspected irregularities. All managers must be aware of, and consistently apply, the Council's Whistleblowing Policy.
- 3.2.3 Special arrangements will apply where employees are responsible for cash handling or are in charge of financial systems and systems that generate payments, for example payroll and the creditor payments systems. Managers must ensure that relevant training is provided for employees. Checks must be carried out at least annually to ensure that proper procedures are being followed.
- 3.2.4 The Council recognises that a key preventative measure in dealing with fraud and corruption is for managers to take effective steps at the recruitment stage to establish, as far as possible, the honesty and integrity of potential employees, whether for permanent, temporary or casual posts. The Council's Equal Opportunities Policy will be adhered to during this process.
- 3.2.5 The Council has a formal recruitment procedure, which contains appropriate safeguards on matters such as written references and verifying qualifications held. As with other public bodies, Disclosure and Barring Service (DBS) checks are undertaken on employees working in regulated activities. Further checks will be introduced in areas where an increased risk of potential fraud and corruption has been identified.

3.3 Responsibilities of Employees

- 3.3.1 Each employee is governed in their work by the provisions of the Council's Constitution, the Financial Procedure Rules and other codes of conduct and policies (e.g. human resources policies and procedures, the email and internet code of practice, and IT security policy). They are also governed by the code of conduct for local government employees. Included in these are guidelines on gifts and hospitality and codes of conduct associated with professional and personal conduct and conflicts of interest. These are issued to all employees when they join the Council or will be provided by their manager.
- 3.3.2 In addition, employees are responsible for ensuring that they follow the instructions given to them by management, particularly in relation to the safekeeping of the assets of the Council. These will be included in induction training and procedure manuals.

- 3.3.3 Employees who hold professional, trade or other appropriate qualifications are expected to comply with codes of conduct issued by the organisations of which they are members.
- 3.3.4 Employees are expected always to be aware of the possibility that fraud, corruption bribery or theft may exist in the workplace and be able to share their concerns with management. If for any reason, they feel unable to speak to their manager they must refer the matter to one of those named in paragraph 3.3.5 below.
- 3.3.5 Concerns must be raised, in the first instance, directly with the supervisor or direct line manager or, if necessary, anonymously (by letter or phone), and via other routes, in accordance with the Council's Whistleblowing Policy:
- to Service Leads, Directors and the Chief Executive and in all cases to the Council's Monitoring Officer who will report such concerns to the Chief Internal Auditor;
 - directly to the Chief Internal Auditor; or
 - to the External Auditor, who, depending upon the nature of the concern, will liaise with the Chief Internal Auditor.
- 3.3.6 This strategy, although primarily aimed at those within or associated with the Council, enables concerns raised by the public to be investigated, as appropriate, by the relevant person in a proper manner.
- 3.4 Conflicts of Interest
- 3.4.1 Both elected members and employees must ensure that they avoid situations where there is a potential for a conflict of interest. Such situations can arise with externalisation of services, internal tendering, planning and land issues, etc. Effective role separation will ensure decisions made are seen to be based upon impartial advice and avoid questions about improper disclosure of confidential information.
- 3.5 Internal Control Systems
- 3.5.1 Appropriate policies and procedures will be maintained to ensure that internal controls designed to prevent or detect fraud and corruption are built into the Council's systems of operation.
- 3.5.2 In addition to the Financial Procedure Rules and the provisions of the Council's Constitution, individual service areas may have their own procedures to prevent and detect fraud. There may also be audit reports that recommend methods to minimise losses to the Council. Managers and employees must be made aware of and be expected to adhere to these various sources of guidance and alter their working practices accordingly.
- 3.6 The Role of Internal Audit
- 3.6.1 Under the Accounts and Audit Regulations, the Council has the responsibility for reviewing, appraising and reporting upon the extent to which the Council's assets and interests are safeguarded from losses due to fraud and other offences; this function is performed by Internal Audit. Internal Audit investigates all cases of suspected irregularity, except benefit, council tax discount and national non-domestic rates (NNDR) fraud (see below), in accordance with the requirements of the Human

Rights Act 1998. They liaise with management to recommend changes in procedures to prevent further losses to the Council.

3.7 The Role of the Anglia Revenues Partnership & Single Fraud Investigation Service

3.7.1 The Council is responsible for the payment of housing benefit and council tax discounts within the East Cambridgeshire area. This function is provided through the Council's participation with a number of other councils in the Anglia Revenues Partnership (ARP). The Council has a duty to minimise the scope for fraud in this area and protect public funds by ensuring that benefits and discounts are only delivered to those with a true entitlement to them.

3.7.2 The Anglia Revenues Partnership (ARP) Fraud and Investigations Team is responsible for all suspected council tax discount fraud and NNDR fraud investigations, in accordance with the requirements of The Regulation of Investigatory Powers Act 2000, the Human Rights Act 1998 and its own Counter Fraud Policy. In cases where employees are involved, they will work with Internal Audit, Human Resources and appropriate senior management to ensure that correct procedures are followed and that this strategy is adhered to.

3.7.3 Since September 2015 the investigation of suspected or alleged housing benefit fraud has been undertaken by the Single Fraud Investigation Service, a partnership between the DWP Fraud Investigation Service, HMRC and local authorities.

3.8 The Role of External Audit

3.8.1 Independent external audit is an essential safeguard in the stewardship of public money. Whilst detection of fraud is not the primary role of external audit, they have a responsibility to review the Council's arrangements to prevent and detect fraud and irregularity, and arrangements designed to limit the opportunity for corrupt practices.

3.9 Co-operation with Others

3.9.1 Internal Audit has set up, and will keep under review, procedures and arrangements to develop and encourage the exchange of information on national and local fraud and corruption activity in relation to local authorities with external agencies such as:

- Police
- External Audit
- Professional bodies – including the Chartered Institute of Public Finance and Accountancy
- Central Government including the Department for Work and Pensions and HM Revenues and Customs
- Local Government Ombudsman's Office
- Association of Council Secretaries and Solicitors

3.9.2 The Council will also support local forums where matters of anti-fraud and anti-corruption are discussed. These include:

- Cambridgeshire Audit Group
- North Northamptonshire's Audit and Counter Fraud client base

3.10 Data Matching

3.10.1 The Council will participate in national and local data matching exercises as it sees appropriate for the purposes of identifying and reducing fraud, corruption and error.

3.10.2 In particular, the Council takes an active part in the National Fraud Initiative (NFI) as organised by the Cabinet Office. This involves a rolling programme of electronic data extraction, data matching, review and investigation of matched reports and reporting on outcomes. The extracted data is matched with other data from public sector organisations to highlight potential fraudulent activity.

3.11 Social Housing Fraud

3.11.1 The Prevention of Social Housing Fraud Act 2013 created new criminal offences of unlawful sub-letting by secure and assured tenants of social housing. This Act supplements existing offences relating to fraudulently obtaining an allocation of social housing and fraudulently obtaining housing benefits. The Act also includes more powers for local authorities to investigate social tenancy fraud through better access to data from banks and utility companies; although councils could previously request this data, organisations were able to refuse to provide it – under the Act compliance is mandatory.

3.11.2 Social housing fraud is a very significant problem nationally and arises when individuals:

- are allocated a social housing property (a property owned by a registered housing provider or local authority) when they are not entitled to it by lying about their circumstances;
- obtain housing benefit and/or council tax discount they are not entitled to; and
- unlawfully sub-let their social housing property.

3.11.3 Social housing fraud prevents housing from being properly allocated to the people who need it most. It also undermines confidence in the housing allocation system while preventing and detecting fraud stops public money being wasted.

3.11.4 Members of the public are encouraged to report their concerns via the dedicated fraud reporting mailbox - reportfraud@eastcambs.gov.uk

4.0 **DETERRENCE**

4.1 The best deterrent is a clear framework of processes and responsibilities, which make fraud and corruption hard to perpetrate and will be likely to expose fraud and corruption at the earliest opportunity. The following are those related policies and documents that support the anti-fraud and anti-corruption culture:

- Constitution – which includes the Financial Procedure Rules, Member Code of Conduct and Contract Procedure Rules
- Employee Code of Conduct
- Whistleblowing Policy
- Fraud Response Plan

4.2 The risk of fraud cannot be dealt with in isolation. Management of the risk of fraud is a key aspect of corporate governance and it is essential that all members and staff

should have a level of understanding of this strategy. However, some individuals have specific leadership roles and responsibilities and these are identified within Section 3 (Prevention) above.

4.3 Prosecution and recovery

4.3.1 Wherever possible the following actions will be taken where investigation supports suspicions of fraudulent or corrupt activity:

- appropriate disciplinary action will be taken in accordance with the Council's disciplinary procedures
- criminal proceedings will be brought whenever appropriate, should the Crown Prosecution Service decide a prosecution can be pursued
- civil proceedings will be brought to recover lost assets whenever appropriate

4.3.2 Other forms of redress to recover losses (such as making a claim against insurance cover or recovering from pension funds) or to prevent further fraudulent activity by the perpetrator, (such as notifying their professional body) will also be used wherever appropriate.

4.3.3 Sanctions applied in relation to cases of housing benefit and/or council tax discount fraud will be applied in accordance with the ARP Counter Fraud Policy. Options include formal cautions, administrative penalties and prosecution.

4.4 Disciplinary Action

4.4.1 Theft, fraud and corruption are serious offences against the Council and employees will face disciplinary action if there is evidence that they have been involved in these activities. Disciplinary action will be taken in addition to, or instead of, criminal proceedings, depending on the circumstances of each individual case, but in a consistent manner, after consultation with the Chief Executive (the police will pass valid cases to the Crown Prosecution Service).

4.4.2 Members will face appropriate action under this strategy if they are found to have been involved in theft, fraud or corruption against the Council. Action will be taken in addition to, or instead of, criminal proceedings, depending on the circumstances of each individual case, but in a consistent manner including possible referral to the police. If the matter is a breach of the Code of Conduct for Members, then it will be dealt with in accordance with the arrangements agreed by the Council in accordance with the Localism Act 2011.

4.5 Publicity

4.5.1 The Council's public relations unit will optimise the publicity opportunities associated with anti-fraud and corruption activity within the Council. They will also try to ensure that the results of any action taken, including prosecutions, are reported in the media.

4.5.2 In all cases where financial loss to the Council has occurred, the Council will seek to recover the loss and advertise this fact. In addition to demonstrating the action the Council takes to prevent and detect fraud, it protects itself and the services it provides against the results of fraud within the organisation by obtaining Fidelity Guarantee Insurance.

- 4.5.3 All anti-fraud and corruption activities, including the update of this strategy, will be publicised in order to make members, employees and the public aware of the Council's commitment to taking action on fraud and corruption when it occurs.
- 4.5.4 Reports will be made to the Audit Committee about countering fraud and corruption activities and their success when appropriate.

5.0 DETECTION AND INVESTIGATION

- 5.1 Internal Audit plays an important role in the detection of fraud and corruption. Included in its strategic plan are reviews of system financial controls and specific fraud and corruption tests, spot checks and unannounced visits.
- 5.2 In addition to Internal Audit, there are numerous systems controls in place to deter fraud and corruption, but it is often the vigilance of employees and members of the public that aids detection.
- 5.3 In some cases frauds are discovered by chance or 'tip-off' and arrangements are in place to enable such information to be properly dealt with, in accordance with the requirements of the Human Rights Act 1998.
- 5.4 All suspected irregularities are required to be reported (verbally or in writing) either by the person with whom the initial concern was raised or by the originator, as per paragraph 3.3.5 (including via the Council's Whistleblowing Policy). External Audit will also be notified of all frauds involving sums over £10,000 and any corrupt acts. This is essential to the strategy, and:
- ensures the consistent treatment of information regarding fraud and corruption; and
 - facilitates a proper and thorough investigation by an experienced audit team, in accordance with the requirements of the Human Rights Act 1998.
- 5.5 This process will apply to all the following areas:
- a) fraud/corruption by elected members
 - b) internal fraud/corruption
 - c) other fraud/corruption by Council employees
 - d) fraud by contractors' employees
 - e) external fraud (the public).
- 5.6 Cases under a), d) and e) would normally be referred directly to the External Auditor, Ombudsman or the police.
- 5.7 If the initial investigation reveals that a full investigation is warranted the Council will invoke the Council's Fraud Response Plan and where applicable the Council's Disciplinary Procedure.
- 5.8 Any decision to refer a matter to the police will be taken by the Chief Executive in consultation with the Chief Internal Auditor, Director Finance and Monitoring Officer. The relevant Director and Service Lead will be notified if appropriate. The Council will normally wish the police to be made aware of, and investigate independently, offences where financial impropriety is discovered. Any internal investigation will be conducted professionally and in consultation with the police so as to avoid jeopardising any evidence or potential outcomes of related criminal investigation.

- 5.9 Depending on the nature of an allegation under b) to e), Internal Audit will normally work closely with the relevant Director and Service Lead concerned and the Director Finance to ensure that all allegations are thoroughly investigated and reported upon.
- 5.10 The Council's disciplinary procedures will be used to facilitate a thorough investigation of any allegations of improper behaviour by employees. The processes as outlined in paragraph 4.4.2 will cover members.
- 5.11 If there is a suspicion that an offence of money laundering may have taken place the Money Laundering Reporting Officer (Director, Finance) may refer the matter to the National Crime Agency. Further details are provided in Appendix B to this strategy.

6.0 AWARENESS AND TRAINING

- 6.1 The Council recognises that the continuing success of this strategy and its general credibility will depend in part on the effectiveness of programmed training and an awareness of fraud by elected members and employees across the Council.
- 6.2 To facilitate this, positive and appropriate provision has been made via induction and for employees via their development plans. This includes specialist training for certain elected members and employees.
- 6.3 A leaflet on the Council's Whistleblowing Policy is distributed to all employees and members, and full copies of all relevant policies and strategies are available on the Council's Intranet.

7.0 CONCLUSION AND ACTION PLAN

- 7.1 The Council has always prided itself on setting and maintaining high standards and a culture of openness, with core values of fairness, trust and value. This Strategy fully supports the Council's desire to maintain an honest organisation, free from fraud and corruption
- 7.2 The Council has in place a network of systems, policies and procedures to assist it in dealing with fraud and corruption when it occurs. It is determined that these arrangements will keep pace with any future developments in techniques to both prevent and detect fraudulent or corrupt activity that may affect its operation.
- 7.3 The Council will maintain a continuous review of all these systems and procedures through Internal Audit. This strategy will be reviewed periodically to ensure that it remains compliant with good practice and meets the needs of the Council.
- 7.4 ***To ensure the Council continues to strengthen its counter fraud framework, the following areas will be prioritised as part of the Council's strategy:***

Action	Owner	Timeframe
<i>Promotion of an annual fraud awareness week.</i>	<i>Director Finance, supported by Internal Audit</i>	<i>Annually, in November</i>
<i>Fraud risk assessments to be formalised in a consistent format across all service areas and subject to review at least annually.</i>	<i>Service leads</i>	<i>Template to be launched in November 2025, subject to annual review</i>
<i>Review of training for officers and elected members on counter fraud</i>	<i>Director Finance, supported by</i>	<i>Review and update training</i>

<i>Action</i>	<i>Owner</i>	<i>Timeframe</i>
<i>and corruption framework.</i>	<i>Internal Audit</i>	<i>provision by November 2026</i>

Appendix A

BRIBERY ACT 2010 - POLICY STATEMENT

Bribery is a criminal offence. We (East Cambridgeshire District Council) do not, and will not, pay bribes or offer improper inducements to anyone for any purpose, neither do we or will we, accept bribes or improper inducements.

To use a third party as a conduit to channel bribes to others is a criminal offence. We do not, and will not, engage indirectly in or otherwise encourage bribery.

We are committed to the prevention, deterrence and detection of bribery. We have a zero-tolerance towards bribery. We aim to maintain anti-bribery compliance as “business as usual” rather than as a one-off exercise.

Objectives of this policy

This policy statement provides a coherent and consistent framework to enable East Cambridgeshire District Council employees to understand and implement arrangements to comply with the requirements of the Bribery Act 2010. In conjunction with other related policies and key documents, it will also enable employees to identify and effectively report a potential breach.

We require that all employees, including those permanently employed, temporary agency staff and contractors:-

- act honestly and with integrity at all times and to safeguard the Council's resources for which they are responsible
- comply with the spirit, as well as the letter, of laws and regulations of all jurisdictions in which the Council operates, in respect of the lawful and responsible conduct of activities

Scope of this policy

This policy applies to all of the Council's activities. For partners, joint ventures and suppliers, we will seek to promote the adoption of policies consistent with the principles set out in this policy.

Within the Council, the responsibility to control the risk of bribery occurring resides at all levels of the Council. It does not rest solely within assurance functions, but in all service area and functions.

This policy covers all staff, including all levels and grades, those permanently employed, temporary employed, temporary agency staff, contractors, agents, Members, volunteers and consultants.

The Council's commitment to action

The Council commits to:-

- setting out a clear anti-bribery policy and keeping it up to date
- making all employees and members aware of their responsibilities to adhere strictly to this policy
- training all employees and members so that they can recognise and avoid the use of bribery by themselves and others

- encouraging employees and members to be vigilant and to report any suspicions of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately
- rigorously investigating instances of alleged bribery and assisting police and other appropriate authorities in any resultant prosecution
- taking firm and vigorous action against any individual(s) involved in bribery
- provide information to all employees and members to report breaches and suspected breaches of this policy
- include appropriate clauses in contracts to prevent bribery.

Definition of bribery

Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage.

It is unacceptable to:-

- give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given
- give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure
- accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them
- accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy
- engage in activity in breach of this policy

Facilitation payments

Facilitation payments are not tolerated and are illegal. Facilitation payments are unofficial payments made to public officials in order to secure or expedite actions.

Gifts and hospitality

The Council’s policy regarding the acceptance of gifts or hospitality from a third party is set out in the Member and Officer Code of Conducts.

Public contracts and failure to prevent bribery

Under the Public Contracts Regulations 2015 (as amended by the Public Procurement (Amendments, Repeals and Revocations) Regulations 2016, a company is automatically and perpetually debarred from competing for public contracts where it is convicted of a corruption offence. There are no plans to amend the 2006 Regulations for this to include the crime of failure to prevent bribery. Organisations that are convicted of failing to prevent bribery are not automatically barred from participating in tenders for public contracts and so the Council has the discretion to exclude organisations convicted of this offence.

The Bribery Act

There are four key offences under the Act:-

- bribery of another person (section 1)
- accepting a bribe (section 2)
- bribing a foreign official (section 6)
- failing to prevent bribery (section 7)

The Bribery Act 2010 makes it an offence to offer, promise or give a bribe (Section 1). It also makes it an offence to request, agree to receive, or accept a bribe (Section 2). Section 6 of the Act creates a separate offence of bribing a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business.

There is also a corporate offence under Section 7 of failure by a commercial organisation to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business, for the organisation. An organisation will have a defence to this corporate offence if it can show that it had in place adequate procedures designed to prevent bribery by or of persons associated with the organisation.

Is the Council a “commercial organisation”?

The guidance states that a “commercial organisation” is any body formed in the United Kingdom and “...it does not matter if it pursues primarily charitable or educational aims or purely public functions. It will be caught if it engages in commercial activities, irrespective of the purpose for which profits are made”. There are circumstances in which we will be a commercial organisation for the purposes of section 7. This policy is intended to ensure that we have in place the necessary procedures to act as a defence to a section 7 offence.

Penalties

An individual guilty of an offence under sections 1, 2 or 6 is liable:-

- On conviction in a magistrates court, to imprisonment for a maximum term of twelve months, or to a fine not exceeding £5,000, or both
- On conviction in a crown court, to imprisonment for a maximum term of ten years, or to an unlimited fine, or both

Organisations guilty of an offence under section 7 are liable to an unlimited fine. In addition, a public exposure, or even an allegation, of bribery would entail severe reputational damage.

Bribery is a serious offence against the Council and employees will face disciplinary action if there is evidence that they have been involved in this activity, which could result in dismissal for gross misconduct. Disciplinary action will be taken in addition to, or instead of, criminal proceedings, depending on the circumstances of each individual case.

Adequate Procedures

Whether the procedures are adequate will ultimately be a matter for the courts to decide on a case-by-case basis. Adequate procedures need to be applied proportionately, based on the level of risk of bribery in the Council. The Government considers that procedures put in place by commercial organisations wishing to prevent bribery being committed on their behalf should be informed by six principles:-

- Proportionality
- Top level commitment
- Risk assessment
- Due diligence
- Communication (including training)

- Monitoring and review

These principles are not prescriptive, but are intended to be flexible and outcome focussed, allowing for the different circumstances of organisations. For example, small organisations will face different challenges to those faced by large multi-national enterprises. The detail of how organisations apply these principles will vary, but the outcome should always be robust and effective anti-bribery procedures.

The Council is committed to proportional implementation of these principles.

Anti-Bribery procedures

The Council's Anti Bribery procedures cover the six principles detailed above:-

Proportionality – The Council has in place policies to ensure that it has procedures to prevent bribery by persons associated with it. These will be proportionate to the bribery risks faced by the Council and to the nature, scale and complexity of the Council's activities.

Top level commitment – The Chief Executive, Directors and Service Leads are committed to preventing bribery by persons associated with the Council. They foster a culture within the organisation in which bribery is never acceptable.

Risk assessment – The nature and extent of the Council's exposure to potential external and internal risks of bribery by persons associated with it are periodically assessed. This includes financial risks but also other risks such as reputational damage.

Due diligence – The Council takes a proportionate and risk based approach, in respect of persons who perform or will perform services for or on behalf of the organisation, in order to mitigate identified bribery risks.

Communication (including training) – The Council will seek to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal communication, including training that is proportionate to the risks it faces.

Monitoring and review – Procedures designed to prevent bribery will be monitored and reviewed and improvements made where necessary.

Staff and member responsibilities

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Council or under its control. All staff and members are required to avoid activity that breaches the policy.

You must therefore:-

- ensure that you read, understand and comply with this policy
- raise concerns at the earliest opportunity if you believe or suspect that a conflict with the policy has occurred, or may occur in the future

As well as the possibility of civil and criminal prosecution, staff that breach this policy will face disciplinary action, which could result in dismissal for gross misconduct.

Raising a concern

If you have a concern regarding a suspected instance of bribery or corruption then you can report this through the Council's whistleblowing procedure where concerns can be made anonymously. In the event that an incident of bribery is reported, we will act at the earliest opportunity to evaluate the situation.

If you have any questions about these procedures, please contact either Rachel Ashley-Caunt, Chief Internal Auditor on 07799 217378, e-mail Rachel.Ashley-Caunt@northnorthants.gov.uk or Jude Antony, Director Finance on 01353 616470, e-mail jude.antony@eastcambs.gov.uk

Appendix B

Anti-Money Laundering – Policy Statement

Introduction

The Money Laundering and Terrorist Financing (Amendment) Regulations 2023 came into force on 10 January 2024. Although Local Authorities are not obliged to comply with the requirements of this legislation, the Chartered Institute of Public Finance and Accounting (CIPFA) advises that an organisation should consider a policy framework which supports the implementation of the anti-fraud strategy and includes an anti-money laundering policy to prevent the use of their services for money laundering. The Proceeds of Crime Act 2002 and the Terrorism Act 2000 are also relevant in informing the Council's response.

The Council has sought to establish internal procedures to prevent the use of its services for money laundering and the prevention of terrorist financing. The Council has further appointed a Money Laundering Reporting Officer (MLRO) to receive disclosures from employees of suspected money laundering activity.

We are committed to robust arrangements to identify and prevent any attempts to use East Cambridgeshire District Council to launder money. Offences under money laundering legislation may be committed by individuals or organisations, and money laundering is widely defined as “possessing, concealing, disguising or in any way dealing with the proceeds of any crime by any person known or unknown”.

When a person knows or suspects that money laundering activity is taking place (or has taken place) or becomes concerned that their involvement in a matter may amount to a prohibited act under the legislation, they must report this as soon as practicable to the Money Laundering Responsible Officer (MLRO) or risk prosecution. Offences under the Proceeds of Crime Act and Money Laundering Regulations can attract penalties of unlimited fines and up to fourteen years imprisonment.

This policy has been written so as to enable us to meet the legal requirements in a way that is proportionate to the risk of contravening the legislation. It also serves to protect the Council's employees through making them aware of their personal obligations and providing a mechanism for them to raise any issues of concern.

Scope

This policy applies to all employees and agency workers.

This policy aims to maintain the high standards of conduct that currently exist within by preventing criminal activity through money laundering. The separate Anti-Money Laundering - Employee Guidance sets out the steps that must be followed to comply with its legal obligations.

Further information is set out in the Anti-Money Laundering - Employee Guidance which is available to all staff.

Definition

The introduction of the Proceeds of Crime Act 2002 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 broadened the definition of money laundering and widened the range of activities controlled by the statutory framework. Money laundering has been defined as:

- concealing, disguising, converting, transferring or removing criminal property from the UK;
- entering into or becoming concerned in an arrangement which a person knows or suspects facilitates the acquisition, retention, use or control of criminal property;
- acquiring criminal property, using criminal property; or possession of criminal property.

These are the primary money laundering offences and thus prohibited acts under the legislation. In addition, an offence of “Tipping off” can be committed should an individual make a disclosure that is likely to prejudice a current or potential investigation into any potential money laundering.

Potentially any employee could contravene the money laundering provisions if they know or suspect money laundering and either become involved with it in some way and/or do nothing about it.

Whilst the risk of contravening the legislation is low, it is extremely important that all employees are familiar with their legal responsibilities - serious criminal sanctions may be imposed for breaches of the legislation.

Council obligations

To comply with the obligations and recommended practice, we have:

- Nominated a Money Laundering Reporting Officer (“MLRO”) to receive disclosures from employees of money laundering activity;
- Nominated a deputy Money Laundering Reporting Officer; and
- Implemented a procedure to enable the reporting of suspicions of money laundering and communicated this policy to members of staff.

The Money Laundering Reporting Officer

The officer nominated to receive disclosures concerning potential money laundering activity is the Council’s Director, Finance and their contact details are set out in the Anti-Money Laundering - Employee Guidance. Also provided within the employee guidance is a template form for making a referral to the Director, Finance.

In the absence of the Director, Finance, the Deputy Money Laundering Reporting Officer is the Senior Accountant.

Contact details for the Money Laundering Reporting Officer and Deputy are provided on the Council’s intranet pages and the supporting employee guidance.

Further information

If you have any questions about these procedures, please contact Jude Antony, Director Finance on 01353 616470 or e-mail jude.antony@eastcambs.gov.uk

Audit Committee Annual Agenda Plan

Lead Officer: Jude Antony, Director Finance
Democratic Services Officer: Patrick Adams

Tue 2 February 2026	4:30pm
Chair's Announcements	Chair
External Audit – Audit of 2024/25 Accounts	External Audit
Internal Audit Progress Report	Internal Audit
Internal Audit Plan Development 2025/26	Internal Audit
Statement of Accounts 2024/25	Director Finance and S151 Officer
Corporate Risk Management Monitoring Report	Director Finance and S151 Officer
Actions taken by the Director Finance on the grounds of urgency (if any)	Democratic Services Officer
Forward Agenda Plan	Democratic Services Officer
Tue 17 March 2026	4:30pm
Chair's Announcements	Chair
External Audit Plan for 2025/26	External Audit
Internal Audit Work Plan for 2025/26	Internal Audit
Internal Audit Progress Report	Internal Audit
Internal Audit Charter and Mandate	Internal Audit
Audit Committee Annual Report 2025/26	Director Finance and S151 Officer
Actions taken by the Director Finance on the grounds of urgency (if any)	Democratic Services Officer
Forward Agenda Plan	Democratic Services Officer

Notes:

1. Agenda items which are likely to be “urgent” and therefore not subject to call-in are marked *
2. Agenda items in italics are provisional items / possible items for future meetings.