CHELTENHAM
BOROUGH COUNCIL

Cheltenham Borough Council Audit, Compliance and Governance Committee

Meeting date: **15 July 2026**

Meeting time: **6.00 pm**

Meeting venue: **Council Chamber - Municipal Offices**

Membership:

Councillor Adrian Bamford (Chair), Councillor Mike Collins, Councillor Ashleigh Davies, Councillor Chris Day (Vice-Chair), Councillor Callum Eldridge, Councillor Richard Lawler, Councillor Julian Tooke, Mr Duncan Chittenden and Vacancy

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Phone: 01242 264 246

1. **Apologies**

2. **Declarations of interest**

3. **Minutes of the last meeting (Pages 5 - 14)**

4. **Public and Member Questions**
These must be received no later than 12 noon on the seventh working day before the date of the meeting

5. **Internal Audit Opinion and Monitoring Report (Pages 15 - 40)**
Report of Lucy Cater, Assistant Director, South West Audit Partnership (SWAP)

6. **Approval of the reviewed and updated Proceeds of Crime and Anti-Money Laundering Policy (Pages 41 - 56)**
Report of Adele Taylor, Interim Director of Finance and Operations (s.151 Officer)

7. **Approval of the reviewed and updated Counter Fraud and Anti-Corruption Policy (Pages 57 - 80)**
Report of Adele Taylor, Interim Director of Finance and Operations (s.151 Officer)

8. **Standards Report (Pages 81 - 82)**
Report of Claire Hughes, Director of Governance, Housing and Communities (Monitoring Officer)

9. **Information Requests (Pages 83 - 94)**
Report of Margaret Anderson, Interim Governance Risk and Assurance Officer

10. **Annual Governance Statement and Local Code Report (Pages 95 - 130)**
Claire Hughes, Director of Governance, Housing and Communities (Monitoring Officer)

11. **Corporate Risk Register update (Pages 131 - 138)**
Report of Margaret Anderson, Interim Governance and Assurance Officer

12. **Work Programme (Pages 139 - 140)**

13. **Any other item the chairman determines to be urgent and requires a decision**

14. **Date of next meeting**
The next meeting is scheduled for 21 October 2026

15. LOCAL GOVERNMENT ACT 1972 - EXEMPT INFORMATION
Recommended that:

- **in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3, Part (1) Schedule (12A) Local Government Act 1972, namely:**

  Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information)

16. Exempt Minutes, 22 April 2026 (Pages 141 - 142)

17. Confidential Risk Register Update (Pages 143 - 146)
Presented by Margaret Anderson, Interim Risk and Governance Officer

Gareth Edmundson
Chief Executive

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Cheltenham Borough Council
Audit, Compliance and Governance Committee
Minutes

Meeting date: **22 April 2026**

Meeting time: **6.00 pm - 7.15 pm**

In attendance:

Councillors:

Adrian Bamford (Chair), Chris Day, Dr Cathal Lynch, Ben Orme (Vice-Chair), Julian Tooke, Dr David Willingham and Tabi Joy

Also in attendance:

Lucy Cater, Nathan Coughlin, Adele Taylor (Interim Director of Finance and Operations (S151 Officer)), Jon Whitlock (Head of Finance (Deputy S151 Officer)) and Kate Seeley (Investigation and Enforcement Manager, CFEU)

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1 Apologies

Apologies were received from Duncan Chittenden, and from Councillor Davies. Councillor Joy was present as a substitute.

2 Declarations of interest

There were none.

3 Minutes of the last meeting

The minutes of the meeting held on 23 February were approved as a true record and signed accordingly.

4 Auditor's Annual Report, 2024-25

Nathan Coughlin (NC) of Bishop Fleming introduced the first of his three reports, which close the audit process for 2024-25, highlighting the summary of output from the external audit process and providing more detailed work around value for money (VFM). This considers the arrangements the council has in place around three areas – financial stability, governance, and improvement in the 3 E's (economy, efficiency and effectiveness).

- regarding VFM, in the previous annual report, six points were raised, although not highlighted as significant risks or weaknesses. None of these have been closed in full, but progress has been made;
- one significant weakness was raised under the governance heading around the accounts process. The draft single entity accounts were not published by the statutory deadline and then required amendments as well as the addition of group figures to get to a final set of accounts. This was published in March, past the backstop date, so no overall opinion could be provided. Management have procedures in place to improve the process next year.

A Member commented that this was at least partly due to last year's exceptional circumstances, and the Director of Finance confirmed this. She said with new resource in the team, more planning and delegation of tasks, and discussions with the auditors about prioritisation and areas of focus, the team is getting up to speed and is already ahead of its position last year.

A Member wondered how realistic the statutory deadline for producing group accounts was, particularly as airport accounts weren't signed off until after that date. Also, on a practical level, he suggested that if the council's single entity accounts were ready but the group accounts to follow at a later date, this is unlikely to have a practical impact on the audit as there would be work on the single entity accounts to get on with and consolidation would be a relatively quick job. He asked if there are any practical implications to not hitting the statutory deadline for group accounts.

NC responded as follows:

- regarding the practical point, last year played out in that way, and work started around council numbers, but they were not final in several areas due to the exceptional circumstances. He would expect to see a process or mechanism where draft numbers can be produced and a full set of accounts published, even if these are modified later through the audit processes;
- the other six findings are not rated as significant weaknesses at this stage and progress has been made, though it has not been possible to close them off entirely. The short-term borrowing position has improved since the previous year, and ongoing capital projects will continue to be closely monitored. This is raised to ensure it is kept as an area of focus as much as anything;
- part of the mapping of risks to objectives was delayed but the strategy has been refreshed, allowing the opportunity to make sure the risks register maps into that;
- regarding procurement processes and contract management, action around putting an overarching strategy is work in progress;
- some points were rolled forward from the previous auditors around the inability to hit savings targets, improved from the previous year but not quite closed off.

The council is not far from achieving its targets, with £.06m rolled into the following year – so it is slippage more than anything else, having identified process and savings;
- workforce strategy was raised as an issue with the plan to put an overarching strategy in place, previously deferred on account of CBH coming in-house. This needs to be looked at;
- finally partnership strategy and register – management comments demonstrate that progress has been made post 2024-25, and this will be looked at again as part of the VFM work for 2025-26.

A Member noted a lot of discussion around efficiency savings targets had taken place, but that NC's comments confirmed a decent return for a public service organisation. He also noted that the auditors were satisfied that there was no significant weaknesses in council sustainability arrangements, and with budget setting and budgetary control arrangements. It also sets the record clear on the production of financial statements.

5 Audit Completion Report 2024-25

Although this was thoroughly reviewed at the last meeting, NC highlighted a couple of areas which have been amended in the final version:
- management were finalising the final set of accounts at the time of the last meeting; these were published in March, the statutory consultation period is over, so a line can now be drawn under those accounts. A disclaimed audit opinion has been drafted and is ready to go – a key step forward;
- it has not been possible to close down some work ongoing at the time of the last meeting and shown in the table due to lack of time. It should be easy to pick up certain areas next year and work out how to build back assurance.

A Member commented that a recommendation in the management letter places huge weight on control account and balance sheet reconciliations, and it is slightly concerning that Members haven't had the opportunity to look at the detail of this or see the working papers around the fixed asset register. The Head of Finance said all points are picked up in the Bishop Fleming report – we have a fully reconciled balance sheet and have processed all evaluations relating to 2024-25, but as this was past the backstop date, the auditors have not reviewed it. From the finance team's point of view, however, everything is up to date and ready to get going with 2025-26.

Another Member commented that these were always going to be a disclaimed set of accounts and there is a lot of misunderstanding about what exactly this means. NC explained that most local government accounts are disclaimed not because of any significant issues or concerns but because the finance teams or auditors don't have the resources to deliver sufficient information to support the audit process and get to a point where the auditors are comfortable to give an opinion. In CBC's case, this stems from the previous auditors being unable to resource the last year of audit contract controls and delays on the council's side in the production of the group accounts, although Bishop Fleming were fairly successful in completing most of the

work around the balance sheet and income expenditure account for the period. The disclaimer is not about anything being wrong, simply about not having enough time to get all the work done; this is the case in most local authority disclaimers.

The Director of Finance added that once a disclaimer has been issued, it is all about building back assurance, which is why the audit planning process is so important. She reiterated that Bishop Fleming was unable to give an audit opinion in some areas because there wasn't time, not because of lack of evidence, reiterating that a significant number of local authorities have found themselves in a similar position.

6 Draft Accounting Policies 2025-26

The Chair proposed that this item be considered next and asked the Head of Finance to comment on the different types of valuation, in view of their impact on the accounting process, to help Members understand the valuation issues they need to consider.

The Head of Finance introduced his report, highlighting the following points:

- the draft accounting policies set the accounting framework to be used when preparing the accounts for 2025-26, ensuring that these are produced consistently, transparently and in line with accounting practice, including the CIPFA code and relevant accounting standards. The majority of policies are unchanged from 2024-25, with just two changes of a limited and technical nature to ensure continued compliance;
- the first policy change concerns the valuation of property, plant and equipment, now requiring the use of indexation between full valuations to provide greater clarity on how asset values are kept up to date between formal revaluation cycles. This will avoid any confusion around fluctuation of asset values and how it impacts reserves and balances in CBC's accounts;
- valuations going up or down have no impact on our usable reserves – they go into our unusable reserves, but still feed into our comprehensive income and expenditure statements before being reversed out of the movement in reserves statement (MiRS). As a local authority, how cash is managed is important, and the value of an asset going up or down has no impact on council tax requirement;
- the second change concerns intangible assets, with words in the policy updated to be consistent with the treatment of expenditure and clearly distinguish between capitalised and tangible assets and the costs required to be charged to revenue;
- it is important to make clear that neither of these assets impacts on the council strategy, service delivery or budgetary position; they are technical refinements designed to support transparency and consistency in audit assurance;
- these are draft policies; the finance team is working on the 2025-26 accounts, which will be brought to the committee as a final set of accounts later in the year.

In response to a Member's question regarding who will formally revalue property assets, the Head of Finance confirmed that in 2024-25, a full revaluation of every asset was carried out by an external value, then checked and challenged by an in-house property expert. For 2025-26, the finance team is working with Bishop

Fleming to understand changing accounting policy, given the full revaluation exercise last year, and will look for some external support around which indices to use.

A Member welcomed this clarification, that this is normal financial practice with no political dynamic at play.

7 External Audit Plan 2025-26

NC said the accounting policies set the tone for some of the risk areas in the audit plan for this year, and took Members through two key areas:

- audit risks are essentially the same as the previous year, with a lot around making sure technical valuations are correct in the financial statements and balance sheets. The three around land and buildings, investments properties, and heritage assets are based on expert views, though CIPFA guidance has moved for land and buildings - revaluations are required only every five years, with indexation used in between to keep valuations up to the appropriate levels. This is the first year, but from Year 2 onwards, it will be for the council to find the appropriate indexes – most council assets are based on building cost indices;
- this links to building back assurance and discussions have already taken place with management about how to get back on track with these. The proposal is that we effectively audit the revaluation process completed for March 2025 with one year on top to get back to a position we are happy with as an effective and efficient way to build back assurance;
- there is a significant risk around management override control for all external audits – consideration of management ability to bypass control environments and how results can be mistaken through estimates and judgements in financial statements. Work has been done using a journals analysis tool, taking full transactional lists from the finance system, to look at the way numbers are being processed directly into the finance system rather than being pushed through service ledger processes to look for significant adjustments;
- the other risk area concerns IFRS 16 leases – management had done some work around this last year and had some advice around how certain leases should be accounted for. It will be repeated as a risk area this year, to look at further with management and ensure the process is understood;
- there is a high level plan in place for building back assurance with PPE fixed assets;
- this year is about pulling together a detailed risk assessment and plan how to build back to ensure a full audit balance sheet for March 2026, with full transactional history for 2025-26. We need to work out what testing needs to be completed in areas other than PPE, where we have an agreed approach. There is a difficulty in some areas where transactional testing has not been completed for one or two years, so Bishop Fleming will need to complete this exercise alongside the audit to come up with a detailed plan they can share later in the year. From experience with other councils, they understand the challenges, risks and judgements they have to make around certain balances, and aim to have some element of qualification in the 2026-27 accounts opening balances, but a clean audit opinion in 2027-28, ahead of LGR.

Regarding LGR, a Member wondered how much certainty we have around consistency of approach to audits and estimates in judgements when we consolidate positions across the councils, and whether an overview will be needed at some point. NC confirmed that this won't be difficult in some areas, which are guided by the very detailed CIPFA code, but in areas requiring some judgement the different approach to valuations and indices taken by different organisations will need to be looked at. Discussions about how this will be done are ongoing, and it is likely to need some simplification, but there will be no requirement to re-audit all that has been done in the preceding year.

In response to a Member's question about what was included when calculating the materiality level, NC said this is not straightforward but was happy to share more detail in future. It starts from CIES expenditure levels and makes adjustments for certain items that are stripped out from there, then is 2% of that.

In view of the discussion today, a Member commented that they believe we are not expecting anything other than a disclaimed set of accounts in 2026-27, with a view to completing the process as described.

8 Internal Audit Plan 2026-27 and Internal Audit Charter and Mandate 2026-27

The Assistant Director SWAP said the plan has been developed following conversations with Members, Publica officers, and senior officers, and informed by work undertaken by previous audit teams. She invited Members to approve it so that her team can start work on the 2026-27 audits. The Charter and Mandate are standard documents which also require approval.

A Member suggested amending the summary of outcomes of the risk assessment from 'national issues' to 'international issues' in view of the global situations and international impacts we are currently seeing. The Assistant Director SWAP agreed to do this **ACTION**

In response to a further question, she confirmed that there is provision in the plan for SWAP officers to attend LGR meetings if and when required, but that had not been necessary to date.

She invited Members to get in contact if they identify anything they think should be added to the plan over the year – it is flexible and items can be added or reprioritised as necessary.

RESOLVED THAT:

- **the proposed 2026-27 Internal Audit Plan and the Internal Audit Charter and Mandate 2026-27are approved.**

9 Internal Audit Update, April 2026

The Assistant Director SWAP introduced her report, highlighting the following:

- there is one final report concerning reconciliations, which was given a mid-substantial assurance when the report was drafted, but the audit has since been completed with revenues and benefits, council tax and the NDR report, and income streams and the licensing report issued – this will be included in the opinion report in July;
- a quarterly review of accounts payable duplicate payments is also included in the papers, and there are no further issues with that;
- since the progress report was drafted, seven of the ten open agreed actions for recharging mechanisms and the voids review have been closed;
- three remain open: 6813, 7474 and 7477. All three are work in progress, and the team will continue to gather evidence to close these off before the next meeting.

A Member was reassured to hear that a number of actions have been closed.

In response to a Member's question about the agreed action around poor document storage, she confirmed that this relates both to problems in locating important documents and the need for a better filing system. What people are saving is being looked at, and preliminary meetings are being held with a company which provides the system about where documentation is being saved.

A Member asked what is happening with agreed actions 7076 and 7077; LC said she will email and copy to the Director of Finance **ACTION**

10 Counter Fraud and Enforcement Unit Report

The Head of Service CFEU introduced the report which includes the usual information about operational work, where savings and loss avoidance have been identified, and highlighted the following:

- last year's work focussing on procurement is almost complete – a procurement risk register will be created and provided to staff, together with information and toolkits on the procurement hub;
- work on high-risk areas and specific risk registers will continue next year, and the team will also be focussing on fraud awareness for everyone, trying to make it more relatable and applicable to different service areas. Training will cover off the relatively new Economic Crime and Corporate Transparency Act (ECCTA) which Members may have seen a briefing note on;
- the multi-agency approach to fraud group is aimed at members of the public, not just council staff, and should be shared with constituents, family and friends who are concerned about fraud or might have been targeted – it provides practical advice on what to look out for, how to protect against it, how to report it, and where to get support. Members are encouraged to spread the word;
- the report also includes work around the national fraud initiative and savings generated in the initial review, the housing waiting list review and loss avoidance that arises from that, and some results from individual reactive enforcement cases.

Members were pleased to note how active the unit continues to be and welcomed the positive report.

One Member commented that the council probably only receives 10% of the £100k of council tax recovered, and also that loss avoidance related to council housing is not only financial but also relates to the fairness and equity of the process, making sure those on the waiting list are housed in fair order. He thanked the team for their work.

11 Corporate Risk Register Update, April 2026

On behalf of the Interim Governance, Risk and Assurance Officer, the Director of Finance introduced the item, saying there was very little movement since the last meeting – 34 risks unchanged, 7 reduced, and 5 added, 2 of which are confidential, reflecting current global instability. Despite the lack of movement, she assured Members that the risks are reviewed on a regular basis, and may not have any significant movement due to their nature.

In response to a Member's query, she said the Medium Term Financial Strategy (MTFS) risk concerns the uncertainty and difficulty in planning and how this drives behaviour, but since it was put in place, the council has received a 3-year financial settlement, which provides more certainty on funding and allows the council to respond in a different way. It is important to continue to come up with long-term solutions, however, for all the reasons discussed earlier around the value for money report and delivery of savings.

In response to another query concerning the prioritisation of capital resources in risk 145, the Head of Finance said this risk relates back to the budget considered by Council in February, and concerns reassessment of the capital programme for the coming years, in light of LGR, and the risks around borrowing, interest rates and financing the capital programme, and the affordability of the debt on the annual revenue budget. This is all being reviewed and will be updated in the outturn report in July.

12 Any other item the chairman determines to be urgent and requires a decision

There were no other items.

13 Date of next meeting

The next meeting is scheduled for Wednesday 15 July at 6.00pm.

The Chair reminded Members of the following training sessions which they are advised to attend:

- Standards training, 6.00pm, 23 June, via Teams

- Audit, Compliance and Governance training, 5.00pm, 15 July

He thanked Councillor Willingham and Councillor Orme, who are standing down at the upcoming election, for their time on the committee, and wished other Members well.

14 LOCAL GOVERNMENT ACT 1972 - EXEMPT INFORMATION

RESOLVED THAT:

- **in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3, Part (1) Schedule (12A) Local Government Act 1972, namely:**

  Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information)

15 Exempt Minutes, 28 January 2026

The exempt minutes of the meeting held on 28 January 2026 were approved as a true record and signed accordingly.

16 Confidential Risk Register Update, April 2026

Members considered and commented on the update.

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Cheltenham Borough Council

Audit, Compliance and Governance Committee –

15 July 2026

Internal Audit Annual Opinion 2025-26

Accountable member:
Councillor Peter Jefferies, Cabinet Member for Finance & Assets

Accountable officer:
Adele Taylor, Section 151 Officer

Ward(s) affected:
N/A

Key Decision: No

Executive summary:
The Annual Internal Audit Opinion, Appendix A, gives the opinion, of the Head of Internal Audit (SWAP Assistant Director) and, therefore, the officer responsible for the delivery of the internal audit function, which includes assessing the adequacy and effectiveness of internal control within Cheltenham Borough Council. The opinion is based on the adequacy of control, noted from a selection of risk-based audits carried out during the year and, other advice work on control systems including the proactive work of the service as it supports the control arrangements within change projects. The results of any external inspections also inform the opinion.

Throughout the year we have measured the degree of control assurance within the systems or elements of systems we have audited or supported by way of control advice. Overall, the opinion is that a 'Mid Reasonable' assurance level can be given for the controls in place, within the areas where audit activity has taken place, to safeguard these systems which in turn support the delivery of the Council's overall business objectives.

Where operational control issues were raised, the risks associated with the control issues raised, in the audit reports, are being actively managed by the responsible Management.

Recommendations:

1. **The Audit, Compliance and Governance Committee considers the attached reports and makes comment on its content as necessary**

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1. Implications

1.1 Financial, Property and Asset implications

There are no financial, property and asset implications arising from this report.

Signed off by: Adele Taylor, Deputy Section 151 Officer)
Adele.Taylor@cheltenham.gov.uk

1.2 Legal implications

As detailed in the report, it is a requirement under the CIPFA Public Sector Internal Audit Standards for the Chief Audit Executive to deliver an Annual Internal Audit Opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control. This is an important source of assurance that supports the Council's governance statement.

Signed off by: One Legal – legalservices@onelegal.org.uk

1.3 Environmental and climate change implications

None arising from the report agreed actions

Signed off by: Maizy McCann, Climate Officer, Maizy.McCann@cheltenham.gov.uk

1.4 Corporate Plan Priorities

This report contributes to the following Corporate Plan Priorities:

- Securing our Future
- Quality homes, safe and strong communities
- Reducing carbon, achieving council net zero, creating biodiversity
- Reducing inequalities, supporting better outcomes
- Taking care of your money

1.5 Equality, Diversity and Inclusion Implications

No implications arising from the report agreed actions.

1.6 Performance management – monitoring and review

The performance of SWAP Internal Audit Services is monitored by both the Audit, Compliance and Governance Committee and the Audit Partnership Board as detailed in the Internal Audit Charter.

Regular monitoring reports are provided to this Committee and, in the interim period regular meetings are held between Internal Audit and the Deputy Chief Executive. New and emerging risks are discussed, and the impact of the recommendations made by Internal Audit are discussed.

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2 Background

2.1 Internal Audit work is completed to comply with the Global Internal Audit Standards plus the UK Sector Application Note and The CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government.

2.2 The Head of Internal Audit is required to provide an annual opinion, based upon, and limited to, the work performed, on the overall adequacy and effectiveness of the organisation's control arrangements. This is achieved through a risk-based programme of activities, agreed with Management and approved by the Audit and Governance Committee, which should provide a level of assurance across a range of Council activities. The opinion does not imply that the internal audit service has reviewed all risks and controls relating to the Council or the systems it reviews.

2.3 A number of audits have been completed since the last meeting of this Committee, and the reports are included at Annex B.

2.4 We continue to follow-up all agreed actions and a summary of the outstanding actions can be found at Annex C.

3 Reasons for recommendations

3.1 The Council must ensure that it has sound systems of internal control that facilitate the effective management of all the Council's functions. The work delivered by SWAP Internal Audit Services, the Council's internal audit service in 2025/26, is one of the control assurances available to the Audit, Compliance and Governance Committee, the Senior Leadership Team, and supports the

work of the external auditor.

3.2 **'Reasonable'** Assurance can be given that there is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited. Some weakness in the design and/or inconsistent application of controls have been identified, actions agreed with officers and improvement plans agreed.

3.3 Officers from SWAP will be in attendance at the Committee meeting and will be available to address Members' questions.

4 Alternative options considered

4.1 None

5 Consultation and feedback

5.1 The plan has been developed following consultation with and feedback from Service Managers Team, Leadership Team, the Internal Audit Team and the Audit, Compliance and Governance Committee.

6 Key risks

6.1 That potential weaknesses within the control framework are not identified and threaten the Council's objectives to meet its corporate priorities.

Report author:
Lucy Cater, Head of Internal Audit
Assistant Director, SWAP Internal Audit Services, Lucy.Cater@swapaudit.co.uk

Appendices:
Appendix 1 – Internal Audit Annual Opinion 2025/26
Appendix 2 – Finalised Audit Reports
Appendix 3 – Open Agreed Actions July 2026

Cheltenham Borough Council

Internal Audit Annual Opinion Report 2025/26

Internal Audit ▪ Risk ▪ Special Investigations ▪ Consultancy

Internal Audit Annual Opinion – 2025/26: 'At a Glance'

Annual Opinion

We are pleased to offer Cheltenham Borough Council a **Reasonable Assurance** for 2025/26

This assurance is based on information obtained from multiple engagements and sources, the results of which, when viewed together, provide an understanding of the organisation's governance arrangements, risk management processes and internal control environment

The Headlines

Audits undertaken for Accounts Payable, Disaster Recovery, CFEU and Bank Reconciliations resulted in Substantial Assurance.
This signifies that internal controls are operating effectively and being consistently applied in these areas.

Significant risks were identified in respect of the review of Recharging Mechanisms and Section 20
Progress is being made on the implementation of the agreed actions, which Internal Audit are monitoring.

18 reviews were included as part of the 2025/26 Internal Audit Plan.
Includes assurance, advisory and follow up reviews, and specific audit support.
1 reviews is at draft report stage

Internal Audit staff supporting the Council.
Auditors continue to support the Council, by attending meetings, supporting projects and when necessary, conducting specific tasks for the Council.

Agreed Actions
Two agreed actions reported in 2024/25 remain open. Of the 14 actions agreed in 2025/26, 7 have been actioned

Assurance Opinions	2024/25	2025/26
Substantial	5	5
Reasonable	2	1
Limited	2	0
No	0	0
Support to the Council	5	3
Grant Certification	0	0
Advisory	3	5
Follow-Up	1	4
Agreed Actions	**2023/24**	**2025/26**
Priority 1	4	5
Priority 2	20	5
Priority 3	2	4
Total	26	14

Executive Summary

Internal Audit provides an independent and objective opinion on the effectiveness of the Authority's risk management, control and governance processes.

Purpose

The Head of Internal Audit (SWAP Assistant Director) should provide a written annual report to those charged with governance to support the Authority's Annual Governance Statement (AGS). This report should include the following:

- An opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and internal control environment, including an evaluation of the following:
  - the design, implementation and effectiveness of the organisation's ethics-related objectives, programmes and activities;
  - whether the information technology governance of the organisation supports the organisation's strategies and objectives;
  - the effectiveness of risk management processes; and
  - the potential for the occurrence of fraud and how the organisation manages fraud risk.
- Disclose any qualifications to that opinion, together with the reasons for the qualification.
- Present a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies.
- Draw attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement.
- Compare the work actually undertaken with the work that was planned and summarise the performance of the internal audit function against its performance measures and criteria.
- Comment on compliance with these standards and communicate the results of the internal audit quality assurance programme.

The purpose of this report is to satisfy this requirement and Members are asked to note its content and the Annual Internal Audit Opinion given.

Executive Summary

Three Lines Model

To ensure the effectiveness of an organisation's risk management framework, the Audit, Compliance and Governance Committee and Senior Management need to be able to rely on adequate line functions – including monitoring and assurance functions – within the organisation.

The 'Three Lines' model is a way of explaining the relationship between these functions and as a guide to how responsibilities should be divided:

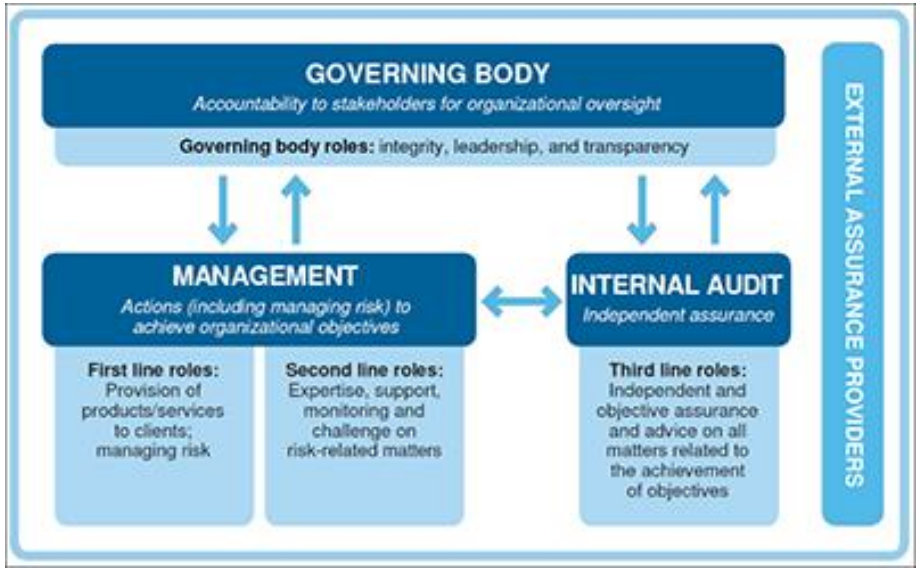
- **the first line – functions that own and manage risk.**
- **the second line – functions that oversee or specialise in risk management, compliance.**
- **the third line – functions that provide independent assurance.**

Background

The Internal Audit service for Cheltenham Borough Council is provided by SWAP Internal Audit Services. The team's work for 2025/26 was completed to comply with the Global Internal Audit Standards and all other guidance recognised by the UK public Sector's Relevant Internal Audit Standards Setters. The work of the team is guided by the Internal Audit Charter which is reviewed annually.

Internal Audit provides an independent and objective opinion on the organisation's control environment by evaluating its effectiveness. This report summarises the activity of the Internal Audit team for the 2025/26 year.

The position of Internal Audit within an organisation's governance framework is best summarised in the Three Lines model shown below.



Internal Audit Opinion 2025/26

The Head of Internal Audit (SWAP Assistant Director) is required to provide an opinion to support the Annual Governance Statement.

Annual Opinion

On the balance of our 2025/26 audit work for Cheltenham Borough Council, enhanced by the work of external agencies, I am able to offer a **Reasonable Assurance** opinion in respect of the areas reviewed during the year.

Audit work is planned to ensure that sufficient assurance will be available to inform the annual opinion as well as supporting the key priorities that underpin CBC's Corporate Plan (2025 – 2028):

- Securing our Future
- Quality homes, safe and strong communities
- Reducing carbon, achieving council net zero, creating biodiversity
- Reducing inequalities, supporting better outcomes
- Taking care of your money

Our audit work supports each of these priorities, whether as an assurance audit, an advisory piece of work, ad hoc requests or support to the council.

Internal Audit Opinion 2025/26

The Annual Opinion is based on information obtained from multiple engagements and sources, the results of which, when viewed together, provide an understanding of the organisation's governance arrangements, risk management processes and internal control environment and facilitate an assessment of overall adequacy and effectiveness. Opinions are a balanced reflection across the year and not a snapshot in time. In forming this opinion, the following sources of information have been used:

- *Completed audits which evaluate risk exposures relating to the organisation's governance, operations and information systems, reliability and integrity of information, efficiency and effectiveness of operations and programmes, safeguarding of assets and compliance with laws and regulations.*
- *Observations from consultancy / advisory support.*
- *Follow up of previous audit activity, including agreed actions.*
- *Assurances from other key sources and providers, including third parties, regulator reports etc.*
- *Ongoing support and advice relating to the risks associated with payments administered following the pandemic.*

Alongside direct internal audit work, the Head of Internal Audit can also place reliance on:

- *Work and investigations undertaken by the Council's Counter Fraud and Enforcement Unit.*
- *Updates and PSN certification undertaken by the Council's ICT Team.*

The following are considered key pieces of audit work that support the annual opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control.

- *Business Continuity*
- *Continuous assurance*
- *Key financial audits*
- *Information governance and security*
- *Key front line services*

Furthermore, the Head of Internal Audit, or member of the Audit Team is an attendee at the following meetings:

- *Procurement and Commissioning Group*
- *Corporate Governance Group*
- *Senior Leadership Meetings*
- *All Staff Briefings*

Summary of Audit Work 2025/26

Definitions of Corporate Risk

High Risk
Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.

Medium Risk
Issues which should be addressed by management in their areas of responsibility.

Low Risk
Issues of a minor nature or best practice where some improvement can be made

Significant Corporate Risks

Our audits examine the controls that are in place to manage the risks that relate to the area being audited. We assess the risk at a 'Corporate' level once we have tested the controls in place. Where the controls are found to be ineffective and the 'Corporate risk' as 'High' these are brought to the Audit, Compliance and Governance Committee attention.

We identified significant weaknesses in the following audits:
Recharging Mechanisms and Section 20

- Monitoring Processes were not implemented
- Expenditure not reconciled
- Lack of Governance Documentation
- Unreliable Recharge Data
- Training for administering for Section 20 Notices was lacking
- Non-Compliance with Section 20 Process

To ensure control weaknesses are being addressed we have continued to follow-up all agreed actions made in previous years audits as well as current year ones which have passed their implementation dates. There are currently two historic (2024/25) outstanding agreed action which have passed their implementation dates.

All audits, and progress against agreed actions, have been reported throughout 2025/26 to the Audit, Compliance and Governance Committee.

Summary of Audit Work 2025/26

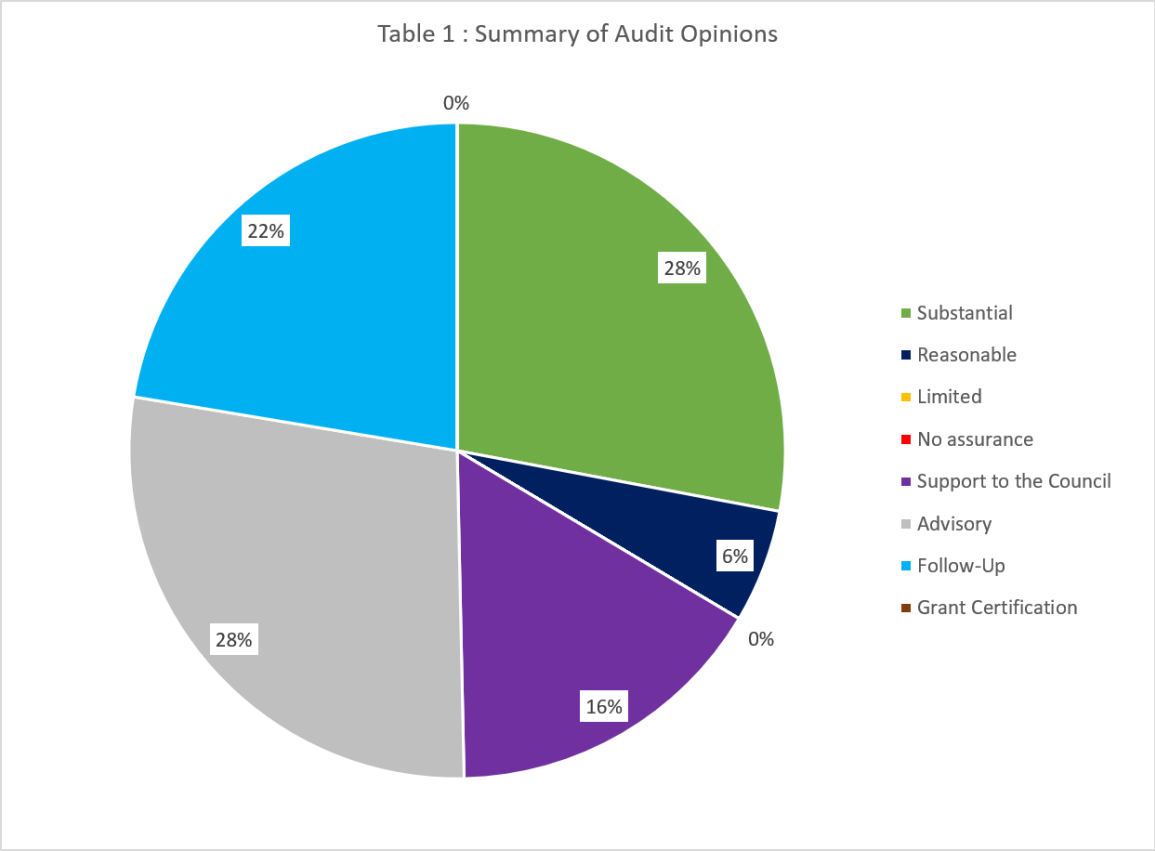
At the conclusion of audit assignment work each review is awarded a "Control Assurance Definition";

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

Summary of Audit Opinion

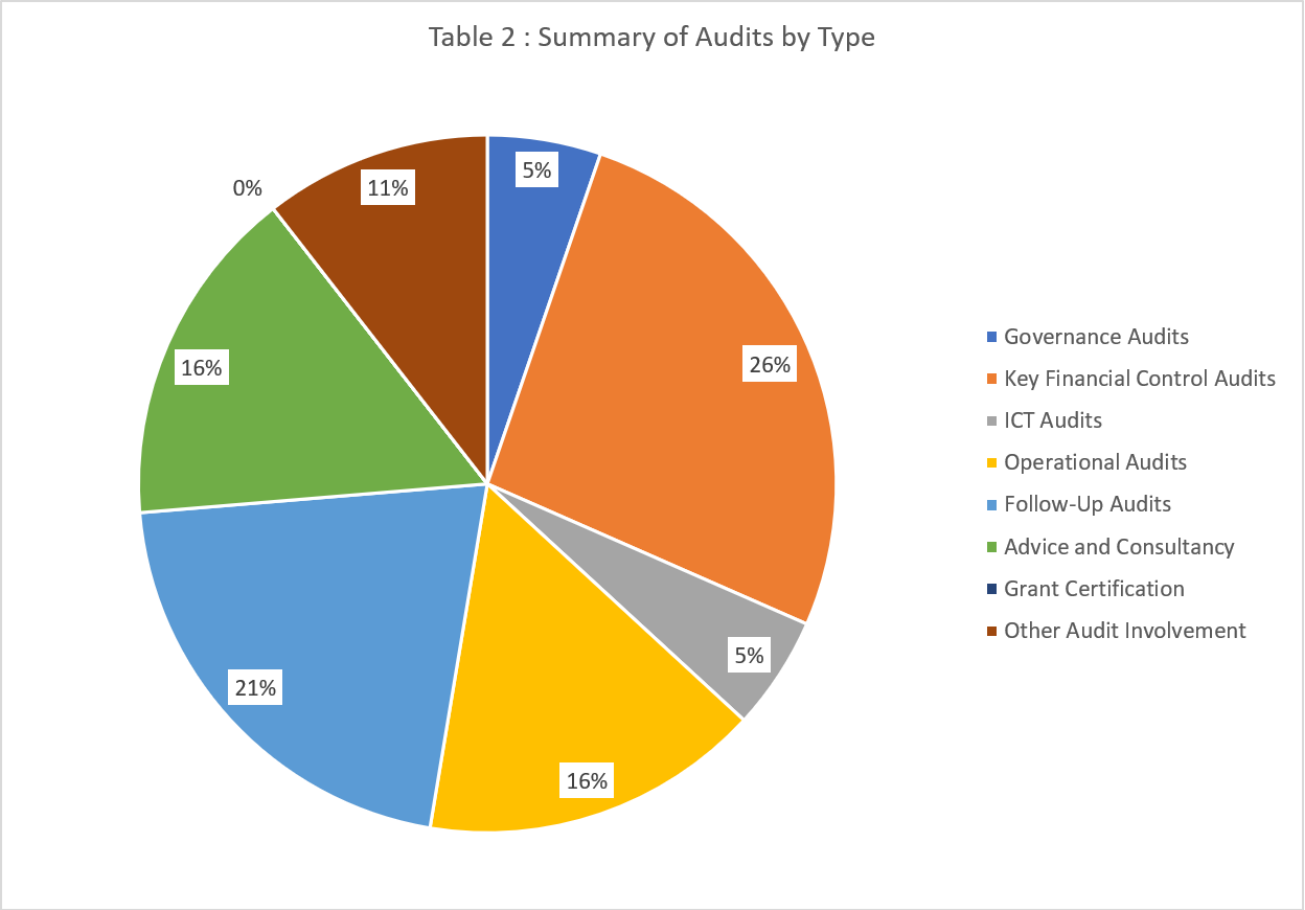
The following two charts summarise the audit opinions and audit work, and involvement, during 2025/26.

Table 1 indicates the spread of assurance opinions across our work during the past year.



Summary of Audit Work 2025/26

Table 2 indicates the audit work by type.

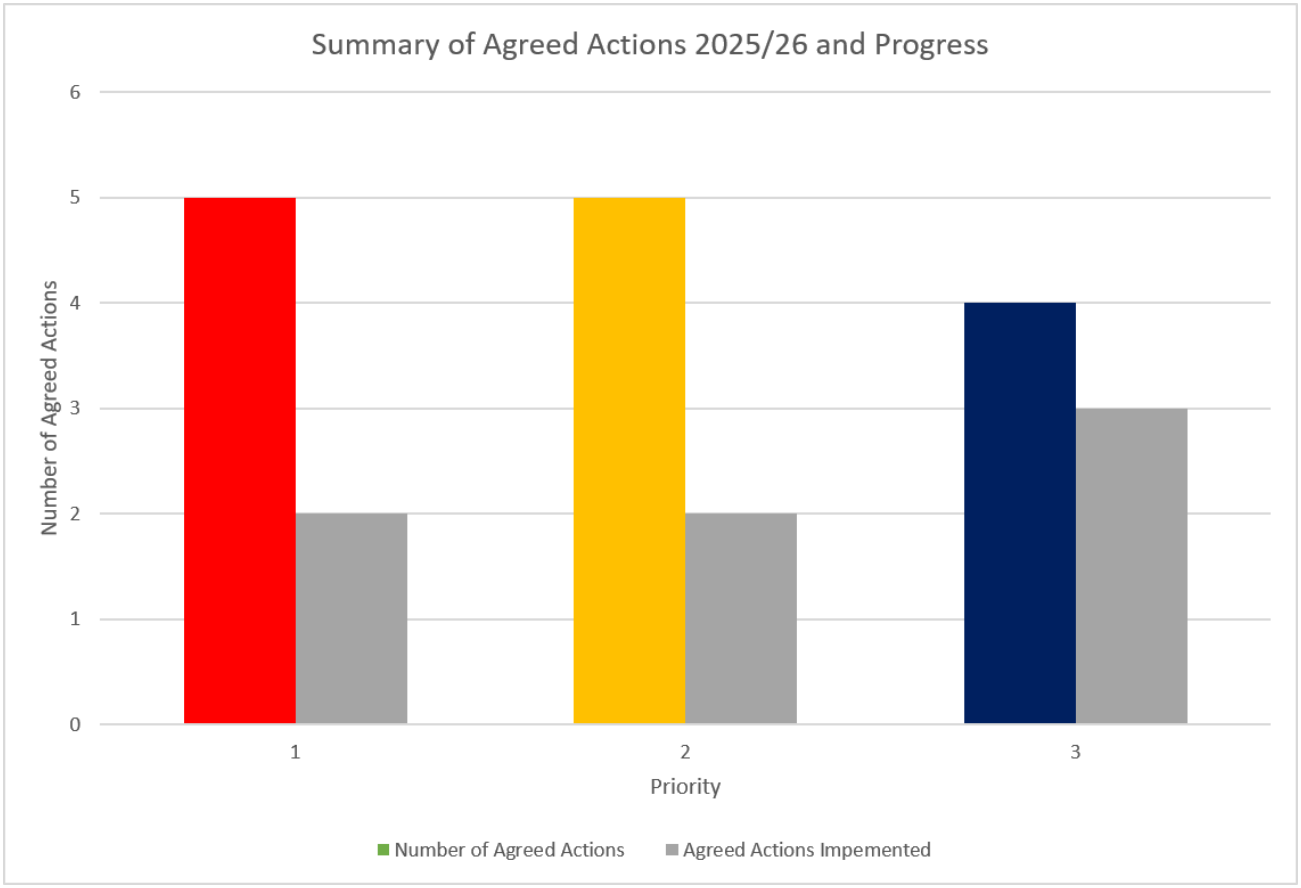


Summary of Audit Work 2025/26

SWAP Performance - Summary of Audit Actions by Priority

We rank our actions on a scale of 1 to 3, with 3 being medium or administrative concerns to 1 being areas of major concern requiring immediate corrective action

Priority Actions



Added Value

Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.

Added Value

Throughout the year, SWAP strives to add value wherever possible i.e. going beyond the standard expectations and providing something 'more' while adding little or nothing to the cost.

Corporate Groups
During the year we have attended a number of corporate groups to act as a 'critical friend'.

Benchmarking
During the year we have provided benchmarking data across either the SWAP partnership or the wider reach of the Local Authority Chief Auditors Network (LACAN). This data is useful for services to develop and improve their own systems and processes so that business objectives can be achieved with continuingly decreasing resources.

News Roundup
We produce a fortnightly newsletter that provides information on topical areas of interest for public sector bodies.

Client Liaison
The Auditors meet regularly with Service Managers to discuss potential operational risks and issues, identify areas for audits and plan up-coming audits.

Audit Protocol
We have an audit protocol which defines the role of the audit team and what is required for an audit. The aim of the protocol is to improve the audit process for our audit clients and to ensure we can deliver an excellent audit in an efficient and effective manner.

Plan Performance 2025/26

Internal audit is responsible for conducting its work in accordance with the Code of Ethics and Standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors and further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS).

SWAP Performance

In 2025/26 SWAP work was completed to comply with the the Global Internal Audit Standards plus the UK Public Sector Application Note and the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government. The Internal Audit service for Cheltenham Borough Council is provided by SWAP Internal Audit Services.

Under these standards we are required to be independently externally assessed at least every five years to confirm compliance to the required standards. SWAP was assessed in January 2025 and confirmed that we are in conformance to PSIAS. Members of the Committee have been provided with the full EQA report.

Standard 8.3 of the Global Internal Audit Standards requires Heads of Internal Audit to develop, implement and maintain a Quality Assurance and Improvement Programme (QA&IP) that covers all aspects of the internal audit function. The programme must include both internal and external assessments (Standards 8.4 and 12.1 respectively). This acknowledges that high standards can be delivered by managers, but it also implies that improvements can be further developed when benchmarking is obtained from outside the organisation and the internal audit function. Following our External Assessment, we have produced our QA&IP and included additional improvements and developments identified internally that we want to make, as aligned to SWAP's Business Plan. The QA&IP is a live document and will be regularly reviewed by the SWAP Board to ensure continuous improvement and delivery on our actions.

Summary of Internal Audit Work 2025/26

Audit Type	Audit Area	Status	Opinion	No of Actions
2025/26 Finalised and Completed Reviews				
Operational	Counter Fraud and Enforcement Unit	Final Report	Low Substantial	1
Key Financial Control	Payroll – Publica Controls	Final Report	Mid Substantial	0
Key Financial Control	Payroll – Council Controls	Final Report	Low Reasonable	2
Follow-Up	Grant Income	Final Report	N/A	0
Governance	Data Maturity	Final Advisory Report	N/A	0
ICT	Disaster Recovery – Revenues and Benefits	Final Report	Low Substantial	0
Follow-Up	Voids Review	Interim Report	N/A	0
Operational	Recharging Mechanisms (Housing Services)	Final Advisory Report	N/A	10
Follow-Up	Recharging Mechanisms – Interim Report	Interim Report	N/A	0
Key Financial Control	Bank Reconciliations	Final Report	Mid Substantial	1
Operational	Income Streams – Licensing	Final Advisory Report	N/A	0
Key Financial Control	Accounts Payable – Qtly Review – 2025/26	Final Report	High Substantial	0

Summary of Internal Audit Work 2025/26

Audit Type	Audit Area	Status	Opinion	No of Actions
Follow-Up	Follow-Ups of Agreed Actions in Substantial and Reasonable Audits	Complete	Follow-Up	N/A
Other Audit Involvement	Working with the Counter Fraud and Enforcement Unit	Completed	Support to the Council	N/A
Other Audit Involvement	Management of the IA Function and Client Support	Completed	Support to the Council	N/A

Audit Type	Audit Area	Status	Comment
Draft Reports			
Key Financial Control	Revenues and Benefits – Council Tax and NNDR		
Ongoing Audit Support / Other Involvement			
Advisory	Procurement and Commissioning Group		Support complete for 2025/26, will continue into 2026/27
Advisory	Corporate Governance Group		Support complete for 2025/26, will continue into 2026/27
Support	Elections		Support complete for 2025/26, will continue into 2026/27

The following are the Internal Audit reports, of each audit review finalised, since the last Committee update

Bank Reconciliations – Final Report – March 2026

Audit Objective	To provide assurance that core financial processes are operated in accordance with agreed policy/procedure and with the Financial Rules.

Executive Summary

Assurance Opinion	Management Actions		Organisational Risk Assessment	Low
The review confirmed a sound system of governance, risk management and control, with internal controls operating effectively and being consistently applied to support the achievement of objectives.	Priority 1	0	Our audit work includes areas that we consider have a low organisational risk and potential impact.	
	Priority 2	0		
	Priority 3	1		
	Total	1		

Key Conclusions

There is no established process in place to resolve historical unreconciled items, in either the suspense account or bank reconciliation.
At the time of audit work (January 2026) there were several outstanding entries in both the Council's suspense account, and the 'other items' section of the bank reconciliation. The oldest unresolved items in both are from 2021.
The Accounting Technician will liaise with Publica to establish a process to resolve historical suspense account entries, and unreconciled items going forward.

We can confirm the monthly bank reconciliation is being completed in a timely manner, and it is appropriately authorised in accordance with the Councils financial rules.

Audit Scope

The following areas were reviewed:

- Suspense account monitoring processes.
- Frequency and accuracy of bank account reconciliations.
- Authorisation process for bank account reconciliations.
- Implementation of previously agreed actions.

The period reviewed was November 24 – January 2026.

Other Relevant Information.

The Accounting Technician has advised that they will be working with Publica to clear historic balances that have previously been unable to be resolved as part of the normal reconciliation process.

Income Streams (Licensing) – Final Report – April 2026

Audit Objective	To review income management processes within the Licensing area and provide suggestions for improvements to the control environment.

Assurance Opinion

The advice provided in this report encompasses risk analysis and evaluation based on current activity/operations. Please see the introduction box for details of why an advisory report has been used.

Introduction / Background

Recent changes within Public Protection — including the appointment of a new Licensing Team Leader and Manager, along with several policy updates has meant that undertaking an advisory review would add more value than a compliance audit as agreed in the 2025/26 Internal Audit Plan.

Audit scope

The audit included an assessment of the following areas:

- Policies and processes for the receipt of payments, budget monitoring, and income reconciliation
- Income receipt procedures and methods of income collection
- Reconciliation between expected income and the general ledger
- Performance monitoring, oversight arrangements, and escalation routes

Discussions were held with the Licensing Team to understand how income is collected, recorded, reconciled, and monitored resulting in the development of a flow chart illustrating the end-to-end application and income process. This visual map clarified how the various systems interact, highlighted key automation points, and supported our understanding of the overall processes.

Findings

While several strengths were identified, the review also highlighted areas where processes could be strengthened/improved and aid compliance with Financial Rules as follows:

- Policies and Process Documentation
- Income Collection and System Integration
- Reconciliation of Licensing Income to the General Ledger
- Budget Monitoring and Financial Oversight

Conclusion

The review identified a number of strengths within the Licensing Service's income processes, particularly the use of automated systems for the collection and recording of upfront payments. These system integrations provide a solid foundation for ensuring that most licensing income is captured and transferred accurately between Civica, Uniform, and Business World. The monthly aged debt process also supports the timely recovery of annual licence fees and helps reduce the risk of income loss.

However, the review also highlighted several areas where financial controls could be strengthened. The absence of service-specific policies or procedures for income collection, reconciliation, and budget monitoring reduces clarity over roles and expectations and increases the potential for inconsistent practice. The lack of a routine, end-to-end reconciliation between licensing income and the general ledger means the service is not fully compliant with the Financial Rules and carries a residual risk over income completeness and accuracy. While budget monitoring is undertaken regularly and supported by good engagement with Finance, formal documentation of the process and expectations would help embed consistency and assurance.

Overall, the service has key operational controls in place, but there is an opportunity to strengthen financial governance by introducing clearer documentation, defined responsibilities, and routine reconciliation activity. Implementing these improvements would enhance the robustness of financial controls, support compliance with the Financial Rules, and provide greater assurance over the completeness and accuracy of licensing income.

Accounts Payable (Continuous Analysis) – Final Report – March 2026

Audit Objective	To identify potential duplicate payments. To summarise and present any such payments to the Accounts Payable (AP) team for remedial action.

Executive Summary

Assurance Opinion	Management Actions	
The review confirmed a sound system of governance, risk management and control, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Priority 1	0
	Priority 2	0
	Priority 3	0
	Total	0

Organisational Risk Assessment: Low

Our audit work includes areas that we consider have a low organisational risk and potential impact.

Key Conclusions

Accounts Payable (AP) use Business World to process payments on behalf of partner organisations and Councils. We used BW to generate AP reports capturing payments to suppliers between 1st April 2025 and 30th September 2025.

A total of 90,160 lines of transactional data was analysed. We cleansed the data and applied conditional formatting to highlight potential duplicate transactions. These transactions were inspected to establish whether mitigating circumstances could be identified (e.g. credit note). 3 suspected duplicates with a potential overpayment value of £622.06 were forwarded to the AP team for further investigation. This represents <0.001% of the total payments analysed.

At the time of writing this report, all potential duplicates for 2025/26 Q1&2 have been resolved. However, AP are managing 1 unresolved payment totalling £126 from 2024/25. We will continue to monitor this through to resolution.

Audit Scope

Our review covers Q1 and Q2 of the 2025/26 Financial Year. We check for potential duplicate payments at Councils and organisations hosted on Business World.

Findings have been summarised and reported to the Accounts Payable team, for further review and remedial action where necessary.

Next Steps

AP continue to work with officers and suppliers to rectify the unresolved duplicate transaction. Potential duplicates for Q3 2025/26 have been forwarded to AP for further investigation.

Open Agreed Actions – July 2026

SWAP INTERNAL AUDIT SERVICES
Helping Organisations to Succeed

Open Management Actions

All open issues and closed actions in the last 2 years based on a rolling period.

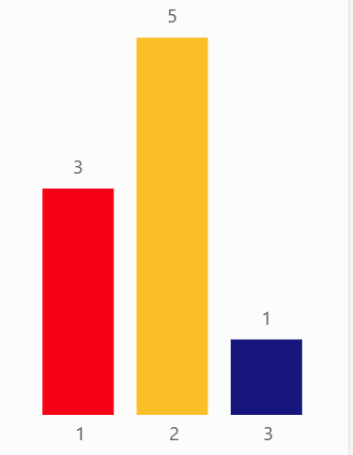
Organisation

Cheltenham Borough Council

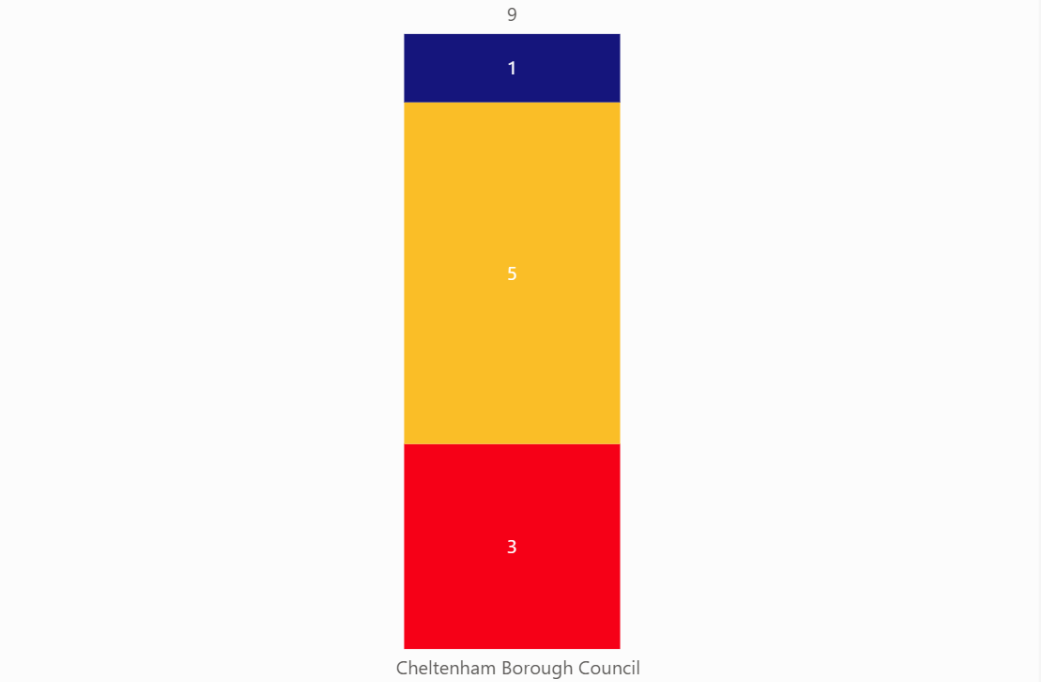
- [x] Cheltenham Borough Council
- [ ] Cheltenham Borough Homes
- [ ] Cotswold District Council
- [ ] Forest of Dean District Cou...
- [ ] Publica
- [ ] Ubico
- [ ] West Oxfordshire District C...

Not yet due	Due within 30 days	1-30 days overdue	31-60 days overdue	61-90 days overdue	91+ days overdue	Total Actions
1	1	5	(Blank)	(Blank)	2	9

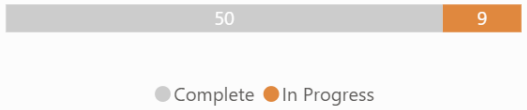
Open Actions by Priority



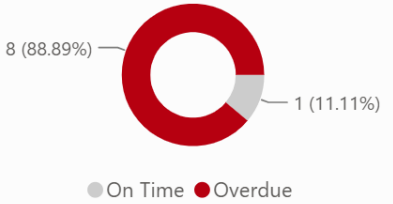
Open Actions by Organisation



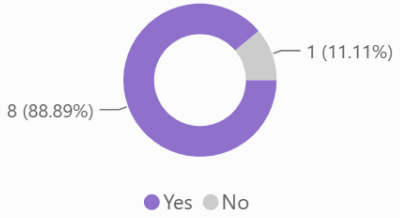
Open/Closed Actions



Overdue Open Actions



Open Actions with Extended Dates



OPEN AGREED ACTIONS - JULY 2026

ID (Action Plan)	ID (Issue)	Audit Title	Title	Issue Status	Period	Priority Score	Original Timescale	Revised Timescale	Follow-Up Assessment
5092	4762	CBC - Property & Estates H&S Compliance 2024/25	There is no overarching policy or procedures for the Property Team	Pending Remediation	2024/25	2	31/01/2025	30/06/2026	July 2026 - Follow-Up Audit has commenced
6813	6380	CBC - Recharging Mechanisms - 2024/25	CBC Recharges Governance and Documentation.	Pending Remediation	2024/25	1	31/12/2025	31/05/2026	July 2026 - Information is being supplied by the Service Area, and Follow-Up is in Progress
6814	6381	CBC - Recharging Mechanisms - 2024/25	CBC Recharges Monitoring.	Pending Remediation	2024/25	2	31/12/2025	31/05/2026	July 2026 - Information is being supplied by the Service Area, and Follow-Up is in Progress
6820	6387	CBC - Recharging Mechanisms - 2024/25	CBC QL – Recharges Data.	Pending Remediation	2024/25	1	31/12/2025	31/05/2026	July 2026 - Information is being supplied by the Service Area, and Follow-Up is in Progress
6823	6390	CBC - Recharging Mechanisms - 2024/25	CBC Recharges Reconciliations	Pending Remediation	2024/25	2	31/12/2025	31/05/2026	July 2026 - Information is being supplied by the Service Area, and Follow-Up is in Progress
7474	7011	CBC - Recharging Mechanisms - 2024/25	Training for administering the Section 20 Notice Process is lacking.	Pending Remediation	2024/25	1	31/12/2025	31/03/2026	July 2026 - Information is being supplied by the Service Area, and Follow-Up is in Progress
7477	7014	CBC - Recharging Mechanisms - 2024/25	Document Storage is poor.	Pending Remediation	2024/25	2	31/12/2025	31/03/2026	July 2026 - Information is being supplied by the Service Area, and Follow-Up is in Progress
5149	4815	CBH - Voids Review - 2024/25	Budget Monitoring is ineffective	Pending Remediation	2024/25	2	31/12/2024	31/05/2026	July 2026 - Information is being supplied by the Service Area, and Follow-Up is in Progress
8993	8426	CBC - Bank Reconciliation - 2025/26	CBC Unreconciled Items	Pending Remediation	2025/26	3	30/09/2026		

Cheltenham Borough Council

Audit, Compliance and Governance Committee

15 July 2026

Proceeds of Crime and Anti-Money Laundering Policy

Accountable member:

Councillor Peter Jeffries, Deputy Leader of the Council and Cabinet Member Finance and Assets

Accountable officer:

Adele Taylor, Interim Director of Finance and Operations (s.151 Officer)

Ward(s) affected:

All indirectly

Key Decision: No

Executive summary:

To present Audit, Compliance and Governance Committee with a revised Proceeds of Crime and Anti-Money Laundering Policy for approval and adoption.

The Policy has been reviewed to ensure the content reflects current legislation and the Council's Policies and Procedures.

Recommendations:

That Audit, Compliance and Governance Committee:

1. **Approves and adopts the Proceeds of Crime and Anti-Money Laundering Policy attached to this report.**

2. **Delegates to the Interim Director of Finance and Operations (s151 Officer) to approve future minor amendments to the Policy in consultation with**

the Chair of Audit, Compliance and Governance Committee, Assistant Director Counter Fraud and Enforcement Unit, and One Legal.

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1. Implications

1.1. Financial, Property and Asset implications

There are no direct financial implications arising from this report.

The adoption and approval of this policy will help to support the prevention and detection of misuse of public funds and will support the Council's objectives in reducing crime and financial loss to the Council.

Signed off by: Adele Taylor, Interim Director of Finance and Operations (s.151 Officer), Adele.Taylor@cheltenham.gov.uk

1.2. Legal implications

There are no significant legal implications associated with this report.

The Policy sets out the statutory requirements that the Council must consider and adhere to when undertaking relevant activities.

Signed off by: One Legal, legalservices@onelegal.org

1.3. Environmental and climate change implications

None directly.

1.4. Corporate Plan Priorities

This report contributes to the following Corporate Plan Priorities:

- Looking after your money.

1.5. Equality, Diversity and Inclusion Implications

None directly.

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2. Background

2.1. The Counter Fraud and Enforcement Unit is tasked with reviewing the Council's Proceeds of Crime and Anti-Money Laundering Policy.

2.2. It is recommended good practice that the Policy is updated and reviewed at

least every few years in line with any legislative changes.

2.3. In administering its responsibilities, this Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or Councillor.

3. Reasons for recommendations

3.1. Money laundering is the process by which funds derived from criminal activity are given the appearance of being legitimate by being exchanged for 'clean' money so that it appears to come from a legitimate source.

3.2. Proceeds of Crime and Money Laundering legislation govern the responsibilities of individuals and organisations.

3.3. The Policy, at Appendix 2, defines a best practice approach for dealing with the Council's anti-money laundering obligations and suspicious activity reports.

3.4. The nominated Money Laundering Reporting Officer is the Officer appointed under section 151 of the Local Government Act 1972. In the case of the Council, this is the Interim Director of Finance and Operations (s.151 Officer).

3.5. The Policy has been refined with revisions or significantly new sections shown as red text. Any operational or procedural elements relating to the disclosure procedure, the reporting Officer's considerations or client/supplier identification process are now detailed within the supporting internal procedure document.

3.6. The majority of the other amendments are minor and are shown as insertions in red

3.7. Attached for information at Appendix 2 is the supporting flowchart which will be provided to employees as a supporting quick reference guide.

3.8. Audit, Compliance and Governance Committee last considered the policy in April 2021.

3.9. Awareness will be raised with employees following the approval of the Policy. General communications will be issued through internal communication channels and more direct training, and awareness will be delivered with those employees more likely to identify suspicious activity.

4. Alternative options considered

4.1. None.

5. Consultation and feedback

5.1. Any policies drafted or revised by the Counter Fraud and Enforcement Unit have been reviewed by One Legal and issued to the relevant Senior Officers, Management and Governance Officers for comment.

6. Key risks

6.1. The Council is required to mitigate the risk of money laundering and report any suspicious activity.

6.2. The Policy reduces the risk that the Council will fail to fulfil its legal obligations.

Report author:

Emma Cathcart, Assistant Director, Counter Fraud and Enforcement Unit,
Emma.Cathcart@cotswold.gov.uk

Appendices:

1. Risk Assessment
2. Proceeds of Crime and Anti-Money Laundering Policy
3. Employee Flowchart (Proceeds of Crime and Anti-Money Laundering)

Background information:

N/A.

Appendix 1: Risk Assessment

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
1	The authority suffers material loss and reputational damage due to criminal activity	Director Finance and Operations	3	3	9	Reduce	Ensure staff are aware of the risks, conduct appropriate due diligence checks and report any suspicious activity	Finance	Ongoing

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Version Control:	
Document Name:	Proceeds of Crime and Anti-Money Laundering Policy
Version:	2.0
Responsible Officer(s):	Officer appointed under section 151 of the Local Government Act 1972 Assistant Director, Counter Fraud and Enforcement Unit
Approved by:	Executive Committee / Cabinet
Next Review Date	April 2029

Revision History

Revision date	Version	Description
April 2026	2	Review and Update

Consultees

Internal	External
s151 Officer / Finance	
One Legal / Legal Services	

Distribution

Name	

Contents

1. WHAT IS MONEY LAUNDERING?

1.1 Money laundering is the process by which funds derived from criminal activity are given the appearance of being legitimate by being exchanged for 'clean' money so that it appears to come from a legitimate source.

1.2 The proceeds of any acquisitive crime are 'cleaned up' by various means and then fed back into the financial system after a transaction or series of transactions designed to disguise the original source of the funds.

1.3 Money that funds terrorism is also covered by money laundering legislation whether the funds originated from a legitimate source or not.

1.4 Money laundering can take many forms:

- Handling the proceeds of crime
- Being directly involved with criminal or terrorist property
- Entering into arrangements to facilitate laundering of criminal or terrorist property
- Investing the proceeds of crime into other financial products, property purchase of other assets

1.5 Criminals launder money in order to enjoy the fruits of their criminality. Most crime is acquisitive in nature, and it is necessary to give the proceeds of crime the appearance of being legitimate in order that the source of the funds can be disguised.

1.6 The money generated by these crimes needs to be laundered before the criminals can gain full benefit of it, and law enforcement agencies around the world are keen to make it hard for criminals to benefit in this way.

1.7 The UK terrorism legislation also addresses the issue of the funding of terrorism, much of which is directly related to criminal activity.

2. LEGISLATION

2.1 The legislation in respect of Money Laundering is set out in the following:

- Proceeds of Crime Act 2002 as amended by the Crime and Courts Act 2013 and the Serious Crime Act 2015.
- The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and The Money Laundering and Terrorist Financing (Amendment) Regulations 2019.
- The Terrorism Act 2000 as amended by the Anti-Terrorism, Crime and Security Act 2001, the Terrorism Act 2006 and the Terrorism Act 2000 and Proceeds of Crime Act 2002 (Amendment) Regulations 2007.

2.2 The combined legislation is referred to in this Policy as 'the money laundering legislation'.

2.3 Significant changes were made to the money laundering legislation which broadened the definition of money laundering and increased the range of activities caught by the statutory framework. As a result, the obligations impact on certain areas of Council business and require Councils to establish internal procedures to prevent the use of their services for money laundering. The Council undertakes many due diligence activities across its services to prevent money laundering and the specific internal supporting procedure also forms part of this activity.

3. MONEY LAUNDERING OFFENCES

3.1 The Money Laundering Regulations apply to firms in the regulated sector (businesses which provide access to financial services).

3.2 There are three primary offences as set out in the Proceeds of Crime Act 2002:

- Concealing, disguising, converting, transferring criminal property or removing it from the UK (section 327 of the Proceeds of Crime Act 2002);
- Entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person (section 328); or
- Acquiring, using or possessing criminal property (section 329).

3.3 These are the primary money laundering offences and are thus prohibited acts under the legislation. There are also secondary offences, which apply to the Council and its employees as detailed below:

- Failure to disclose: other nominated officers (section 332). A nominated officer in the non-regulated sector commits an offence if, as a result of a disclosure, he or she knows or suspects that another person is engaged in money laundering and fails to make a disclosure as soon as practicable to the Serious Organised Crime Agency (SOCA).
- 'Tipping off' offence: whereby a person knows or suspects that an investigation in connection with alleged money laundering has or is about to be commenced in respect of another person but nonetheless makes a disclosure to any other person which is likely to prejudice any such investigation; this is a secondary offence known as prejudicing an investigation (section 342).

3.4 These are serious offences: The primary offences carry a maximum penalty of 14 years imprisonment, the secondary offences carry a maximum penalty of 5 years imprisonment

4. POLICY STATEMENT

4.1 The Council will do all it can to:

- Prevent, wherever possible, the organisation, its employees and Members being exposed to money laundering.
- Identify the potential areas where money laundering may occur and take appropriate action to minimise the risk; and
- Comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.

4.2 Every employee and elected Member has a personal responsibility to be vigilant.

5. SCOPE OF THE POLICY

5.1 This Policy applies to all Officers and elected Members of the Council. The Policy sets out the procedures that must be followed to enable the Council to comply with its legal obligations.

5.2 Officers are considered to be employees of the Council whether directly employed, seconded, or working via an agency, and other public authorities delivering a service on behalf of the Council, for example Ubico or Publica.

5.3 Failure to comply with the procedures set out in this Policy may lead to disciplinary action being taken in accordance with existing Council policies in addition to any criminal prosecution which may ensue.

5.4 This Policy should be read in conjunction with the Whistle-Blowing Policy and the Counter Fraud and Anti-Corruption Policy.

6. PURPOSE

6.1 The Council has a duty to ensure it complies with its obligations under the legislation, but it is acknowledged that it is low risk due to the limited number of areas to which it applies. Criminal sanctions may be imposed for breaches of the legislation.

6.2 The purpose of this Policy is to make Officers and Members aware of the money laundering legislation; their responsibilities regarding the legislation; and the consequences of non-compliance with this Policy.

6.3 Any Officer or Member of the Council could be subject to the provisions of the money laundering legislation if they suspect money laundering and either fail to report their concerns or become involved in any actions to process the suspicious transaction. This Policy sets out how any concerns should be raised.

7. THE COUNCIL'S OBLIGATIONS

7.1 Not all of the Council's business is "relevant" for the purposes of the legislation. It is mainly accountancy and audit services and financial, company and property transactions. The safest way to ensure compliance with the law is to apply the

regulations to all areas of the Councils work. Therefore, all employees are required to adhere to the process set out in the supporting internal procedure.

7.2 Organisations conducting "relevant business" under the legislation must:

- Appoint a Money Laundering Reporting Officer (MLRO) to receive disclosures from employees of money laundering activity (their own or anyone else's);
- Implement a procedure to enable the reporting of suspicions of money laundering;
- Maintain client identification procedures in certain circumstances; and
- Maintain records.

8. AREAS AT RISK OF MONEY LAUNDERING

- Property sales, shared ownership, staircasing (the gradual purchasing of additional shares in a shared ownership property), other sales
- Cash payments in excess of £10,000 or cash payments that have totalled £10,000 in four or less transactions
- Refunds of overpayments to accounts
- Fraud, internal or external
- Suspiciously low tenders

9. IDENTIFYING SUSPCIOUS ACTIVITY

9.1 Employees dealing with transactions that involve income for goods and services (or other income) are most likely to identify suspicious activity, particularly where:

- Large amounts of cash are received
- Overpayment is received by cash and a refund is requested
- Overpayment is received by credit or debit card and a cheque refund is requested
- Property sales:
    - Checking the seller's/buyer's identity is difficult
    - Buyer reluctant to provide details of their identity
    - Financial circumstance of buyer has changed significantly
    - Money is paid by a third party who has no obvious link to the transaction
- Misuse of Council properties:
    - Cannabis farm

- Human trafficking and exploitation
- Tenancy fraud and sub-letting

9.2 These employees will receive training and will be referred to the supporting flowchart and internal procedure document to ensure they are confident about identifying activity and how to report it.

10. PROCEDURE

10.1 The Officer nominated to receive disclosures about money laundering activity is the Officer appointed under section 151 of the Local Government Act 1972, and is known as the Money Laundering Reporting Officer or MLRO.

10.2 Where it becomes known or is suspected, that money laundering is taking/has taken place or there is concern by an Officer that involvement in a matter may amount to a prohibited act under the legislation (see definition above), it must be disclosed immediately to the MLRO. Disclosure must be within hours of the information becoming known. Failure to disclose may lead to prosecution.

10.3 A template Disclosure Report and guidance on how and what to refer to can be found within the supporting internal procedure.

10.4 On receiving a disclosure report, the MLRO must note the date of receipt on his/her section of the report and acknowledge receipt of it. He/she should also advise the Officer, who made the report, of the timescale within which he/she expects to respond. The MLRO will consider the report and any other available internal information they think relevant. The steps to follow can be found within the supporting internal procedure.

11. CLIENT IDENTIFICATION PROCEDURE

11.1 Where the Council is carrying out relevant business (examples of relevant business may be defined for this Council as, legal services, investments, cash handling and accountancy services) and:

a) Forms an ongoing business relationship with a client; or

b) Undertakes a one-off transaction involving payment by or to the client of €10,000 (or equivalent) or more; or

c) Undertakes a series of linked one-off transactions involving a total payment by or to the client(s) of €10,000 (or equivalent) or more; or

d) It is known or suspected that a one-off transaction or a number of them involves money laundering; then this Client Identification Procedure must be followed before any business is undertaken.

11.2 In the above circumstances employees in the applicable department must obtain satisfactory evidence of the identity of the prospective client as soon as practicable after instructions are received. This applies to existing clients,

where such information has not been obtained, as well as new clients (see Customer Due Diligence process outlined in the supporting internal procedure.

11.3 The evidence should be retained for at least five years from the end of the business relationship or one-off transaction.

11.4 If satisfactory evidence is not obtained at the outset, then the business relationship or one-off transaction cannot proceed. If there is an unjustifiable delay in obtaining evidence of identity or the where the client is deliberately not providing evidence a disclosure will have to be made.

12. RECORD KEEPING

12.1 Employees within the areas of the Council conducting relevant business must maintain records of:

- Client identification evidence obtained and;
- Details of all relevant business transactions carried out for clients.

12.2 As a minimum the records must provide an audit trail to aid any subsequent investigation, for example, distinguishing the client and the relevant transaction and recording in what form any funds were received or paid.

12.3 In all cases evidence should be retained for at least five years from the end of the business relationship or transaction(s). This is so that they may be used as evidence in any subsequent investigation.

13. GUIDANCE & TRAINING

13.1 In support of this Policy the Council will make employees aware of the requirements and obligations placed on the Council and on themselves as individuals by the legislation and give training to those most likely to encounter money laundering.

13.2 As a minimum they should be made aware of the relevant legislation, and their responsibilities as set out in the supporting internal procedure.

What is Money Laundering?

- Where criminals use the funds obtained from their crimes to pay for goods and services / conduct financial transactions in order to 'clean' the money and hide its source

Why do criminals launder money?

- They do this so that they can enjoy the benefit of their crimes, finance other criminal activity or terrorism, and avoid detection by law enforcement agencies

Money Laundering Legislation

- There are several acts relating to Money Laundering, Proceeds of Crime and Terrorism that combine to create offences relating to money laundering and to impose rules on organisations about what they must do if they suspect money laundering

The Council's Policy

- The Council has adopted a Money Laundering policy as they recognise the importance of preventing and identifying any potential suspicious transactions

Who is affected?

- It is the responsibility of **all** employees, and Members, to be vigilant
- In certain circumstances, an individual may commit an offence if they fail to report a suspicion

Areas at risk and what to look for

- Large cash payments
- Payment of lower cash sums where cash is not the normal means of payment.
- A transaction without obvious legitimate purpose or which appears uneconomic
- Transactions at substantially above or below fair market values / suspiciously low tenders
- Overpayment is received by cash / card and a refund is requested by another means
- Involvement of an unconnected third party without logical reason or explanation
- Concerns about the honesty, integrity, identity or location of a customer/donor

Procedures

- Any cash transaction of £3,000 or more, or linked transactions that have totalled £10,000, or more, in four or less cash payments must be reported immediately to the Chief Finance Officer
- Any large cash payments must be treated with caution. No payment in cash in excess of £3,000 will be accepted without the prior approval of the CFO

Your Responsibilities

- Anyone who suspects that a transaction could be linked to money laundering or the proceeds of crime should report the matter to the Chief Finance Officer

Further Information and Guidance

- The Proceeds of Crime and Anti-Money Laundering Policy is available and advice and guidance can be obtained from the Chief Finance Officer or from the Counter Fraud and Enforcement Unit

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Cheltenham Borough Council

Audit, Compliance and Governance Committee

15 July 2026

Counter Fraud and Anti-Corruption Policy

Accountable member:

Councillor Peter Jeffries, Deputy Leader of the Council and Cabinet Member Finance and Assets

Accountable officer:

Adele Taylor, Interim Director of Finance and Operations (s.151 Officer)

Ward(s) affected:

All indirectly

Key Decision: No

Executive summary:

To present Audit, Compliance and Governance Committee with a revised Counter Fraud and Anti-Corruption Policy for approval and adoption.

The Policy has been reviewed to ensure the content reflects current legislation and the Council's Policies and Procedures.

Recommendations: That Audit, Compliance and Governance Committee:

1. **approves and adopts the Counter Fraud and Anti-Corruption Policy attached to this report.**
2. **delegates to the Interim Director of Finance and Operations (s151 Officer) to approve future minor amendments to the Policy in consultation with the Chair of Audit, Compliance and Governance Committee, Assistant Director Counter Fraud and Enforcement Unit, and One Legal.**

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1. Implications

1.1. Financial, Property and Asset implications

There are no direct financial implications arising from this report.

The adoption and approval of this policy will help to support the prevention and detection of misuse of public funds and will support the Council's objectives in reducing crime and financial loss to the Council.

Signed off by: Adele Taylor, Interim Director of Finance and Operations (s.151 Officer), Adele.Taylor@cheltenham.gov.uk

1.2. Legal implications

There are no significant legal implications associated with this report.

In general terms, the existence and application of an effective fraud risk management regime will assist the Council in effective financial governance which is less susceptible to legal challenge.

The legislation utilised by the Counter Fraud and Enforcement Unit and other service areas within the Council is identified within the Policy and the Council must comply with all legislative requirements. The additions to the Policy are essential to protect the Council from criminal liability and other sanctions.

The Council must also ensure that authorisations obtained under the Regulation of Investigatory Powers Act 2000 or the Investigatory Powers Act 2016 are appropriately logged, maintained and updated on the central register.

Signed off by: One Legal, legalservices@onelegal.org

1.3. Environmental and climate change implications

None.

1.4. Corporate Plan Priorities

This report contributes to the following Corporate Plan Priorities:

- Looking after your money.

1.5. Equality, Diversity and Inclusion Implications

The application of the Policy and the promotion of effective counter fraud controls and a zero-tolerance approach to internal misconduct promotes a positive work environment.

Prosecutions will only be considered where the evidential and public interest tests are met with due consideration to the welfare of individuals. Where any safeguarding concerns are identified during the course of any investigation, appropriate referrals will be made.

The Council will only take enforcement action where appropriate to do so with due consideration to older offenders, offenders with disabilities and where the offender lacks mental capacity. Where any safeguarding concerns are identified during the course of any investigation, appropriate referrals will be made.

The Council seeks to ensure that public authorities' actions are consistent with the Human Rights Act 1998 (HRA). It balances safeguarding the rights of the individual against the needs of society as a whole to be protected from crime and other public safety risks.

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2. Background

2.1. The Counter Fraud and Enforcement Unit is tasked with reviewing the Council's Counter Fraud and Anti-Corruption Policy.

2.2. It is recommended good practice that the Policy is updated and reviewed at least every few years in line with any legislative changes.

2.3. In administering its responsibilities, this Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or Councillor.

3. Reasons for recommendations

3.1. The Council's existing Counter Fraud and Anti-Corruption Policy was developed to reflect (i) latest legislation, (ii) the creation of the Counter Fraud and Enforcement Unit and (iii) the changes from the creation of the Single Fraud Investigation Services (operated by the Department for Work and Pensions) which subsumed the Council's responsibilities for investigating Housing Benefit Fraud.

3.2. The Policy highlights the key legislation and roles and responsibilities of Members, Officers and other parties.

3.3. The Policy was last reviewed following the changes brought about by data protection legislation/regulations. A section was inserted relating to Money Laundering and Proceeds of Crime, and relating to Modern Slavery, detailing the Council's responsibilities.

3.4. Attached at Appendix ii is the updated Counter Fraud and Anti-Corruption

Policy.

3.5. A section has been added in relation to the Economic Crime and Corporate Transparency Act 2023 to confirm the introduction of a 'failing to prevent fraud' offence which the Council could be found guilty of should it not be able to demonstrate effective fraud prevention procedures.

3.6. In addition, a section detailing ICT responsibilities relating to cyber-crime, and reference to compliance activities relating to tax evasion have been added.

3.7. The majority of the other amendments are minor and reflect any service-related documents that the Counter Fraud and Enforcement Unit has introduced.

3.8. For ease of reference, new text is shown in red and text to be removed is shown as struck through.

3.9. Audit, Compliance and Governance Committee last considered the policy in September 2022.

3.10. Awareness will be raised with all staff following the approval of the policy through internal communication channels and through all staff briefings and management meetings.

4. Alternative options considered

4.1. None.

5. Consultation and feedback

5.1. Any policies drafted or revised by the Counter Fraud and Enforcement Unit have been reviewed by One Legal and issued to the relevant Senior Officers, Management and Governance Officers for comment.

6. Key risks

6.1. The Council is required to proactively tackle fraudulent activity in relation to the abuse of public funds.

6.2. Failure to undertake such activity would accordingly not be compliant and expose the authority to greater risk of fraud and/or corruption. If the Council does not have effective counter fraud and corruption controls it risks both assets and reputation.

6.3. The Council is required to have an effective Enforcement Policy to enable officers to investigate and take action to ensure individuals and businesses comply with the law.

6.4. The Policy sets out the legislative framework and principles the Council will abide by in investigations undertaken and to mitigate the risk of legal challenge in Court.

Report author:

Emma Cathcart, Assistant Director, Counter Fraud and Enforcement Unit,
Emma.Cathcart@cotswold.gov.uk

Appendices:

1. Risk Assessment
2. Counter Fraud and Anti-Corruption Policy

Background information:

N/A.

Appendix 1: Risk Assessment

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
1	The authority suffers material loss and reputational damage due to fraud	Director Finance and Operations	3	3	9	Reduce	Maintain a Counter Fraud Team to reduce the likelihood of the risk materialising and also to help recover losses, thus reducing the impact.	Head of Service, Counter Fraud and Enforcement Unit	Ongoing
2	Without dedicated specialist staff in place, the Council may be unable to take effective and efficient measures to counter fraud, potentially resulting in authority suffering material losses due to fraud and error	Director Finance and Operations	3	4	12	Reduce	Retain a specialist Counter Fraud Unit to tackle the misuse of public funds on behalf of the Council.	Head of Service, Counter Fraud and Enforcement Unit	Ongoing

Version Control:	
Document Name:	Counter Fraud and Anti-Corruption Policy
Version:	2.~~1~~2
Responsible Officer:	Emma Cathcart, Counter Fraud and Enforcement Unit
Approved by:	Executive / Cabinet / Audit & Standards Committee / Audit and Risk Assurance Committee
Next Review Date	January 2029 ~~May 2025~~
~~**Retention Period:**~~	~~N/A~~

Revision History

Revision date	Version	Description
August 2019	1.1	Update following changes to data protection legislation
May 2022	2	Review and Update
December 2023	2.1	Inclusion of Stroud DC
January 2026	2.2	General review and inclusion of Economic Crime and Corporate Transparency Act 2023

Consultees

Internal	External
CFEU Partnership Board	
Service Lead Officers	
One Legal / Legal Services	

Distribution

Name	
All Staff	

CONTENTS

CONTENTS – To be updated

1. INTRODUCTION AND PURPOSE OF THE POLICY

1.1. In administering its responsibilities; this Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or Member. The Council is committed to an effective Counter Fraud and Anti-Corruption culture, by promoting high ethical standards and encouraging the prevention, detection and investigation of fraudulent activities.

1.2. The Section 151 Officer has a statutory responsibility under Section 151 of the Local Government Act 1972 to ensure the proper arrangements for the Council's financial affairs to include the development of financial codes of practice and accounting instructions. Through delegation of duties, the Officer ensures appropriate controls are in place.

1.3. The Monitoring Officer has a statutory responsibility to advise the Council on the legality of its decisions and to ensure that the Council's actions do not give rise to illegality or maladministration. It is therefore essential for employees to follow the Council's policies and procedures to demonstrate that the Council is acting in an open and transparent manner.

1.4. The Council has a statutory duty to undertake an adequate and effective internal audit of its accounting records and its system of internal controls. The Council's Financial Rules outline that any suspected irregularity or fraud should be reported promptly to the Section 151 Officer, Monitoring Officer and Chief Internal Audit Officer who will notify the Counter Fraud and Enforcement Unit. ~~'whenever a matter arises which involves, or is thought to involve irregularities concerning cash, stores or other property of the Council, or any suspected irregularity in the exercise of the functions of the Council, there is a duty to immediately notify the Section 151 Officer and the Monitoring Officer, who shall take steps as they consider necessary by way of investigation and report. Furthermore the Financial Rules also detail that each Director, Head of Service or equivalent Senior Officer is responsible for 'notifying the Section 151 Officer and the Chief Internal Audit Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the Council's property or resources.~~

1.5. The Council has a zero-tolerance approach to fraud committed or attempted by any person against the organisation or any of its partner agencies. The Council will thoroughly investigate all suggestions of fraud, corruption or theft, from within the Council and from external sources which it recognises can:

- Undermine the standards of public service that the Council is attempting to achieve by diverting resources from legitimate activities.
- Reduce the level of resources and services available for the residents of the borough, district or county as a whole.
- Result in consequences which damage public confidence in the Council and / or adversely affect staff morale.

1.6. Any proven fraud will be dealt with in a consistent and proportionate manner. Appropriate sanctions and redress for losses will be pursued, to include criminal proceedings against anyone perpetrating, or seeking to perpetrate, fraud, corruption or theft against the Council.

1.7. The Council is committed to the highest possible standards of openness, probity, honesty, integrity and accountability. The Council expects all Officers, Members and

partner organisations to observe these standards and values, which are defined within the Code of Conduct for Employees and the Members Code of Conduct, or equivalent, to help achieve the Council's over-arching priority for the continued delivery of outcomes and value for money for local tax-payers.

2. SCOPE

2.1. ~~In relation to any of the above mentioned~~ The offences detailed within this policy ~~applies~~ apply to**:**

- All employees, including shared service employees, casual workers and agency staff.
- Members.
- Committee Members of Council funded voluntary organisations.
- Partner organisations, where the Council has a financial or statutory responsibility.
- Council Suppliers, Contractors and Consultants.
- The general public.

3. AIMS AND OBJECTIVES

3.1. The aims and objectives of the Counter Fraud and Anti-Corruption Policy are to:

- Ensure that the Council has measures in place to guard against fraud and loss and that the Council maximises revenue recovery.
- Safeguard the Council's valuable resources by ensuring they are not lost through fraud but are used for providing services to the community as a whole.
- Create a 'counter fraud' culture which highlights the Council's zero tolerance to fraud, corruption, bribery and theft, which defines roles and responsibilities and actively engages everyone (the public, Members, Officers, managers and policy makers).

3.2. The Council aims to:

- Proactively deter, prevent and detect fraud, corruption, bribery and theft.
- Investigate any suspicions of, or detected instances of fraud, corruption, bribery and theft.
- Enable the Council to apply appropriate sanctions, to include prosecution, and recovery of losses.
- Provide recommendations to inform policy, system and control improvements, thereby reducing the Council's exposure to fraudulent activity.

4. AREAS OF FOCUS ~~DEFINITIONS~~

4.1. FRAUD

The term "fraud" is usually used to describe depriving someone of something by deceit, which might either be misuse of funds or other resources, or more complicated crimes like false accounting or the supply of false information. ~~In legal terms~~ All of these activities are the same crime, theft, examples of which include deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.

4.2. Fraud was introduced as a general offence and is defined within The Fraud Act 2006. The Act details that a person is guilty of fraud if he commits any of the following:

- Fraud by false representation; that is if a person:

(a) dishonestly makes a false representation, and

(b) intends, by making the representation:

(i) to make a gain for himself or another, or

(ii) to cause loss to another or to expose another to a risk of loss.

- Fraud by failing to disclose information; that is if a person:

(a) dishonestly fails to disclose to another person information which he is under a legal duty to disclose, and

(b) intends, by failing to disclose the information:

(i) to make a gain for himself or another, or

(ii) to cause loss to another or to expose another to a risk of loss.

- Fraud by abuse of position; that is if a person:

(a) occupies a position in which he is expected to safeguard, or not to act against, the financial interests of another person,

(b) dishonestly abuses that position, and

(c) intends, by means of the abuse of that position:

(i) to make a gain for himself or another, or

(ii) to cause loss to another or to expose another to a risk of loss.

4.3. In addition the Act introduced new offences in relation to obtaining services dishonestly, possessing, making, and supplying articles for the use in frauds and fraudulent trading applicable to non-corporate traders.

4.4. **ECONOMIC CRIME AND CORPORATE TRANSPARENCY ACT 2023 (ECCTA)**

ECCTA created a failure to prevent fraud offence. Guidance makes clear that under the offence, 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."

4.5. If liable, penalties could include unlimited fines and other severe commercial and operational consequences.

4.6. Organisations impacted by the new offence in both the public and private sector must meet two out of three criteria below:

- A turnover over £36 million
- A balance sheet of more than £18 million
- Have over 250 employees

4.7. The Council would therefore be considered an organisation which ECCTA applies to. The Council will be able to avoid criminal liability for failing to prevent fraud where it can prove that it had "reasonable" fraud prevention procedures in place at the time of the alleged fraud (or that it was reasonable not to have such procedures in place). It is therefore everyone's responsibility to ensure probity and transparency in any of the Council's areas of work.

4.8. More information relating to this legislation can be found on the Counter Fraud and Enforcement Unit intranet page.

4.9. **THEFT**

Is the physical misappropriation of cash or other tangible assets. A person is guilty of "theft" if he or she dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it.

4.10. **MONEY LAUNDERING**

Money laundering is the process by which criminals attempt to 'recycle' the proceeds of their criminal activities in order to conceal its origins and ownership whilst retaining use of the funds.

4.11. The burden of identifying and reporting acts of money laundering rests within the organisation. Any service that receives money from an external person or body is potentially vulnerable to a money laundering operation. The need for vigilance is vital and any suspicion concerning the appropriateness of a transaction should be reported and advice sought from the Monitoring Officer, Section 151 Officer or Chief Internal Audit Officer. A failure to report a suspicion could compromise an individual and they could be caught by the money laundering provisions. All employees are therefore instructed to be aware of the increasing possibility of receiving requests that are not genuine and are in fact for the purpose of money laundering.

4.12. The Council recognises its responsibilities under Money Laundering and Proceeds of Crime Legislation. These responsibilities are adhered to in line with the Council's Proceeds of Crime and Anti-Money Laundering Policy and the related Procedures. The Council is required to have a designated Officer for money laundering reporting purposes. The officer nominated to receive disclosures about money laundering activity is the Officer appointed under section 151 of the Local Government Act 1972.

4.13. Both Financial and Legal Officers working for the Council also have their own professional guidance in relation to money laundering which places a duty on them to report any suspicions. These suspicions may override their legal professional privilege and confidentiality.

4.14. **BRIBERY AND CORRUPTION**

4.15. "Corruption" is the deliberate use of one's position for direct or indirect personal gain. Corruption covers the offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person to act inappropriately and against the interests of the organisation.

4.16. The Bribery Act 2010 introduced four main offences, simplified below. Please note, a 'financial' or 'other advantage' may include money, assets, gifts or services within the following:

- Bribing another person: a person is guilty of an offence if he offers, promises or gives a financial or other advantage to another person. Further if he intends the advantage to induce a person to perform improperly a function or activity or if he knows or believes the acceptance of the advantage offered constitutes improper activity.
- Offences relating to being bribed: a person is guilty of an offence if he requests, agrees to receive, or accepts a financial or other advantage intending that as a consequence an improper activity or function will be performed improperly or if he knows or believes the acceptance of the advantage offered constitutes improper activity. Where a person agrees to receive or accepts an advantage as a reward for

improper activity or function that has been performed. It does not matter whether the recipient of the bribe receives it directly or through a third party, or whether it is for the recipient's ultimate advantage or not.

- Bribery of a foreign public official: a person who bribes a foreign public official is guilty of an offence if the person's intention is to influence the foreign public official in their capacity, duty or role as a foreign public official. A person must also intend to obtain or retain business or an advantage in the conduct of business and must offer, promise or give any financial or other advantage.
- Failure of commercial organisations to prevent bribery: organisations, which include the Council, must have adequate procedures in place to prevent bribery in relation to the obtaining or retaining of business associated with the business itself.

4.17. The Council is committed to ensuring the prevention of corruption and bribery and sets out its policy in relation to the acceptance of gifts and hospitality by Officers and Members within the Codes of Conduct for Employees / Members (or equivalent) and the Constitution. Offers of or the receipt of any gifts or hospitality should be recorded by Officers and Members in the appropriate register whether accepted or refused. Officers and Members are also required to declare any outside interests that they have which may result in a conflict of interest in respect of transactions and dealings with the Council. Again, any such interests will be recorded in an appropriate register.

4.18. Prior to entering into any business arrangements, all Council Officers and/or business units should ensure that they have taken all reasonable steps to identify any potential areas of risk relating to bribery or corruption. If an Officer has any concerns they must raise them with The Chief Internal Audit Officer.

4.19. **TAX EVASION**

4.20. The Criminal Finance Act 2017 creates the corporate offence of failing to prevent the facilitation of UK tax evasion.

4.21. The Council ensures compliance by ensuring any contractors or employees that are not PAYE comply with their responsibilities under IR35.

4.22. **MODERN SLAVERY**

Modern Slavery takes a number of forms but all relate to the illegal exploitation of people for personal or commercial gain. The Council recognises its responsibilities as outlined within the legislation and is committed to promoting transparency in supply chains to prevent modern slavery and to take appropriate action to identify and address those risks.

5. PRINCIPLES

5.1. The Council will not tolerate abuse of its services or resources and has high expectations of propriety, integrity and accountability from all parties identified within this policy. Maintaining this policy supports this vision.

5.2. The Council has a documented Constitution, Scheme of Delegated Powers and Financial Regulations to give Members and Officers clear instructions or guidance for carrying out the Council's functions and responsibilities. Responsibility for ensuring compliance with these documents rests with management with adherence being periodically monitored by Internal Audit Services. Where breaches are identified these will be investigated in accordance with this policy and the Council's Financial Rules.

5.3. The Council expects that Members and Officers will lead by example in ensuring adherence to rules, procedures and recommended practices. A culture will be maintained that is conducive to ensuring probity. Members and Officers should adopt the standards in public life as set out by the Nolan Committee, known as the Nolan Principles which are summarised below:

- Selflessness – to take decisions solely in terms of the public interest and not in order to gain for themselves.
- Integrity – not to place themselves under any obligation to outside individuals or organisations that may influence the undertaking of their official duties.
- Objectivity – when carrying out any aspect of their public duties, to make decisions and choices on merit.
- Accountability – to be accountable, to the public, for their decisions and actions and must submit themselves to the appropriate scrutiny.
- Openness – to be as open as possible about the decisions and actions they take and the reasons for those decisions and actions. The dissemination of information should only be restricted when the wider public interest clearly demands it.
- Honesty – to declare any private interests which relate to their public duties and take steps to resolve any conflicts arising in a manner which protects the public interest.
- Leadership – to promote and support these principles by leadership and example.

5.4. The Council will ensure that the resources dedicated to counter fraud activity are appropriate and any officers involved in delivering these services are trained to deliver a professional counter fraud service to the correct standards ensuring consistency, fairness and objectivity.

5.5. All fraudulent activity is unacceptable, and may result in consideration of legal action being taken against the individual(s) concerned. In addition, the Council has in place disciplinary procedures which must be followed whenever Officers are suspected of committing a fraudulent or corrupt act. These procedures are monitored and managed by the Human Resources Team and may be utilised where the outcome of an investigation indicates fraudulent or corrupt acts have occurred.

5.6. The Council may pursue the repayment of any financial gain from individuals involved in fraud, malpractice and wrongdoing. The Council may also pursue compensation for any costs it has incurred when investigating fraudulent or corrupt acts.

5.7. This policy encourages those detailed within this document to report any genuine suspicions of fraudulent activity. However, malicious allegations or those motivated by personal gain will not be tolerated and, if proven, disciplinary or legal action may be taken. Reporting arrangements in relation to incidents of fraud or irregularity are detailed below.

5.8. The Council will work both internally across different departments and with external organisations and groups such as the Police, HM Revenue and Customs and other Councils to strengthen and continuously improve its arrangements to prevent fraud and corruption.

5.9. The Council is committed to assisting the Police in fighting Serious and Organised crime and will implement measures and share data to ensure the Council is not engaging with organised crime gangs when procuring goods and services.

5.10. The Council collects and stores data within multiple departments to enable data cleansing, data sharing and data matching. This process can be utilised for the prevention

and detection of fraud and the Council will pursue this where appropriate. The Council applies fair processing practices and these are reflected within data collection documents, stationery and other data collection processes such as those required for the National Fraud Initiative.

5.11. The Council will ensure Members and Officers receive the appropriate training relating to the areas covered within this Policy.

6. RESPONSIBILITIES

OFFICER / DEPARTMENT	SPECIFIC RESPONSIBILITIES
Head of Paid Service / Chief Executive	Ultimately accountable for the effectiveness of the Council's arrangements for countering fraud and corruption.
Chief Finance Officer **(Section 151 Officer)**	To ensure the Council has adopted an appropriate Counter Fraud and Anti-Corruption Policy. That there is an effective internal control environment in place and resources to investigate allegations of fraud and corruption.
Monitoring Officer	To advise Members and Officers on ethical issues, conduct and powers to ensure that the Council operates within the law and statutory Codes of Practice.
Audit Committee/ ~~Audit and General Purposes Committee~~ / Audit and Governance Committee / Audit and Standards Committee / Audit, Compliance and Governance Committee	To receive formal assurance from an appropriate representative at meetings and an annual opinion report in relation to the Council's control measures and counter fraud activity. The Audit Committee also receives assurance from external audit on the Council's Annual Accounts and Annual Governance Statement.
Councillors / Members	To comply with the Members Code of Conduct and related Council policies and procedures. To be aware of the possibility of fraud, corruption, bribery and theft and to report any genuine concerns to the Chief Internal Audit Officer.
External Audit / Internal Audit	Has a duty to ensure that the Council has adequate arrangements in place for the prevention and detection of fraud, corruption, bribery and theft. Has powers to investigate fraud and the Council may invoke this service.

OFFICER / DEPARTMENT	SPECIFIC RESPONSIBILITIES
Counter Fraud and Enforcement Unit	Responsible for assisting the development and implementation of the Counter Fraud and Anti-Corruption Policy. The Counter Fraud and Enforcement Unit have a duty to monitor the investigation of any reported issues of irregularity and/or fraud. To ensure that all suspected or reported irregularities are dealt with promptly and in accordance with this policy and legislation. That action is identified to improve controls and reduce means, opportunity and the risk of recurrence. Reporting to the appropriate Senior Officer(s) (Chief Executive, Section 151 Officer, Monitoring Officer, Chief Internal Audit Officer) regarding the progress and results of investigations. Reporting annually to the Audit Committee on proven frauds.
Counter Fraud Provision / Services	To proactively deter, prevent and detect fraud, corruption, bribery and theft within or against the Council. To work on behalf of Councils, Charities, Social Housing Providers and other organisations to proactively deter, prevent and detect fraud, bribery, corruption and theft for the benefit of local residents and the public purse. To investigate all suspicions of fraud, corruption, bribery or theft, within or against the Council, in accordance with the Criminal Procedures and Investigations Act 1996 (CPIA). To consider reputational damage and the public interest test when investigating any instances of fraud, corruption, bribery or theft. To conduct interviews under caution when appropriate in accordance with the Police and Criminal Evidence Act 1984 (PACE). To undertake any surveillance operation or obtaining any communications data, adhering to the Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016 – this is applicable when undertaking criminal investigations only.

OFFICER / DEPARTMENT	SPECIFIC RESPONSIBILITIES
	To comply with Data Protection Legislation ~~(and the General Data Protection Regulations)~~ when obtaining or processing personal data. To report to the appropriate Senior Officer(s) for decisions in relation to further action. To enable the Council to apply appropriate sanctions, prosecute cases ~~to include criminal proceedings,~~ and to assist in the recovery of losses in accordance with the Council's Corporate Enforcement Policy. To include prosecutions on behalf of Social Housing Providers, Charities, and other organisations where it is in the public interest and for the benefit of the local residents. To prepare Witness Statements and prosecution paperwork for the Council's Legal Department. To attend and give ~~present~~ evidence at Courts and Tribunals ~~in the Magistrates Court, the Crown Court and Employment Tribunals~~. To provide recommendations to inform policy, system and control improvements. To provide fraud awareness training and updates for Members and Officers. To publicise successes where appropriate.
ICT	To be responsible for reducing the risk of technology fraud including cybercrime which may impact the Council. Cybercrime fraud encompasses many illegal activities that is executed using devices that either: - Connect with the systems the Council uses via it networks and/or the internet - Are owned by the Council. These offences are wide ranging and include external threats such as Phishing, online scams, and ransomware attacks. Other offences may originate from officers, members and/or affiliates using Council devices to commit fraud on systems not used by the Council.
Human Resources	To report any suspicions of fraud, corruption, bribery or theft to the Section 151 Officer, Monitoring Officer or

OFFICER / DEPARTMENT	SPECIFIC RESPONSIBILITIES
	Counter Fraud representative if reported directly to HR or if identified during any disciplinary or internal procedures. To ensure recruitment procedures provide for the obtainment and verification of significant information supplied by applicants in accordance with the HR Fraud Risk Register ~~Vetting and Recruitment Fraud Risk Report~~.
Strategic Directors, Heads of Service, Service Managers or equivalent Senior Officers	The primary responsibility for maintaining sound arrangements to prevent and detect fraud and corruption rests with management. To promote awareness and ensure that all suspected or reported irregularities are immediately referred to the appropriate Senior Officer. To ensure that there are mechanisms in place within their service areas to assess the risk of fraud, corruption, bribery and theft. To reduce these risks by implementing internal controls, monitoring of these controls by spot checks and to rectify weaknesses if they occur.
Staff / Employees / Officers	To comply with Council policies and procedures when conducting their public duties. To be aware of the possibility of fraud, corruption, bribery and theft and to report any genuine concerns. Officers may report suspicions as detailed below. Referrals can also be made in confidence in accordance with the Council's Whistleblowing Policy.
Public, Partners, Suppliers, Contractors and Consultants	To be aware of the possibility of fraud and corruption within or against the Council and to report any genuine concerns or suspicions as detailed below.

7. APPROACH TO COUNTERING FRAUD

7.1. The Council has a responsibility to reduce fraud and protect its resources by enabling counter fraud services to complete work in each of the following key areas:

7.2. **DETERRENCE**

The best deterrent is the existence of clear procedures and responsibilities making fraud and corruption difficult to perpetrate and easy to detect. As detailed already within this policy, the Council has a number of measures in place to minimise risk:

- Clear codes of conduct for Officers and Members.
- Register for declarations of interest / gifts and hospitality for Members and Officers.
- Clear roles and responsibilities for the prevention and detection of fraud, corruption, bribery and theft including an Audit Committee, an appointed Monitoring Officer, Section 151 Officer and trained Counter Fraud Officers.
- Effective ICT security standards and usage policies.
- The application of appropriate sanctions and fines as detailed below.

7.3. The existence of an effective Counter Fraud Team is a prime deterrent for fraud and corruption. Counter Fraud Officers and the Internal Audit Team analyse and identify potential areas at risk of fraudulent abuse with the assistance of the Council's Corporate Management, efficient and effective audits of principal risk areas can then be conducted.

7.4. The Council will promote and develop a strong counter fraud culture, raise awareness and provide information on all aspects of its counter fraud work. This may include advice on the intranet, fraud e-learning tools, publicising the results of proactive work, investigating fraud referrals and seeking the recovery of any losses.

7.5. PREVENTION

7.6. The Council will strengthen measures to prevent fraud ensuring consideration of the Fraud Risk Strategy, associated documents and service area fraud risk registers. Counter Fraud Officers will work with management and policy makers to ensure new and existing systems, procedures and policy initiatives consider any possible fraud risks. Any internal audit conducted will also consider fraud risks as part of each review and ensure that internal controls are in place and maintained to combat this.

7.7. Important preventative measures include effective recruitment to establish the propriety and integrity of all potential employees~~as set out within the HR Vetting and Recruitment Fraud Risk Report~~. Recruitment is carried out in accordance with the Council's Recruitment Policies and Procedures ~~and Selection Policy~~ and provides for the obtainment and verification of significant information supplied by applicants.

7.8. The Council will undertake any internal remedial measures identified by any investigation to prevent future recurrence at the first opportunity.

7.9. The Counter Fraud and Enforcement Unit will support workstreams and initiatives providing awareness and advice to maximise prevention and disrupt large scale widespread fraud threats.

7.10. **DETECTION**

A record of fraud referrals received will be maintained by Counter Fraud Officers (and other departments as applicable). This record helps to establish those areas within the Council most vulnerable to the risk of fraud. In addition, a consistent treatment of information and independent investigation is ensured. A Council wide fraud profile is created which then informs any detailed proactive work.

7.11. The Council is legislatively required to participate in a national data matching exercise; the National Fraud Initiative (NFI). Particular sets of data are provided and matched against other records held by the Council or external organisations. Where a 'match' is found it may indicate an irregularity which requires further investigation to establish whether fraud

has been committed or an error made. An officer within the authority is designated as the 'Key Contact' for this process. The initiative also assists in highlighting areas which require more proactive investigation. The Council may engage in other data matching/sharing for the purposes of fraud prevention and detection, and for the recovery of monies owed.

7.12. Safeguarding and deterrent internal controls and monitoring procedures are established for financial and other systems within the Council, for example those set out within the Council's Financial Rules / Contract Rules.

7.13. The Council relies on employees, Members and the public to be alert and to report any suspicions of fraud and corruption which may have been committed or that are allegedly in progress. Managers should be vigilant and refer any matters which may require additional monitoring to a senior representative within the Human Resources Department for guidance and further action.

7.14. INVESTIGATION

7.15. The Council will investigate all reported incidents of fraud or irregularity using its counter fraud resources. The Council will ensure the correct gathering and presentation of evidence in accordance with the Criminal Procedures and Investigations Act 1996.

7.16. Investigations will make due reference to Employment Law as necessary and be conducted within a reasonable time in accordance with the Human Rights Act 1998. Investigations will also adhere to and comply with other applicable legislation such as the Police and Criminal Evidence Act 1984, Data Protection Legislation and the Freedom of Information Act 2000 as appropriate.

7.17. Officers may utilise investigative tools and gain intelligence utilising a number of legal gateways and data sharing agreements. This may include membership to third party organisations such as the National Anti-Fraud Network (NAFN).

7.18. When investigating allegations of fraud and corruption, the Council may be required to conduct surveillance. The Council must comply with the Regulation of Investigatory Powers Act 2000 which ensures that investigatory powers are used in accordance with human rights. To ensure compliance the Council has a written procedure detailing who may authorise covert surveillance and the use of covert human intelligence sources. Standard documentation has been adopted which must be used by an Officer when seeking such authorisation.

7.19. Officers may also need to acquire communications data when conducting an investigation. This is permissible however; the Council must adhere to the Investigatory Powers Act 2016 when applying for this information and the correct nominated single point of contact must be used. As above, specific details are set out within the written procedures.

7.20. The Counter Fraud and Enforcement Unit Officers adhere to the appropriate legislation when investigating irregularities and allegations of fraud. This includes the need to:

- Deal promptly with the matter.
- Record all evidence received.
- Ensure that evidence is sound and adequately supported.
- Conduct interviews under caution when necessary.
- Ensure security of all evidence collected.
- Contact other agencies if necessary e.g. Police, Trading Standards, HM Revenue and Customs.

- Notify the Council's insurers.
- Implement Council disciplinary procedures where appropriate.
- Attend court and present evidence.

7.21. **SANCTIONS**

7.22. The Council will apply considered sanctions to individuals or organisations where an investigation reveals fraudulent activity. This may include:

- Appropriate disciplinary action in line with the Disciplinary Policy.
- Fines and penalties.
- Criminal proceedings – the Court can impose sanctions following conviction of any offence.
- Civil proceedings to recover loss.

7.23. **REDRESS**

A crucial element of the Council's response to tackling fraud is seeking financial redress. The recovery of defrauded monies is an important part of the Council's strategy and will be pursued in line with internal debt recovery processes and legal redress i.e. Confiscation Orders and the application of the Proceeds of Crime Act 2002.

7.24. **CONTROL FAILURE RESOLUTION**

In addition to the above, Internal Audit also prepares a risk based annual Audit Plan that details the key objectives and areas of work for the year. Within these work areas indicators for fraud are considered. Internal Audit will also respond to requests from management and Counter Fraud Officers where there may be concerns over the effectiveness of internal controls. The work plan is agreed and monitored by the Audit Committee and Section 151 Officer.

8. **REPORTING, ADVICE AND SUPPORT**

8.1. The Council's expectation is that Members and managers will lead by example and that employees at all levels will comply with the Constitution, Council Policies, Financial Regulations, Procurement Regulations, Financial and Contract Procedure Rules, codes of conduct and directorate procedures.

8.2. The Council recognises that the primary responsibility for the prevention and detection of fraud rests with management. It is essential that employees of the Council report any irregularities, or suspected irregularities to their Line Manager and if this is not appropriate then to a Counter Fraud representative.

8.3. The Council has a Fraud Response Plan, which provides guidance on how to report and what to do when fraud is suspected. This can be found on the Counter Fraud and Enforcement Unit intranet page.

8.4. The Council must create the right environment so that anyone can raise concerns in respect of irregularities with the knowledge that they will be treated seriously and confidentially. If employees raise concerns confidentially as a whistle-blower, the Council will provide all reasonable protection for those who raise genuine concerns ~~in good faith,~~ as confirmed in the Council's Whistle-Blowing Policy.

8.5. If the informant is a member of the public or external contractor, they can contact a Counter Fraud Officer at the Council to report the suspicion. This can be done anonymously. A hotline number for reporting suspicions may also be established and if so,

can be found on the Council's website. The Council's complaint procedure may also be utilised but may not be the most appropriate channel.

8.6. The above process does not relate to reporting Housing Benefit Fraud allegations (which are now dealt with by the Department for Work and Pensions) or to Council Tax Reduction Scheme offences. The informant should contact the Officer nominated to deal with this; details can be found on the Council's website within the Revenues and Benefit Section information.

8.7. The Officer who receives the allegation (whether from a Member or a Council employee) must refer the matter to the Counter Fraud and Enforcement Unit ~~Counter Fraud representative within the Council~~, to determine how the potential irregularity will be investigated and to whom the allegation should be discussed with ~~within the Council~~. This is to ensure correct investigative procedures are adhered to and that any potential fraud enquiry is not compromised.

8.8. As appropriate, reports will be issued to the Monitoring Officer, Head of Paid Service, Section 151 Officer, Senior Officers, and ~~Cabinet~~ Members etc. where the irregularity is material and/or could affect the reputation of the Council. Decisions will then be made with regard to the most appropriate course of action. Communications and publicity will also be managed if the matter is likely to be communicated externally.

8.9. If the investigation relates to an employee, then Human Resources will be engaged and the Council's Disciplinary Procedure will also be considered however this will be managed carefully to ensure any criminal investigation is not compromised.

8.10. The Council will also work in co-operation with the following bodies (and others as appropriate) that will assist in scrutinising our systems and defences against fraud, bribery and corruption:

- Local Government and Social Care Ombudsman.
- External Audit.
- The National Fraud Initiative.
- Central Government Departments.
- HM Revenue and Customs.
- The Police.
- Trading Standards.
- The Department for Work and Pensions.
- Immigration Services.
- The Chartered Institute of Public Finance and Accountancy (CIPFA).
- The Institute of Revenues Rating and Valuation (IRRV).
- Social Housing Providers and Charitable Bodies

8.11. As detailed within this document and the Council's Whistle Blowing Policy, any concerns or suspicions reported will be treated with discretion and in confidence. Referrals can be made in confidence to the Counter Fraud and Enforcement Unit at fraud.referrals@cotswold.gov.uk who work on behalf of Cheltenham and Tewkesbury Borough Councils and Cotswold, Forest of Dean, Stroud and West Oxfordshire District Councils. Concerns can also be raised via Internal Audit.

9. FURTHER INFORMATION

9.1. Further information on Council policy can be found in the following documents (or equivalent documentation / codes):

- The Constitution.
- Code of Conduct for Employees (or equivalent) and the Members Code of Conduct which include information in relation to gifts and hospitality and declaring and registering interests.
- Whistleblowing Policy.
- Corporate Enforcement (Prosecution) Policy.
- Proceeds of Crime and Anti-Money Laundering Policy.
- Recruitment and Selection Processes.
- Regulation of Investigatory Powers Act 2000 / Investigatory Powers Act 2016 Policies, Procedures and Guidance.
- Financial Rules.
- Contract Rules or equivalent.
- Fair Processing Statement.
- Disciplinary Procedure.

10. POLICY REVIEW

~~The appropriate department will review and amend this policy as necessary to ensure that it continues to remain compliant and meets legislative requirements and the vision of the Council in consultation with the Council's Chief Finance Officer, the Legal Department and Members.~~

10.1. Review frequency as required by legislative changes / every three years.

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Cheltenham Borough Council

Audit, Compliance and Governance Committee

15 July 2026

Annual Standards Report

Accountable officer:

Claire Hughes, Director of Governance, Housing and Communities (Monitoring Officer) Services

Ward(s) affected:

All

Key Decision: No

Executive summary:

The report sets out a summary of code of conduct complaints received and considered by the Monitoring Officer between the period 1 April 2025 and 31 March 2026

Recommendations:

That the Audit, Compliance and Governance Committee notes the report

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1 Summary of Code of Conduct Complaints

1.1 The council, and all parish councils in the Borough, have a statutory duty under the Localism Act 2011 to ‘promote and maintain high standards of conduct by members and co-opted members of the authority’.

1.2 The monitoring officer is responsible for dealing with allegations that councillors have failed to comply with the members' code of conduct and for administering the local standards framework.

1.3 In accordance with Section 28 Localism Act 2011 the council has adopted a code of conduct, and this has also been made available to all parish councils to inform the adoption of their own code.

1.4 During the period 1 April 2025 and 31 March 2026, the Monitoring received two Code of Conduct complaints.

Date	Subject Council	Outcome
November 2025	Complaint regarding a member of Cheltenham Borough Council	Complaint was partially upheld and a letter of apology was issued by the member
March 2026	Complaint regarding a member of Cheltenham Borough Council	Following an initial assessment and consultation with the Independent Person a decision notice was issued with the outcome of No Further Action

1.5 At the time of writing there are no outstanding Code of Conduct complaints.

Report author:

Claire Hughes, Director of Governance, Housing and Communities (Monitoring Officer)

Cheltenham Borough Council

Audit, Compliance and Governance Committee

Information request annual report for 2025–26

15 July 2026

Introduction

Cheltenham Borough Council is responsible for ensuring that it meets its legal requirements under the Freedom of Information Act (2000), UK General Data Protection Regulation (UK GDPR), Data Protection Act 2018 (DPA 2018) and the Environmental Information Regulations (2004). This report details the council's handling of information requests made during 2025-26.

[FOI: Freedom of Information;
EIR: Environmental Information Regulations;
DSAR: Data Subject Access Request]

In summary:

- From 1 April 2025 to 31 March 2026, Cheltenham Borough Council received 1,029 requests for information;
- 96.2% of FOIs, 92.2% of EIRs and 100% of DSARs were responded to within the statutory timeframe;
- 1.46% received a request for an internal review.

2025-26 Performance overview

From 01 April 2025 to 31 March 2026, Cheltenham Borough Council received:

- 867 FOIs
- 91 EIR's
- 71 DSARs

This is a total of 1,029 requests for information.

Our compliance with the statutory timeline remains strong. While there was a decline in Quarters 3 and 4 EIRs processing times, all EIRs were responded to within 22 working days meaning any late EIRs were just over the statutory timeline by either 1 or 2 days. This decline in EIR processing has been attributed to officer planned and unplanned absences and corrective processes have been put in place with the aim to avoid this occurring in the future.

The trend of multi-service requests continues. For all types of requests the majority were processed on a 'multiple service area' basis. In most instances this is reflective of the complexity of requests received.

Service areas with the highest number of requests were:

- Flooding
- Environmental health
- Planning

Of the 1,029 information requests received 18 (1.46%) received a request for an internal review.

During 2025-26 we had only 3 referrals to The Information Commissioner's Office (ICO). 2 of these cases were closed by the ICO as they were completely satisfied with our handling of the requests and therefore the ICO upheld our responses. 1 case has been received by the ICO however it has not yet become an active case.

Achievements and improvements

In 2025 we launched our new system (Netcall) for managing FOI requests. All FOIs are now handled via this system which is used by all services areas as well as the Information Governance team. We are constantly reviewing the system for effectiveness for all users and as a result, since implementation, we have been driving continuous system improvements.

We continue to work closely with service areas to provide guidance to understand any issues they are experiencing in processing information requests. We recognise the complexities in effectively processing information requests and as a result are currently working to expand on the training and guidance that we offer to anyone handling information requests.

As part of the above-mentioned implementation and development of Netcall, we are currently creating a module in the system to allow for EIR management. EIRs and

FOIs are processed in a very similar way so the development of this module has been quite simple and should go live in the next few months. Development is also underway to create a module for DSARs however as these follow a different process, creating this module is more involved and is unlikely to be implemented for a number of months.

Next steps

The annual information request report show in Appendix 1, will shortly be published on our website alongside our regular compliance and disclosure logs.

Contact Officer:
Margaret Anderson, Interim Governance Risk and Assurance Officer

Email: margaret.anderson@cheltenham.gov.uk

Appendix 1: Information request annual report for financial year 2025–26

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CHELTENHAM
BOROUGH COUNCIL

Information request annual Report of Financial Year 2025–26

Contents

Purpose of the report

This report provides an overview of information requests such as EIR's, FOI's and SAR's, recorded to date from April 1st to 31st March 2026. It summarises volumes of requests logged, compliance statistics and lessons learned to support governance, assurance, and continuous improvement.

Introduction

As a public authority, Cheltenham Borough Council processes various types of information requests, including Environmental Information Regulations (EIR) requests, Freedom of Information (FOI) requests, and Data Subject Access Requests (DSARs). Handling these requests ensures our compliance with legislation such as the Freedom of Information Act 2000, the Environmental Information Regulations 2004, UK GDPR, and the Data Protection Act 2018. It also supports transparency by providing clear access to the personal and non-personal information we hold in delivering our services.

Key terms-

Freedom of information request (FOI's)- This allows anyone to request non-personal, recorded information held by the Council.

Environmental Information Regulations (EIR's)- This covers requests for non-personal recorded information held by the Council that concerns environmental matters such as air, land, or waste.

Data Subject Access Request (DSAR'S)- These allow an individual to request personal information about themselves that is held by the Council.

2025/26 Performance data

Reporting period and scope

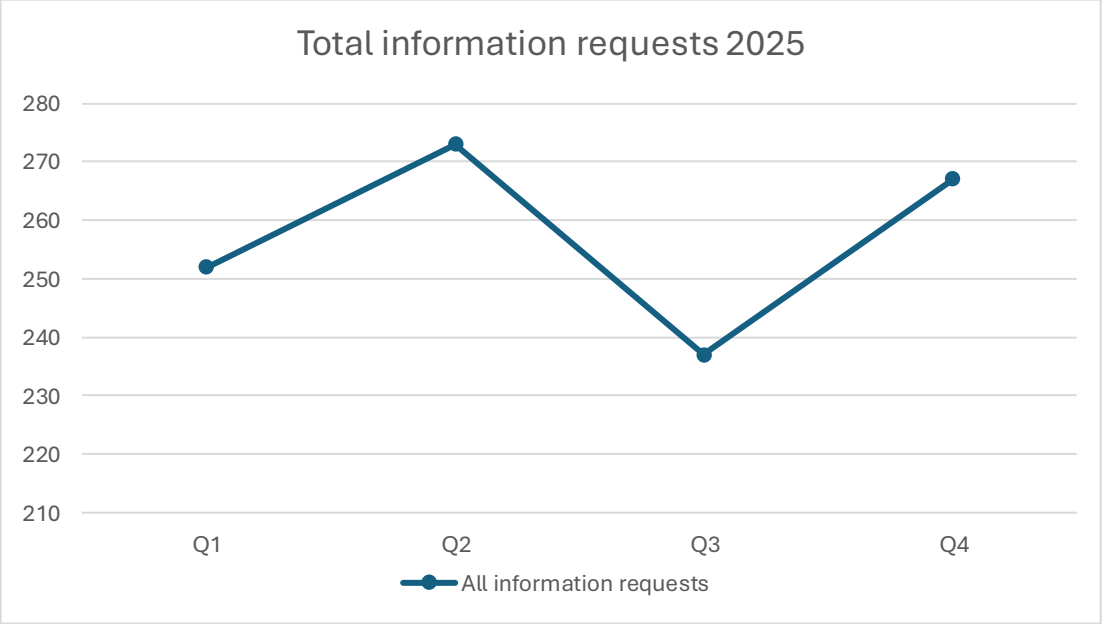
- **Financial year:** 2025–26
- **Reporting period covered:**
    - Quarter 1: April 2025 – June 2025
    - Quarter 2: July 2025 – September 2025
    - Quarter 3: October 2025 – December 2025
    - Quarter 4: January 2026 - March 2026

Summary of information request statistics

From 1st April 2025 to 31st March 2026, Cheltenham Borough Council received 1,029 requests for information. This included 867 FOI's, 91 EIR's and 71 DSAR's.

Quarter	Date	FOI's requested	EIR's Requested	DSAR's requested
Q1	April – June 2025	211	28	13
Q2	July – September 2025	237	15	21
Q3	October – December 2025	200	23	14
Q4	January-March 2026	219	25	23
Total (YTD)	April 2025– March 2026	**867**	**91**	**71**

CHELTENHAM
BOROUGH COUNCIL



Compliance with the statutory timeframe

Quarter	Date	Foi's answered within timeframe	EIR's answered within timeframe	DSAR's answered within timeframe
Q1	April – June 2025	92.9%	96.4%	**100%**
Q2	July – September 2025	97.9%	93.3%	**100%**
Q3	October – December 2025	94.5%	82.6%	**100%**
Q4	January-March 2026	99.1%	88%	**100%**
Total (YTD)	April – March 2026	**96.2%**	**92.2%**	**100%**

CHELTENHAM
BOROUGH COUNCIL

A. Freedom of Information requests

Breakdown of requests received per service area

Please note that as FOI's were transferred onto a new system we are unable to confirm the accuracy of service area reporting. This is as it doesn't account for multiple service areas and the development of new teams within the system.

The majority of requests were handled by Planning (9%).

Service area	Total FOI's received
Business Rates	35
Democratic Services	7
Council Tax	24
Parking Services	21
Licensing	51
Finance & Assets	60
Environmental Services	36
Executive Support	6
Customer Services	9
Housing Repairs	15
ICT	37
Bereavement Services	8

Building Control	9
Planning	79
Housing Services	20
Neighborhood Team	29
Communities, Wellbeing & Partnerships	24
Housing Options	44
Environmental Health - Environmental Protection, Food Safety, Regulatory Health and Safety, Animal Licensing	59
Housing Strategy & Enabling	13
Public realm CCTV, animal control, emergency planning, anti-social behaviour (Solace)	13
Property - Works & Maintenance Team	14
Communications and Marketing	5
Public Realm, Parks & Gardens/Green Space Development	18
Human Resources	31
Climate, Flooding and Decarbonisation Team	18
Procurement/Contracts	16
Property Estates	16
Pest Control and Lifelines	6
ASB	54
Elections	6
Private Sector Housing and Disabled Facilities Grants	22
Learning & Development	7
Safeguarding and Equality Diversity and Inclusion	4
The Cheltenham Trust	3
Place Marketing and Inward Investment	4
Benefits	9
Benefit & Money Advice	1
Tree Section	4
Business Support	3
Digital Development & Project Portfolio Management Office	3
Council Vehicle Fleet	1
Finance (Housing)	1
Information Governance	5
Health & Safety	1
Not our FOI	22
Housing allocations	1

B. Environmental Information Regulation

Breakdown of requests received per service area

94.5% of EIR's were referred to multiple service areas, these mostly required a joint response from the Flooding team and Environmental health.

Service area	EIR's received
Multiple service areas	86
Licensing	1
Property estates	2
Planning	1
Environmental health	1

C. Data Subject Access request

Breakdown of requests received per service area

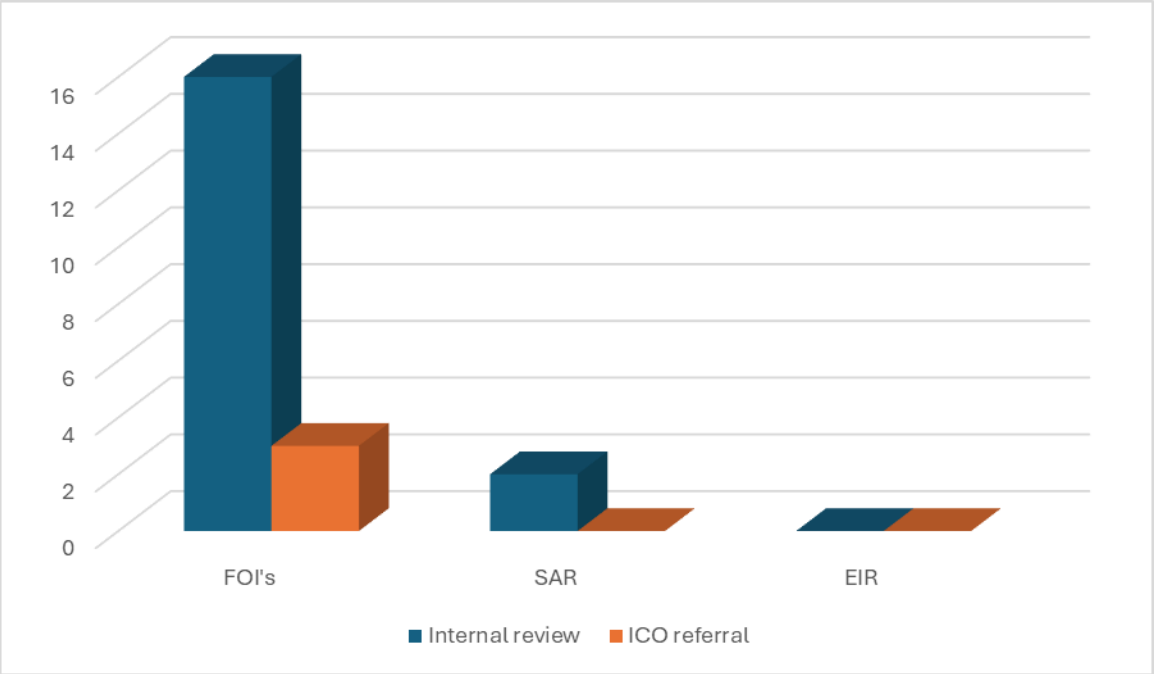
40.6% of DSAR's were referred to multiple service areas.

Service area	DSAR's received
Multiple service areas	29
Information and Governance	1
Business rates	1
Council tax	4
Not our request	1
Housing services	12
Customer services	1
Housing strategy	3
Human Resources	4
Planning	1
Public protection	6
Revenues and benefits	5
Housing options	1
Licensing	1

Statistics on Internal reviews and ICO referral

If requestors are unhappy with how their information request has been handled, they can ask for an internal review. In 2025/26 we received 18 requests for an internal review, this makes up 1.46% of requests.

If following an internal review, a requestor remains unhappy with how we have handled their request, they can approach the Information Commissioner's Office (ICO) to appeal the decision. In 2025 we received 3 referrals to the ICO, this makes up 0.3% of all requests.



Achievements and continuous improvement

Whilst responding to the FOI, EIR and SAR requests are the responsibility of service areas, all requests are monitored by the Information and Governance team. Reminders are sent 10, 5 and under 5 working days before the deadline to ensure that we are able to provide a response on time.

This year we have seen an increase in potentially fraudulent requests and claims. In order to resolve this the team has worked closely with our Legal team and well as other organisations including National Anti Fraud Network (NAFN) Data and Intelligence Services.

What we have achieved this year-

This year the information and governance team has focused on streamlining our approach to how we handle information requests and ensuring that we comply with legislation.

- We have developed and rolled out an internal case management system for handling FOI's.
- Published quarterly disclosure logs and compliance data to ensure accountability and transparency.
- Continued to work with service areas to develop our process and provide support.

Looking forward-

- Looking ahead, we aim to roll out the use of our case management system to include all information requests.
- We will continue to work on improving our case management system to ensure it is efficient and user friendly.
- Review and develop the training and guidance that we offer to Officers and Councillors this includes policies and guidance.

Cheltenham Borough Council

Audit, Governance and Compliance Committee – 15 July 2026

Annual Governance Statement and Local Code of Corporate Governance

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Accountable member:

Councillor Rowena Hay, Leader of the Council

Accountable officer:

Claire Hughes, Director of Governance, Housing & Communities (Monitoring Officer)

Ward(s) affected:

All

Key Decision: No

Executive summary:

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. This includes a statutory duty to prepare an Annual Governance Statement as part of the Statement of Accounts.

In preparing the Annual Governance Statement, the council should seek to assess itself against its Local Code of Corporate Governance. This report brings forward to members the draft Annual Governance Statement is for the period 1 April 2025 to 31 March 2026 and the Local Code of Governance for 2026.

Recommendations: That the Audit, Compliance and Governance Committee:

1. **approves the draft 2025/26 Annual Governance Statement and**
2. **approves the 2026 Local Code of Corporate Governance.**

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1. Implications

1.1 Financial, Property and Asset implications

There are no financial or property implications associated with this report.

However, having a sound Annual Governance Statement and Local Code of Corporate Governance are an important part of supporting the Councils best value duty which is considered as part of the annual external audit of the Council.

A copy of the Annual Governance Statement will be published as part of the Statement of Accounts.

Signed off by: Adele Taylor, Interim Section 151 Officer
adele.taylor@cheltenham.gov.uk

1.2 Legal implications

The Accounts and Audit Regulations 2015 6 (1) (a) requires the Council to conduct an annual review of the effectiveness of the system of internal control, and (b) to prepare an Annual Governance Statement.

Signed off by: Claire Hughes, Director of Governance, Housing Communities (Monitoring Officer)

1.3 Environmental and climate change implications

There are no environmental or climate change implications arising from this report

Signed off by: Claire Hughes, Director of Governance, Housing Communities (Monitoring Officer)

1.4 Corporate Plan Priorities

This report contributes to the following Corporate Plan Priorities:

- Taking care of your money

1.5 Equality, Diversity and Inclusion Implications

An equality impact assessment is not required for this report.

1.6 Performance management – monitoring and review

Performance against the actions identified in the Annual Governance Statement will be monitored by the Corporate Governance Group and reported to the Audit, Governance and Compliance Committee.

2 Background

2.1 Cheltenham Borough Council is committed to the principles of good corporate governance and confirms its ongoing commitment and intentions though the development, adoption, monitoring and maintenance of its Local Code of Corporate Governance. The Council recognises that achieving high standards of corporate governance encourages stakeholders to have confidence in us and allows the Council to undertake its community leadership role.

2.2 In April 2021 the Council adopted the Local Code of Corporate Governance which was based upon the CIPFA/SOLACE publication entitled *"Delivering Good Governance in Local Government; Framework 2016 Edition".* This Local Code was reviewed in April 2025 and was used as the basis for developing the draft AGS for the period 1 April 2025 to 31 March 2026 (Appendix 2).

2.3 In preparing the draft AGS for 2025/26 the following areas have been identified as areas of focus for the financial year 2026/27

- Local Government Reorganisation
- Finance Capacity
- Financial Savings
- Competency and Conduct Standard
- Procurement

2.4 Each of these areas are set out in more detail in section 8 of the AGS and progress against them will be monitored by the Corporate Governance Group and reported to the Audit, Compliance and Governance Committee.

2.5 To ensure that the Council continues to operate in a robust governance framework and to meet the requirements of Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 (England) which requires the authority to conduct a review at least once a year on the effectiveness of its system of internal control a further review of the Local Code of Corporate Governance has been completed and the 2026 version is attached at Appendix 3 for approval.

3 Reasons for recommendations

3.1 Both the Local Code of Corporate Governance and the Annual Governance Statement demonstrate the Councils compliance with the Accounts and Audit Regulations 2015 as well as its commitment to good governance.

3.2 Once finalised the AGS will form part of the Annual Statement of Accounts.

4 Alternative options considered

4.1 None

5 Consultation and feedback

5.1 Both documents have been considered by the Leadership Team and Internal Audit.

Report author:

Claire Hughes, Director of Governance, Housing and Communities

Appendices:

i. Risk Assessment
ii. Draft Annual Governance Statement 2025/26
iii. Local Code of Corporate Governance 2026

Background information:

None

Appendix 1: Risk Assessment

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
1.	If the Council fails to conduct an effective review of its governance arrangements there will be an increased risk of failing to maintain good conduct and ethical standards	Claire Hughes	4	2	8	Reduce	Ensure certificates of assurance are collected from partner organisations and reviewed Ensure annual employee declaration process is completed Ensure directors and head of service statements of assurance are completed and collected Ensure effective audit recommendations are in place Ensure effective counter fraud arrangements are in place	Claire Hughes Claire Hughes Claire Hughes Paul Jones Paul Jones	Annually – complete by end of May Annually – complete by end of June Annually – complete end of M Ongoing Ongoing

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
2.	If the Council fails to prepare an Annual Governance Statement it will fail to comply with the statutory requirements putting the Council at risk of legal challenge	Claire Hughes	4	2	8	Reduce	Ensure that data from all of the above is used to inform the AGS	Claire Hughes	Annually

CHELTENHAM
BOROUGH COUNCIL

Annual Governance Statement

2025/26

1. Scope of Responsibility

Cheltenham Borough Council ("the authority") is responsible for ensuring that:

- Its business is conducted in accordance with the law and proper standards;
- Public money is safeguarded and properly accounted for
- Public money is used economically, efficiently and effectively; and
- There is a sound system of governance, incorporating the system of internal control and risk management

The authority has a Best Value duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging these responsibilities, the authority is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and including arrangements for the management of risk.

The authority has developed and approved a code of corporate governance, which is consistent with the core principles and sub-principles as set out in the CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework (2016) and associated 2025 Addendum" ('the Framework'). This statement explains how the authority has complied with the code and also meets the requirements of Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 (England) which requires the authority to conduct a review at least once a year on the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts.

In addition to this, CIPFA issued its "Statement on the Role of the Chief Finance Officer in Local Government (2015)". The Annual Governance Statement (AGS) reflects compliance with that Statement for reporting purposes.

2. Purpose of Governance Framework

The governance framework comprises the systems, processes, culture and values, by which the authority is directed and controlled including activities through which it is held accountable by, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of the governance 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 on-going process designed to:

- Identify and prioritise the risks to the achievement of the authority's policies, aims and objectives;
- Evaluate the likelihood of those risks occurring;
- Assess the impact should those risks occur; and
- Manage the risks efficiently, effectively and economically

The governance framework has been in place at the authority for the year ended 31 March 2026 and up to the date of approval of the Annual Statement of Accounts.

3. Governance Environment

The key elements of the authority's governance arrangements are outlined in the Local Code of Corporate Governance. The governance framework includes arrangements for:

- Identifying and communicating the authority's vose and intended outcomes for citizens and service users;
- Reviewing the authority's vision and its implications for the authority's governance arrangements;
- Measuring the quality of services for users, ensuring that they are delivered in accordance with the authority's objectives and that they represent the best use ofresources;
- Defining and documenting the roles and responsibilities of the executive (Cabinet), non- executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication;
- Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff;
- Reviewing and updating Financial Rules, Contract Rules, Constitution, Scheme of Delegation and supporting procedure notes / manuals, which clearly define how decisions are taken and the processes and controls required to manage risks;
- Ensuring effective counter fraud and anti-corruption arrangements are developed and maintained;
- Ensuring the authority's financial management arrangements meet the governance requirements of the *CIPFA* Statement on the Role of the Chief Financial Officer in Local Government (2015);
- Undertaking the core functions of an Audit Committee, as identified in CIPFA's Audit Committees: Practical Guidance for Local Authorities;
- Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful;
- Whistleblowing referrals and for receiving and investigating complaints from the public;
- Identifying the development needs of members and senior officers in relation to their strategic roles, supported by the appropriate training;
- Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation; and
- Incorporating good governance arrangements in respect of partnerships, including shared services and other joint working and reflecting these in the authority's overall governance arrangements.

4. Principles Framework

The main areas of the authority's governance framework and the assurance on compliance are set out over the next pages under the headings of the core principles and sub-principles from the CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework (2016).

Governance Principle	Sub-Principle	Assurance on Compliance
Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	**Behaving with integrity**	• The political and executive leadership sets the tone for CBC and ensures that the required policies are put into place and monitored. • The Council's Constitution sets out how decisions are made and the procedures that are followed to ensure these are efficient, transparent and accountable to local people. • Statutory Officers' responsibilities are defined in the Constitution and are employed in accordance with statutory guidance. • The Employee Code of Conduct (updated September 2024) forms part of the Constitution and sets out the behaviours expected of employees. • Our values have been developed collaboratively with employees and include the Nolan principles. • The Members' Code of Conduct forms part of the Constitution sets out the standards of conduct expected by Members of the Council. • The Planning Code of Conduct and Probity in Licensing supplement the Members Code of Conduct ar set out the standards of conduct expected from members dealing with planning and licensing matter • The Protocol for Member/Officer Relations is designed to guide Members and Officers of the Council their relations with one another to maintain the integrity of local government. • The Audit, Compliance and Governance Committee promote and maintain high standards of condu and to assist Members and Co-opted Members to observe the Code of Conduct.
	Demonstrating strong commitment to ethical values	• In accordance with the Localism Act 2011 we have adopted a Code of Conduct for our Councillors that is in keeping with the general principles of public life and based upon the Local Government Association Model. All Councillors and co-opted Members undertake that they will observe the Code of Conduct. • Supporting the constitution the Council has a Planning Protocol which clearly sets out the roles, responsibilities and behaviours of elected members and officers in undertaking our statutory responsibilities as local planning authority. At the time of writing this is under review and scheduled to be considered by Council post May 2026 elections. • All members keep their register of interests up to date. The registers are available for public viewing either at the Council Offices or via the website. Members are reminded bi-monthly of the need to keep their register of interests up to date • Members are required to declare relevant interests at meetings, and these are recorded in the minutes.

		• The Employee Code of Conduct provides guidance to our employees on the ethical framework within which we seek to conduct its activities; and on the processes that the Council uses to ensure compliance with the highest ethical standards. In addition, our values support the Nolan principles. • A register of gifts and hospitality is maintained for both Officers and Members. Members gifts and hospitality are published on our website and the officer register is monitored by the Corporate Governance Group.
	Respecting the rule of law	• The roles and responsibilities of Members and all holders of an office are set out in the authority's Constitution, specifically the member role profiles. • Codes of Conduct set out the standards of behaviour that are expected of our Councillors and Officers. Should these standards be breached, they will be dealt with, either through the standards process via the Audit, Compliance and Governance Committee or, in relation to Officers, action taken under our capability and/or disciplinary procedures. • The Whistleblowing Policy adopted by the Council ensures its effectiveness from a safeguarding perspective and to make it easier for staff to raise concerns about malpractice or illegal activity. The Policy contains clear guidance about how to report a concern, who to contact and sources of internal and external support. Communications on reporting whistleblowing concerns are issued to all staff at least annually. • Internal audit reviews are designed to ensure services are complying with internal and external policies and procedures and statutory legislation. Where non-compliance is identified, this is reported to management and to Members via the Audit, Compliance and Governance Committee. The Corporate Governance Group and Leadership Team review the list of audit actions on a quarterly basis. • CBC work with a Gloucestershire wide Counter Fraud and Enforcement Unit to help prevent and detect fraud and corrupt practices, including abuse of position. The service reports to the Audit, Compliance and Governance Committee twice a year and to the Cabinet Housing Committee annually specifically on housing related fraud. We also have a dedicated anti-fraud and corruption policy.

Governance Principle	Sub-Principle	Assurance on Compliance
Principle B - Ensuring openness and comprehensive stakeholder engagement	**Openness**	• The annual accounts are published on our website and are open to public scrutiny. They are considered by our Audit and Governance committee which is open to members of the public to attend. • Committee meetings, agendas and minutes are published in accordance with the Forward Plan and publication of agendas is done in accordance with the Local Government Act 1972. • Council, Cabinet and Committee reports clearly outline their purpose, so the public can understand

		what the decision is aiming to achieve. • Council, Cabinet and Committee reports address financial, legal, equalities, risk and sustainability implications to allow public scrutiny and aid Members in their decisions making. • All public meetings that take place in the council chamber are webcast live to the Council's YouTube channel. All recordings are available to view for a period of 4 years from the date of the meeting. • Members and the public are able to ask questions at Council, Cabinet, Housing Cabinet Committee and the Overview and Scrutiny Committee. Processes are in place which facilitate public participation at Audit, Licensing and Planning Committee meetings. All meetings are held in public unless exempt business is under discussion. • CBCs petition scheme makes provision for the submission of petitions • Overview and Scrutiny committee promotes open and transparent decision-making, democratic accountability and holds the Cabinet to account for its decisions. In 2025 the committee welcomed two independent co-opted members. The Audit, Compliance and Governance Committee also welcomed an independent co-opted member. • Officer and individual Cabinet Member decisions are published on our website • Transparency data is published on the website and includes supplier payments, senior management structure charts, annual pay policy statement, and our gender pay gap report for the previous financial year. Where data is not available in the published data sets, instructions are available on how to mak a Freedom of Information Request and the procedure that will be followed to answer the request.
	Engaging comprehensively with institutional stakeholders	• We engage with large numbers of stakeholders through forums such as Leadership Gloucestershire, Southwest Councils and the Local Government Association. • We have a comprehensive engagement system with statutory stakeholders such as the NHS, Gloucestershire County Council and the Gloucestershire Police. • We are members of the District Councils' Network (DCN) a cross-party member led network of councils. • We engage with further subject-based stakeholders particularly around economic development such as the Cheltenham BID, , The Cheltenham Culture Board and our partners in the Golden Valley Project. We hold a statutory responsibility around the duties of the Community Safety Partnership, made up of both statutory agencies and co-operating bodies within the borough and the county (known as the 'responsible authorities') • Our recently developed partnership register set out details of our key partnerships, including relevant engagement processes.

		• We are actively engaged in a Gloucestershire wide Local Government Reorganisation Programme and are represented on all workstreams. • As part of the budget setting process consultation takes place through the authority's website for both the General Fund and the Housing Revenue Account. • Engagement with staff happens in a number of ways; whole authority staff sessions, team meetings, monthly service managers meetings and one-to-one meetings • We have an active C5 group that regularly brings together the five parish councils of Cheltenham to discuss shared issues, opportunities and challenges. • In 2025/26 we commenced a community governance review, undertook the first round of public consultation and commenced a second round in February 2026.
	Engaging with individual citizens and service users effectively	• Local focus and community group engagement are undertaken by our communities and partnership team and community investment officers with wider engagement taking place across our service areas. • Our Solace Partnership comprising of Cheltenham Borough Council, Gloucester City Council and Gloucestershire Constabulary come together with communities to prevent, investigate and tackle anti-social behaviour (ASB) in Cheltenham and Gloucester. • The Communications team and our Marketing Cheltenham Team ensure that specific matters are placed in the media and engage with the media over enquiries on specific matters. • Engagement and consultation with the public is undertaken through public meetings, surveys and other mechanisms as required throughout the year or around specific topics. • Surveys of our tenants are carried out monthly by Accuity and reported to the Cabinet Housing Committee. The results also inform our Tenant Satisfaction Measures submission. • Our Tenant and Leaseholder panels provide forums for actively sharing and housing related information and for receiving input into the delivery of our services. • A Statement on Community Involvement is approved which sets out the opportunities by which the public and organisations can engage with the planning system, including the procedures and methods used to consult on planning applications. • Our resident survey provides an opportunity for residents to feed back on the services we provide. • Planning has a particular focus on engagement with statutory consultation forming part of each planning proposal. • We have a customer feedback policy and process which enables residents to provide feedback, to raise complaints or provide us with a compliment.

		• We have a detailed housing complaints process for anyone wishing to raise a complaint in relation to housing services.

Governance Principle	Sub-Principle	Assurance on Compliance
Principle C - Defining outcomes in terms of sustainable economic, social, and environmental benefits	**Defining outcomes**	• Our Corporate Plan sets out CBC's purpose, principles and priorities for the future, developed to make the biggest difference to Cheltenham's communities, businesses and residents. • The Borough has a statutory development plan in place made up of the Gloucester, Cheltenham and Tewkesbury Joint Strategic Plan (JCS) (adopted 2017) and The Cheltenham Plan (CP) (adopted 2020), together these plans make provision for the long term growth of our area delivering sustainable, social and environmental benefits across the Borough up to 2031. • The Local Development Scheme, which sets out the key milestones for the preparation of its statutory development plan, as required by the Planning and Compulsory Purchase Act 2004 (as amended) has been updated and was adopted by Cabinet in February 2025: » Strategic and Local Plan timetable. This sets out the key milestones for the preparation of the Cheltenham, Gloucester and Tewkesbury Strategic and Local Plan (SLP), which once approved will replace the JCS and CP. The programme is on track and an extraordinary Council meeting has been scheduled 16th July 2026 to consider the Regulation 19 version of the SLP for the purposes of public consultation. • We are actively contributing to the preparation of a transitional Spatial Development Strategy (SDS), being led by Gloucestershire County Council in partnership with the district councils. SDS's are an outcome of the Planning and Infrastructure Act (2025) and will provide strategic planning frameworks across England guiding sustainable growth, housing, infrastructure, and economic development across defined regions.
	Sustainable economic, social and environmental benefits	• Working with our partners Tewkesbury Borough and Gloucester City we have established a Community Infrastructure Levy (CIL) Joint Committee, working collectively to allocate strategic CIL funds to key infrastructure projects benefitting our area. This has included significant funding to support the M5 Junction 10 improvement scheme. • In 2025 we awarded £136,000 over 17 local projects in our unparished areas through allocation of CIL Neighbourhood Fund. This was the second allocation of CIL neighbourhood funding. • Our pathway to Net Zero sets out our aims to achieving our target of CBC and Cheltenham becoming carbon neutral.

		• We are an active member of the Climate Leadership Gloucestershire with Cheltenham Cabinet Member for Cabinet Member for Climate Emergency chairing the Group for 2026. CBC leads on the planning theme of the Greener Gloucestershire Action Plan. • We actively monitor our progress against this pathway and publish our key achievements. We also report our scope 1, 2 and 3 emissions. • CBC have developed an award winning environmental impact assessment tool which ensures that the environmental impacts of all new projects and policies are properly assessed. The result of the assessment is captured within decision making reports to facilitate informed decision making. • We are committed to social value and how we can drive this through our own procurement, decision-making and project delivery. Our Golden Valley Social Value Strategy 2024 sets out how we will integrate social value into every stage of the development. • We have endorsed the Gloucestershire Local Nature recovery Strategy - a collaborative effort which both showcases Gloucestershire's wildlife, and acts as an essential tool for steering nature recovery in the county

Governance Principle	Sub-Principle	Assurance on Compliance
Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes	**Determining interventions**	• A mixed economy approach to service delivery is in place to deliver the priority outcomes of Members. • To operate within a more constrained financial cost base CBC has over a number of years created a number of new organisations to deliver services once provided in house. • Each partner service is assigned a client officer who undertakes frequent and direct liaison with the service provider and monitors the contract performance and delivery. • A member of the Leadership Team holds accountability for these services and provides the strategic guidance and support to the client officers. • The Leadership Team and client officers keep relevant Cabinet members apprised of commissioned service performance as well as Cabinet Members being engaged directly in performance meetings with commissioned service providers. • In 2024 the council commissioned Local Partnerships to undertake a review of its commissioned services and the assurance process surrounding it. The keys findings were accepted by the council and have been adopted.. • The council has demonstrated that where commissioned services or outsourced services are no longer best delivered externally it will intervene and bring services back in house, as evidenced by services returned from Publica and in July 2024 its Housing Services from Cheltenham Borough Homes • Regular Peer Reviews are undertaken for quality assurance with the most recent being in July 2023 with a follow up in March 2024.

		• In 2025 we commissioned Pennington Choices Limited to provide external support and assurance to our housing compliance position and Housing Quality Network to undertake a mock inspection of our position against compliance with the Regulator of Social Housing Consumer Standards. Recommendations from both have been fully accepted and incorporated into our housing improvement programme. • CBC have an Overview and Scrutiny Committee whose role it is to deliver measurable outcomes which benefit the effectiveness of the Authority and the community.
	Planning interventions	• Performance, audit, risk, finance information and contract management are used to identify areas of concern and plan required interventions. • Corporate risks are considered by the Leadership Team on a monthly basis. • Operational risks are monitored and managed at Service Manager level. • Any strategic risks scoring 16 or more are escalated to the corporate risk register discussed by the Leadership Team and considered by members of the Cabinet and the Audit, Compliance and Governance Committee. Housing strategic risks are also considered by the Cabinet Housing Committee. • Our Leadership Team has strategic oversight of major issues affecting the Council with a well-developed forward plan. • Budget monitoring is designed to capture and incorporate internal & external factors and to enable the authority to respond appropriately.
	Optimising achievement of intended outcomes	• Following the refresh of the Corporate Plan for 2025-2028, the drive towards financial sustainability includes the review and re-alignment of our resources to ensure the key priorities are able to be delivered over this period, particularly noting the additional capacity required to deliver Local Government Reorganisation. • CBC's Capital, Investment and Treasury Management Strategies 2026/27 were approved by full council in March 2026. • The authority's budgets are prepared annually in accordance with objectives, strategies and the MTFS is finalised following consultation with Members, customers, stakeholders and officers. • Financial stewardship in respect of both capital and revenue proposals is reviewed and challenged by the Budget Scrutiny Working Group and considered regularly by the Leadership Team. • The MTFS is a live document and is updated as necessary, to respond to the changing environment and in such circumstances would be discussed by the Leadership Team to determine any necessary mitigating actions that would then be discussed with the Cabinet.

Governance Principle	Sub-Principle	Assurance on Compliance
Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it	**Developing the entity's capacity**	• The Chief Executive is responsible for the organisation of the staff. • Leadership and Management is delivered through the Leadership Team consisting of the Chief Executive, Deputy Chief Executive and Directors to ensure proper oversight of the whole business. The Leadership Team have a touchdown session every week and meet face to face once a month. We also have leadership / manager briefing on a monthly basis. In addition, the housing governance board meet monthly. These meetings sit alongside departmental management team meetings. Monthly all staff webinars are in place and are utilised not only for knowledge sharing but as a development opportunity on a wide range of topics. • 1:1 conversations are held with our people about performance and development and our performance policy is invoked when required • During 2025/26 we experienced significant capacity pressures within the finance team, which contributed to delays in our financial processes. Whilst additional capacity has now been added it will be essential that this is monitored during 2026/27 to ensure that our accounts are published on time and that we are able to effectively respond to the issues raised by our external auditors in relation to the 2024/25 accounts and during the audit of 2025/26 accounts.
	Developing the capability of the entity's leadership and other individuals	• We have a programme of training available for both Councillors and Officers at all levels. • All new employees take part in an induction programme and ongoing staff development needs are identified through our system of 1:1 meetings • There is mandatory compliance training for all staff and members on key items and policies including cyber security, data protection, Equality, Diversity and Inclusion, safeguarding and Prevent. Regular training is also provided on procurement, decision making and a range of legal topics. • Professional members of staff are required to undertake additional training requirements (continuing professional development) as set by their professional bodies. • We continue to run a range of leadership programmes for our people designed to give them behaviours and skills for the future. In addition, we support the employment of graduates and apprentices We offer mentoring and coaching both internally and where appropriate via external providers and are actively preparing for the implementation of the Housing Regulators Competency and Conduct Standard. • All new Members undertake a comprehensive Members induction programme that is delivered after each borough election • New Members are matched with a senior officer under a "buddy" system to provide practical support as they develop into their roles.

		• Training is provided for Members on an ongoing basis as appropriate and necessary. Members on certain committees (e.g. Planning and Licensing) are required to undertake initial and ongoing training in order to take their place on the committee. • The member development group provide oversight to member induction and development. We successfully obtained member development charter status with southwest councils in May 2025. • The authority is a member of the Local Government Association who provide individual mentoring and support to Members and officers as necessary or requested.

Governance Principle	Sub-Principle	Assurance on Compliance
Principle F - Managing risks and performance through robust internal control and strong public financial management	**Managing risk**	• Our Risk Management Policy is in place and subject to regular review. • Officers are required to maintain the CBC Service / Operational Risk Registers. The Leadership Team and Informal Cabinet reviews the corporate risk register on a monthly basis, the Audit, Compliance and Governance Committee on a quarterly basis and cabinet twice yearly. In addition, Housing strategic risks are considered by the Housing Governance Board monthly, and the Cabinet Housing Committee twice yearly. • Any strategic level risks that score 16 or above are incorporated in the corporate risk register. • The Audit, Compliance and Governance Committee reviews and approves the Risk Management Policy on a regular basis. Risks are identified when undertaking Internal Audit reviews and reported when necessary. • A risk-based Audit Plan is drafted annually following consultation with Officers and Members. The Audit Plan is approved at Audit, Compliance and Governance Committee prior to the financial year.
	Managing performance	• Organisational performance against the authority's corporate plan objectives and strategic key performance indicators is reviewed six monthly by the Leadership Team to ensure key programmes of work remain on track to achieve CBC goals and objectives. • A formal report on progress against the corporate plan is submitted to Leadership Team and Cabinet on an annual basis. • Service areas are developing service delivery plans and these will be tracked and updated. Leadership Team will have oversight of these plans to provide an overview of activity across the organisation and to ensure the focus is on activities which contribute to the corporate priorities. • Individual programmes and projects have their own targets and performance expectations and are reported via the programme/project boards as required. • In Housing Services compliance performance is monitored monthly by the Compliance Monitoring Group and quarterly by the Cabinet Housing Committee. The Committee also receives quarterly reports on complaints and performance and 6 monthly reports on Tenant Satisfaction Measures.

	Robust internal control	• CBC corporate governance group meets on a quarterly basis, chaired by the Chief Executive and its attendees are the other statutory officers, internal audit, counter fraud, risk management and Human Resources. • Assurance is gained through regular internal audits and reporting. • External Audit recommendations are reported to Audit, Compliance and Governance Committee following the completion of their annual audit process with follow-ups of recommendations also reported. Any recommendations are incorporated into the planning for the next years Audit. • Regular quarterly briefing meetings between senior officers and External Audit ensure that early identification of any potential governance and control risks can be reviewed and appropriate action taken • Internal Audit is delivered through SWAP Internal Audit Services (SWAP) and processes ensure compliance with Public Sector Internal Auditing Standards. • Internal Audit agreed actions are followed up and reported to Audit, Compliance and Governance Committee with further follow up being reported where agreed actions have not been implemented in full. • Copies of all Internal Audit reports are provided to the Section 151 Officer and / or Monitoring Officer who ensures that other relevant Directors and Officers are made aware of any significant issues or recommendations. • Audit reports, once completed are discussed with the service manager. Executive summaries, including findings, and progress on the Annual Plan are reported to Audit, Compliance and Governance Committee, on a quarterly basis. • Agreed Actions made in audit reports are followed up one month after the agreed target implementation date. High priority agreed actions are reported to Audit, Compliance and Governance Committee with quarterly updates on progress. • A Counter Fraud and Enforcement Unit supports all the Gloucestershire Local Authorities, West Oxfordshire District Council and other third parties. Where investigations identify possible improvements to the internal control framework, the Counter Fraud and Enforcement Unit will liaise with the Internal Audit Team to ensure the improvements are followed up and implemented by Management.
	Managing data	• Our Data Protection Policy provides a framework for all other Information security and Information Management Polices all of which are available to all data users on the Councils intranet. • These policies also provide the responsibilities and accountabilities for the roles of the Data Protection Officer, Senior Information Risk Officer (SIRO) and the Single Point of Contact (SPoC). • All officers and Councillors are required to undertake mandatory e-Learning training on information governance.

		• The importance of reporting breaches of Data Protection legislation is well publicised and individual officers are welcomed when they come forward to report incidents. Quarterly reports on incidents are reviewed by the Corporate Governance Group. • The authority is part of the Gloucestershire Information Sharing Partnership. This will enable data to be shared when necessary. • Audit reviews ensure data is held securely whether electronic or hard-copy.
	Strong public financial management	• The Finance Strategy sets the overall direction for how we will fund our activities and invest in the future. • We have a budget setting process with the Budget and Medium Term Financial Plan decided annually by Council. • We have in place a statutory Section 151 Officer with finance teams that support the budget holders. • The MTFS is reviewed and updated on a regular basis so that Members and the Leadership Team are aware of the financial standing of the authority in terms of delivering against cost reduction or revenue raising targets. • Performance against budget is reported to Cabinet and any significant variances explained. • Financial Procedure Rules and Contract Procedure Rules are in place. • The Statement of Accounts is produced and published annually in accordance with statutory legislation. • The Treasury Management Panel, Asset Management Working Group and Budget Scrutiny Working Group all provide valuable input into the development of the councils overall financial position. • Aligned with the accounts the production of this Annual Governance Statement that identifies how the authority has met its governance reporting obligations.

Governance Principle	Sub-Principle	Assurance on Compliance
Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability	**Implementing good practice in transparency**	• Agendas for all Council meetings are publicly available on website and meetings are accessible on YouTube and promoted via social media. • Performance monitoring reports considered by Overview and Scrutiny are published on the authority's website in accordance with publication standards and guidelines. • Data in respect of transparency is published on the authority's website. • We have a Whistleblowing Policy in place.
	Implementing good practices in reporting	• We have in place comprehensive procedures for the making of decisions, either by Full Council, Committees, Cabinet or individual decisions made by Directors and Cabinet Members. • All reports are taken through Democratic Services and require clearance by Legal, Finance, HR and Property/Assets and risk, environmental and equality implications for every report are identified.

		• Reports for Council, Committees and Cabinet business and minutes of these meetings are available on our website, save for reports which contain information that is exempt from publication.
	Assurance and effective accountability	• The Constitution sets out the executive arrangements and the roles and responsibilities of the Leader, the Cabinet and each of the Cabinet Members individually and the roles and responsibilities of other Council Members. • The Constitution sets out the functions of Council, Cabinet and the various committees. • We have an effective Overview and Scrutiny function whose responsibilities are also set out in the Constitution. • The principal roles and responsibilities of the Chief Executive and senior officers, including the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer, are also set out in the Constitution. • Internal Audit processes ensure compliance with Public Sector Internal Auditing Standards. Internal Audit agreed actions are followed-up and reported to Audit Committee, further follow-up is planned if agreed actions have not been implemented in full.

5. Section 151 officer review of risk of se

In accordance with the Delivering Good Governance Framework Addendum the section 151 officer has assessed the council's risk of issuing a section 114 notice as follows:

As part of the budget setting process for 2026/27, the S151 provided a full report, known as the S25 report, which outlines their view on the robustness of estimates used in the setting of the budget and also council tax base, as well as the adequacy of reserves.

A link to the report is included here:

Appendix 2 - Section 25 Report.pdf

The conclusion of this report is that the estimates used in preparing the Budget for 2026/27 are robust. They are based upon sound assumptions, are built up from the revised 2025/26 position and reference the latest information available. In addition, the reserves are sufficient, with a minimum General Fund Balance of £1.5m and total reserves forecast at £5.230m, these are adequate to support the 2026/27 budget and associated risks. Given this context the risk of issuing a S114 notice has been sufficiently mitigated based on currently available information.

6. Review of Effectiveness

The authority 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 senior managers, the annual opinion from the Head of Internal Audit, the officer Corporate Governance Group and comments made by the external auditors, other review agencies and inspectorates.

The authority's process for maintaining and reviewing the effectiveness of the governance framework has included the following:

- Directors and Heads of Service complete an Annual Assurance Statement at the end of each financial year. These governance declarations provide appropriate management assurance that key elements of the system of internal control are in place and are working effectively and help to identify areas for improvement.
- Annual Assurance Statements are also completed by Client Officers in respect of external service providers, The Cheltenham Trust, One Legal, Publica, Ubico, SWAP and CFEU**.**
- Where the assurance review highlights elements that do not fully or partially meet the systems of internal control then the Directors and Client officers explain what action needs to be taken within an agreed timeframe.
- Leadership Team review the Corporate Risk Register on a monthly basis and service risk registers are managed by each manager.
- The SWAP Assistant Director (Head of Internal Audit) provides the Audit, Compliance and Governance Committee, as the Committee charged with governance, with an Annual Opinion on the control environment of the authority, which includes its governance arrangements.
- Investigation of, and decisions on, allegations of failure to comply with Members Code of Conduct are considered and determined through processes involving the Monitoring Officer/Independent Person(s) as set out in the Constitution.
- The Section 151 Officer ensures training and awareness sessions are carried out for the Audit, Compliance and Governance Committee periodically.
- The External Auditors present progress reports to the Audit, Compliance and Governance Committee. The Section 151 Officer attend audit liaison meetings with the external auditors on a regular basis.
- The External Auditor's Annual Audit Letter and follow-up of management responses to issues raised in the Letter or other reports are overseen by the Audit, Compliance and Governance Committee.
- Performance with regard to achievement of corporate priorities, budgets and risk are reported and monitored as outlined in this statement.
- The Audit, Compliance and Governance Committee review the Annual Governance Statement.

- The Audit, Compliance and Governance Committee approves the Annual Statement of Accounts and reports from both Internal Audit (SWAP) and External Audit, including quarterly progress reports.
- Council approves the annual budget, reviews and approves the Treasury Management Strategy.
- Internal Audit monitors the quality and effectiveness of systems of internal control. Audit reports include an opinion that provides management with an independent judgement on the adequacy and effectiveness of internal controls. Reports including agreed actions for improvement are detailed in an action plan agreed with the relevant Director/Service Manager.
- The council has also completed a self assessment against the Local Governance improvement and assurance framework developed by the LGA.

Audit statement – 'On the balance of our 2025/26 audit work for Cheltenham Borough Council, enhanced by the work of external agencies, I am able to offer a XXXXXX Assurance opinion in respect of the areas reviewed during the year.'

7. Governance Issues During 2024/45

In preparing the 2024/25 statement and reviewing the effectiveness of the governance arrangements the governance issues listed below were identified. Updates as to the progress are included within the table:

No.	Key Area of Focus	Planned Actions	Update
1.	Safeguarding	Implement a new safeguarding policy which incorporates the council's extended role in the delivery of housing services. Roll out safeguarding training to all staff and elected members.	The updated safeguarding policy was approved by cabinet on 18 November 2025: Decision - Updated Safeguarding Policy - Modern Council Safeguarding training is being rolled out across the organisation to both staff and members.
2.	Partnership Register	In response to the Value for Money review completed by external auditors Bishops Flemming create a partnership register which includes: • A central record of Council's partnership activity, including partnership governance arrangements • An assessment of partnership risks and subsequent mitigations through the inclusion of a partnership risk register. • Best practice information for officers in respect of partnership management	Completed – data collected and partnership register now in place
3.	Commissioned Services Assurance	In response to the Local Partnerships Review consider ways of strengthening the assurance process for commissioned services, including by further development of the annual assurance process and the client management role.	Completed – The annual assurance process has been updated to reflect the feedback from local partnerships.
4.	Housing Compliance	Continue to develop the approach to property compliance reporting including: • Completing of a data validation exercise • Creating a compliance strategy • Updating compliance policies • Implementing a standardised performance framework	Completed • Data validation exercise completed • Compliance strategy completed and approved by cabinet on 15 July 2025: Decision - Compliance Strategy and Policies - Modern Council • Compliance policies updated and approved by cabinet on 15 July 2025: Decision - Compliance Strategy and Policies - Modern Council • Standard performance framework now in place

8. Governance Issues During 2025/26

In preparing the 2025/26 statement and reviewing the effectiveness of the governance arrangements the following areas have been identified as areas of focus for the next financial year:

No.	Key Area of Focus	Planned Actions
1.	Local Government Reorganisation (LGR)	To continue to make the necessary preparations to meet the expectations of the Local Government Reorganisation agendas set by Central Government including active engagement in the programme and workstreams.
2.	Finance Capacity	In acknowledging the findings in the external audit, continue to monitor the capacity within our finance team and ensure that we produce year-end financial statements on time.
3.	Financial Savings	To deliver the savings identified in the 2026/27 general fund and HRA budgets
4.	Competency and Conduct Standard	To ensure a detailed programme of training and development is in place to ensure that the council is compliant with the new competency and conduct standard in Housing from October 2026.
5.	Procurement	Ensure appropriate toolkits are in place Complete the roll out of conflict of interest forms Review procurement strategy to determine whether it should be updated or incorporated into LGR workstream

9. Approval of Leader and Chief Executive

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit, Compliance and Governance Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Signed on behalf of Cheltenham Borough Council:

Rowena Hay
Leader of the Council

Date: xxxx

Gareth Edmundson
Chief Executive

Date: xxxx

Local Code of Corporate Governance

2026

CHELTENHAM
BOROUGH COUNCIL

www.cheltenham.gov.uk

Delivering Good Governance

1.1 The Delivering Good Governance in Local Government; Framework, published by CIPFA in association with SOLACE, sets the standard for local authority governance in the UK. The concept underpinning the framework is to support local government in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The purpose of the Framework is to assist authorities individually in reviewing and accounting for their own unique approach, with the overall aim to ensure that:

- Resources are directed in accordance with agreed policy and according to priorities
- There is sound and inclusive decision making
- There is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities

1.2 Governance is a term used to describe the arrangements (including political, economic, social, environmental, administrative, legal and other arrangements) put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

1.3 Good governance enables the Council to effectively achieve its intended outcomes, whilst acting in the public interest at all times.

1.4 The Delivering Good Governance in Local Government Framework, sets out seven core principles of governance as detailed in the diagram below. Cheltenham Borough Council is committed to these principles of good governance and confirms this through the adoption, monitoring and development of the document – The Council's Local Code of Corporate Governance.

1.5 Our Local Code is underpinned by the Delivering Good Governance in Local Government; Framework and is comprised of policies, procedures, behaviours and values by which the Council is controlled and governed. These key governance areas and how the Council provides assurance that is complying with these are set out in more detail within its Governance Assurance Framework.

1.6 The Council recognises that establishing and maintaining a culture of good governance is as important as putting in place a framework of policies and procedures. The Council expects members and officers to uphold the highest standards of conduct and behaviour and to act with openness, integrity and accountability in carrying out their duties.

1.7 This diagram illustrates how the various principles for good governance in the public sector relate to each other. Principles A and B permeate the implementation of Principles C to G.

1.8 Further information regarding each of the principles and the behaviours and actions that demonstrate good governance in practice are detailed below.

2. Status

2.1 Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 requires an authority to conduct a review at least once in a year of the effectiveness of its systems of internal control and include a statement reporting on the review with any published Statement of Accounts. This is known as an Annual Governance Statement.

2.2 The Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement must be prepared in accordance with proper practices in relation to accounts. Therefore, a local authority in England shall provide this statement in accordance with Delivering Good Governance in Local Government; Framework (2016) and this section of the Code.

3. Monitoring and Review

3.1 The Council will monitor its governance arrangements for their effectiveness in practice and will report them on a continuing basis to ensure that they are up to date. The Council's Governance Assurance Framework sets out in more detail how the Council will seek assurance on its adherence to the adopted principles of governance.

3.2 On an annual basis, the Chief Executive and Leader of the Council will publish an Annual Governance Statement which will:

- Assess how the Council has complied with this Local Code of Corporate Governance
- Provide an opinion on the effectiveness of the Council's arrangements
- Provide details of how continual improvement in the systems of governance will be achieved.

3.3 The Audit, Compliance and Governance Committee considers the Annual Governance Statement before it is published as part of the Council's financial statements.

4. Cheltenham Borough Council's Corporate Governance Principles

A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

The Council fosters a culture of behaviour based on shared values, ethical principles and good conduct. It puts in place arrangements to ensure that Members and employees are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. The Council does this by:

- Establishing and keeping under review:
  - a Member Code of Conduct;
  - a protocol governing Member/Officer relations;
  - protocols for members and officers dealing with licensing and/or planning matters;
  - a protocol for the attendance of officers and members at meetings of another public authority;
  - Employee Code of Conduct;
  - systems for reporting and dealing with any incidents of fraud and corruption;
  - Whistleblowing policy

- Appointing an Audit, Compliance and Governance Committee that has responsibility for promoting and monitoring the application of many of the above protocols;
- The Monitoring Officer, supported by independent persons, receiving and determining any complaints about an elected member (of the Borough or a Parish Council)

B: Ensuring openness and comprehensive stakeholder engagement

The Council engages with local people and other stakeholders by:

- Forming and maintaining relationships with the leaders of other organisations;
- Holding all Member decision-making meetings in public (except where information to be discussed is exempt);
- Live broadcasting its cabinet, committee and council meetings;
- Providing and supporting ways for citizens to present community concerns to the Full Council, Cabinet and Committee meetings, including procedures for raising public questions and presenting petitions;
- Carrying out public consultation on budget priorities, major service changes and projects as required;
- Conducting resident and business surveys;
- Promoting the use of community forums/panels on specific issues

C: Defining outcomes in terms of sustainable economic, social and environmental benefits

The Council's corporate priorities, set out what the Council hopes to achieve; on its own or in partnership with others. These priorities are supported by this Code as good governance should underpin all the work of the Council.

The Council's five key priorities are set out in the Corporate Plan 2025-2028, which was updated in July 2025:

→ Key priority 1: Securing our future
→ Key priority 2: Quality homes, safe and strong communities

→ Key priority 3: Reducing carbon, achieving council net zero, creating biodiversity
→ Key priority 4: Reducing inequalities, supporting better outcomes
→ Key priority 5: Taking care of your money

These priorities are underpinned by a number of objectives and associated actions.

D: Determining the interventions necessary to optimise the achievement of the intended outcomes

The Council has a Corporate Governance Group who provide strategic oversight of governance whilst seeking to continually enhance our three lines of defence. Their regular oversight facilitates key intervention as required.

The Leadership Team provides strategic leadership for the council, overseeing a working environment which supports the effective delivery of the corporate plan, maintains all necessary standards of compliance and good practice, and ensures the council is a great place to work.

The Housing Governance Board provides strategic oversight to our housing services, supporting the delivery of the key elements of the corporate plan and Housing Revenue Account business plan as well as overseeing compliance with all statutory requirements.

The Council engages with the Local Government Association to share good practice and from time to time engages in a peer challenge process of functions.

Risk is managed by way of operational risk registers and a strategic risk register. The strategic risk register is reviewed at least quarterly by the corporate governance group, the leadership team and the Audit, Compliance and Governance Committee and every six months by Cabinet. In addition, the Strategic Housing Risk Register is considered by the Housing Governance Board bi-monthly and the Cabinet Housing Committee every six months.

Performance management and service planning is linked to the Corporate Plan and includes appropriate KPIs on business performance. Key indicators are reported to the leadership team on a quarterly basis.

A robust system of budgetary control is in operation. Monthly budget monitoring is carried out between individual budget holders and the finance team. Any variances identified are recorded, monitored and reported on a quarterly basis to the Cabinet and Budget Scrutiny Working Group.

An annual outturn report on overall financial performance, including movement on usable reserves, is considered by Cabinet and Full Council each July.

E: Developing the entity's capacity, including the capability of its leadership and the individuals within it.

Ensuring the leadership team have clearly defined and distinctive leadership roles within a structure whereby the team lead in implementing strategy and managing the delivery of services.

Ensuring staff have access to a suitable induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged. Officers are supported in their development through the use of corporate training offered via a range of channels, including face to face and web-based delivery. We operate a number of apprenticeships and employee graduates. Where required as part of their job, officers are actively encouraged to fulfil their Continuing Professional Development

requirements and budget is made available for this purpose. In addition, in our housing services we are actively working towards fulfilling the competency and conduct standard set out by the Housing Regulator in preparation from this becoming law in October 2026.

Operations, performance and the use of assets are reviewed on a regular basis to ensure their continuing effectiveness.

To ensure that members have the skills to operate effectively the Council provides a detailed induction programme for all new members. This is supplemented with additional training throughout their term of office including:

- Running a range of training sessions on a variety of topics;
- A specific requirement for members of the planning and licensing committees to have attended training before determining any applications, together with a continuing requirement for planning committee members to attend at least 1 further training session per year;
- The use of bespoke external training as and when required.
- A dedicated members hub

The Council also has a member development group, a member development strategy and has South West Councils Councillor Development Charter Status.

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

The Council explains and reports regularly on activities, performance and the Council's financial position, in terms of both the general fund and housing revenue account, through reports to Cabinet, Committees and Full Council. Timely, objective and understandable information about the Council's activities, achievements, performance and financial position is provided. This includes publication of:

- An annual budget proposal including reserves statement and Medium Term Financial Strategy
- Annual Capital, Investment and Treasury Management strategies
- Quarterly budget monitoring reports
- Annual Outturn Report
- Externally audited accounts including an Annual Governance Statement.

The Council aims to ensure that it makes best use of resources and that tax payers and service users receive good value for money. The Council does this by:

- Delivering and enabling services to meet the needs of the local community, and putting in place processes to ensure that they operate effectively in practice;
- Developing effective relationships and partnerships with other public sector agencies and the private and voluntary sectors;
- Responding positively to the findings and recommendations of internal and external auditors and putting in place arrangements for the implementation of agreed actions and
- By conducting post implementation project reviews.
- Learning from complaints and feedback.

The Council ensures that:

- Its decision-making processes enable those making decisions to be provided with information that is relevant, timely and gives clear explanations of technical issues and their implications; and
- Appropriate legal, financial and other professional advice is considered as part of the decision-making process.

The Council operates a risk management framework that aids the achievement of its strategic and business outcomes and priorities, protects the Council's reputation and other assets and is compliant with statutory and regulatory obligations.

The Council ensures that the risk management framework:

- Enables officers to formally identify, evaluate and manage risks;
- Involves elected Members in the risk management process;
- Is applied to the Council's key business processes, including strategic planning, financial planning, policy-making and review, performance management and project management; and
- Is applied to the Council's significant partnerships and projects.

Allied to the risk management framework, the Council also develops and maintains plans for business continuity and emergency management.

The Strategic Risk Register is reviewed by the Leadership Team, the Corporate Governance Group and the Audit, Compliance and Governance Committee. In addition, the Strategic Housing Risk Register is considered by the Housing Governance Board bi-monthly, and the Cabinet Housing Committee every six months. Individual projects are required to retain their own risk register with any high/red risks being escalated to Leadership Team. Elevated project or service risks are reviewed by the Leadership Team quarterly or more often if required.

The Council reviews and, if necessary, updates its risk management framework regularly. It also provides appropriate training and awareness-raising activity to ensure that risk management is embedded into the culture of the authority, with elected members and managers at all levels recognising that risk management is part of their jobs.

The Council has effective anti-fraud and corruption policies and strategies in place and receives regular updates from the Counter Fraud and Enforcement Unit on their work to prevent and investigate fraud at both the Corporate Governance Group and the Audit, Compliance and Governance Committee. Specific reports on housing and tenancy fraud are also presented to the Cabinet Housing Committee.

Scrutiny arrangements are in place which provide opportunities for the Overview and Scrutiny Committee to effectively hold the Executive to account, including via the establishment of Task and Finish groups as required.

G: Implementing good practices in transparency, reporting and audit to deliver effective accountability

The Council ensures that the necessary roles and responsibilities of those with responsibility for the governance of the Council are identified and allocated so that it is clear who is accountable for decisions that are made. The Council does this by:

- Agreeing the functions to be delegated to Cabinet, Individual Cabinet Members and Committees;
- Agreeing a scheme of delegated Council responsibilities to senior officers;
- Appointing Statutory Officers that have the skills, resources and support necessary to perform effectively in their roles and ensuring that these roles are properly understood throughout the authority;
- Appointing Committees to discharge the Council's regulatory and audit responsibilities;
- Ensuring that our partnerships have in place appropriate arrangements for:
    - all aspects of operational management;
    - ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control; and

  - ensuring that agreed procedures are followed and that all applicable statutes, regulations, procedure rules and other relevant statements of good practice are complied with.
- Publishing and reviewing, as necessary, a Constitution which includes:
  - schemes of delegation of both Council and Executive functions;
  - a Members' Allowances Scheme, developed considering the recommendations of the Independent Remuneration Panel; and
  - protocols governing Member/Officer Relations and the roles of members and officers in decision making

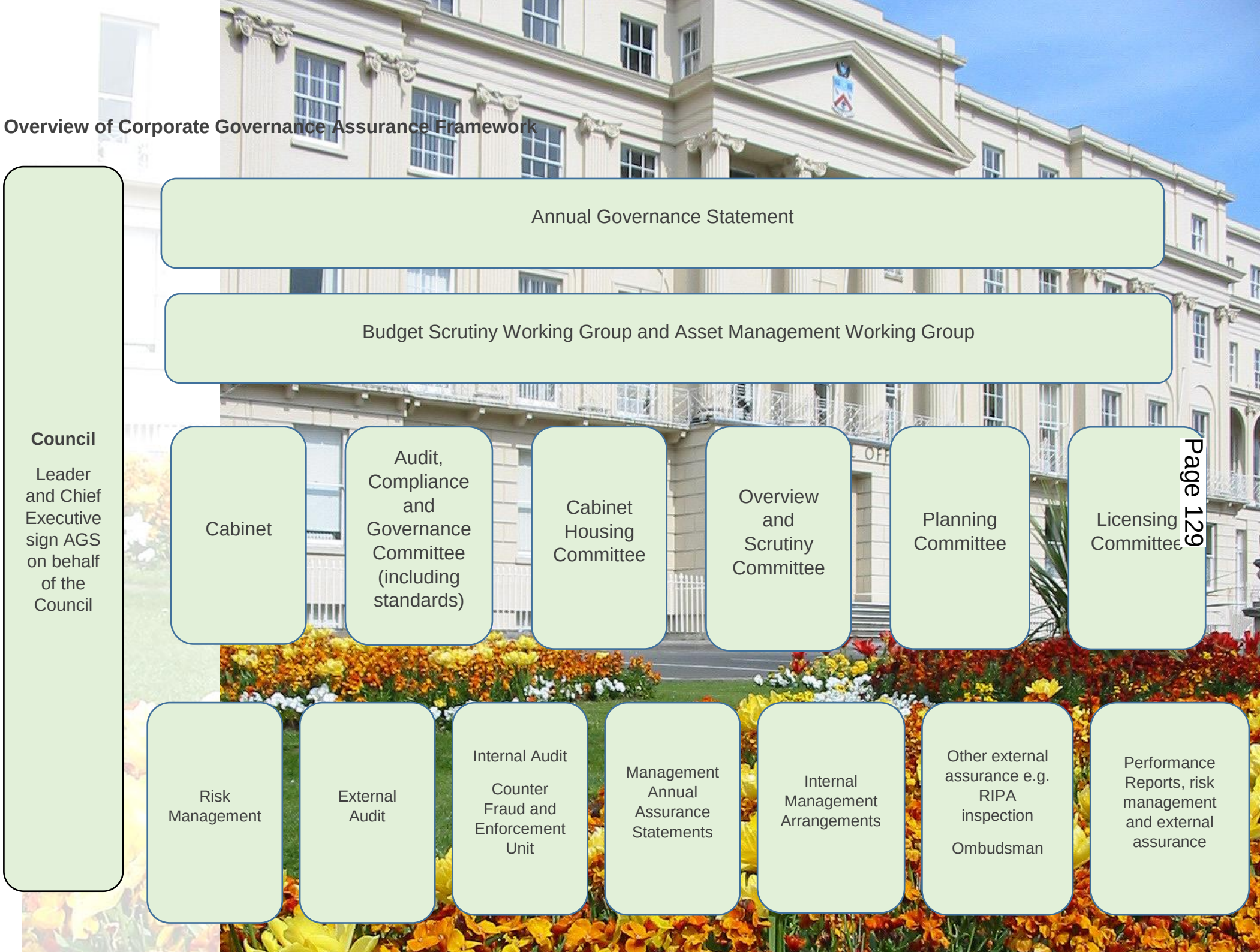
Developing a governing document for all key partnerships which sets out the roles and responsibilities of partnership members and details decision making procedures. The Council aims to be transparent about how decisions are taken and recorded. The Council does this by:

- The live broadcasting of Council, Cabinet and Committee meetings;
- Ensuring that cabinet, committee and council decisions are made in public and that information relating to those decisions is made available to the public (except where that information is exempt);
- Recording all decisions that are made by the cabinet, committees and making the details publicly available (except where that information is exempt);
- Recording key officer decisions and making the details publicly available (except where that information is exempt);
- Recording individual cabinet member decisions; and
- Having rules and procedures which govern how decisions are made.

The Council has put in place a range of arrangements to ensure that decision makers can be held to account, including:

- Establishing an effective Audit, Compliance and Governance Committee, to oversee the Council's corporate governance arrangements and ensure that they are operating effectively;
- Establishing an accessible system for dealing with customer complaints, and a separate system for dealing with complaints of misconduct against Councillors; and
- Establishing, reviewing and publicising a whistleblowing policy.

Overview of Corporate Governance Assurance Framework



Council

Leader and Chief Executive sign AGS on behalf of the Council

Annual Governance Statement

Budget Scrutiny Working Group and Asset Management Working Group

- Cabinet
- Audit, Compliance and Governance Committee (including standards)
- Cabinet Housing Committee
- Overview and Scrutiny Committee
- Planning Committee
- Licensing Committee

- Risk Management
- External Audit
- Internal Audit
  Counter Fraud and Enforcement Unit
- Management Annual Assurance Statements
- Internal Management Arrangements
- Other external assurance e.g. RIPA inspection
  Ombudsman
- Performance Reports, risk management and external assurance

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Audit, Compliance and Governance Committee

15 July 2026

Cheltenham Borough Council corporate risk register

Responsible Officer: Margaret Anderson – Interim Governance, Risk and Assurance officer

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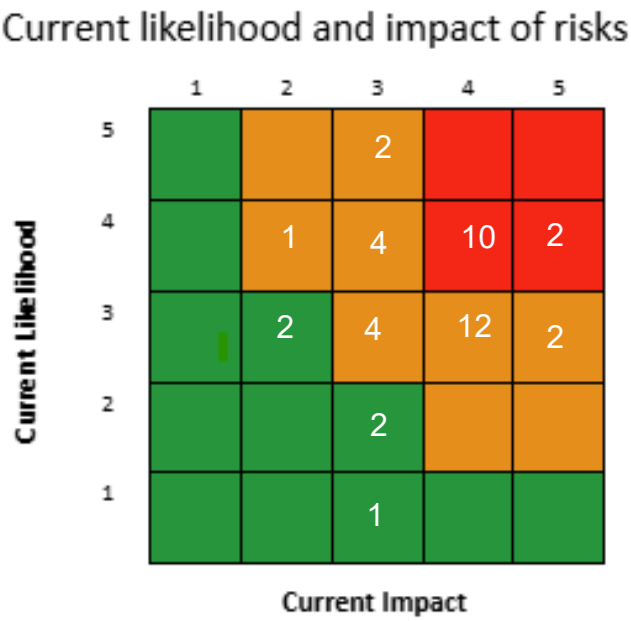
There are currently 42 active risks on the corporate risk register.

The below matrix shows the breakdown of current risk scores:



In summary:

- 1 risk was added this quarter
- 0 were closed and archived
- 0 were suspended
- 31 risks had no change since the last assessment
- 7 risks reduced since their last assessment
- 4 risks increased

New risks:
1 risk was added to the corporate risk register this quarter:

1. Building Safety Levy - Building safety Levy becomes a requirement as of 1st October 2026. From this date all local authorities are required to collect monies as defined by the regulations.

    a. Raw risk score – 16
    b. Current risk score – 16

Closed risks

Zero risks were closed and archived this quarter.

Overview of change in risk score:

7 risks reduced since their last assessment

1. Leisure and Culture Services- If the council does not begin to plan the long-term provision of leisure & culture services then it will be unclear about the scope of re-procurement of services.
    a. Mitigation measures updated and risk reduced from 12 to 9

2. Cheltenham Trust- If the Trust is unable to deliver on its five-year business plan and run leisure and culture services in a profitable way (within context of cost-of-living crisis) then the council may incur financial costs to ensure the organisation remains solvent.
    a. Mitigation measures updated and risk reduced from 16 to 12

3. Medium Term Financial Strategy (GF)- If CBC is unable to come up with long term solutions which bridge the gap in the medium-term financial strategy, then it will find it increasingly difficult to prepare revenue budgets year on year without making unplanned cuts in service provision.
    a. Mitigation measures updated and risk reduced from 16 to 12

4. Senior finance capacity- If we do not adequately manage the strategic management capacity within finance then there is a risk that the council operates outside of its effective financial and governance controls
    a. Mitigation measures updated and risk reduced from 12 to 9

5. Tenant Satisfaction- If there is a decline in the quality of services delivered to tenants, then this may result in reduction in customer satisfaction (evidenced through the TSMs) affecting the quality of life experienced by residents in Cheltenham and leading to referral to the Housing Ombudsman and/or Regulator for Social Housing.
    a. Mitigation measures updated and risk reduced from 12 to 6

6. Property Compliance- If there is ineffective management of property compliance then this will result in regulator intervention and reputational damage.
    a. Mitigation measures updated and risk reduced from 9 to 6

7. Access to fuel and increased costs- If there is limited access to fuel or significant increases in fuel prices, then the repairs service may be unable to operate effectively, leading to delays in attending appointments, increased operational costs, reduced service performance, and a decline in customer satisfaction
    a. Mitigations measured updated and risk reduced from 9 to 6

Risks increased since their last assessment

1. Provisions required by the building safety regulator- If the pending audit from the building safety regulator results in recommendations or actions (extent to which is unknown) then there is a risk of sanctions on individuals and the authority if we do no meet these requirements (what these sanctions are is currently unknown). If these recommendations or actions increase BC workload, then there is further risk that BC will not have the capacity to meet expected demand.
    a. Increased risk from 8 to 12, this is directly linked to challenges experienced in recruitment

2. Difficulties in Recruitment- If we are unable to recruit effective candidates for our vacant roles then we may be unable to deliver corporate plan ambitions & effective operational services leading to increased costs & reputational damage
    a. Increased from 9 to 12. A slight increase in the likelihood score as for some posts we are seeing a limited range of candidates with the required skills and experience

3. Compliance with Property Legislation & Regulations- If we are not compliant with relevant legislation / regulations in all operational CBC properties then this may result in incidents resulting in reputational damage, fines and potential corporate manslaughter charges. Consideration has been given to the requirements of the Occupiers liability Act of 1957 and 1984 specifically at TCE car park, due to ongoing trespass issues.

a. Increased from 4 to a 20. Amendment to risk description to include ongoing issues with trespassing in TCE car park.

One risk was confidential so cannot be shared in a public forum.

The highest risks on the corporate risk register are:

The top risk has a current risk score of 20:

Risk ID	Risk Status	Risk Title	Risk Description	Risk Manager	Date Raised	Risk Category (Multi-Select)
142	Active	Leisure & Culture Venues	If the council does not have a long term vision & investment plan in place for its leisure & culture venues then significant unplanned maintenance, repairs & investment may be required to keep the venues running & it may undermine the ability of the Trust (or any future provider) to run leisure & culture services in a profitable way.	Richard Gibson	14/01/2025	Financial Reputation Customer satisfaction H&S wellbeing Contractual governar
170	Active	Compliance with Property Legislation & Regulations	If we are not compliant with relevant legislation / regulations in all operational CBC properties then this may result in incidents resulting in reputational damage, fines and potential corporate manslaughter charges. Considerations has been given to the requirements of the Occupiers liability Act of 1957 and 1984 specifically at TCE car park, due to ongoing trespass issues.	Louise Eite	21/01/2025	Financial Reputati Legal

The following risks have a current risk score of 16.

Risk ID	Risk Status	Risk Title	Risk Description	Risk Manager	Date Raised	Risk Category (Multi-Select)
145	Active	Prioritisation of capital resources	If CBC are unable to prioritise medium term projects and programmes which require significant capital financing, then it will increasingly have to rely of borrowing to fund service investments increasing the pressure on our revenue budgets to fund repayments.	Jon Whitlock	20/02/2025	Financial Reputation Capacity governance
195	Active	Impact of lack of 5 Year housing land supply	If the housing delivery action plan, which seeks to address the lack of a 5 year housing land supply, is ineffective then will need to consider alternative actions.	Tracey Birkinshaw	14/01/2025	Reputation Capacity Performance
153	Active	Cheltenham, Gloucester & Tewkesbury Strategic & Local Plan	If there is a failure to gain political consensus across the partners to reach key milestones & failure to adequately resource work then this would impact on reaching milestones which would lead to delay, costs, lack of delivering statutory part of development plan & potential special measures.	Tracey Birkinshaw	21/01/2025	Reputation Contractual governance Financial Performance Capacity Governance Legal

157	Active	Cyber Security	If CBC have a cyber security breach then this could impact the Council's ability to deliver services leading to resident hardship, financial loss & reputational damage.	Ann Wolstencroft	21/01/2025	Reputation Governance Financial
195	Active	Private Sector Housing (resourcing)	If CBC does, or cannot, adequately resource its private sector housing work, then the authority will be unable to meet its statutory obligations and duties.	Bernadette Reed, Louis Krog	12/09/2025	Reputation Legal
197	Active	People resource, LGR and financial provision	If we do not make an adequate provision in out financial plan for additional people resources over the next few years then we may not be able to deliver business as usual	Ann Wolstencroft	18/09/2025	Employee Capacity Reputati Custome satisfacti Performa Legal
376	Active	Building Safety Levy	Building safety Levy becomes a requirement as of 1st October 2026. From this date all local authorities are required to collect monies as defined by the regulations.	Ian Smith	15/04/2026	Legal

356	Active	Demand for Housing accommodation	If the number of asylum seekers and refugees and homelessness generally continues to increase in Cheltenham, and there is insufficient accommodation to meet the demand for housing then there will be increased pressures on homelessness and rough sleeping services.	Martin Stacy	25/06/2025	Financial Capacity Customer satisfaction Performance Reputation

Two of those with a score risk score of 16 are confidential risks and so cannot be shared in a public forum.

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ANNUAL ITEMS (standing items to be added to the work plan each year)	
January	
IT Security update	John Chorlton/Tony Oladejo
Audit committee update	External auditor
Annual Auditors report (for previous year)	External auditor
Internal audit monitoring report	Internal Audit
Annual governance statement – significant issues action plan	Claire Hughes
Review of Risk Management Policy	Victoria Bishop
Review of Risk Register	Victoria Bishop
April	
Audit progress report and sector updates	External auditor
External audit plan (for the current year)	External auditor
External Audit Fee Letter (for previous year)	External auditor
Annual plan (for the upcoming year)	Internal Audit
Internal audit monitoring report	Internal Audit
Counter Fraud and Enforcement Unit report (inc. RIPA / IPA update)	Counter Fraud Unit
Annual review of Code of Corporate Governance (if CIPFA guidance has changed)	Claire Hughes
Annual Governance Statement	Claire Hughes
Review of Risk Management Policy every 3 years?	Victoria Bishop
Review of Risk Register	Victoria Bishop
Review of Draft Accounting Policies	Finance Team
July	
Internal audit opinion (for the previous year)	Internal Audit
Internal audit monitoring report	Internal Audit
Auditing Standards – communicating with the Audit Committee	Finance Team/Chair
Statement of Accounts (previous year) (inc. letter of representation)	Finance Team
Annual update on FOI and EIR	Beth Cordingley
Review of Risk Register	Victoria Bishop
Audit, Compliance and Governance Annual Report to Council	Chair of Audit Committee
September / October	
Audit Findings Report - ISA260 (for the previous year)	External auditor
Internal audit monitoring report	Internal Audit
Counter Fraud and Enforcement Unit update and future work provision	Counter Fraud Unit
Review of Risk Register	Victoria Bishop

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