

## Audit and Accounts Committee

Democratic and Members' Services  
Emma Duncan  
Service Director: Legal and Governance

Thursday, 26 March 2026

New Shire Hall  
Alconbury Weald  
Huntingdon  
PE28 4YE

14:00

Red Kite Room

New Shire Hall, Alconbury Weald, Huntingdon, PE28 4YE

## Agenda

Open to Public and Press

1. Apologies for Absence and Declarations of Interest  
*Guidance on declaring interests is available in [Chapter F2 \(Members' Code of Conduct\)](#) of the Council's constitution.*
2. Minutes - 19 February 2026 and Minutes Action Log **5 - 10**  
*Minutes of the meeting on 19 February 2026 to follow.*
3. Public Questions and Petitions
4. Financial Reporting and Accounting Policies **11 - 46**
5. Corporate Risk Register **47 - 88**
6. Draft Internal Audit Plan 2026-27 **89 - 118**
7. Executive Director's Assurance Report - Children, Education and Families **119 - 156**

8. Audit and Accounts Committee Agenda Plan 157 - 160
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10. Exclusion of Press and Public
- To resolve that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, in that it would not be in the public interest for this information to be disclosed: information relating to the financial or business affairs of any particular person (including the authority holding that information)*
11. CONFIDENTIAL Cyber Risk Assessment and Appetite
- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

The County Council is committed to open government and members of the public are welcome to attend Committee meetings. Public speaking related to the items listed on this agenda is also welcomed and encouraged. Requests to speak need to be submitted by 12.00 noon three working days before the meeting, with information on how to do this on the '[Getting Involved in Meetings](#)' section of the Council's website. Full details of arrangements for public participation are set out in [Chapter B1 \(Participation in Meetings\)](#) of the Council's constitution.

The Council supports the principle of transparency and encourages filming, recording and taking photographs at meetings that are open to the public. It also welcomes the use of social networking to communicate with people about what is happening, as it happens. These arrangements operate in accordance with a protocol agreed by the Chair of the Council and political Group Leaders, which can be accessed on the '[What Happens at Meetings](#)' section of the Council's website. The Council does not guarantee the provision of car parking on the New Shire Hall site. Information on travel options is available on [the Council's website](#).

Livestreams and recordings of previous meetings can be found on the '[Live Web Stream](#)' of the Council's website.

*The Audit and Accounts Committee comprises the following members:*

Councillor Chris Boden (Chair) Councillor Peter Fane (Vice-Chair) Councillor Mike Black  
Mr Mohammed Hussain Councillor Ricky Ioannides Councillor Luis Navarro Councillor  
Chris Poulton and Councillor Graham Wilson

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## Audit and Accounts Committee - Minutes Action Log

The minutes action log captures the actions arising at Audit and Accounts Committee meetings and updates the committee on progress.

### Minutes – 23<sup>rd</sup> July 2025

Minute	Report title	Response requested from	Action	Update	Status Including expected completion date
24 & 31	Committee Agenda Plan	Mairead Claydon	The committee requested a copy of Internal Audit's report following its review of the council's relationship and governance in relation to This Land Ltd when this was available.	The report will be provided in due course. The draft report is expected to be issued in early February 2026.	Early February

### Minutes – 28 November 2025

Minute	Report title	Response requested from	Action	Update	Status Including expected completion date
35.	Annual Whistleblowing Report	Mairead Claydon	A member asked if there was any evidence that staff were less confident whistleblowing where this might relate to an individual or political initiative. The committee learned that Internal Audit would be doing some focus groups in the new year and would report back that.	Focus groups were planned to take place in January 2026 however the team experienced very low levels of sign-ups from officers, with only two officers signing up to attend, despite extensively advertising the planned focus groups via the officer newsletter, intranet and via staff	No further action

Minute	Report title	Response requested from	Action	Update	Status Including expected completion date
				networks. In light of this and the findings from the employee engagement survey undertaken in 2025, which indicate good levels of confidence overall regarding whistleblowing and speaking up, with the agreement of the Chief Executive it has been decided not to run the focus groups this year. We will explore another attempt to run focus groups in the next financial year.	
35.	Annual Whistleblowing Report	Mairead Claydon	A member asked if it would be possible to broaden the methodology of the staff survey to separate results by grade to see if that showed up any issues. They were advised that this was not possible because the staff survey was anonymous. However, some focus groups were planned in the new year and the results from those could be brought back to the committee with more information on the grades of those involved.	See response re. focus groups above.	No further action
43.	Corporate Risk Register	Michael Hudson	The Chair proposed that an exempt report on risk management and cyber security should be added to the agenda for the next meeting.	Added to the agenda plan for March 2026.	March 2026

## Minutes 19 February 2026

Minute	Report title	Response requested from	Action	Update	Status Including expected completion date
47.	CCC Statement of Accounts and Audit Results Report	Tom Kelly	The Chair asked that details of the timetable for returning to full assurance could be shared with committee members once agreed by management and KPMG, together with agreed milestones.		
	Internal Audit Progress Report	Stephen Moir	To re-send a copy of the MHCLG preparatory checklist for local government reorganisation (LGR) to the Leader of the Council and share with any other interested committee members.	19.02.26: Re-sent to Cllr Nethsingha. 20.02.26: A copy of the checklist was shared with all Audit and Accounts Committee members for information.	Completed
	Executive Director's Assurance Report: Place and Sustainability	Lee Harris	<p>Members noted that the satisfaction survey relating to the street lighting PFI was moving in-house. Officers undertook to advise outside of the meeting whether it was proposed to survey more than the 500 people surveyed previously by Balfour Beatty.</p> <p>The Chief Executive advised that officers would need to check:</p> <ol style="list-style-type: none"> <li>1. the contractual provisions of the street lighting PFI around the satisfaction survey.</li> </ol>	<p>04.03.26:</p> <ol style="list-style-type: none"> <li>1. <u>The contractual provisions of the street lighting PFI around the satisfaction survey.</u></li> </ol> <p>The streetlighting team's contract manager has agreed a low value contract change to the streetlighting PFI contract with the streetlighting service provider to relieve the service provider of the obligation to carry out the Customer Satisfaction survey annually, as the Authority has taken the decision to internally administer and conduct the survey. As part of the contract change the PFI Contract service provider will annually each April make a payment to the County Council</p>	Completed

Minute	Report title	Response requested from	Action	Update	Status Including expected completion date
			<ol style="list-style-type: none"> <li>2. the cost of bringing the assurance survey in-house.</li> <li>3. whether the sampling size was correct and demographically representative.</li> </ol>	<p>to refund the charge that is now not due for the service provider conducting the Customer Satisfaction survey. This payment has been agreed with the streetlighting teams contract manager and reflects the time spent by the service providers project manager on this task.</p> <p>2. <u>The cost of bringing the assurance survey in-house.</u> The cost for bringing the assurance survey in-house is cost neutral as we will be receiving the annual payment from the streetlighting service provider that will cover the streetlighting teams time to carry out the streetlighting service stakeholder survey, which is carried out at the same time as the Highways stakeholder survey and which is sent to all County Councillors, Parish/Town Councils and District Councils in Cambridgeshire.</p> <p>3. <u>Whether the sampling size was correct and demographically representative.</u> We would note that the sampling size and demographic representation has increased significantly as the streetlighting customer satisfaction survey is now superseded by the Quality-of-Life Survey which covers a</p>	

Minute	Report title	Response requested from	Action	Update	Status Including expected completion date
				much wider audience at no additional cost to the Council. And as noted above the streetlighting service annual stakeholder survey covers all County Councillors, Parish/Town Councils and District Councils in Cambridgeshire which were not covered by the original streetlighting customer satisfaction survey, which means we now get additional feedback from residents, members, and Parish/Town Councils and District Councils, which ensures we get a more accurate reflection of the satisfaction levels for the street lighting service being delivered.	
	Executive Director's Assurance Report: Place and Sustainability	Lee Harris	The risk matrix score for adverse weather was 15. This seemed to imply that the council's risk appetite was lower for something over which it had no control. Officers undertook to clarify this outside of the meeting.	06.03.26: This was an error. The risk appetite for adverse weather has now been updated to reflect that risk likelihood is outside the Council's control.	Completed
	Executive Director's Assurance Report: Place and Sustainability	Lee Harris	The Chair asked what assurance processes were in place to provide confidence that the work being done to fix potholes was cost effective. The Executive Director for Place and Sustainability would provide a response outside of the meeting.	06.03.26: In accordance with the contract the Council pays for pothole repairs based on the actual costs of each repair. The Council is invoiced monthly. The Contract has a Schedule of Rates which provides a benchmark for costs. As a client, the Council works closely with the contractor to ensure the appropriate right repair method is	Completed

Minute	Report title	Response requested from	Action	Update	Status Including expected completion date
				<p>deployed for each highway defect or pothole.</p> <p>There is a quality control regime whereby a minimum 5% sample of pothole repairs are inspected. Any quality failures are required to be corrected at the contactor's expense within 28 days. Furthermore, pothole performance is reflected as a Key Performance Indicator which links to financial incentives/disincentives through an annual KPI-based 'pain/gain' calculation.</p>	

## Financial Reporting and Accounting Policies

To:	Audit and Accounts Committee
Meeting Date:	26 March 2026
From:	Executive Director of Finance and Resources
Electoral division(s):	All
Key decision:	No
Forward Plan ref:	N/A
Executive summary:	This report presents an update for the committee on financial reporting for recent financial years. It also presents the accounting policies proposed for use in preparing the 2025-26 draft statement of accounts.
Recommendation:	The committee is recommended note and comment on the accounting policies for the 2025-26 statement of accounts.

Officer contact:

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## 1. Background

- 1.1 The annual statement of accounts is the financial representation of all activities that the council has been directly or indirectly involved with over the course of the relevant financial year. The publication of the statement of accounts is an essential feature of public accountability and stewardship, as it provides an annual report on how the council has used the public funds for which it is responsible. Accounts are prepared under the Chartered Institute of Public Finance and Accountancy Code of Practice on Local Authority Accounting (the Code) for the relevant year, which is based on International Financial Reporting Standards (IFRS) adapted for public sector use.
- 1.2 At its last meeting, the committee received the final draft accounts for 2024-25, as well as an updated annual report from the external auditor, KPMG. At that committee, the Chair had authority delegated to sign the final consolidated accounts document by the national backstop deadline of 27 February. The accounts were signed by the council and KPMG and were published on the council's website by the deadline.
- 1.3 The full audit certificate cannot yet be issued by KPMG as matters relating to audit of the whole of government accounts and, more importantly, determination of the remaining items from an objection to the accounts by a local elector remain outstanding.
- 1.4 Work has now commenced to prepare for the production of the draft statement of accounts for the 2025-26 financial year. As part of that preparation, the Executive Director of Finance and Resources is responsible for selecting the council's accounting policies and ensuring they are applied correctly and consistently. Those accounting policies are brought to this committee for comment ahead of accounts production.

## 2. Main Issues

### 2.1 Accounting Policies

- 2.1.1 The council's accounting policies form part of the statement of accounts document each year, and generally are applied consistently from year to year, being updated only when accounting regulations are introduced or amended. The policies are also reviewed to ensure they fully reflect actual practice in production of the accounts, and where any differences are identified either the accounting policy or practice is updated.
- 2.1.2 Several changes are proposed to the accounting policies for 2025-26's accounts in respect of Property, Plant and Equipment, following a change in revaluation requirements in the Code. From 1<sup>st</sup> April 2025, the Code requires annual indexation to be applied to assets during the four intervening years between revaluation, unless appropriate indices cannot be obtained. This is not dissimilar from the council's previous approach of undertaking desktop valuations in year two and indexation in years three to five. However, to ensure that the valuations are as accurate and up to date as possible, the revaluation and indexation dates for operational assets are also proposed to be changed from 30 November to 31 March (revaluation date for non-operational assets remaining unchanged as 31 March). Additional related sub-sections are proposed to make clear the council's continued treatment of donated assets, asset impairments, and disposals and non-current assets held for sale, alongside other minor amendments.
- 2.1.3 Significant changes are also proposed in respect of Debt Redemption. Regulation 27 of the Local Authorities (Capital Finance Accounting) (England) Regulations 2003 has been amended with full effect from April 2025 to expressly provide that in determining a prudent provision of Minimum Revenue Provision (MRP), the council cannot exclude any amount of Capital Financing Requirement from its calculation, unless by an exception set out in

statute. Additional related sub-sections are proposed to make clear the council's treatment of debt redemption of leases and Private Finance Initiatives (PFIs), capital loans, share/equity capital, capitalisation direction, investment properties and MRP overpayment.

- 2.1.4 There have also been a number of minor presentational as well as content amendments/additions, largely in order to provide clarity over the council's continued application of policies rather than actual change, such as amendments to the leases section to make clear that shorter and lower value leases are excluded from the balance sheet, and amendments to the PFI section to clarify the council's accounting treatment of these schemes. Minor amendments/additions are also proposed in some instances to bring the council's treatment of the accounts better in-line with the Code, such as an addition to set out the treatment of Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI).
- 2.1.5 While there are a fairly large number of proposed changes, the majority of these changes are not significant in nature and are primarily proposed to clarify our existing accounting policies and to bring them into line with the wording used within the Code of Practice Guidance Notes, rather than being changes of substance. Aligning the disclosure and wording of our policies with best practice should also be of assistance in preparation for Local Government Reorganisation.
- 2.1.6 Where more significant updates are proposed to the accounting policies due to updates to the CIPFA Code or regulations (asset valuations and debt redemption / MRP), the impact of these changes on the council's accounts is not expected to be material. The updates relating to debt redemption / MRP result from Code and regulation changes in previous years, with the proposed wording being a delayed amendment to bring the accounting policy disclosure in line with the policy that the council already applies within the accounts.
- 2.1.7 The suggested changes to accounting policies are set out at appendix 1, while the full draft accounting policies is set out in appendix 2.

## 2.2 Preparation for production of the 2025-26 accounts

- 2.2.1 We are required by current regulations to publish our draft accounts for 2025-26 by 30 June 2026 (the same timescale as for 2024-25). The council published its accounts for 2024-25 on time, despite the additional complexity of implementing IFRS 16, therefore we expect to be able to publish on or before the deadline for 2025-26.
- 2.2.2 Work has commenced internally with budget managers and officers with financial management responsibility across the council to prepare for the necessary processes around leases, accruals, stock recording and grant accounting.
- 2.2.3 The council is also working with its contracted property valuer to finalise and quality assure the necessary property valuations for the 2025-26 financial year. Properties are valued on a rolling basis with indexation applied in years where properties are not valued – in line with the revised Code. Investment properties are valued each year (or every other year for low value assets), and we are continuing to work closely with the valuers on those properties following continuing (albeit significantly reduced) differences between the council's valuation of those properties and the external auditor's (as reported on by KPMG in their report to this committee at its last meeting).

### 3. Significant implications

#### 3.1 Finance implications

This report details progress with financial reporting matters.

#### 3.2 Legal implications

The principal governing legislation are The Accounts and Audit Regulations 2015, The Accounts and Audit (Amendment) Regulations 2024 and the Local Audit and Accountability Act 2014. The council has published appropriate notices on its website to explain how it is complying with statutory provisions notwithstanding that, in common with many local authorities, stipulated deadlines for final accounts have not been achieved

#### 3.3 Risk implications

There are no new significant risk implications arising from this report. The auditor's work contributes to the Committee's awareness of the risk environment and assurances around stewardship of public funds.

#### 3.4 Equality and Diversity Implications

None identified

### 4. Source documents

[Statement of accounts - Cambridgeshire County Council](#)

[Accounts and Audit \(Amendment\) Regulations 2024](#)

[The Local Authorities \(Capital Finance and Accounting\) \(England\) \(Amendment\) Regulations 2024](#)

CIPFA Code of Practice on Local Authority Accounting 2025-26

CIPFA Code of Practice on Local Authority Accounting Guidance Notes for Practitioners 2025-26

Summary of accounting policy changes

Policy	Proposed Amendments
General Principles	<p>A minor amendment is proposed to clarify that all non-current assets are accounted for on a historical basis modified by any revaluations, rather than this just being property, plant and equipment.</p> <p><i>[...] The accounts are prepared on a historical cost basis, i.e., expenditure is included on the basis of the price actually paid rather than any additional allowance being made for changes in the purchasing power of money, modified by the revaluation of certain categories of <del>property, plant and equipment</del> non-current assets and financial instruments.</i></p>
Property, Plant and Equipment	<p>A minor amendment is proposed to clarify the definition of property, plant and equipment. A further addition to this section is proposed to explain the treatment of repairs and maintenance to property, plant and equipment.</p> <p><i>The Property, Plant and Equipment category refers to assets that are expected to be used for more than one year. Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and that are expected to be used during more than one financial year are classified as property, plant and equipment. All expenditure on the acquisition, creation, or enhancement of property, plant and equipment has been capitalised on an accruals basis, subject to the following accounting policies. <u>Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (ie repairs and maintenance) is charged as an expense when it is incurred.</u></i></p>
Property, Plant and Equipment – Recognition	<p>An addition is proposed to this section to clarify the Council's treatment of donated assets.</p> <p><i>[...] Donated assets are measured initially at fair value, and a gain credited to the taxation and non-specific grant income and expenditure line of the CIES, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the donated assets account. Gains credited to the CIES are reversed out of the General Fund balance to the capital adjustment account in the Movement in Reserves Statement. [...]</i></p>
Property, Plant and Equipment – Capitalisation of Borrowing Costs	<p>This section is proposed to be moved from further down the accounting policy to reflect a clearer layout.</p>
Property, Plant and Equipment –	<p>Changes to this section are proposed for clarity, and to set out changes to the policy for revaluation of assets resulting from changes in the</p>

Policy	Proposed Amendments
Subsequent Measurement	<p>requirements of the Code. In addition, it is proposed to move the revaluation and indexation dates for operational assets to 31 March to be in line with the revaluation date for non-operational assets, to simplify management of accounting processes. It is also proposed to rename this section from ‘Measurement’ to ‘Subsequent Measurement’ to better reflect its contents.</p> <p><i>The council carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at current value are revalued <del>at least</del> every five years. Following a change in revaluation requirements in the Code, from 1 April 2025, annual indexation is applied to assets during the four intervening years unless appropriate indices cannot be obtained without undue cost or effort, when a desktop revaluation is carried out in year three instead.</i></p> <p><i>In order to ensure that carrying values are kept in line with current values in the interim, all assets are revalued via desktop valuation in year two and by indexation in years three to five. The index applied to each asset is based on changes in Building Cost Information Service (BCIS) forecasts and land value estimations since the previous year.[...]</i></p> <p><i>[...] The effective date of revaluation for the rolling programme and for assets measured at fair value is <del>30 November</del> 31 March during the year in question. Indexation is also carried out at 31 March., however as part of the carrying value assessment exercise, some assets may be revalued again at 31 March of the year in question and all are potentially adjusted for indexation to 31 March. For assets measured at fair value the effective date of revaluation is 31 March of the year in question.</i></p>
Property, Plant and Equipment - Impairment	<p>A short additional section is proposed to set out the council’s policy for the impairment of assets.</p> <p><i>Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and differences could be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. If there is a balance of revaluation gains for the asset in the revaluation reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains); otherwise, the carrying amount of the asset is written down against the relevant service line(s) in the CIES. If an impairment loss is subsequently reversed, the reversal is credited to the relevant service line(s) in the CIES.</i></p>
Property, Plant and Equipment –	<p>An additional section is proposed to set out the council’s policy for disposals and non-current assets held for sale, as per the Code.</p>

Policy	Proposed Amendments
Disposals and non-current Assets Held For Sale	<p><i>If it is probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an asset held for sale if certain criteria are also met. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell.</i></p> <p><i>If there is a subsequent decrease in the fair value less costs to sell, the loss is recognised in the CIES. Gains in fair value are recognised only up to the amount of any losses previously recognised in the CIES. Depreciation is not charged on assets held for sale.</i></p> <p><i>If assets no longer meet the criteria to be classified as assets held for sale, they are reclassified back to non-current assets.</i></p> <p><i>When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether property, plant and equipment or assets held for sale) is written off to the CIES as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the CIES, also as part of the gain or loss on disposal. Any revaluation gains accumulated for the asset in the revaluation reserve are transferred to the capital adjustment account.</i></p> <p><i>The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.</i></p>
Property, Plant and Equipment – Depreciation	<p>An addition to this section is proposed to set out the council’s policy for depreciation of revaluation gains.</p> <p><i>[...] Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the revaluation reserve to the capital adjustment account. [...]</i></p>
Investment Properties	<p>Minor addition proposed to set out the council’s policy for measurement of investment properties.</p> <p><i>[...] As a non-financial asset, investment properties are measured at highest and best use. [...]</i></p>
Leases	<p>Minor updates are proposed to this section in order to provide clarity between initial and subsequent measurement of leases, as well as to make</p>

Policy	Proposed Amendments
	<p>clear that shorter and lower value leases are excluded from the balance sheet.</p> <p><i>[...] Property, Plant and Equipment assets and investment properties held under a lease of more than 12 months in length and where the value (when new) of the underlying leased asset would be £10,000 or more, are recognised on the Balance Sheet as a Right-of-Use (ROU) asset at the commencement of the lease, matched by recognition of a corresponding liability to pay the lessor. <u>Leases of assets for shorter periods or of lower value are excluded from the Balance Sheet. [...]</u></i></p> <p><i>[...] ROU assets are <u>subsequently measured</u> <del>carried</del> at current value, except investment properties which are carried at fair value; the cost model is used as a reasonable proxy for ROU asset current value except for:</i></p> <ul style="list-style-type: none"> <li><i>■ Peppercorn, nominal payments or nil consideration leases.</i></li> <li><i>■ Property leases with payments significantly below market level, or for more than five years with no provision for rent reviews, or where rent reviews are at periods of more than five years.</i></li> </ul> <p><i>Such ROU assets <del>will be</del> <u>are</u> carried at a revalued amount, <u>following the accounting policies relevant to the type of asset (e.g. operational land and buildings, VPFE or investment properties)</u>. Other property lease ROU assets may be carried at a revalued amount, where included in the Property valuation rolling programme.</i></p>
Private Finance Initiative (PFI) Schemes	<p>Changes are proposed to this policy to reflect the better acceptance and understanding of IFRS accounting resulting from the length of time since implementation, and to remove duplication for detail that is included in the amended debt redemption policy.</p> <p><i><del>PFI contracts are agreements to receive services, where the responsibility for making available the long-term assets needed to support the delivery of those services passes to the PFI contractor in return for an annual fee. The Code of Practice requires that PFI contracts are accounted for in a manner consistent with the adoption of International Financial Reporting Interpretations Committee (IFRIC) 12: Service Concession Arrangement as contained in the Government's Financial Reporting Manual (FreM), and means that a</del>Assets and liabilities are recognised on the council's Balance Sheet where the council substantially controls the use of the assets involved and any associated residual interest, <del>except. As that council is deemed to control the services that are provided under its PFI schemes and, as the ownership of the property, plant, and equipment will pass to the council at the end of the contract, the council carries the long term assets used under the contracts on the Balance Sheet in line with the requirements of IFRIC 12, except where a school constructed under a PFI contract has subsequently converted to academy status and the asset has been derecognised on conversion. [...]</del></i></p>

Policy	Proposed Amendments
	<p><i>[...] Prudent provision for PFI schemes is made within the annual unitary charge, based on the part of the unitary payment that goes to write down the matching liability for assets recognised on the Balance Sheet. [...]</i></p>
Heritage Assets	<p>A minor change is proposed to clarify that Heritage Assets recognised on the balance sheet are likely to have indeterminate lives, meaning depreciation is not charged on them.</p> <p><i>[...] The council reviews the carrying amounts of Heritage Assets carried at valuation on a yearly basis to ensure they remain current. Depreciation is not charged on <u>the Heritage Assets recognised in the Balance Sheet as they which</u> have indefinite lives, but impairment reviews are carried out where there is physical deterioration, or if new bouts as to the authenticity of the Heritage Asset exist.</i></p>
Financial Assets	<p>A minor addition proposed to provide additional clarity on carrying financial assets at historical cost by exception.</p> <p><i>[...] The council may carry some specific financial assets at their historic cost by exception, where judged appropriate to do so; the application of this accounting treatment will be disclosed in the financial statements where relevant.</i></p>
Financial Assets – Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	<p>New section is proposed to be added to bring the policy in line with the Code of Practice.</p> <p><i><u>Financial assets that are measured at FVOCI are recognised on the Balance Sheet when the council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arise in other comprehensive income.</u></i></p>
Government Grants	<p>A minor typographical error correction.</p>
Post Employment Benefits – The Local Government Pension Scheme (LGPS)	<p>A minor amendment for clarity.</p> <p><i>[...] Statutory provisions limit the council to raising council tax to cover the amounts payable by the council to the pension fund <u>and directly to pensioners in the year.</u> [...]</i></p>
Reserves	<p>A minor amendment to bring wording in-line with the Code of Practice.</p> <p><i>[...] Reserves are created by appropriating amounts <u>from the General Fund Balance through the Movement in Reserves Statement.</u> [...]</i></p>

Policy	Proposed Amendments
Debt Redemption	<p>Significant changes are proposed to the Debt Redemption passages to provide clarity and background into regulations that determine the treatment of borrowing, particularly with regard to the treatment of Minimum Revenue Provision (MRP), due to an amendment in the regulations.</p> <p><i><u>Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the council has financed capital expenditure by borrowing, it is required to repay an element of the accumulated general fund capital spend each year (the CFR) through a revenue charge (the MRP). The council is required to calculate a prudent provision of MRP which ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with the period over which the capital expenditure provides benefits. The 2003 Regulations have been amended with full effect from April 2025 to expressly provide that in determining a prudent provision, the council cannot exclude any amount of CFR from its calculation, unless by an exception set out in statute. The council is required to make a provision for the repayment of debt in accordance with guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.</u></i></p> <p><i><u>MHCLG’s MRP Guidance 2024 provides four ready-made options for calculating MRP. The council can use a mix of these options if it considers it appropriate to do so. Alternatively, the guidance does not rule out or otherwise preclude the use of an alternative method should it be deemed more appropriate. Any method used is subject to the conditions in paragraphs 61 to 65 of the guidance as far as these are relevant. A change in policy was introduced in 2015-16 for the proportion of the provision that relates to the historic debt liability that had accumulated to 31 March 2010. Up until 2014-15 this element of the provision was calculated using Option 1 of the Guidance, the “Regulatory Method”, which based the calculation on 4% of the Capital Financing Requirement, amended for Adjustment A, on reducing balance basis. From 2015-16 this debt liability will be provided for using an annuity calculation methodology; allowable under the DCLG Guidance. Historic debt liability accumulated up to 31 March 2010 is provided for using an annuity calculation methodology directly linked to the remaining life of the assets the debt liability had funded.</u></i></p> <p><i><u>Capital expenditure incurred from 2010-11 onwards will be subject to Minimum Revenue Provision (MRP) in the year after the asset has become operational, in accordance with Regulation 27(3). MRP will be provided for under Option 3 of the DCLG Guidance on a straight-line basis and will be based on the estimated useful life of the assets financed by the debt, using the equal annual instalment method.</u></i></p>

Policy	Proposed Amendments
	<p><i>Estimated life periods <del>will be</del> determined under delegated powers. To the extent that expenditures do not create an asset and are of a type that are subject to estimated life periods that are referred to in the guidance, these estimated life periods will generally be adopted by the council. In view of the variety of types of capital expenditure incurred by the council, which is not in all cases capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure.</i></p> <p><i>The determination as to which schemes shall be deemed to be finance from available resources, and those which will remain as an outstanding debt liability to be finance by borrowing or other means will be assessed under delegated powers.</i></p> <p><i>The policy <del>will be reviewed annually to ensure prudence is achieved from using the options available and the option to delay charges until the year after the asset comes into operation (the MRP holiday) will be used where applicable.</del></i></p> <p><i>Where it is considered prudent to do so, non-operational assets will be excluded from the MRP calculation and any under or over provisions that are identified for previous years will be taken into consideration in the calculation of the current year's provisions and adjusted accordingly.</i></p>
Debt Redemption – Leases and Private Finance Initiatives (PFI)	<p>A small section is proposed to be added to clarify the debt redemption policy for leases and PFIs.</p> <p><i><u>In line with guidance, an amount is included in the annual MRP charge equal to the element of the annual charge that goes to write down the balance sheet liability (the principal element) for any leases and PFI arrangements recognised by the council.</u></i></p>
Debt Redemption – Capital Loans	<p>An additional section is proposed to clarify the debt redemption policy for capital loans.</p> <p><i><u>Commercial capital loans are subject to MRP charges using the asset life method. A commercial loan is defined in regulation 27(5) as a loan from the council to another entity for a purpose which, if the council were to undertake itself, would be primarily for financial return; or, where the loan is itself capital expenditure undertaken primarily for financial return. Where loan repayments are received in year, the capital receipts may be used to reduce the MRP charge in that year.</u></i></p> <p><i><u>Non-commercial capital loans are excluded from the MRP calculation initially, as the loans are anticipated to be repaid in full in later years. Once received, the capital receipts arising from the principal loan repayments are used to reduce the CFR. Non-commercial capital loans are reviewed</u></i></p>

Policy	Proposed Amendments
	<p><i>annually; if it is judged that the approach is no longer prudent for a loan, a MRP charge may be introduced. If the council subsequently recognises, in accordance with proper accounting practices, an expected or actual credit loss with respect to any loan that has not previously had MRP charged, MRP to the value of the Expected Credit Loss will be charged in full, unless reduced by the value of any previous amounts provided to write down the CFR on that loan.</i></p>
Debt Redemption-Share / Equity Capital	<p>A small section is proposed to be added to clarify the debt redemption policy for share/equity capital investments.</p> <p><i>Investments in share and equity investments, either directly or through collective pooled funds, are usually treated as capital expenditure. Where the investment is funded by unsupported borrowing, MRP charges will be provided over 20 years, in accordance with Regulation 25(1)(d) Acquisition of share capital.</i></p>
Debt Redemption – Capitalisation Direction	<p>A small section is proposed to be added to clarify the debt redemption policy for capitalisation direction.</p> <p><i>MRP for expenditure capitalised under a capitalisation direction is provided for using the asset life method.</i></p>
Debt Redemption – Investment Properties	<p>A small section is proposed to be added to clarify the debt redemption policy for investment properties.</p> <p><i>Expenditure incurred on the purchase of investment properties is subject to an MRP under the asset life method.</i></p>
Debt Redemption – MRP Overpayments	<p>A small section is proposed to be added to clarify the debt redemption policy for overpayments of MRP.</p> <p><i>The council may make charges in excess of the statutory MRP, known as voluntary revenue provision (VRP). If the council judges it to be necessary or prudent, VRP can be reclaimed in later years.</i></p>
Value Added Tax (VAT)	<p>A minor amendment is proposed to provide clarity and align with the Code of Practice.</p> <p><i>The Comprehensive Income and Expenditure Statement excludes any amounts related to VAT, as all VAT collected is payable to HM Revenue and Customs and all VAT paid is recoverable from it, except for occasional small values of unrecoverable VAT which are recognised within the surplus/deficit on the provision of services.</i></p>

<b>Policy</b>	<b>Proposed Amendments</b>
Interests in Companies and Other Entities	<p>A minor amendment is proposed to provide clarity and align with the Code of Practice.</p> <p><i>The council is required to produce Group Accounts alongside its own financial statements where it has material interests in subsidiaries, associates and / or joint ventures. The council is involved with a number of entities; <del>and</del> where the interests are not material the nature and value of the relationship is disclosed within the single entity accounts, <u>whilst material interests are recorded in the council's single entity accounts as financial assets at cost, less any provision for losses. [...]</u></i></p>



## Appendix 2

### GENERAL PRINCIPLES

The Statement of Accounts summarises the council's transactions for the 2025-26 financial year and its position at the year-end of 31 March 2026. The council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015, which require accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the *Code of Practice on Local Authority Accounting in the United Kingdom 2025-26*, supported by *International Financial Reporting Standards (IFRS)*. The accounts are prepared on a historical cost basis, i.e., expenditure is included on the basis of the price actually paid rather than any additional allowance being made for changes in the purchasing power of money, modified by the revaluation of certain categories of non-current assets and financial instruments. The accounting policies have been consistently applied where appropriate.

### BASIS OF ACCOUNTING

The following accounting concepts are applied in preparing the accounts:

- **Relevance:** the information in the accounts is useful in assessing the council's performance.
- **Reliability:** the information in the accounts is complete, prudently prepared, reflects the substance of transactions and is free of deliberate or systematic bias or material errors. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.
- **Comparability:** a consistent approach to accounting policies is used in preparing the accounts to ensure that it may be compared to previous years. Where there is a change in accounting policy that has a material effect on the information, this is applied retrospectively with comparator figures restated and disclosed, unless the Code stipulates transition arrangements for prospective application (no restatement), which is disclosed. Application of the terms of the Code ensure comparability.
- **Understandability:** the council endeavours to ensure that an interested reader can understand the accounts.
- **Materiality:** in using its professional judgment, the council considers the size and nature of any transaction, or set of transactions. An item is considered material where its omission or misstatement would reasonably change the substance of the information presented in the accounts.
- **Going Concern:** the accounts have been prepared on the assumption that the functions of the council will continue in operational existence for the foreseeable future.
- **Primacy of Legislative Requirements:** the council operates through the power of statute. Where legislation prescribes the treatment of transactions, then the accounting concepts outlined above may not be applied.

## *ACCRUALS OF INCOME AND EXPENDITURE*

Revenue accounts are maintained on an accruals' basis. Expenditure is charged to the revenue accounts in the year in which goods and services are received and, similarly, income is credited in the year to which it relates, regardless of the timing of cash payments or receipts. For example, accrued income is recognised where an amount is earned in the current accounting year, but is expected to be received in a subsequent year. Deferred income reflects any income which has been received in advance of it being earned and is recognised when it can be matched with the year in which it is earned.

Where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.

Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.

Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of receivables is written down and a charge made to revenue for the income that might not be collected.

## *THE DE MINIMIS THRESHOLD*

The de minimis threshold level for accrual adjustments has been set at £4,000 (this threshold has been used as a guideline across the council, where it is sensible to refer to a de minimis in making accrual adjustments). The de minimis threshold level for capital assets and Right of Use assets has been set at £10,000.

## *PROPERTY, PLANT AND EQUIPMENT*

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and that are expected to be used during more than one financial year are classified as property, plant and equipment. All expenditure on the acquisition, creation, or enhancement of property, plant and equipment has been capitalised on an accruals basis, subject to the following accounting policies. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (ie repairs and maintenance) is charged as an expense when it is incurred.

### **Recognition**

New non-lease acquisitions are brought into the accounts at cost within the appropriate Property, Plant and Equipment balance and are then revalued during the following year.

Expenditure on construction of new assets is also brought into the accounts at cost and included either within the Infrastructure category or Assets Under Construction. For capital schemes held within Assets Under Construction, once all the assets which are created or enhanced by a capital scheme become operational, the value is transferred to the appropriate category of Property, Plant and Equipment. Assets costing less than £10,000, or revalued to less than £10,000, are charged to the CIES.

Donated assets are measured initially at fair value, and a gain credited to the taxation and non-specific grant income and expenditure line of the CIES, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the donated assets account. Gains credited to the CIES are reversed out of the General Fund balance to the capital adjustment account in the Movement in Reserves Statement.

The assets of local authority-maintained schools (including leased assets) are recognised in the council's financial statements, subject to the usual accounting requirements for long-term assets. Therefore, if there are any specific arrangements in place whereby the control of the asset does not lie with the council, then the asset will not be recognised. The council reviews all schools on an individual basis to determine where the control lies; at present, all community schools are held within the council's Balance Sheet, whereas all academy schools are not. The council transfers academy school assets on a 125-year lease, and as such they are subject to lessor finance lease policies. Long-term assets of foundation schools governed by a separate trust with no local authority control present are not consolidated, along with the long-term assets of most voluntary aided and voluntary controlled schools. This is due to the legislation contained within the School Standards and Framework Act 1998, as amended, that stipulates all non-playing field land shall be transferred by the local authority to the relevant diocese or trust. Only where there are specific lease or other arrangements in place, does the council hold the assets of these schools on the council's Balance Sheet.

#### Capitalisation of Borrowing Costs

Where capital expenditure costs are:

- Directly attributable to the acquisition, construction, or production of a qualifying asset as part of the cost of that asset.
- Probable that they will result in future economic benefits or service potential to the council.
- Measured reliably.

Borrowing costs are capitalised and form part of the cost of that non-current asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready (over a year) for its intended use or sale.

Where the council borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the council shall apply a capitalisation rate to the expenditure on that asset. The capitalisation rate shall be the weighted average of the borrowing costs that are outstanding during the period.

The amount of borrowing costs capitalised shall not exceed the amount of borrowing costs incurred during the period.

The commencement of capitalisation begins when all the following conditions are met:

- Expenditure in respect of the asset is incurred.
- Finance costs in respect of the asset are incurred.
- Activities that are necessary to develop an asset are in progress.
- Borrowing funding for a project is expected to total over £500k before the asset is operational.

Capitalisation ceases when substantially all the activities necessary to prepare the asset for its intended use or sale are complete.

Capitalisation will be suspended during periods in which active development is interrupted.

#### Infrastructure Asset Additions and De-recognitions

Capital expenditure incurred on the enhancement of existing Infrastructure Assets will be added to the value of the asset included within the asset register. The Code stipulates that if a new component of an asset is recognised, then the carrying amount of a replaced or restored part of the asset should be derecognised.

Consequently, a de-recognition of the existing asset will occur, writing out the value attributable to the asset that has been enhanced / replaced (including any associated depreciation). As such, the value derecognised will be determined by the cost of the replacement asset, and assuming that the component replaced was at the end of its useful life.

#### Subsequent Measurement

The council carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at current value are revalued every five years. Following a change in revaluation requirements in the Code, from 1 April 2025, annual indexation is applied to assets during the four intervening years unless appropriate indices cannot be obtained without undue cost or effort, when a desktop revaluation is carried out in year three instead.

Assets contained within Property, Plant and Equipment required to be measured at fair value are revalued every year, except those valued at less than £4m which are revalued every-other-year.

The effective date of revaluation for the rolling programme and for assets measured at fair value is 31 March during the year in question. Indexation is also carried out at 31 March.

Non-PFI/non-lease Vehicle, Plant, Furniture and Equipment have been included in the Balance Sheet at depreciated historical cost (whilst Community Assets and Assets Under Construction have been included at historical cost). The cost therefore includes the original purchase price of the asset and the costs attributable to bringing the asset to a working condition for its intended use. ROU Vehicle, Plant, Furniture and Equipment assets are

included in the balance sheet at their value at initial recognition, less any accumulated depreciation.

For Infrastructure Assets, a modified form of historic cost is used: opening balances for highways infrastructure assets were originally recorded in balance sheets at amounts of capital undischarged for sums borrowed at 1 April 1994, which was deemed at that time to be historical cost. The value of Infrastructure Assets within the accounts includes a lump sum removal in 1998 when Peterborough City Council was formed, becoming independent of Cambridgeshire County Council. This lump sum is not broken down on an asset-by-asset basis in line with how Infrastructure Assets are recorded in the Asset Register. Other additions and enhancements are recorded at cost on a project-by-project basis rather than by asset, therefore additions and enhancements may relate to a number of individual infrastructure assets.

Land and Building assets (including ROU assets, but excluding Community Assets, Assets Under Construction and Surplus Assets) and PFI/ROU Vehicles, Plant, Furniture and Equipment assets have been included in the Balance Sheet at their current value. Operational Property, Plant and Equipment is valued using Existing Use Value, except specialised assets that are valued using Depreciated Replacement Cost. The valuation of the farms' estate, included within the Land and Building figures, is based on a discounted cash flow of future rental income and capital receipts, which is a type of Existing Use Valuation. Assets identified as surplus to requirements are measured at fair value based on highest and best use. Assets that are subject to part disposals are revalued in the year of disposal. Assets held at current or fair value are split into land and building components, with the building element further subdivided where the building is valued at over £4m in order to be depreciated over appropriate estimated useful lives. The four building components used are Roof, Structure, Machinery and Equipment, and Externals.

### Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and differences could be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. If there is a balance of revaluation gains for the asset in the revaluation reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains); otherwise, the carrying amount of the asset is written down against the relevant service line(s) in the CIES. If an impairment loss is subsequently reversed, the reversal is credited to the relevant service line(s) in the CIES.

### Disposals and non-current assets held for sale

If it is probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an asset held for sale if certain criteria are also met. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell.

If there is a subsequent decrease in the fair value less costs to sell, the loss is recognised in the CIES. Gains in fair value are recognised only up to the amount of any losses previously recognised in the CIES. Depreciation is not charged on assets held for sale.

If assets no longer meet the criteria to be classified as assets held for sale, they are reclassified back to non-current assets.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether property, plant and equipment or assets held for sale) is written off to the CIES as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the CIES, also as part of the gain or loss on disposal. Any revaluation gains accumulated for the asset in the revaluation reserve are transferred to the capital adjustment account.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

### Depreciation

Land is held at current value and not depreciated. Property, Plant and Equipment assets other than land, are depreciated over their useful economic lives using the straight-line method. An exception is made regarding depreciation for assets without a determinable finite useful life (i.e., some Community Assets) and assets that are not yet available for use (i.e., Assets Under Construction). Depreciation is applied using the following month convention (except for Infrastructure and Vehicle, Plant, Furniture and Equipment), where depreciation is not charged in the month of acquisition, but a full month's depreciation is charged in the month of disposal.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the revaluation reserve to the capital adjustment account.

Useful economic lives for depreciating Property, Plant and Equipment assets are as follows:

- Buildings (including Surplus and some Community Assets) – 5 to 60 years, in line with the council's componentisation policy which specifies different useful economic lives according to the type and condition of the component..
- PFI schemes: Vehicles, Plant, Furniture and Equipment– 3 to 26 years.
- Non-PFI schemes: Vehicles, Plant, Furniture and Equipment – 3 to 10 years.
- Infrastructure – 50 years.
- ROU assets – depreciated using the straight-line method over the term of the lease agreement.

Upon a review of asset lives, depreciation is calculated over the revised remaining useful life of the asset.

## *INVESTMENT PROPERTIES*

Investment properties are those that are used solely to earn rentals and / or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale. Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's length. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal. Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

## *LEASES*

### *Council as Lessee*

Contracts, and parts of contracts, are classified as leases where the council has the right to use, and control the use of, an identified asset in order to gain substantially all the service and/or economic benefits arising from its use. Arrangements that do not have the legal status of a lease but which meet these criteria are accounted for under this policy. As directed by the Code, arrangements with nil consideration, peppercorn or nominal payments are accounted for under this policy.

Property, Plant and Equipment assets and investment properties held under a lease of more than 12 months in length and where the value (when new) of the underlying leased asset would be £10,000 or more, are recognised on the Balance Sheet as a Right-of-Use (ROU) asset at the commencement of the lease, matched by recognition of a corresponding liability to pay the lessor. Leases of assets for shorter periods or of lower value are excluded from the Balance Sheet.

Initial recognition of an ROU asset and liability is at the net present value of future lease payments, discounted using the council's incremental borrowing rate at the end of the financial year in which the lease commenced, except for peppercorn, nominal payments or nil consideration leases, where the ROU asset is recognised at fair value. Any initial direct costs incurred by the council in entering the lease agreement are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to write down the lease liability. Lease payments are apportioned between a charge for writing down the lease liability, and an interest charge which is credited to the CIES.

ROU assets are subsequently measured at current value, except investment properties which are carried at fair value; the cost model is used as a reasonable proxy for ROU asset current value except for:

- Peppercorn, nominal payments or nil consideration leases.
- Property leases with payments significantly below market level, or for more than five years with no provision for rent reviews, or where rent reviews are at periods of more than five years.

Such ROU assets are carried at a revalued amount, following the accounting policies relevant to the type of asset (e.g. operational land and buildings, VPFE or investment properties). Other property lease ROU assets may be carried at a revalued amount, where included in the Property valuation rolling programme.

## Council as Lessor

### *Finance leases*

Where the council grants a finance lease on a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the 'Other operating expenditure' line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the council's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between a charge for the acquisition of the interest in the property (applied to write down the lease debtor (together with any premiums received)), and finance income. However, in the case of academy schools the council does not recognise a long-term debtor on the Balance Sheet. This is because the assets are transferred as 125-year leases which is deemed too long to be certain of any receivable value at the end of the lease period.

Any gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, it is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

The written off value of disposals is not a charge against council tax as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

### *Operating leases*

Where the council grants an operating lease over a property, or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the 'Other operating expenditure' line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g., there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

### *PRIVATE FINANCE INITIATIVE (PFI) SCHEMES*

PFI contracts are agreements to receive services, where the responsibility for making available the long-term assets needed to support the delivery of those services passes to the PFI contractor in return for an annual fee. Assets and liabilities are recognised on the council's Balance Sheet where the council substantially controls the use of the assets involved and any associated residual interest, except where a school constructed under a PFI contract has subsequently converted to academy status and the asset has been derecognised on conversion.

The original recognition of these assets is at historical cost the year after they are made available for use, and when revalued, at current value in existing use. This is matched by the recognition of an equivalent liability for amounts due to the scheme operator to pay for the capital investment. PFI assets are revalued and depreciated in the same way as any other property, plant, and equipment owned by the council.

Annual unitary charges that are paid by the council to PFI operators can be analysed into four elements:

- Current value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement.
- Finance cost – an interest charge on the outstanding Balance Sheet liability calculated by applying the implicit interest rate in the lease to the opening lease liability for the year. This is debited to the 'Financing and investment income and expenditure' line.
- Payment towards the liability – applied to write down the Balance Sheet liability towards the PFI operator.
- Life cycle replacement costs – this refers to the replacement of individual components within the PFI asset portfolio to ensure that the condition of the whole property meets the agreed standard throughout the life of the PFI contract. A proportion of the amount payable is posted to the Balance Sheet as a prepayment and then recognised as additions to Property, Plant and Equipment when the relevant works are eventually carried out.

Changes to the interest rate underpinning the financing of the PFI schemes are reflected by the remeasurement of the PFI liability, balanced by either a corresponding remeasurement

of the PFI assets or by an adjustment to the accumulated Revaluation Reserve balance. Where the increase in the liability is greater than the available Revaluation Reserve balance, a charge is made to the revenue accounts; the revenue charge is subsequently reversed out of the General Fund balance to the capital adjustment account via the Movement in Reserves Statement.

Central government support for PFI schemes is in the form of PFI credits. These are a measure of the private sector investment which is supported by central government departments and are a promise that PFI revenue grant can be claimed once the project is operational. The level of PFI credits determines the amount of grant that can be claimed by the council, which is calculated as an annuity based on the level of PFI credits and the contract length. (Further detail on the PFI contracts is given in the PFI note, Note 36).

### *FAIR VALUE MEASUREMENT*

The council measures some of its non-financial assets such as Surplus Assets and Investment Properties at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the council's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the council can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – unobservable inputs for the asset or liability.

## *CAPITAL ACCOUNTING*

Two reserve accounts are required in the council's Balance Sheet for capital accounting adjustments:

- **The Revaluation Reserve** - this contains the balance of the surpluses or deficits arising on the periodic revaluation of property, plant and equipment. The Revaluation Reserve contains only gains recognised since 1 April 2007, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.
- **The Capital Adjustment Account** - this absorbs the timing differences arising from the different arrangements for accounting for the consumption of property, plant and equipment and for financing the acquisition, construction, or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement, via charges for depreciation, impairment losses and amortisations which are initially debited to the Comprehensive Income and Expenditure Statement. These are then transferred in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account. Reconciling postings from the Revaluation Reserve convert the fair value figures to a historical cost basis. The account is also credited with the amounts set aside by the council to finance the costs of acquisition, construction and enhancement.

The above accounts are not available to fund future expenditure.

## *CAPITAL RECEIPTS*

When an asset is disposed of, the value of the asset in the Balance Sheet is written off to the Comprehensive Income and Expenditure Statement. Any receipts from disposals, net of costs of disposal, are also credited to the Comprehensive Income and Expenditure Statement. Costs associated with disposal can be funded from the associated capital receipt as long as they are less than 4% of the value of the proceeds. Any disposal costs over this level must therefore be funded by revenue.

The gain, or loss, on the disposal of a long-term asset is the amount by which the disposal proceeds, net of disposals costs, are more (gain) or less (loss) than the Balance Sheet value of the long-term asset. Any previous revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account on disposal.

Income that is not reserved for the repayment of external loans, and has not been applied in financing capital expenditure, is shown on the Balance Sheet within the Usable Capital Receipts Reserve.

## *CHARGES TO REVENUE FOR LONG-TERM ASSETS*

Revenue accounts are debited with the following amounts to record the real cost of holding long-term assets during the year:

- Depreciation attributable to the assets used by the relevant service
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which they can be written off.
- Amortisation of intangible long-term assets attributable to the service.

The council is not required to raise council tax to cover depreciation, impairment losses, or amortisations. However, it is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement. Depreciation, revaluation and impairment losses, and amortisations are therefore replaced by the contribution in the General Fund Balance by an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement.

#### *REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE (REFCUS)*

Expenditure incurred during the year that may be treated as capital under statutory provisions but does not result in the creation of a long-term asset (e.g., expenditure on academy schools) is charged to the relevant service in the Comprehensive Income and Expenditure Statement in the year. The gross expenditure and any financing from existing capital resources (such as capital grants or capital receipts) is then reversed out of the Comprehensive Income and Expenditure Service via a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account. This means that there is no impact from this expenditure on the level of council tax.

#### *HERITAGE ASSETS*

Heritage Assets are a distinct class of asset which are reported separately from Property, Plant and Equipment and Intangible Assets. The council holds these assets principally for future generations because of their contribution to knowledge, the environment, and the culture of the County.

The Code requires authorities to recognise Heritage Assets where the council has information on the cost or value of the asset. Where information on cost or value is not available, and the cost of obtaining this information outweighs the benefits to the users of the financial statements, the asset is not recognised on the council's Balance Sheet, but commentary is included in the notes to the financial statements. Where valuations are made, an appropriate method is adopted; for example, this may include insurance valuations of museum collections.

The council's different classes of Heritage Assets are treated as follows:

- Archives collections – recognised in the Balance Sheet at insurance valuation where available.
- Museum collections – recognised in the Balance Sheet at insurance valuation.

- Art works – recognised in the Balance Sheet at insurance valuation.
- Archaeological artefacts and ecofacts – not recognised in the Balance Sheet due to a lack of reliable valuation information.
- Civic regalia – not recognised in the Balance Sheet due to being considered as immaterial and a lack of reliable valuation information.

The council reviews the carrying amounts of Heritage Assets carried at valuation on a yearly basis to ensure they remain current. Depreciation is not charged on the Heritage Assets recognised in the Balance Sheet as they have indefinite lives, but impairment reviews are carried out where there is physical deterioration, or if new doubts as to the authenticity of the Heritage Asset exist.

### *INVENTORIES*

Inventories are stated at the lower of cost and net realisable value. The cost of work in progress, which is included in the Group Accounts, comprises; the acquisition cost of land, construction costs and professional fees (capitalised borrowing costs are removed as they are intragroup). Net realisable value is the estimated selling price in the ordinary course of business, less applicable, variable selling expenses. If cost falls below net realisable value, then an applicable impairment provision is recognised in the Comprehensive Income and Expenditure Statement.

### *FINANCIAL LIABILITIES*

Financial liabilities are recognised on the Balance Sheet when the council becomes a party to the contractual provisions of a financial instrument (e.g., Public Works Loan Board borrowing). Financial liabilities are initially measured at fair value and subsequently carried at their amortised cost. Annual charges to the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. For most of the borrowings that the council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus any accrued interest). Interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Comprehensive Income and Expenditure Statement in the year of repurchase / settlement. However, where repurchase has taken place, as part of a restructuring of the loan portfolio that involves the modification or exchange of existing financial instruments, the premium or discount is respectively deducted from, or added to, the amortised cost of the new or modified loan. The write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The council has a policy of spreading the gain, or loss, over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to, or from, the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

## *FINANCIAL ASSETS*

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics. There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI).

The council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument). The council may carry some specific financial assets at their historic cost by exception, where judged appropriate to do so; the application of this accounting treatment will be disclosed in the financial statements where relevant.

### *Financial Assets Measured at Amortised Cost*

Financial assets measured at amortised cost are recognised on the Balance Sheet when the council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the council, this means that the amount presented in the Balance Sheet is the outstanding principal receivable. The interest credited to the Comprehensive Income and Expenditure Statement for the loans is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the derecognition of an asset are credited or debited to the 'Financing and Investment Income and Expenditure' line in the Comprehensive Income and Expenditure Statement.

### *Expected Credit Loss Model*

The council recognises expected credit losses on all of its financial assets held at amortised cost, either on a 12-month or lifetime basis. The expected credit loss model also applies to

lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the council.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

#### Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)

Financial assets that are measured at FVOCI are recognised on the Balance Sheet when the council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arise in other comprehensive income.

#### GOVERNMENT GRANTS

Government grants, and third-party contributions and donations are recognised as due to the council when there is reasonable assurance that the council will comply with the conditions attached to the payments, and the grants or contributions will be received. There are two types of stipulations; conditions and restrictions:

- Conditions are stipulations that specify that the future economic benefits or service potential embodied in transferred assets are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.
- Restrictions are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential are required to be returned to the transferor if not deployed as specified.

The key difference between a condition and a restriction is that a condition requires the grant funder or donor to have a right to the return of their monies or the donated asset (or similar equivalent compensation). However, if recovery of the grant / donation is only possible indirectly by, for instance, legal action for breach of contract or withholding payment of other monies due separately to the council without a right to have done so, then this will amount to a restriction rather than a condition.

Amounts recognised as due to the council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as payables. When conditions are satisfied, the grant or contribution is credited to the Comprehensive Income and Expenditure Statement and reversed out of the General Fund Balance in the Movement in Reserves Statement.

Where the grant has yet to be used to finance capital expenditure it is posted to the Capital and Contributions Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants and Contributions Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

### *COUNCIL TAX AND NON-DOMESTIC RATES*

In England, billing authorities act as agents on behalf of major preceptors in collecting council tax and non-domestic rates (NDR). This is because the legislative framework for the Collection Fund states that billing authorities and major preceptors share proportionately:

- the risks and rewards that the amount of council tax and NDR collected could be less or more than predicted.
- the effect of any bad debts written off.
- the movement in the impairment provision.

The council, as a major preceptor, is therefore required to include the appropriate share of the council tax and NDR receivables in its Balance Sheet as well as an appropriate share of the Collection Fund surplus / deficit for the year within its Comprehensive Income and Expenditure Statement.

### *LONG-TERM CONTRACTS*

Long term contracts are accounted for on the basis of charging the surplus or deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

### *EVENTS AFTER THE BALANCE SHEET DATE*

Events after the Balance Sheet date are 'adjusting' and 'non-adjusting' events, both favourable and unfavourable, that occur between the end of the reporting year and the date when the Statement of Accounts is authorised for issue.

An 'adjusting' event is where evidence of the conditions of that event existed at the Balance Sheet date. A 'non-adjusting' event is indicative of conditions that arose after the Balance Sheet date, but prior to the issue of these accounts.

Material events that relate to conditions that did not exist at the Balance Sheet date are disclosed by way of a note to the financial statements.

### *CASH AND CASH EQUIVALENTS*

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition, and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement cash, and cash equivalents, are shown net of bank overdrafts that are repayable on demand and form an integral part of the council's cash management.

#### *BENEFITS PAYABLE DURING EMPLOYMENT*

Short-term employee benefits are those due to be settled wholly within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g., cars) for current employees and are recognised as an expense for services in the year in which employees render service to the council. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

#### *TERMINATION BENEFITS*

Termination benefits are amounts payable as a result of a decision by the council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits and are charged on an accruals basis to the appropriate service line in the Comprehensive Income and Expenditure Statement at the earlier of when the council can no longer withdraw the offer of those benefits or when the council recognises costs for a restructuring. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

#### *POST EMPLOYMENT BENEFITS*

The majority of employees of the council are members of two separate pension schemes:

- **The Teachers' Pension Scheme**, administered by Capita Teachers' Pensions on behalf of the Department for Education (DFE);

- **The Local Government Pension Scheme**, administered by Cambridgeshire County Council.

Both schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees of the council.

#### The Teachers' Pension Scheme

The arrangements for the Teachers' Pension Scheme mean that liabilities for these benefits cannot be identified to the council. The scheme is therefore accounted for as if it were a defined contributions scheme – no liability for future payments of benefits is recognised in the Balance Sheet and the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pension Scheme in the year.

Discretionary post-retirement benefits on early retirement are an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. There are no plan assets built up to meet these pension liabilities.

#### The Local Government Pension Scheme (LGPS)

The LGPS is accounted for as a defined benefits scheme as follows:

- The liabilities of the pension scheme attributable to the council are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc. and projections of projected earnings for current employees;
- Liabilities are discounted to their value at current prices using a discount rate.
- The assets of the pension fund attributable to the council are included in the Balance Sheet at their fair value:
  - ▶ quoted securities – market value
  - ▶ unquoted securities – professional estimate
  - ▶ unitised securities – closing bid price
  - ▶ property – market value
- The change in the net pension liability is analysed into service cost and re-measurement components.

Service Cost elements comprise:

- ▶ **Current service cost:** the increase in liabilities as result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
- ▶ **Past service cost:** the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Cost of Services in the Comprehensive Income and Expenditure Statement.
- ▶ **Net interest on the net defined benefit liability** (i.e., the net interest expense for the council) – the change during the year in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit liability

at the beginning of the year, taking into account any changes in the net defined benefit liability during the year as a result of contribution and benefit payments.

Re-measurements comprise:

- ▶ **Expected return on plan assets:** excluding amounts included in the net interest on the net defined benefit liability. These are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- ▶ **Actuarial gains and losses:** changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – debited to other Comprehensive Income and Expenditure in the Comprehensive Income and Expenditure Statement.
- ▶ **Contributions paid to the pension fund:** cash paid as employer contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

Statutory provisions limit the council to raising council tax to cover the amounts payable by the council to the pension fund and directly to pensioners in the year. This means that there are appropriations to and from the Pensions Reserve in the Movement in Reserves Statement to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners, and any such amounts payable but unpaid at the year-end.

## RESERVES

The council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts from the General Fund Balance through the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service revenue account in that year and recorded against the Cost of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure. The council's reserves are categorised as follows:

- **Usable reserves** - those reserves that contain resources that a council can apply to the provision of services, either by incurring expenses or undertaking capital investment, whether or not there are particular restrictions on exactly what the resources can be applied to. The council's usable reserves include the General Fund balance and Earmarked reserves.
- **Unusable reserves** – those that a council is not able to utilise to provide services. This category of reserves includes:
  - ▶ Reserves that hold unrealised gains and losses (the Revaluation Reserve), where amounts will only become available to provide services (or limit resources in the case of losses) once the gains / losses are realised as the assets are disposed of.

- ▶ Adjustment accounts which deal with situations where income and expenditure are recognised statutorily against the General Fund balance on a different basis from that expected by accounting standards as adopted by the Code. The accounts will carry either a debit balance (showing that the council is required by statute to fund its expenditure more slowly than accounting standards would expect) or a credit balance (where the council has set resources aside under statute earlier than accounting standards require). Examples of this category of reserves are the Capital Adjustment Account, Pensions Reserve and the Accumulated Absences Account.

## *DEBT REDEMPTION*

Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the council has financed capital expenditure by borrowing, it is required to repay an element of the accumulated general fund capital spend each year (the CFR) through a revenue charge (the MRP). The council is required to calculate a prudent provision of MRP which ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with the period over which the capital expenditure provides benefits. The 2003 Regulations have been amended with full effect from April 2025 to expressly provide that in determining a prudent provision, the council cannot exclude any amount of CFR from its calculation, unless by an exception set out in statute.

MHCLG's MRP Guidance 2024 provides four ready-made options for calculating MRP. The council can use a mix of these options if it considers it appropriate to do so. Alternatively, the guidance does not rule out or otherwise preclude the use of an alternative method should it be deemed more appropriate. Any method used is subject to the conditions in paragraphs 61 to 65 of the guidance as far as these are relevant.

Historic debt liability accumulated up to 31 March 2010 is provided for using an annuity calculation methodology directly linked to the remaining life of the assets the debt liability had funded.

Capital expenditure incurred from 2010-11 onwards is subject to Minimum Revenue Provision (MRP) in the year after the asset has become operational, in accordance with Regulation 27(3). MRP is provided for under Option 3 of the DCLG Guidance on a straight-line basis and based on the estimated useful life of the assets financed by the debt .

Estimated life periods are determined under delegated powers. In view of the variety of types of capital expenditure incurred by the council, which is not in all cases capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure.

The determination as to which schemes shall be deemed to be financed from available resources, and those which will remain as an outstanding debt liability to be financed by borrowing or other means will be assessed under delegated powers.

### Leases and Private Finance Initiatives (PFI)

In line with guidance, an amount is included in the annual MRP charge equal to the element of the annual charge that goes to write down the balance sheet liability (the principal element) for any leases and PFI arrangements recognised by the council.

### Capital Loans

Commercial capital loans are subject to MRP charges using the asset life method. A commercial loan is defined in regulation 27(5) as a loan from the council to another entity for a purpose which, if the council were to undertake itself, would be primarily for financial return; or, where the loan is itself capital expenditure undertaken primarily for financial return. Where loan repayments are received in year, the capital receipts may be used to reduce the MRP charge in that year.

Non-commercial capital loans are excluded from the MRP calculation initially, as the loans are anticipated to be repaid in full in later years. Once received, the capital receipts arising from the principal loan repayments are used to reduce the CFR. Non-commercial capital loans are reviewed annually; if it is judged that the approach is no longer prudent for a loan, a MRP charge may be introduced. If the council subsequently recognises, in accordance with proper accounting practices, an expected or actual credit loss with respect to any loan that has not previously had MRP charged, MRP to the value of the Expected Credit Loss will be charged in full, unless reduced by the value of any previous amounts provided to write down the CFR on that loan.

### Share / Equity Capital

Investments in share and equity investments, either directly or through collective pooled funds, are usually treated as capital expenditure. Where the investment is funded by unsupported borrowing, MRP charges will be provided over 20 years, in accordance with Regulation 25(1)(d) Acquisition of share capital.

### Capitalisation Direction

MRP for expenditure capitalised under a capitalisation direction is provided for using the asset life method.

### Investment Properties

Expenditure incurred on the purchase of investment properties is subject to an MRP charge under the asset life method.

### MRP Overpayments

The council may make charges in excess of the statutory MRP, known as voluntary revenue provision (VRP). If the council judges it to be necessary or prudent, VRP can be reclaimed in later years.

## *CONTINGENT LIABILITIES*

Contingent liabilities are possible obligations that arise from past events that may or may not be incurred by the council depending on the outcome of one or more uncertain future events not wholly within the control of the council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the financial statements but are disclosed as a note to the financial statements.

#### *VALUE ADDED TAX (VAT)*

The Comprehensive Income and Expenditure Statement excludes amounts related to VAT, as VAT collected is payable to HM Revenue and Customs and VAT paid is recoverable from it, except for occasional small values of unrecoverable VAT which are recognised within the surplus/deficit on the provision of services.

#### *INTERESTS IN COMPANIES AND OTHER ENTITIES*

The council is required to produce Group Accounts alongside its own financial statements where it has material interests in subsidiaries, associates and / or joint ventures. The council is involved with a number of entities; where the interests are not material the nature and value of the relationship is disclosed within the single entity accounts, whilst material interests are recorded in the council's single entity accounts as financial assets at cost, less any provision for losses.

In line with the code requirements on group accounts and consolidation, maintained schools within the county are considered to be entities controlled by the council. The income, expenditure, assets, liabilities, reserves, and cash flows of these schools are recognised within the council's single entity accounts rather than group accounts.

## Corporate Risk Register

To: Audit and Accounts Committee

Meeting Date: 26 March 2026

From: Chief Executive

Electoral division(s): All

Key decision: No

Forward Plan ref: Not Applicable

Executive Summary: Good risk management - including the identification of risks and triggers as well as development of mitigating actions - should inform decision-making, lead to better overall management of the Council's business, and protect the Council's assets, workforce, finances and services.

Recommendation: The committee is recommended to note the Corporate Risk Register.

Officer contact:

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# 1. A healthy, fair and sustainable Cambridgeshire

- 1.1 Risk Management is the process by which the Council understands and proactively considers the principal uncertainties and overall risks facing the organisation. The objective is to ensure that risks which might impact upon the Council achieving its plans are identified and managed on a timely basis and in a proportionate manner. As such, effective risk management contributes to the achievement of all twelve of the Council's priorities.

## 2. Background

- 2.1 The Accounts and Audit (England) Regulations 2015 require the authority to have a sound system of internal control, which includes effective arrangements for the management of risk.
- 2.2 Under the Council's constitution, the Strategy, Resources and Performance Committee (S,R&P Committee) is responsible for the development and oversight of the Council's risk management and strategy. The Audit and Accounts Committee also has important functions in relation to risk, including considering the effectiveness of the risk management arrangements and associated control environment and to seek assurances that appropriate action is being taken in response to risk.
- 2.3 Risk is inherent in our delivery of high-quality public services. The volatility, complexity and ambiguity of the Council's operating environment continues to increase, and taxpayers rightly expect transparency and accountability from the Council in managing the impacts of risk. We are committed to managing risk so that we enhance strategic planning and prioritisation and achieve our objectives with agility. The benefits of risk management include:
- Taking timely and proportionate action to prevent risks occurring or to manage effectively.
  - Development and delivery of robust and effective action plans and enhancements to the governance of the organisation.
  - Ensuring that decision makers are fully aware of any key risk issues associated with proposals being considered at the point of decision making.
  - Demonstrating openness and accountability.
- 2.4 The risk management approach adopted by the Council is based on identifying, assessing, managing and monitoring risks at all levels across the Council. Risk registers operate at three tiers across the organisation: (a) service/project specific, (b) directorate, and (c) corporate. This report provides an update on the Council's Corporate Risk Register.

## 3. Corporate Risk Register Updates

- 3.1 A copy of the current Corporate Risk Register is attached to this report as Appendix 1, except for Risk 8 'Risk that the Council is a victim of Cyber Crime', which is attached as a separate confidential Appendix.

3.2 Please note, on the risk matrices, “A” denotes the Council’s risk appetite; this has been updated after review by the Corporate Leadership Team (CLT) and the updated approach includes:

- Tolerable risk appetite: Cambridgeshire County Council has defined its maximum risk appetite as not accepting a residual risk score of 16 or more as measured on the corporate Risk Scoring Matrix. This therefore represents the maximum tolerable risk position (i.e. the maximum level of risk with which the organisation is willing to operate).
- Optimal risk appetite: Where risk owners have identified a target risk appetite below this risk appetite level, this is denoted with a “A”

3.3 The following table gives an overview of the current status of the risks on the corporate risk register, including information on the current risk scoring compared to the scores at the previous report to Committee, and the direction of travel for each risk. Please note that the direction of travel for each risk is now shown as a RAG rating: red indicating that the risk has increased; amber indicating no change; and green indicating that the risk has decreased.

**Table 1: Corporate Risk Register Overview, January/February 2026**

Risk	Residual Risk Score June 25	Residual Risk Score Sept 25	Residual Risk Score Jan 26	Direction of Travel (RAG)	Last Reviewed
1. Risk that the Council’s arrangements for safeguarding vulnerable adults fail.	15	15	15	→ (static)	23/01/2026
2. Risk of failure of the Council’s arrangements to safeguard vulnerable children and young people.	15	15	15	→ (static)	23/01/2026
3. Risk that the Council does not have enough budget to deliver agreed short and medium term corporate objectives.	16	20	12	↓ (decreasing)	19/02/2026
4. Risk that a serious incident occurs, preventing services from operating and /or requiring a major/critical incident response.	12	12	12	→ (static)	16/01/2026
5. Risk of failure of corporate governance.	10	10	10	→ (static)	23/01/2026
6. Risk that the Council's workforce is not able to meet business need.	10	10	10	→ (static)	23/01/2026
7. Risk of failure to deliver key Council services.	10	10	8	↓ (decreasing)	23/01/2026

8.	Risk that the Council is a victim of cyber crime.	15	15	15	→ (static)	06/02/2026
9.	Risk that the Council fails to comply with Information Governance legislation and industry standards.	12	12	12	→ (static)	13/01/2026
10.	Risk of failure of key contracts.	12	12	12	→ (static)	19/01/2026
11.	Risk of failure of collaborative working.	16	16	16	→ (static)	21/01/2026
12.	Cambridgeshire County Council is not adequately prepared for the impacts of the changing climate.	12	12	12	→ (static)	16/01/2026
13.	The Council's governance on Health and Safety is inadequate.	15	15	15	→ (static)	23/01/2026
14.	Lack of effective relationships and governance across the Integrated Care System (ICS) may lead to poorer coordination and worse outcomes for our population.	N/A	16	16	→ (static)	23/01/2026
<b>[NEW]</b> 15.	Non-delivery of SEND statutory timelines, financial risk of the DfE Safety Valve Agreement for Cambridgeshire and increase in DSG spend.	N/A	N/A	20	N/A	26/01/2026

### 3.4 Changes in Risk Scoring:

3.4.1 Risk 3: "Risk that the Council does not have enough budget to deliver agreed short- and medium-term corporate objectives." has decreased significantly from 20 to 12. The following statement from the risk owner, Executive Director of Finance and Resources was provided:

- "The level of 2025/26 forecast overspend has been significantly reduced due to concerted effort by officers, as such whilst the Financial Transparency Panel will continue, the position reported at Period 10 to Committee can be managed within reserves, and all issues have been addressed for nil impact on future years.
- The Government has announced a High Needs Recovery Grant which will fund around 90% of the Council's DSG deficit in 2025/26 and then more details around future years along similar lines. Whilst we still await the detail this significantly reduces the risk to the Council. The Council currently has an earmarked reserve of £7.5m which will address much of the position remaining with the Council if that is the case. Again as such this has significantly reduced the risk to the Council.
- Government also issued final settlement allocations for 2026-2029, this saw Cambridgeshire's core funding grow assuming 4.99% Council Tax. This gives not only clarity but also funding certainty that again reduces the risk.
- Specific matters such as the position relating to This Land and the Guided Busway are deemed to be improved in financial terms and the provision within the reserves is adequate to cover risk. As a result, the overall council financial risk is reduced."

3.4.2 Risk 7: "Risk of failure to deliver key Council services" has decreased in score from 10 to 8. The following statement from the risk owner, the Chief Executive was provided:

- Following the approval of the Council Business Plan and Budget in February 2026, the Council's refreshed Strategic Framework is now clear and approved, ensuring the ability to provide stronger prioritisation of activity across the Council and inform future business planning decisions in a timely manner.
- The recent reforms to funding for Local Authorities, through the Government's Fair Funding 2.0 Reforms has not had a significant adverse impact upon Cambridgeshire County Council, leading to a more sustainable position and, combined with the recently published Education White Paper and SEND Reforms should address some of the most critical challenges facing the Council both financially and from a service perspective.
- Improvements and embedding of the Council's Performance Management Framework has continued, providing greater scrutiny and oversight of services to ensure that areas where further focus and attention is required can be addressed more effectively.

### 3.5 New Risks from the Corporate Risk Register

3.5.1 Risk 15, “Non-delivery of SEND statutory timelines, financial risk of the DfE Safety Valve Agreement for Cambridgeshire and increase in DSG spend” has been escalated to the Corporate Risk Register, with the agreement of CLT.

The Executive Director for Children, Education and Families provided the following background detail regarding the escalation of this risk to the Corporate Risk Register:

- “The SEND reforms, initially expected in Autumn 2025, prompted a national conversation to gather perspectives from various stakeholders which concluded in January 2026. The Schools White Paper was published on 23rd February 2026 with a launch of a further consultation with a closing date of 18th May 2026. The government currently allows local authorities to fund SEND costs using the Dedicated Schools Grant (DSG), with future funding responsibility shifting to central government from 2028. However, there is uncertainty regarding the management of historic DSG deficits after this date. Cambridgeshire underwent an Area SEND inspection in early 2025, leading to the creation of an action plan and the adoption of the ‘Inclusion for All’ programme to strengthen inclusion across services. To support these improvements, restructuring and investment in Education and SEND services have been agreed, with integration of related programmes for targeted and universal support. Despite these efforts, the Corporate Leadership Team (CLT) has determined that risk levels should remain unchanged until government reforms are confirmed in 2026”.

3.5.2 The risk management team note that subsequent to the escalation of this risk to the Corporate Risk Register, further information on the government’s planned SEND reforms has become available via the Schools White Paper. The Children, Education and Families Directorate, working with the Assistant Chief Executive’s Service, is in the process of assessing the new information available about planned reforms and the impact of this on the corporate risk. Due to the timescales for publication of this report, it has not been possible to provide further detail at the time of writing.

## 4. Other Management Updates

### 4.1 CLT Risk and Assurance Meetings:

4.1.1 The CLT Risk and Assurance group met on the 18th of December 2025 to review new and emerging risks and to continue strengthening oversight of Council wide risks. The meeting included:

- The CLT Quarterly Risk and Assurance Meeting provided an overview of the organisation’s key strategic risks, confirming that while progress is being made in several areas, many core pressures remain unchanged. The Corporate Risk Register was reviewed in full, with directorates reporting broadly stable risk positions. Strengthened assurance was noted around incident management following the establishment of Gold and Silver command structures, though a significant gap remains around IT disaster recovery and cyber security planning, which the group agreed requires further discussion and input from IT. Rising FOI, Subject Access Requests (SAR), and information governance related pressures were also

highlighted as a growing area of concern, as were sustained financial and workforce challenges across major service areas. related pressures were also highlighted as a growing area of concern, as were sustained financial and workforce challenges across major service areas.

- The meeting also considered updates from the Children, Education and Families (CEF) Directorate, which has streamlined its risk profile from 12 to 6 risks following internal review. However, CEF continues to face escalating pressures related to statutory delivery, SEND, and demand led financial pressures. This led to the most significant discussion of the meeting, relating to the risk titled “Unable to Deliver Services Within the Financial Allocation Across CEF.” The group recognised that this risk represents a major and multifaceted threat to service delivery, influenced by Safety Valve negotiations, SEND demand, and wider financial uncertainties. Given its severity, potential for wide ranging operational impact, and increasing political and organisational scrutiny, the group unanimously agreed that this risk should be escalated from the Directorate Risk Register to the Corporate Risk Register, ranging operational impact, and increasing political and organisational scrutiny, the group unanimously agreed that this risk should be escalated from the Directorate Risk Register to the Corporate Risk Register.
- Local Government Reorganisation (LGR) risks were also reviewed, acknowledging that the end of phase one requires a refresh of risk ownership and controls. While no major decisions were taken in this area, CLT noted ongoing challenges around procurement, financial oversight, and maintaining service quality during transition. Several risk ownership changes were agreed across the meeting to ensure alignment with current responsibilities and programme structures.

4.1.2 Overall, the meeting provided assurance that risk management processes remain active and responsive, while also identifying clear areas requiring strengthened corporate oversight—most notably cyber security resilience and the escalated CEF financial delivery risk, which now sits on the Corporate Risk Register due to its strategic significance.

## 5. Significant Implications

### 5.1 Finance Implications

The report highlights significant financial risks recorded in the Council’s risk registers. Strong risk management and assurance processes support the Council in maintaining financial resilience, protecting public funds, and ensuring that resources are used effectively to deliver services.

### 5.2 Legal Implications

The Council’s risk registers include key legal risks, and oversight by the CLT Risk and Assurance group helps ensure compliance to statutory duties and regulatory requirements. This provides assurance that the Council is managing potential legal exposures appropriately and operating within its legal framework.

### 5.3 Risk Implications

This report and Appendix 1 showing the updated current Corporate Risk Register provide information on the key corporate risk areas currently identified by Cambridgeshire County Council and how these are being managed.

### 5.4 Equality and Diversity Implications

Risk management within the Council includes consideration of equality and diversity impacts, ensuring that risks are assessed for their effect on different communities and service users. This supports the Council's commitment to fair access, inclusive service delivery, and compliance with equality duties.

## 6. Source Documents

### 6.1 Corporate Risk Register - Appendix 1

Risk		<b>01. ASC - There are reputational and legal impacts when the Council's arrangements for Safeguarding Adults with Care and Support needs fail.</b>				
Likelihood	5	Orange	Orange	Orange	Red	Red
	4	Green	Orange	Orange	Red	Red
	3	Green	Orange	Orange	Orange	X/A
	2	Green	Green	Orange	Orange	Orange
	1	Green	Green	Green	Green	Orange
		<b>Consequence</b>				
		1	2	3	4	5
<b>Risk Owners</b>		Patrick Warren-Higgs (Executive Director for Adults, Health and Commissioning)			<b>Current Score</b>	15
					<b>Risk Appetite</b>	15
					<b>Previous Score</b>	15
		<b>Triggers</b>			<b>Likelihood Factors (Vulnerability)</b>	
		<p>1. Inability to recruit, train and retain the level of skills required across the workforce to support safeguarding activity.</p> <p>2. Governance arrangements for safeguarding are not robust or fail.</p> <p>3. There is non-compliance within safeguarding practice guidance or processes.</p> <p>4. Assurance measures fail or are not robust.</p> <p>5. Internal organisational change impacts system safety.</p> <p>6. External system/regulatory changes impact system safety.</p> <p>7. Major incident results in spike in demand for services and/or inability to access Council systems, records, or buildings.</p> <p>8. Commissioned Services fail placing increased demand on the system and safety is compromised.</p>			<p>1. Vacancy rates - Vacancy rates in Safeguarding and Operational teams impacting on capacity to undertake safeguarding activity.</p> <p>2. Volume of safeguarding referrals - Increasing volume of safeguarding referrals, some of which are inappropriate, requiring triage and management</p> <p>3. Wider system changes that impact Adult Social Care - Provider changes, with Registered Manager and Leadership changes, without oversight on implications from Adult Social Care (ASC). Police response to those living risky lives.</p> <p style="text-align: center;">4. Provider changes - Partnership agencies may change systems or process which impacts adversely on Adult Social Care such as Right Care Right Person, impacting on increased activity within Adult Social Care and lack of availability.</p>	
					<b>Potential Consequences</b>	
					<p>1. Negative consequences are experienced by those with care and support needs and unpaid carers.</p> <p>2. People lose trust in Council services and/or commissioned services.</p> <p>3. Council is deemed to have failed in statutory duties.</p> <p>4. CQC rating is impacted.</p> <p>5. Decrease in government funding.</p> <p>6. Legal challenges against the Council.</p> <p>7. Increase in complaints against the council, including Local Government and Social Care Ombudsman.</p>	

Controls	Adequacy	Critical Success
<p>1) Adult Social Care Assurance.</p> <p>The organisation engages in the ongoing process of revising its practices and procedures to align with emerging local and national trends.</p> <p>This includes learning from local Safeguarding Adults Reviews, learning from audit and assurance processes and planning and national guidance and changes.</p>	Good	<p>Essential to our success is the regular reporting and the provision of tools and support for practitioners to follow best practices. Key elements of our reporting structure include:</p> <ul style="list-style-type: none"> <li>- Data dashboard scrutinised by Heads of Service on a monthly basis and reviewed at Finance and Performance Board.</li> <li>- Multi Agency Safeguarding Hub (MASH) governance reports submitted to the MASH Governance Board.</li> <li>- Annual self-assessments submitted to the Safeguarding Adults Board, covering all safeguarding aspects.</li> <li>- Thematic audit cycles conducted by the Quality Standards and Practice Team, reported to the Practice Governance Board and Adults Leadership Team.</li> <li>- Service-level improvement plans for each team.</li> <li>- Monthly managerial audits with a quarterly report and action plan, overseen by the Quality Standards and Practice Team, with team managers held accountable. These audits are also reported to the Practice Governance Board.</li> </ul> <p>In addition, the Adult Social Care Practice Update newsletter is circulated fortnightly to all staff within the Adults, Health, and Commissioning Directorate, ensuring they are up to date with relevant information to support them and those they work with.</p>
<p>2) Skilled Adult Social Care Workforce</p>	Good	<p>- A dedicated safeguarding training resource, with a robust safeguarding training strategy which is annually reviewed. Engagement in the</p>

<p>To ensure high quality safeguarding, staff receive comprehensive training, ongoing professional development opportunities, and regular supervisions that reinforce safeguarding procedures and best practices, enabling them to maintain professional registration.</p>		<p>training strategy which is annually reviewed. Engagement in the Safeguarding Adults Board Learning and Development group. Sharing of best practice and policy regionally and across partners within Cambridgeshire, an annual thematic audit is undertaken and reflective sessions, led by the Principal Social Worker, that are shared and disseminated to the workforce as part of the serious incident framework.</p> <ul style="list-style-type: none"> <li>- The CCC Safeguarding training strategy outlines the training offered along with safeguarding training that is essential to each role across adult social care. Leaders within the operational social care service delivery monitor training compliance rates which are above the England average for 23-24</li> <li>- There are clear and robust escalation pathways and high-risk guidance in place for the workforce, which was reviewed and updated in May 2025.</li> </ul>
<p>3) Multi Agency Safeguarding</p> <p>Multi-agency Safeguarding Boards and Executive Boards provides multi agency focus on safeguarding priorities and provides systematic review of safeguarding activity. Coordinated work between multi-agency partners. Police, County Council, Health and other agencies who are key members of the Board and subgroups.</p>	Good	<p>Regular reports are submitted to the Safeguarding Adults Board including Multi Agency Safeguarding Hub (MASH) Governance reports, and annual self-assessments and shared working outcomes.</p>
<p>4) Internal Quality Assurance</p> <p>Robust process of internal Quality Assurance (QA framework) including case auditing and monitoring of performance.</p>	Good	<p>Regular auditing and reporting. Ability to highlight good practice and areas for improvement, robust service level improvement plans developed as needed. Annual safeguarding thematic audit, monthly managerial audits and quarterly reports to Practice Governance Board. Scrutiny and oversight by operational service directors on a quarterly basis. Ability to tailor the learning and development offer to meet identified needs or service development areas.</p>
<p>5) Commissioned Services</p> <p>Regular monitoring of social care providers and information sharing meetings with other local organisations, including the Care Quality Commission (CQC) and ICB are in place.</p> <p>Adult Social Care have a structure in place to raise, discuss and address provider quality concerns across the health and social care system. If improvements are not made, escalation routes are in place and progress and risks are continually shared with the CQC regulator</p>	Good	<p>Regular auditing and reporting. Ability to support providers at risk.</p>
<p>6) Coordinated work with system partners and agencies</p> <p>Coordinated work between multi-agency partners for both Adults and Children's. There is ongoing work to coordinate system partners through the Safeguarding Adults Board and sub-groups. Current work is ongoing across all partner agencies to develop clear guidance and processes for transitional safeguarding. Work streams have the oversight of the Safeguarding Adults Board.</p>	Good	<p>Effective and safe implementation. We have a number of task and finish groups - for example transitional safeguarding, multi-agency risk management and Mental Capacity Act. There are also a number of regular system wide groups – such as the Quality Effectiveness Group.</p>
<p>7) Information Sharing with regulatory bodies.</p> <p>Continue to work with the CQC to share information.</p>	Good	<p>Regular reporting.</p>
<p>8) Manage demand</p> <p>Safeguarding pathways and responsibilities are clearly separated:</p> <ul style="list-style-type: none"> <li>- Between Adults and Children's Services</li> <li>- Between operational delivery (Adults Operations) and strategic oversight (Cambridgeshire and Peterborough Safeguarding Adults Board and commissioning functions)</li> </ul> <p>Managing increasing demand and acuity to ensure adults receive right support at the right time. Regular Directorate Management Teams to discuss and escalate issues</p>	Good	<p>Daily monitoring of referrals and waiting time is in place to reduce waiting times and review priority levels to provide proportionate and time critical responses to those at risk. High risk process and escalation pathways in place for the workforce. Remodelling of Multi Agency Safeguarding Hub (MASH) to include a worker to support with triage of referrals at the early stages.</p>

Action Plans	Assurance	Responsibility	Target Date
Implement revised Community Deprivation of Liberties Safeguarding workflow and ensure alignment with safeguarding process		Fran Marshall (Service Director: Quality Assurance and Safeguarding)	28/02/2026
Recent Actions - Refreshed safeguarding training offer, including trauma-informed practice and self-neglect		Fran Marshall (Service Director: Quality Assurance and Safeguarding)	03/03/2026

Review of volume and demand into locality-based teams to ensure that the right resources are available and appropriate		Fran Marshall (Service Director: Quality Assurance and Safeguarding)	31/03/2026
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Risk		02. CSC - Risk of significant harm to vulnerable children and young people increases				
Likelihood	5	Orange	Orange	Red	Red	
	4	Green	Orange	Orange	Red	
	3	Green	Orange	Orange	Orange	X/A
	2	Green	Green	Orange	Orange	
	1	Green	Green	Green	Green	
			1	2	3	4
		Consequence				
Risk Owners		Martin Purbrick (Executive Director for Children, Education and Families)			Current Score	15
					Risk Appetite	15
					Previous Score	15
		Triggers			Likelihood Factors (Vulnerability)	
		<p>1. High workload in Children's Social Care are in excess of the Council's operating model</p> <p>2. Demand is greater than our capacity</p> <p>3. National initiatives changing the current workforce requirements and model of working</p> <p>4. Reduced universal support through the safeguarding partnership partners</p> <p>5. Lack of financial resilience.</p> <p>6. Non-compliance with safeguarding processes and procedures.</p> <p>7. Inability to recruit and retain experienced Social Care staff leading to challenges in meeting demand</p> <p>8. Lack of placement sufficiency to meet the needs of complex children and young people.</p> <p>9. Major incident results in inability to access Council systems, records or buildings.</p>			<p>Each one below is linked to each of the triggers:</p> <p>1. Children's social care workloads are too high in some areas due to issues with recruitment and retention.</p> <p>2. Difficulty procuring affordable capacity for children's placements. There continues to be a national shortage of foster Carers and affordable Children's Placements (Medium)</p> <p>3. National shortage of recruitment of qualified and experienced social care staff and the competitive marketplace with neighbouring Local Authorities (LA's) (Medium) and retention has improved for those in some teams and more difficult in safeguarding currently. More work is underway for recruitment of permanent social workers (Medium)</p> <p>4. National Reforms influencing future requirements and uncertainty of requirements (Medium)</p> <p>5. Growing demand leading to continued pressure on budgets and exceeding any efficiencies and business planning already made</p>	
					Potential Consequences	
					<p>1. Serious harm to child or young person that could have been prevented</p> <p>2. Reputational damage to the Council.</p> <p>3. Financial impact.</p> <p>4. Appointment of a Children's Commissioner and notice of statutory intervention issued by the Department for Education (DfE)</p> <p>5. Additional external inspection scrutiny</p>	

Controls	Adequacy	Critical Success
<p>1. Multi-agency Safeguarding Boards and Executive Boards.</p> <p>Provides multi agency focus on safeguarding priorities and provides systematic review of safeguarding activity specific safeguarding situation between partners. In February 2025, the joint partnership became a Cambridgeshire specific partnership Board (instead of one board across both Peterborough &amp; Cambridgeshire).</p>	Good	Establishing a Cambridgeshire-specific board will enable greater focus on the needs of Cambridgeshire children and young people, while effectively managing this risk in a more controlled manner. The ILACS inspection of 2024 noted that separation from shared services had led to improvements in outcomes for children. *ILACS - Inspection of Local Authority Children Services
<p>2. Information-sharing and coordinated work between multi-agency partners, providers, and regulators.</p> <p>In particular Police, County Council and other agencies to identify child sexual exploitation, including supporting children and young people transitions to adulthood, with the oversight of the Safeguarding Boards. Regular monitoring of social care providers and information sharing meetings with other local organisations.</p>	Reasonable	Relationships across partners are well established and maintain good working relationships.
<p>3. Comprehensive and up-to-date Safeguarding Policies, Procedures and Practice Standards.</p> <p>Continuous process of updating practice and procedures, linking to local and national trends, including learning from local and national reviews such as Child Safeguarding Practice Reviews (SPR's).</p>	Good	All policies, procedures and processes are routinely updated and followed within Children's. Implementation of new documentation is clearly communicated to the workforce and ample implementation given to embed.
<p>4. Workforce Training &amp; Development</p> <p>Comprehensive and robust safeguarding training, ongoing development opportunities for staff, and regular supervisions monitor and instil safeguarding procedures and practice.</p>	Good	<p>1. Effective training and development ensures all staff understand and can implement key safeguarding processes.</p> <p>2. Good working relationship with Learning &amp; Development</p> <p>3. Social care academy in place and established to support new and existing workforce in social care.</p> <p>4. Ensuring a comprehensive training offer response to service needs and is able to flex to the requirements of the service</p>
<p>5. Quality Assurance Framework.</p>	Good	Recently revised and implemented new practice governance ensuring performance information is more accessible and training has been

Robust process of internal Quality Assurance (QA framework) including case auditing and monitoring of performance.		performance information is more accessible and training has been provided to ensure performance is monitored more closely. In addition, an audit schedule has been reviewed, updated and is underway. QA framework that is understood by all that are using it; reflects the lived experience of children; and helps with practice improvement, whilst supporting practice standards
6. A clear oversight on practice, quality & performance in Children, Education and Families (CEF)  A number of key controls are in place which include, but not limited to: Workforce Strategic Plan, Cambridgeshire Academy for Reaching Excellence (CARE), Recruitment and Retention Strategy, Relational Practice Model (THRIVE approaches), Children's Quality Assurance Framework and greater data availability to ensure performance is measured.  In addition, Whistleblowing Policy, robust Local Authority Designated Officer (LADO) arrangements and complaints process inform practice.	Good	1. Timeliness & quality of service delivery improvements 2. Experiences from Children and Young People provide feedback to influence changes 3. The threshold document is adhered too 4. The Quality Assurance Framework is being followed 5. Improvements made on the OFSTED action plans 6. Effective processes for reporting concerns ensure that the response to concerns is timely and effective, with the involvement of appropriate partners. 7. There is an effective Dispute Resolution Process in place and utilised
7. Strength based approaches review  After a review of the family safeguarding approaches, Cambridgeshire has developed a systemic practice model using strength based approaches. Relational Practice Model has been rolled out through the THRIVE approaches. Implementation has been completed, although time to embed is required.	Reasonable	The revised practice model is understood, followed and embedded in the workforce.

Action Plans	Assurance	Responsibility	Target Date
1. Corporate response to Ofsted Inspections  Internal audit has completed an audit on the Ofsted Action plan one year after the ILACs inspection and assurances are being provided.  Updated self-assessment completed and action plan submitted around the 7 recommendations made by Ofsted, ILACs. the plan is reviewed and actions tracked through the CEF LT meeting. Each recommendation is outlined in the action plan below. An action plan has been submitted in June 2025 following the Area SEND Inspection. The Improvement Plan has also been presented to CYP Committee and update reports will be provided at regular intervals. ASEND Action plan update was provided to CYP Committee in October 2025. CYP Spokes received an update in January 2026 and a Committee update will be provided in April 2026.	ASEND Action plan has been submitted and regular updates will be provided to CYP Committee	Sarah Callaghan (Service Director: Education) Martin Purbrick (Executive Director for Children, Education and Families)	30/06/2026
1a. Workforce - building the right capacity within the workforce  The revised Children's Strategic Workforce Plan has been developed and has been approved through the governance process at CYP Committee November 2024. The action plan outlines activities within Workforce and building the right capacity within the workforce to ensure consistency, quality and timeliness.	Ofsted will likely revisit Cambridgeshire and access progress within 12 months	Martin Purbrick (Executive Director for Children, Education and Families)	30/06/2026
1b. Placement Sufficiency (the residential strategy)  Placement Sufficiency - One stream of the residential strategy is continuing. This is the London Road project. Additional work around emergency placements, increase of foster-carer and kinship carers is also underway. the placement sufficiency statement is currently developed has now been approved.	One stream of the residential strategy is continuing. This is the London Road project. Additional work around emergency placements, increase of foster-carer and kinship carers is also underway. the placement sufficiency statement is currently developed has	Ranjit Chambers (Service Director: Fostering, Adoption and Corporate Parenting) Nigel Denning (Service Director: Children's Social Care and	31/08/2026
1c. Assessments - additional capacity to improve the quality, consistency and timeliness of assessments  Additional capacity to improve the quality, consistency and timeliness of assessments is in place and being recruited to permanently. In addition, Lancashire Council have conducted a sector led improvement review of MASH & Front door and a support plan is being developed and put in place to ensure improvements are being made.	Ofsted will likely revisit Cambridgeshire and access progress within 12 months. In addition, Lancashire Council have conducted a sector led improvement review of MASH & Front door and a support plan is being developed and put in place to ensure improvements are	Nigel Denning (Service Director, Children's Social Care and Targeted Support)	30/06/2026
1f. Out of hours support - a review of the out of hours services will be completed	Recruitment of a further 10 x relief workers will ensure sufficient cover for	Nigel Denning (Service Director: Children's	30/04/2026

<p>An options appraisal and review of the out of hours service has taken place (2024/25). PCC agreed (July 25) to remain in a shared arrangements with CCC and a SLA has been put in place. This has been endorsed by the CCC Change Board in July 25. This has meant that recruitment for a further 10 relief workers to work within the Emergency Duty Team on a rota-basis has been agreed and is ongoing.</p>	<p>Workers will ensure sufficient cover for the emergency duty team (out of hours support)</p>	<p>Director: Children's Social Care and Targeted Support)</p>	
<p>1g. Homelessness 16/17 year olds - review of this area is planned to ensure a more joined up approach</p> <p>Updated Joint Protocol for Homeless 16 and 17 year olds has been agreed between CCC and the 5 districts and awaits ratification at the Children's Partnership Board on 16/09/2025. The protocol is accompanied by improved paperwork for the triage and joint assessment of homeless teens, to assist with improved practice and recording. Staff from CCC and the 5 districts will be invited to joint briefing sessions in preparation for implementation on 1 October.</p> <p>There remain two key issues to be addressed:  Advocacy for children in this situation should be available but has not historically been part of the CCC contract with NYAS.  Suitable accommodation for any children requiring emergency accommodation pending a joint housing assessment (and beyond) is a concern due to a lack of sufficiency.  Quality Assurance have commenced planned audit in relation to this specific issue</p>	<p>Updated Joint Protocol for Homeless 16 and 17 year olds has been agreed between CCC and the 5 districts and awaits ratification at the Children's Partnership Board on 16/09/2025. The protocol is accompanied by improved paperwork for the triage and joint assessment of homeless teens, to assist with improved practice and recording. Staff from CCC and the 5 districts will be invited to joint briefing sessions in preparation for implementation on 1 October.</p> <p>There remain two key issues to be addressed:  Advocacy for children in this situation should be available but has not historically been part of the CCC contract with NYAS.  Suitable accommodation for any children requiring emergency accommodation pending a joint housing assessment (and beyond) is a concern due to a lack of sufficiency.</p>	<p>Liz Clarke (Service Director: Quality Assurance and Practice Improvement)</p>	<p>30/06/2026</p>
<p>2. Recruitment of a permanent workforce</p> <p>As part of the children's improvement work, there is a focus on ensuring the recruitment and support of children's workforce. Successful recruitment within management areas with over 90% of permanent Directors, Heads of Services, Service Managers and Team Managers. Over 80% of Social Workers are now permanent</p>	<p>Building a permanent workforce by growing our own Apprenticeships, ASYEs, International Social Workers. Only utilising agency workers where and when they are needed the most and attracting workers to become permanent. A recruitment campaign continues and working with recruitment agencies to send through potential workers is</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>30/06/2026</p>
<p>3. Children's Placement Sufficiency.</p> <p>Sufficiency Statement has been published. There has been improved Market engagement and increasing number of Children being placed in Cambridgeshire although 53% are still place in other Local Authority areas. Social Care &amp; Commissioning working more closely together as a strong focus on recruiting in-house foster, showing early signs of success, however, there are still a number of children in unregistered placements</p> <p>Work to manage the local market with support from Commissioning services is underway to support placement sufficiency for Cambridgeshire. This action is likely to remain ongoing."</p>	<p>Statements have now been finalised and agreed with CLT.</p>	<p>Chris Bush (Service Director: Strategy and Commissioning)</p>	<p>30/06/2026</p>
<p>4. Review of key areas of Children's, Education and Families services</p> <p>The Families First Partnership (FFP) reforms is a government programme to realign better working arrangements for children services, this requires Cambridgeshire to review some of its key areas to better work with eachother. In addition, a review of decision making in the MASH and closer integration of Targeted Support and Children in Need work.</p> <p>Essex diagnostics throughout 2023 and 2024 has now been completed. CCC was successful in receiving additional Sector Led Improvement partner work and additional support throughout 2025 is being planned. In December 2025, the DfE outlined the timeline for FFP would be brought forward for a year and further work is underway to consider the impact and implications of this.</p>	<p>FFP programme will ensure a consistent approach across all LA's in how children services are delivered.</p>	<p>Nigel Denning (Service Director: Children's Social Care and Targeted Support)  Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>30/06/2026</p>
<p>ASEND Action Plan - following the ASEND inspection, the following have been identified as areas for improvement:</p>	<p>Reporting progress of the ASEND Action plan improvements made after 12 months</p>	<p>Sarah Callaghan (Service Director</p>	<p>30/06/2026</p>

There are 3 possible judgements and Cambridgeshire received the 2nd judgement which has made the following recommendations for Cambridgeshire which includes:

- 1.The local area partnership should work together to improve the timeliness and quality of the statutory Education Health and Care (EHC) plan processes so that children and young people with SEND get the right support at the right time. This should include a particular focus on:
  - a.improving the timeliness of EHC plan needs assessments and annual reviews;
  - b.improving the quality of EHC plans;
  - c.amending EHC plans appropriately after annual review.
- 2.The local area partnership should improve access to, and reduce waiting times for, specialist mental health pathways and neurodevelopmental assessments. Leaders should ensure that children and young people and their families consistently receive effective communication and support while waiting for neurodevelopmental assessments.
- 3.The local area partnership should develop better opportunities for co-production with children and young people with SEND, so their voices and views are more fully included in the design of support and services.
- 4.The local area partnership should improve the support for children and young people with SEND as they prepare for adulthood, especially in mainstream schools.
- 5.The local area partnership should improve how it communicates its offer, so that schools, services and families know about and understand what the area seeks to provide. This will mean those who work most closely with children and young people with SEND will be better able to help them access the support available.

plan improvements made after 12 months	(Service Director, Education)	

Risk		03. The Council does not have enough budget to deliver agreed short and medium term corporate objectives				
Likelihood	5					
	4					
	3				X	A
	2					
	1					
		1	2	3	4	5
		<b>Consequence</b>				
<b>Risk Owners</b>		Michael Hudson (Executive Director of Finance and Resources)			<b>Current Score</b>	12
					<b>Risk Appetite</b>	15
					<b>Previous Score</b>	20
		<b>Triggers</b>			<b>Likelihood Factors (Vulnerability)</b>	
		<p>1. The Council spends more resources than it has by the end of the year and does not have sufficient reserves to cover cumulative variances.</p> <p>2. Policies, procedures or governance framework for budget setting and monitoring fail or are circumvented.</p> <p>3. Demand management, prevention or service reform activity is insufficient.</p> <p>4. Inflationary pressures and market failures / supply shortages lead to rising costs.</p> <p>5. Staff without appropriate skills, knowledge, experience. Greater staff turnover.</p> <p>6. The Council is a victim of major fraud, cyber crime or corruption.</p> <p>7. Failure to fund the cumulative DSG High Needs deficit if a statutory override is not in place.</p> <p>8. Significant reduction in central government grant allocations arising from Funding Review 2026-27.</p> <p>9. Significant commercial failure.</p> <p>10. Objectives set require funding far in excess of available sources.</p> <p>11. Government statutory changes introduce greater cost than funding.</p>			<p>1. Increased demand for services remains a key risk in care, SEND and related transport services. The DSG override has now been confirmed as continuing to 31/3/2028 and the Government have released information suggestion c90% of the deficit will be funded. Further information will be forthcoming but this significantly reduces the risk.</p> <p>2. Economic/market conditions - continued impact on supply of services by providers and impact on commercial factors remain due to higher than forecast interest rates.</p> <p>3. Changes to government funding; we now have the 3 year settlement and greater certainty over future years funds.</p> <p>4. Legislative and regulatory changes could impact but at this stage these, such as Devolution, is still in mid parliamentary stages.</p> <p>5. Partnership risks - additional costs or reduced funding in collaborations. Change programmes require additional short term risk.</p> <p>6. Waste management reforms and changes such as Industrial Emissions Directive as noted alongside new burden but no confirmations.</p> <p>7. Home to School Transport and children's social care placements markets continue to be challenged with a larger than forecast overspend reported at P10 2025/26 that must be addressed.</p> <p>8. Debt Management needs continual improvement as we have seen an increase in</p>	
					<b>Potential Consequences</b>	
					<p>1. c£3m savings are needed to balance the in-year position per Period 10 thus a reduced risk from previous reporting</p> <p>2. Council issues a s114 report or requires capitalisation direction.</p> <p>3. Breach of prudential code or capital strategy benchmark/indicators due to levels of borrowing, potentially also requiring a s114 notice.</p> <p>4. The Council does not deliver its statutory responsibilities.</p> <p>5. People do not receive the services to which they are entitled or require, and may be harmed as a result.</p> <p>6. Reputational damage.</p>	

Controls	Adequacy	Critical Success
01. Robust Business Planning process; demand/demography and inflation challenge.	Reasonable	Continued support from CLT to act collectively to develop budget proposals which meet the financial challenge. The Council has introduced new spending controls through a Financial Transparency Panel chaired by the s151 to assess non-pay non-business critical spend, as well as the control environment. This includes assessing the need for spend against the core objectives and ambitions. This Panel is meeting monthly from November 2024 with a view to manage the in-year overspend position and drive continual financial standard improvements. This will sit alongside the current Workforce Expenditure Panel that takes decisions around pay spending. As noted per the Period 10 report the overspend projected for 2025/26 has been significantly reduced to £3m which still needs to be addressed but reflects
02. Robust service planning, priorities cascaded through management teams and through Our Conversations process.	Good	Staff have clarity of what is expected of them and deliver services within the available budget. The business and financial plan 2026/27 has been agreed by Council

03. Integrated resources and performance reporting (accountable quarterly to SR&P Committee), tracking budget, savings, activity and performance.	Reasonable	A high percentage of saving proposals delivered in previous years, however further improvements can be made and this will be monitored by the Financial Transparency Panel and reported to CLT for actions. The focus on this tracking remains key to delivery as savings required become <b>harder with the funding uncertainty</b> .
04. Operational division Finance Monitoring Reports (accountable monthly to Service Committees), tracking budget, savings, activity and performance	Good	Finance reports produced on time, high accuracy, ownership by budget manager to forecast accurately and take actions as a result. Training continues to be provided to the budget managers.
05. Scheme of Financial Management, including Budget Control Report for the Council as a whole and operational divisions	Good	Clear budget process, effective engagement with it and compliance. This is being reviewed by the Financial Transparency Panel with changes being implemented where appropriate to improve and strengthen responsibilities and controls.
06. Procurement processes and controls ensure that best value is achieved through procurement	Good	Realisation of procurement savings through competition. Basis for effective contract management and productivity. External Auditors have recognised the improvements in both procurement controls and operation. The Financial Transparency Panel has identified a need to strengthen contract register records to enable enhanced monitoring of spend and compliance. <del>This will be monitored throughout 2025</del>
07. Budget challenge and independent advisory: Finance and budget managers at all levels of the organisation to track exceptions and identify remedial actions	Reasonable	The Financial Transparency Panel is currently reviewing the reporting and action planning with each directorate and lessons learnt from assessment and delivery of planned savings / remedial actions.
08. Rigorous treasury management system plus tracking of national and international economic factors and Government policy	Good	Prudential Indicators met and regular advice sought from external treasury managers.
09. Rigorous risk management discipline embedded in services and projects	Reasonable	Risk management is in place and linked to service planning, but the Financial Transparency Panel will be assessing IFMR risk management links further.
10. Adequate reserves	Reasonable	Reserves held at recommended level as per section 25 statement, these are being drawn down over coming years and the position of High Needs and the potential lifting of the Statutory Override create a greater risk but may be addressed by Government's announcement (9th February 2026) on legacy position.
11. Integrated Financial Monitoring Report	Good	Received quarterly at SR&P and monthly at DMTs and CLT with action sought for overspends via these meetings.
12. Anti-fraud and corruption, whistle blowing, money laundering policies alongside fraud detection work by IA	Good	Organisational awareness campaigns
13. Internal control framework	Good	Organisational awareness campaigns
14. Contract Management	Reasonable	More work is required to increase the skills of contract managers and align responsibility and reporting with budget monitoring.
15. Publication of transparency data	Good	Organisational awareness campaigns
16. Statutory Officer meetings	Good	The Statutory officers regularly review the financial standing as part of their set agenda and consider any actions for discussions with CLT, this included for example need for Vacancy Panel.
17. Safety Valve	Reasonable	Government has ended the Safety Valve programme but provided assurances that it will fund c90% of the Council's debt, this significantly reduces the risk to the council's financial standing, given the current £7.5m held in reserves.
18. Workforce Expenditure Panel	Good	Has introduced further level of control.

19. Shareholder sub-committee	Reasonable	Greater reporting of shareholder and commercial interests to be set up, although action around key risks being managed.
20. Savings delivery	Reasonable	A number of saving proposals are reported as undelivered at P10, these need to be addressed or alternative in year savings found. To date that is being done.
21. Forecasting at point of setting and in year	Reasonable	Whilst there has been a greater forecast in demand in childrens this could not have been foreseen at budget setting time. The outcome of the dissolution of the Learning Disability Partnership likewise was after the budget setting and brought new information on the likely cost split which is still being agreed with the ICB. Additional learning has been taken into setting the 2026/27 budget and will be monitored for implementation of proposals.

Action Plans	Assurance	Responsibility	Target Date
01. Ongoing review of Inclusion for All Programme to manage future High Need and SEND costs with a target to manage in year  This will include: - Improved EHP reporting to monitor backlogs, reviews, etc for modelling and monitoring purposes. - Revised demand management projections.  Ongoing review over next 24 months and reporting of progress via IFMR to SR&P and also details to CYP on regular reporting basis.	Government announcements to funding, however the Inclusion for All work continues and will be key in the Action Plan required for the release of Government Funding in the Autumn of 2026.	Martin Purbrick (Executive Director for Children, Education and Families)	31/10/2026
05. Programme and project delivery governance: Waste Management PFI and Solar. Waste PFI continues to be reported to SR	Ongoing board meetings.	Michael Hudson (Executive Director Finance and Resources) Frank Jordan (Executive Director of Place and Sustainability)	28/02/2026
06. Programme and project delivery MTFS 2025-29	Presentation of budget report for scrutiny before council	Tom Kelly (Director, Finance and Procurement) Joe Lacey-Holland (Assistant Chief Executive)	30/04/2026
07. Review of Financial Regulations	Constitution and Ethics Committee Review	Tom Kelly (Director, Finance and Procurement)	30/06/2026
09. Ongoing review of Commercial activities and risk	Investment return KPIs and Minimum Revenue Provision monitoring in the IFMR	Michael Hudson (Executive Director Finance and Resources)	30/06/2026
10. Financial Transparency Panel to review non-business critical spend and controls, including delegations and authorisa	IFMR	Michael Hudson (Executive Director Finance and Resources)	28/02/2026
11. Change Strategy development and feed into the MTFP.	Budget setting papers	Joe Lacey-Holland (Assistant Chief Executive)	30/04/2026
12. LGR funding and implementation cost management	LGR updates to Committee	Stephen Moir (Chief Executive)	30/07/2026

Risk		04. A serious incident occurs, preventing services from operating and /or requiring a major/critical incident response.						
Likelihood	5	Orange	Orange	Red	Red	Red		
	4	Green	Orange	Orange	Red	Red		
	3	Green	Orange	Orange	X	A		
	2	Green	Green	Orange	Orange	Orange		
	1	Green	Green	Green	Green	Orange		
			1	2	3	4	5	
		<b>Consequence</b>						
<b>Risk Owners</b>		Lee Harris (Executive Director of Place and Sustainability)			<b>Current Score</b>	12	<b>Last Review</b>	16/01/2026
					<b>Risk Appetite</b>	15	<b>Next Review</b>	16/04/2026
					<b>Previous Score</b>	12		
<b>Triggers</b>				<b>Likelihood Factors (Vulnerability)</b>		<b>Potential Consequences</b>		
1. Loss of large quantity of staff or key staff 2. Loss of key premises (including temporary denial of access) 3. Loss of IT, equipment or data 4. Loss of a key supplier 5. Loss of utilities or fuel 6. Decreasing resilience in CCC services due to ongoing financial constraints and cost reduction 7. Serious major external incident (including counter-terrorism) 8. Officer non-compliance with Business Continuity planning or processes 9. Co-operation and engagement of partners 10. An outbreak of infectious disease resulting in non BAU activity 11. A pandemic or localised outbreak resulting in non BAU activity				1. Ongoing risk of environment hazards such as flooding and severe weather (the frequency and severity of these hazards are expected to increase as a result of climate change) 2. Pandemic/ outbreak of infectious disease. 3. Cyber Attack / Cyber Crime 4. Protests/Community Tensions		1. Inability to deliver services to vulnerable people, resulting in harm to them 2. Inability to meet legislative and statutory requirements 3. Increase in service demand 4. Reputational damage		

Controls	Adequacy	Critical Success
1. Corporate and service Business Continuity Plans  Up to date business continuity plans available across the Council.	Reasonable	All services have up-to-date Business Continuity Plans which provide a clear and comprehensive plan for how services will respond in the event of a major/critical incident to minimise business disruption.
10. New Architecture for Cloud Hosted Services  New architecture has been procured, namely Amazon Availability Zones	Reasonable	Service is maintained during an outage of the AWS cloud service.
2. Corporate communication channels in case of emergency.  The Emergency Planning team work with Communications Teams in Cambridgeshire and Peterborough to respond to any emergency incidents. The Council's Emergency Messaging System allows contact with staff via SMS in the event of IT system disruption.	Good	The Council is able to communicate effectively externally and internally in the event of a major/critical incident.
3. Cambridgeshire & Peterborough Local Resilience Forum  The LRF allows multi-agency collaboration regarding local resilience issues. The LRF follows a clear process to allow agencies across the region to share information, plan and prepare for major incidents, and maintains a tactical response process.	Good	The Council is able to work effectively with other agencies across Cambridgeshire & Peterborough in responding to a major/critical incident.
4. IT disaster recovery arrangements  Up to date IT disaster recovery plans in place.	Reasonable	ICT downtime and disruption to front-line business is minimised in the event of an IT critical incident or loss of data.
5. Resilient Internet feed	Good	

Internet feed into NSH/Eastnet Connect infrastructure (across multiple partners).		
6. Corporate Emergency Plan	Reasonable	
7. Internal Audit of Business Continuity In April 2024 an internal audit was completed of Business Continuity.	Good	
8. Improved resilience through a strengthened EP & BC team As of June 2024 the EP has been restructured and additional positions have been recruited for resulting in a strengthened team. This has subsequently improved resilience.	Good	
9. Emergency On-Call Updates On 1st April 2025 an updated emergency on-call function will begin to be implemented beginning with increased numbers on the Gold commander rota. By the end of Summer 2025 a Silver commander rota will be implemented, thus transforming the role of the EP on-call duty officer to an emergency advisor to both the gold and silver commander. Increasing the number and range of people involved in the rotas will strengthen our resilience.	Good	The councils resilience is strengthened through the increasing numbers of commanders as well as the range of people involved. The council is able to assist in delivering an effective and efficient multi-agency response to emergencies and major incidents in order to save lives, reduce harm, protect property and the environment.

Action Plans	Assurance	Responsibility	Target Date
IT Disaster Recovery Exercise		Michael Hudson (Executive Director Finance and Resources)	31/03/2025
The 25/26 Business Continuity Cycle Emergency Planning Team supporting service Business Continuity leads to review Business Continuity Plans.	The 25/26 BC cycle began on 1st September 2025. This cycle will run through until mid-February 2026 by which point all services and teams will have received written and verbal feedback from the EP team, and as such sign off their finalised BC plan. All teams will then be offered an opportunity to exercise their BC plan, these validations sessions will take place throughout 2026.		30/04/2026
The ongoing training of Silver/Gold Cadre The continued training of Silver/Gold cadre	All new Gold/Silver on-call officers to attend 1:1 training with the EP team as well as external training provided by GSB in May 2026. On top of this internal exercises and briefing sessions will take place on a tri-monthly basis to refresh all gold/silvers on their role.		20/05/2026
Training Plans Improved induction and training for Gold reps and introduction of new cadre of Silver reps	Reporting of effectiveness of changes back to CLT at the end of the financial year		31/03/2026

Risk		05. Serious failure of corporate governance				
Likelihood	5	Orange	Orange	Red	Red	
	4	Green	Orange	Orange	Red	
	3	Green	Orange	Orange	Orange	A
	2	Green	Green	Orange	Orange	X
	1	Green	Green	Green	Green	
			1	2	3	4
		<b>Consequence</b>				
<b>Risk Owners</b>		Emma Duncan (Service Director: Legal and Governance)			<b>Current Score</b>	10
					<b>Risk Appetite</b>	15
					<b>Previous Score</b>	10
		<b>Triggers</b>		<b>Likelihood Factors (Vulnerability)</b>		<b>Potential Consequences</b>
		1. Major business disruption. 2. Lack of management oversight. 3. Negative inspection judgement . 4. Poor financial management. 5. Insufficient finance. 6. Personal Data is inappropriately accessed or shared. 7. Lack of awareness of or preparedness for legislative changes. 8. Lack of clear corporate policy framework. 9. Officer non-compliance with policy framework		1. Current local financial pressures. 2. Ongoing national reduction in public sector funding. 3. Changes to statutory/Legislative duties. 4. Current major corporate restructures and service change. 5. Increasing instances of Councils not able to meet expenditure commitments due to pressures in the local government sector.		1. Harm to people as a result of them not getting services they need or are entitled to. 2. Criminal or civil action against the Council. 3. Negative impact on Council's reputation. 4. Lack of control over financial or operational delivery. 5. S114 Report or Public Interest Report. 6. S5 Report.

Controls	Adequacy	Critical Success
01. Monitoring Officer role.	Good	Lack of or reduced risk of successful legal challenge to decision making.
02. Annual Governance Statement (AGS).	Good	AGS process ensure that the Council reviews the effectiveness of its corporate governance arrangements and its compliance with the corporate governance framework.
03. Code of Corporate Governance (CoCG).	Good	Annual review of the Code of Corporate Governance provides assurance that the Council has a robust governance framework in place.
04. Business Planning process used to identify and address changes to legislative/regulatory requirements	Good	
05. The Council's Constitution, including Scheme of Financial Management, Contract Procedure Rules, Scheme of Delegation etc.	Good	Officers and Members comply with statutory obligations
06. Corporate Complaints procedure and response to Local Government & Social Care Ombudsman reviews.	Good	The Council can identify and respond to any breaches of legislative or statutory obligations.
07. Service managers kept up to date with changes by Monitoring Officer / Pathfinder, Government departments, professional bodies, involvement in regional and national networks	Good	Lack of or reduced risk of successful legal challenge to decision making
08. New Committee report template and process developed following the Governance Review. Key statutory and legislative considerations in Committee reports are highlighted in sufficient detail and signed off by key officers prior to submission to Committee.	Good	Committee papers and key decisions are scrutinised to identify any statutory/legislative impact.
09. Roles of Statutory Officers. inc. Head of Paid Service, Section 151 Officer, Director of Adult Social Services, Caldicott Guardian, etc.	Good	Active postholders for all statutory roles for the Council.
10. Statutory Officers Group Statutory Officers Group meetings to discuss corporate governance arrangements and issues, and to reflect on recurring themes relating to Council improvement.	Good	Regular scrutiny of corporate governance by senior officers.
11. Performance Management Framework Performance management is a tool that allows us to measure whether we are on track to achieve our corporate priorities. If we are off-track, we change our activities to improve service delivery, value for money and the outcomes people experience.	Reasonable	Clear information on organisational performance against objectives provided in a timely way to decision-makers.

<p>12. Corporate Clearance Group</p> <p>The Corporate Clearance Group has been established to ensure draft reports receive sufficient corporate review prior to being submitted to Committee.</p>	<p>Good</p>	<p>All Committee reports are subject to corporate scrutiny and challenge to ensure that Committee decisions are taken on the basis of sufficient, robust information.</p>
<p>Member Training and Induction</p> <p>Comprehensive Member training and Induction programme following elections</p>	<p>Good</p>	<p>Members are fully informed about decision making process and comply with the rules</p>

<b>Action Plans</b>	<b>Assurance</b>	<b>Responsibility</b>	<b>Target Date</b>
<p>02. Implement Action Plan from Annual Governance Statement.</p>	<p>Implementation to be reviewed on an ongoing basis by Statutory Officer Group.</p>	<p>Emma Duncan (Director of Legal and Governance)</p>	<p>31/03/2026</p>

Risk		06. The Council's workforce is not able to meet business need				
Likelihood	5					
	4					
	3					
	2					X/A
	1					
			1	2	3	4
		Consequence				
Risk Owners		Lynsey Fulcher (Service Director: People and Culture)			Current Score	10
					Risk Appetite	10
					Previous Score	10
		Triggers			Likelihood Factors (Vulnerability)	
		<p>1. Skills shortage in key areas including partners.</p> <p>2. Employee retention beneath optimal leading to unhealthy level of turnover.</p> <p>3. Low levels of employee engagement.</p> <p>4. Failure to achieve a healthy organisational culture and working environment.</p> <p>5. Ineffective or inadequate workforce planning.</p> <p>6. Financial pressures mean the Council is not able to offer pay in line with the market.</p> <p>7. Decline in Council's reputation as an employer.</p> <p>8. High absence levels affecting performance and service delivery.</p> <p>9. Inability to recruit and develop staff</p> <p>10. High volume of organisational change leading to loss of experience and knowledge</p> <p>11. Working days lost to strike action/ industrial action</p> <p>12. Competitive local labour market impacting recruitment</p>			<p>1. Cost of living continues to be high, causing major concern for many of our workforce.</p> <p>2. Acute skills shortage in some key areas.</p> <p>3. Increased recruitment challenges in some areas of the council.</p> <p>4. Changing expectations regarding how and where people want to work.</p> <p>5. The extent and scale of change programmes being undertaken across the Council can heighten the likelihood of disruption and challenge with motivation and engagement.</p> <p>6. Increasing demand in services.</p> <p>7. Increased workplace expectations of employees.</p>	
					Potential Consequences	
					<p>1. The Council is unable to recruit &amp; retain staff with the right skills and experience.</p> <p>2. Failure to deliver effective services or meet commitments.</p> <p>3. Reputational damage to the Council.</p> <p>4. Low morale and negative impact on staff wellbeing.</p> <p>5. Expenditure on costly interims or agency staff.</p> <p>6. Workforce lacks relevant skills, knowledge and training and is not continually developed.</p>	

Controls	Adequacy	Critical Success
Employee engagement survey activity. Full independent employee engagement survey carried out in September 2023 and will be re-run every two to three years moving forward to be able to track employee engagement levels and respond to changes in a timely manner. Next date has been set for the end of 2025.	Good	Employee Engagement is demonstrated through employees seeing the value of and therefore contributing to these opportunities to shape the organisation as an employer. Continued engagement will be critical to keeping people well briefed and informed around the LGR proposals and the challenges and opportunities it will present
Equality Diversity & Inclusion Working Group. EDI Working Group meets monthly to discuss EDI issues and engage staff across the organisation.	Good	The Council has a strong culture of equality, diversity and inclusion which supports staff engagement and retention.
Report on quarterly basis to CLT and to management teams on workforce and performance. CLT received monthly reports on Health, Safety and Wellbeing. Quarterly dashboard reports on workforce matters including absence and turnover are provided to Directorate Management Teams for them to keep a focus on their workforce profile and any emerging or potential concerns.	Good	CLT and Directorate Management teams are able to identify and address any emerging or potential concerns.
Staff appraisal system linked to performance management Comprehensive framework is in place to provide a clear and structured means of ensuring that everyone has meaningful performance reviews and clear outcomes to work to, as well as a focus on wellbeing and career development.	Good	Staff performance is quantifiable across the Council services.
A Children's Workforce Board meets quarterly under the leadership of the DCS to focus on workforce challenges and to oversee delivery against the Ofsted action plan. This meeting continues to focus on key areas of challenge and concern, engaging with our providers of agency workers as well around hard to fill posts to identify opportunities to improve candidate attraction and employee retention. It is responsible for maintaining clear oversight of the key challenges facing the service and ensuring that meaningful actions are set out and delivered against.	Good	Staffing levels become more stable to support service delivery.
Adult Social Care Strategic Workforce Plan A strategic workforce plan has been produced to capture the workforce challenges facing the service now and in the foreseeable future. This has a comprehensive action plan for services to work together to deliver the changes and innovations needed to address the areas of concern.	Good	Staffing levels become more stable to support service delivery and staff have the right skills as those requirements shift over time.
Agency Staff framework with Opus.	Good	Hiring managers use Opus as an accessible and cost-effective route to market for agency staff and as a provider of the skills and expertise we

The agency worker policy clearly stipulates that Opus Cambridgeshire should be the source of all agency workers unless they are unable to provide them in which case there is an option to source alternatively.		market for agency staff and as a provider of the skills and expertise we need to reach through our joint venture.
C. 5 year People Strategy, endorsed by Members with accompanying action plan to ensure the right focus on recruitment, retention and talent management. Our People Strategy has a clear focus on the shifting employment market and employment challenges that the Council faces, to establish clear plans for the workforce.	Good	Clear workforce plan in place for the Council.
Dedicated Recruitment Team supporting the whole Council. Targeted recruitment campaigns and effective e-recruitment system.  The team engage with services to understand the specific and differing challenges that they face and target recruitment campaigns accordingly, as well as maximising usage of social media channels, and widely promoting initiatives such as the WeAreCambs campaign to promote the Council as an employer of choice.	Good	The Council is able to recruit staff with the right skills and experience.
Effective Learning & Development platform and work of the Learning & Development team.  Comprehensive learning offer that covers a wide range of topics and is delivered in a variety of ways to maximise accessibility for people as well as a well defined and well used apprenticeship programme that is being delivered across the Council in a diverse range of roles.	Good	Staff are able to access targeted learning and development opportunities and the Council can monitor training undertaken.
Employee Wellbeing offer  Wellbeing is key to a healthy workforce as well as healthy levels of employee engagement. An Employee Engagement & Wellbeing Advisor post is now in place to maintain the ongoing development of resources to support the workforce.	Good	Staff are supported to maintain wellbeing, reducing absence and supporting employee engagement and retention.
Grow our own strategy  Organisation wide commitment to using the grow our own approach to recruitment and retention challenges using apprenticeship, graduate development schemes and work experience opportunities to attract candidates.	Good	Gold status in the 5% Club was achieved in 2024, demonstrating that 5% of our workforce or more are in earn as you learn roles. Full use of our apprenticeship levy without returning funds.
Organisational Design Principles  Clear set of design principles established to set out to ensure that we have the right number of roles, in the right levels of the hierarchy with the right level of responsibility whilst avoiding duplication of accountabilities within our roles, to enable us to deliver our services.	Reasonable	Organisational design principles outline the spans of control, number of layers (or tiers) in the hierarchy and principles for job and structure design and are embedded in all areas of the Council.
Reports to Staffing and Appeals Committee  With effect from November 2024 reports are now considered bi-annually along with examples of how the workforce challenges are being addressed leading to greater engagement and direction from Members on the key employment matters facing the Council.	Good	Impact of workforce policies and engagement is measured and evaluated to inform future policy development.
Role of HR Business Partners.  HR Business Partners work with services to anticipate and meet demands within service areas. BPs attend management meetings and meet Service Directors regularly.	Good	Services are supported in successful recruitment, engagement, development and retention of staff.
Use of Consultants Policy and Interim & Agency Workers Policy.  Clear policy is in place to guide managers through the process to ensure that Procurement Rules are adhered to and value for money is at the heart of decision making.	Reasonable	Hiring managers use appropriate and compliant routes to market to obtain interim, agency staff and consultants.
Well established consultative framework with trade unions.  Meetings take place monthly, chaired by Service Director, HR. Chief Executive joins the meetings on a quarterly basis.	Good	Well established and positive relationships enable constructive discussions with trade union colleagues around any challenging workforce related matters, as well as an opportunity to gain valuable insights and contributions to help shape policy development.

Action Plans	Assurance	Responsibility	Target Date
Creation a comprehensive L&D framework to support the wider People Strategy.  Head of Learning and Development to meet with Executive Directors to consider the development needs of their leadership teams and create a leadership development plan.	This work has been slowed due to turn over at this level leading to a need to wait until new starters are in post but will be progressed this quarter	Lynsey Fulcher (Service Director: People and Culture)	08/03/2026
Employee Engagement Survey  Follow up listening sessions have been carried out to gain deeper understanding of the employee engagement survey results so that a comprehensive set of actions can be captured under the People Strategy Action Plan. A further engagement survey will be launched in September 2025.	Good	Lynsey Fulcher (Service Director: People and Culture)	28/02/2026

Preparation for LGR Ensure the workforce is well informed about the changes ahead through LGR to support retention and reduce concerns about job security.		Lynsey Fulcher (Service Director: People and Culture)	30/04/2026
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Risk		07. Failure to Deliver Key Council Services						
Likelihood	5	Orange	Orange	Red	Red			
	4	Green	Orange	Orange	Red			
	3	Green	Orange	Orange	Orange	A		
	2	Green	Green	Orange	Orange	X		
	1	Green	Green	Green	Green			
			1	2	3	4	5	
		Consequence						
Risk Owners		Stephen Moir (Chief Executive)			Current Score	8		
					Risk Appetite	15		
					Previous Score	10		
		Triggers			Likelihood Factors (Vulnerability)			
		<p>01. This risk may be triggered by the realisation of any of the other risks on the Corporate Risk Register:</p> <ul style="list-style-type: none"> <li>- Failure of safeguarding arrangements (Risks 1 and 2)</li> <li>- Failure of financial management (Risk 3)</li> <li>- Impact of a major/critical incident (Risk 4), cyber attack (Risk 8) or climate change (Risk 12)</li> <li>- Failure of corporate governance (Risk 5), key contracts (Risk 10) or partnership and collaborative working (Risk 11)</li> <li>- Insufficient workforce (Risk 6)</li> <li>- Failure to comply with Information Governance legislation (Risk 9)</li> </ul> <p>02. Changing county demography and high levels of growth create pressure on Council resources and increase the risk that funding does not match demand; this may also be exacerbated by weak demand management process within the Council.</p> <p>03. Failure to identify changing policy or legislation, or an inability to respond to changes in policy or legislation.</p> <p>04. Failure to develop, effectively communicate and implement clear Council strategies and service plans, including the Business Plan.</p> <p>05. Insufficient corporate oversight of performance.</p> <p>06. Non-compliance with corporate policies and procedures.</p> <p>07. Failure of arrangements for health and safety.</p> <p>08. Major organisational change.</p> <p>09. Changes in Officer Leadership including Chief and Deputy Chief Officers. This can trigger a loss of knowledge</p>			<p>01. Changes to legislation or Government policy having an adverse impact upon Council services and funding.</p> <p>02. Local Government Financial reforms and funding reductions leading to direct and negative impacts upon Council budgets.</p> <p>03. High levels of growth in Cambridgeshire outstripping forecasts and creating increased demand for key services.</p> <p>04. Major Critical Incidents, a Pandemic, Industrial Disputes or other form of long running incident which diverts Council resource, capacity and funding.</p> <p>05. Major organisational changes impacting service delivery.</p> <p>06. Economic uncertainty due to national and international events</p> <p>07. Political changes arising from General or Local Elections, changes in political leadership or proportionality, impacting upon service priorities.</p> <p>08. Commissioned service providers unable to continue service (if not managed under Risk 10)</p> <p>09: A breakdown in community cohesion, resulting in increased community tensions causing service disruption.</p>		<p>01. Harm or risk to vulnerable people.</p> <p>02. Financial penalties</p> <p>03. Reputational damage to the Council.</p> <p>04. Government or regulatory intervention/sanctions.</p> <p>05. Statutory penalties or prosecution.</p>	

Controls	Adequacy	Critical Success
1. Role of the Corporate Leadership Team for the operational delivery of services CLT have a leading role in ensuring that the Council delivers key services and legislative requirements. Individual Executive Directors have Service Plans setting out the required delivery from their teams for the year ahead.	Good	The Corporate Leadership Team has clear terms of reference and regular reviews service performance dashboards, financial reporting, workforce information, contract/commissioning, audit and risk matters, <b>Health and Safety matters and all proposed Key Decisions.</b>
2. Role of Statutory Officers , i.e. the Head of Paid Service, Monitoring Officer and Section 151 Officer. The statutory officers oversee all future key decisions and significant matter to ensure proper governance of the Council and meet regular as the formally constituted 'Golden Triangle' or Statutory Officer Group. All 3 Statutory Officers are full members of the Corporate Leadership Team. Additionally, the Statutory Officer Group is supported by a meets regularly with other key officers, including the Head of Audit and Risk Management.	Good	The Council's Statutory officers undertake their individual and collective governance roles effectively and are wholly aligned with the Government's Best Value Guidance, requirements set out in Law and Guidance from professional bodies, such as SOLACE, LLG, CIPFA, etc.
3. Policy and Budget Framework A clear, approved Policy and Budget Framework for the Council (including the Strategic Framework, Medium Term Financial Strategy, Capital Programme and Treasury Management Strategy).	Good	The Council's Strategic Framework sets the high level Vision and Ambitions for the authority, from which individual service plans should be developed and delivered. The Council's Performance Management Framework provides reporting to Committees on delivery against the <b>objectives outlined in the Strategic Framework</b>
4. The role and responsibilities of Council and Committess for decision making and scrutiny	Good	Council and Committesses have cleared, defined constitutional roles and terms of reference with clear schemes of delegation. Each Service/Policy

Full Council and through Council Committees there is robust overview, scrutiny and challenge in respect of the delivery of key services, performance reporting and the development and approval of policy and strategy for the Council.		terms of reference, with clear schemes of delegation. Each service or committee has a clear agenda and training plan. Committee governance and effectiveness is the subject of review during each Council term. The Council's Planning Committee ensure decisions are taken appropriately and independently from the policy and service committees and the Audit and Accounts Committee ensures overall scrutiny and assurance arrangements relating to financial sustainability, risk, controls and corporate governance is well supported.
5. Systems providing oversight of Council performance and service delivery. The Council's Performance Framework and Key Performance Indicators, along with associated systems for identifying performance issues such as the Complaints Procedure and Feedback Policy, provide corporate oversight of performance and delivery of key services.	Good	Committees and the Corporate Leadership Team have a robust overview of service performance, delivery and risks to enable scrutiny, accountability and performance improvement activities.
6. Demand forecasting. The Council operates forecasting mechanisms to inform budget setting and long-term planning. This includes placement sufficiency processes to inform provision of school and early years places.	Good	The Council has an accurate view of likely demand for services, from both a demographic, inflationary and needs basis, in the short and long term to inform business planning. Demand forecasting continues to be dynamically reviewed in-year and via Business Planning Processes annually to inform inflation assumptions for services, for example
7. Policy Horizon Scanning The Council operates an approach to policy and horizon scanning, to understand and assess the potential implications arising from policy, legislation and regulation that may impact the authority as a consequence of any change to Government due to the General Election.	Good	The Council is aware of and able to inform, influence and respond to likely changes in policy from Government. This response happens through multiple layers of professional and political engagement via bodies such as the LGA, CCN, ACCE, SCT, LLG, ADEPT, ADASS, ADCS and ADPH.

Action Plans	Assurance	Responsibility	Target Date
Executive Director Assurance Reports provided to Audit and Account Committee to provide assurance and actions on signifi	Executive Director Assurance Reports continued to be scrutinised by the Audit and Accounts Committee. The last such report was considered on 28/11/2025 from the Executive Director for Adults, Health and Commissioning	Mairead Claydon (Head of Internal Audit and Risk Management)	31/03/2026

Risk		09. The Council fails to comply with Information Governance legislation and industry standards				
Likelihood	5					
	4					
	3				X	A
	2					
	1					
		1	2	3	4	5
		Consequence				
Risk Owners		Emma Duncan (Service Director: Legal and Governance)			Current Score	12
					Risk Appetite	15
					Previous Score	12
		Triggers			Likelihood Factors (Vulnerability)	Potential Consequences
		1. High staff turnover and use of agency and interim staff. 2. Out of date IT systems or staff failure to install patches. 3. Cybercrime and phishing attacks. 4. Lack of training/awareness among staff. 5. Insufficient physical security of buildings. 6. Staff removing physical records from the office.			This risk is closely linked to Risk 08, 'the Council is a victim of cybercrime', and IT security vulnerabilities will increase the likelihood of a breach of Information Governance legislation.	There is a risk that a lack of oversight and control of information management leads to information being mis-handled, which would expose the organisation to: * Legal action/Information Commission Officer involvement. * Damage to the reputation of the council and adverse publicity. * Complaints. * Data subjects suffer loss, detriment and distress as result of poor management of data. <u>This will include records management contractual obligations</u>

Controls	Adequacy	Critical Success
01. Mandatory data protection and security training for all staff	Good	95% of staff have undergone online training or face to face training dependent on risks faced.
02. Use of Data Protection Impact Assessments (DPIAs) in all projects and procurements	Good	Register of DPIAs identifies which have seen a DPIA completed, signed off and managed. Ongoing review of DPIAs so it is not a one off assessment.
03. Regular communications to all staff and at key locations (e.g. printers)	Good	CamWeb used to promote key messages in a structured and engaging way each quarter. IG attend DMTs on a quarterly basis to hear of issues and resolve problems.
04. Information Management Board, chaired by senior info risk owner (CLT member), with representative of all directorates along with DPO and both Caldicott Guardians. Board oversees IG and cyber security activity	Good	Board meetings to be held every quarter and led by CLT members.
05. A comprehensive set of information and security policies.	Good	Policies reviewed and refreshed annually with redundant documents removed.
06. Established procedure for notifying, handling and managing data breaches	Good	Compliance with policy and clear reporting on breaches.
07. Subject Access Requests responded to within the statutory timeframe.	Good	Targeting compliance rate of 90% SARs completed within statutory timeframe.
8. FOI responses issued within the statutory timeframe.	Good	Targeting compliance rate of 90% FOIs completed within statutory timeframe.

Action Plans	Assurance	Responsibility	Target Date
Annual review of advice sought and provided to develop staff guides such as when to share and how to share to ensure con review of what the service is asked about to look for common themes and produce guides/notes to support	Published guides	Ben Stevenson (Head of Information Governance)	27/02/2026
Completion of NHS DSP Toolkit 25-2026 Ensures areas of compliance considered and how met for Public Health and Adult	Publication of toolkit and any audits	Ben Stevenson (Head of Information Governance)	30/06/2026
Continued Awareness and communications	Visibility on Cambweb	Ben Stevenson (Head of Information Governance)	31/03/2026

CambWeb pages have been updated and regular reviews , attendance to be made at DMTs and conversations to keep awareness levels up		Information Governance)	
Implement learning from incidents Ensure that processes are reviewed and trends analysed Breaches discussed at IM Board Report includes quarterly recommendations presented to IM Board, effectiveness to be reviewed	Lack of repeat incidents in service areas where processes are reviewed and changed Learning for services implemented in processes to ensure process are compliant	Ben Stevenson (Head of Information Governance)	31/03/2026
Mandatory training Training to be delivered annually to all staff, relevant to services and councils Refresher training being developed for coming year	Completions reported to CLT by L&D Receive monthly completion numbers	Ben Stevenson (Head of Information Governance)	30/06/2026
Review of IG policies Annual review of policies and updating to ensure best practice shared	Published policies to be approved by IM board	Ben Stevenson (Head of Information Governance)	01/04/2026

Risk		10. Failure of key contracts.						
Likelihood	5	Orange	Orange	Red	Red	Red		
	4	Green	Orange	Orange	Red	Red		
	3	Green	Orange	Orange	X	A		
	2	Green	Green	Orange	Orange	Orange		
	1	Green	Green	Green	Green	Orange		
			1	2	3	4	5	
		<b>Consequence</b>						
<b>Risk Owners</b>		Michael Hudson (Executive Director Finance and Resources)			<b>Current Score</b>	12	<b>Last Review</b>	19/01/2026
					<b>Risk Appetite</b>	15	<b>Next Review</b>	27/04/2026
					<b>Previous Score</b>	12		
<b>Triggers</b>				<b>Likelihood Factors (Vulnerability)</b>		<b>Potential Consequences</b>		
01. Large scale handback / collapse of major suppliers for economic/profitability reasons 02. Supply chain failure and/or significant cost increases in supply chain or CPI. 03. Lack of robust, formally agreed contract documents to set deliverables, performance and governance arrangements for all key contracts. 04. Failure to compliantly procure key contracts leads to legal challenge. 05. Third party fraud committed by or against suppliers and/or internal fraud or corruption in collusion with suppliers. 06. Relationship breakdown with key contractors, potentially leading to a legal dispute. 07. Heavy reliance on single suppliers leading to lack of a diversified supply chain.				01. Uncertainty and major change programmes underway within the Council. 02. Significant economic and inflationary volatility. 03. Industrial Emissions Directive and the Best Available Techniques conclusions (BATc).  04. Capacity and experience to deliver robust contract and supplier relationship management for key contracts. 05. Understanding of market conditions for the specific markets in which the key contracts sit. 06. Local Government Reorganisation could impact on pipelines and supplier uncertainty.		01. Financial impact of credit loss or default on monies owed. 02. Revenue impact of increased costs, reduced income returns and/or legal dispute costs. 03. Interruption to outcomes and service delivery. 04. Construction quality and health & safety matters. 05. Reputational damage. 06. Failure to fulfil statutory duties. Impacts on local supplies sub contracted or employed 07. Failure to fulfil statutory duties.		

Controls	Adequacy	Critical Success
01. Contract Procedure Rules and associated guidance and training.	Reasonable	Clear set of regulations around contracting which are accessible and communicated to officers. However the application is still being breached in some areas and further work is required to improve the skills of all managers
02. Contracts Register.	Reasonable	The Council has a list of all contracts valued over £5,000, updated monthly and published quarterly in line with the Transparency Code regulations. However, more work is needed from contract managers as shown by the Financial Transparency Panel work on the accuracy and keeping the register upto date
03. Commissioning and Commercial Delivery Group	Good	Corporate oversight over the delivery of compliance with CPRs.
04. Business Continuity Planning processes.	Poor	This needs to be improved for 25/26 submissions so contract managers have thought about the risk and mitigations.
05. Head of Diligence & Best Value role.	Reasonable	Additional resource for deep dive scrutiny and challenge of contract management. Being directed under Financial Transparency Panel work to lead deep dives into major spend and contract areas.
06. Corporate due diligence processes.	Good	Capability and capacity of suppliers is verified prior to entering into contracts valued over £100k, including checking e.g. insurance, accreditation, finance, health and safety etc.
07. Declarations of Interest processes within the Codes of Conduct for officers and members and within the Procurement Planning process.	Good	Responsible Officer and anyone involved in procurement evaluations has to sign a Declaration of Interest to ensure that any conflicts of interest are identified and managed/avoided.
08. Corporate process for identifying key contracts and the use of the procurement pipeline.	Reasonable	Major procurements are planned well in advance and the risk of contracts is understood.
09. Budget monitoring and forecasting processes.	Reasonable	The risk of contract overspends is identified early and can be addressed effectively.

10. Contract Management Toolkit in place along with other supporting guidance. Contract management training is delivered to key contract managers via the Government Commercial Function.	Reasonable	Officers know how to manage contracts effectively and use the Toolkit as part of their management processes.
Decision Making Framework for Joint Procurements A decision making framework has been agreed by CLT and will be used in all procurements valued over £100,000 where a joint procurement is being planned. This enables the risks of such a joint procurement to be identified and scored.	Good	The use of the decision making framework.

Action Plans	Assurance	Responsibility	Target Date
Commissioners undertake regular market reviews to assess volatility and risk of supplier failure.		Service Directors / Heads of Service	30/09/2025
Contract managers and commissioners ensure all contracts are signed before works, and undertake check to ensure that sig		Service Directors / Heads of Service	30/09/2025
Contract managers to ensure all contract details update on ERP, and issues flagged through Financial Transparency Panel		Service Directors / Heads of Service	30/09/2025
Contract managers to explain to DMTs and if needed Financial Transparency Panel why spend > contract value, and correcti		Service Directors / Heads of Service	30/09/2025
Ongoing review of the use of waivers, including targeted training for contract managers and reporting to Committee		Clare Ellis (Head of Procurement and Commercial)	31/03/2026
Review Business Continuity Plans for coverage of supplier failure to ensure adequate plans in place to maintain service		Clare Ellis (Head of Procurement and Commercial)	31/03/2026
Review learning from Financial Transparency Panel reporting on contract management to inform contract manager and budget		Clare Ellis (Head of Procurement and Commercial)	31/03/2026
Undertake training and guidance for contract managers for Business Continuity Plans to aid HoS and Eds sign off with gre		Clare Ellis (Head of Procurement and Commercial)	31/03/2026

Risk		11. Failure of collaborative working.						
Likelihood	5							
	4				X			
	3					A		
	2							
	1							
		1	2	3	4	5		
		<b>Consequence</b>						
<b>Risk Owners</b>		Joe Lacey-Holland (Assistant Chief Executive)			<b>Current Score</b>	16	<b>Last Review</b>	21/01/2026
					<b>Risk Appetite</b>	15	<b>Next Review</b>	21/04/2026
					<b>Previous Score</b>	16		
<b>Triggers</b>				<b>Likelihood Factors (Vulnerability)</b>		<b>Potential Consequences</b>		
<p>01. Different partnership arrangements have conflicting aims or priorities, including conflicting political priorities.</p> <p>02. The Council fails to identify and manage key/business-critical partnerships.</p> <p>03. Lack of robust, formally agreed partnership agreements or equivalent to set scope, deliverables and governance arrangements for all key partnerships.</p> <p>04. Partnerships lack clear corporate owners; or partnership owners have a conflict of interest between their CCC role and external interests.</p> <p>05. Partnership agreements fail to drive desired deliverables/outcomes.</p> <p>06. Relationship challenges and/or breakdown with key partners, potentially leading to a legal dispute and potential longer term impact on collaborative working.</p> <p>07. Policy or leadership changes in central government or local partnership organisations.</p> <p>08. Lack of transparency regarding the operation of key partnerships.</p> <p>09. Partners take decisions that create financial, strategic and operational risks for the county council.</p> <p>10. Local Government Reorganisation impacts on effectiveness of current partnerships.</p> <p>11. NHSE reform and re-organisation of Integrated Care Boards (ICBs) impacts on effectiveness of current partnerships.</p>				<p>1. Uncertainty and major change programmes underway within CCC and partner organisations.</p> <p>2. Restricted budgets across sector, coupled with significant economic and inflationary volatility.</p> <p>3. Aftermath of negotiations e.g. regarding Learning Disability pooled budgets and disputed cases.</p> <p>4. Restricted budgets across the sector lead to partners not taking responsibility for their liabilities.</p> <p>5. Negotiations with local government partners and ability/inability to work together effectively in the context of Local Government Reorganisation.</p> <p>6. Change in senior personnel and structural changes, for ourselves and partners, lead to loss of continuity and impacts shared outcomes and delivery.</p> <p>7. Conflicting political priorities between partners impact on joint working.</p>		<p>01. Financial impact of partnership failure particularly where budgets are pooled.</p> <p>02. Revenue impact of increased costs or reduced income returns.</p> <p>03. Interruption to outcomes and service delivery.</p> <p>04. Reputational damage.</p> <p>05. Failure to fulfil statutory duties.</p> <p>06. Partnerships that are vital to service delivery are impaired and there is a break down in collaborative working.</p> <p>07. The county council has to bear the financial liability as a result of the action of a partner(s).</p> <p>08. The role and the responsibilities of the county council is questioned with potential to contribute to reputational damage.</p> <p>09. The county council may need to re-evaluate some of its partnerships and its role within them.</p> <p>10. Additional demands requires the re-prioritisation of work.</p>		

Controls	Adequacy	Critical Success
0.1 Alignment of Partnership Guidance with the Constitution Ensure continued alignment between Partnership Guidance for Officers and the Council's Constitution with its conditions for Members' and partnerships/outside bodies	Good	Partnership Guidance for Officers is reviewed whenever the Constitution is reviewed
02. Grants to Voluntary Organisations Policy.	Good	Officers have clear guidance on how to manage award of grant monies effectively, to ensure that grants achieve best value and are awarded to partners who are able to deliver the agreed objectives.
03. Appointments to Outside Bodies Process	Good	Officers and Members have guidance on the law around serving on external bodies, and Democratic Services maintain a record of Member appointments to outside bodies.
04. Council's Strategic Framework	Good	Clear statement of our Vision and Ambitions as a basis for our collaborative working.
05. Partnerships Advice & Guidance Document.	Good	Clear guidance is available to Council officers and members on operating effectively in partnerships.
06. Identification of disputes and associated risks Identification of areas of dispute and associated risk through Corporate Leadership Team and Directorate Management Teams	Good	Ensure regular identification of issues at Corporate Leadership Team, with escalation from Directorate Management Teams through Executive Directors

07. Regular liaison with key partners ICS, CPCA, District & City Council, LRF, CAPALC (Cambridgeshire and Peterborough Association of Local Councils), CPPSB (C&P Public Service Board/Chief Executives' Group).	Reasonable	Partners are clear about where they can work together for the benefits of the communities of Cambridgeshire and clear about where their priorities differ or are in conflict
08. Local Government Re-organisation Regular meetings between Chief Officers, working groups between officers	Good	Continued effective working following submission of proposals in November 2025

Action Plans	Assurance	Responsibility	Target Date
01. Dispute Resolution - Participation in groups to resolve disputes with partners Participation in groups to resolve disputes with partners with clear lines of escalation through Corporate Leadership/Political leadership if decisions need to be made to take forward actions to protect the county council's risk/liabilities.	Internal and external working groups established to take forward the development of Local Government Reorganisation.	Joe Lacey-Holland (Assistant Chief Executive)	31/03/2026
02. Participation in major, system wide change programmes Local Government Reorganisation, changes to NHSE, ICB, Police and other partners	Involvement of Chief Executive, Council leaders, senior officers in relevant meetings to ensure there is a clear plan that addresses the council's priorities and protects the delivery of its services and its reputation.	Joe Lacey-Holland (Assistant Chief Executive)	31/03/2026
LGR CCC Governance Transition of LGR Working Group to CCC LGR Board with named SRO	Transition arrangements being developed in readiness for LGR Joint Implementation Director commencing in	Joe Lacey-Holland (Assistant Chief Executive)	27/02/2026
LGR System wide Governance arrangements Creation of system wide Governance to coordinate action required for safe and legal transition, overseen by LGR Implementation Director	Reporting to System Chief Executives' LGR Board	Stephen Moir (Chief Executive)	30/04/2026

Risk		12. Cambridgeshire County Council is not adequately prepared for the impacts of the changing climate				
Likelihood	5					
	4			X		
	3					
	2				A	
	1					
		1	2	3	4	5
		Consequence				
Risk Owners		Lee Harris (Executive Director of Place and Sustainability)			Current Score	12
					Risk Appetite	8
					Previous Score	12
		Triggers		Likelihood Factors (Vulnerability)		Potential Consequences
		1.The Council is not adequately prepared for the impacts of climate change due to lack of required budgets 2.Internal skills, knowledge, resource and capacity are insufficient to realise the opportunities available to act 3. Strategic co-ordination of partners is lacking and undermines the effectiveness of actions undertaken 4.Supply chains are not sufficient engaged to meet the challenges			1. Increase in frequency and intensity of disruptive climate events (such as flooding, high temperatures) is very likely 2. Increase in cost of responding to climate events due to complications from events happening more regularly in quick succession is very likely	
		1.Business continuity is impacted more severely by climate change events, that could have been mitigated with lower cost, preventative action are missed 2.The costs of delivering action are higher, due to acting later rather than sooner 3.Potential increase in legal challenges to Council 4. Potential for increase in negative reputational impacts due to lack of preparedness				

Controls	Adequacy	Critical Success
01. Strategic partnerships and collaborations Continued involvement in various strategic partnerships/collaborative spaces to feedback information and establish collaborative working approaches e.g. Place Directors , Greater South East Net Zero Hub; Local Climate Change Officers Group, UK100, ADEPT, UKPN Innovation Teams, Biodiversity Officers group, Fenland SOL.	Reasonable	Sharing best practice for policy and delivery improvements and securing government and other project finance.
02. CCC Climate Change & Environment Strategy Council's Climate Change and Environment Strategy and Action Plan are in place and are due to be reviewed in 2025/26. Discussions with members are being organised by Democratic Services.	Good	CCES approved, Phase 1 Enabling Net Zero Programme approved and mobilised, with some workstreams now closed and outcomes realised. Flood management and biodiversity JTF funded project is funded and mobilised. Phase 2/3 delivery of actions is funded and mobilised.
03. Climate Change & Environment Programme The programme is in place to manage and ensure delivery of the CCES and action plan ( relates to 01 above)	Good	Governance established feeding directly into Change Programme Board and Corporate Leadership Team (CLT). Recruitment underway to increase capacity. Phase 2 and Phase 3 mobilisation programmes underway.
04. Annual review and update of the CCES Action Plan Annual review and update of actions within the CCES Action Plan to monitor progress towards targets. Annual monitoring of target delivery established. Remedial actions to service plans to update relevance of new and emerging technology, knowledge and political (local/national) ambition	Good	Delivery of key sub-strategies e.g. Tree and Woodland and Biodiversity, management of rural estate emissions Baseline assessments in place for carbon and biodiversity. Reduction in carbon emissions
05. Embedding climate adaptation considerations into council decision making processes Integration of climate adaptation into Council decision making frameworks and processes	Reasonable	Committee reports include climate/ nature impacts. Net Zero design guide to support project management framework. Capital Programme Board carbon reporting. Communities of Practice checklist for integrating climate/nature ambitions into all policies.
06. Emergency planning measures for adverse weather e.g. Flood Response CPLRF framework has a multi agency flood plan (MAFP) which outlines the multi-agency response to a flooding incident. The LRF has a severe weather plan which focuses on response and recovery encompasses heat and severe weather in general.	Good	Appropriate response to minimise risk of harm to people and damage to property. •Met Office Weather Warnings & UK Health Security Agency Heat Health/ Cold Health alerts are cascaded internally to CCC services by the CCC Emergency Planning Team when received.
07. Economy and Climate Change Service The service supports, facilitates and delivers action across the Council including a watching brief on governmental policy, legislation and funding opportunities to enable pro-active responses to emerging changes.	Good	Increase external funding success for climate adaptation. Delivery of robust Economic Framework.
08. Performance Management Annual monitoring of action plan and target delivery established	Good	Baseline assessments in place for carbon and biodiversity.
09. Performance Management Reporting to monthly Change Board by the Executive Director of Place and Sustainability	Good	Flags red risks to Corporate Leadership Team.

Climate change risk assessment for Council services	Good	
Increase understanding of climate risk and its impacts on Council services including increased demand on services		

Action Plans	Assurance	Responsibility	Target Date
Control effectiveness Undertake an assessment of the controls to understand the confidence in these controls to manage the corporate risk	An assessment methodology is developed and 6 monthly reviews of the controls are monitored.	Eithne George (Head of Economy and Climate Change )	31/03/2026
Embedding climate risk into council processes Further integration of climate risk considerations into existing Council structures, frameworks and governance	Annual CCES reporting to EGI Committee on the specific target to "Integrate climate risk into every service-level risk register and align to the UK national adaptation programme guidance to prepare for a 2°C and plan for a 4°C rise in temperature."	Eithne George (Head of Economy and Climate Change )	31/03/2028
Funding & Resource Long-term funding and resource plan is developed and approved (via business planning and other mechanisms, e.g. grant, changes to business case methodology etc) to support on-going delivery of climate risk actions.	Funding and Resource Planning embedded in services to deliver the Council's climate ambitions and strategy	Frank Jordan (Executive Director of Place and Sustainability)	31/03/2026
Public Health Public Health messaging to communities on climate related health impacts and how to manage these e.g overheating	Public Health messaging on how to manage climate related health impacts	Val Thomas (Consultant in Public Health)	31/03/2026
Training and engagement Development and commence delivery of an Engagement and awareness campaign: To deliver behavioural change and empower individuals, communities and businesses to act independently of the Council: a) internal and b) external	a) Completion of a review of existing training provision and updates to incorporate climate risk. b) Completion of a review of Internal Climate & Nature Hub in relation to climate risk information and delivery of an accompanying awareness raising	Matthew Hall (Acting Head of Communications)	31/03/2026

<b>Risk</b>	<b>13. The Council's governance on Health and Safety is inadequate</b>				
<b>Likelihood</b>	5				
	4				
	3				X/A
	2				
	1				
		1	2	3	4
	<b>Consequence</b>				
<b>Risk Owners</b>	Lynsey Fulcher (Service Director: People and Culture)				<b>Current Score</b> 15 <b>Risk Appetite</b> 15 <b>Previous Score</b> 15
<b>Last Review</b>	23/01/2026				<b>Next Review</b> 23/04/2026
<b>Triggers</b>	1. Health and Safety legislation is not adhered to. 2. Accidents and injuries occur that could have been prevented with appropriate measures in place. 3. Clear policies and procedures not in place for the management of risk and safety. 4. Risk assessments are not systematically produced and reviewed appropriately for all activity. 5. Risk assessment action plans are not followed up or implemented. 6. HSE reporting occurs regularly. 7. HSE reporting is not appropriately carried out.			<b>Likelihood Factors (Vulnerability)</b> 1. Size and scale of the organisation makes it challenging to cascade important messages effectively to everyone. 2. High workload across the organisation leads to less emphasis and time being placed on health and safety than required.	
<b>Potential Consequences</b>	1. Employees/ Public suffer injury through work activity. 2. The Council suffers reputational damage from incidents occurring. 3. Council is prosecuted by the HSE for breaches of the legislation. 4. Increase in incident related absence and potential associated insurance claims. 5. Impact on employee engagement if people feel that the Council does not value their health, safety and wellbeing. 6. Financial impact through prosecution and defence.				

<b>Controls</b>	<b>Adequacy</b>	<b>Critical Success</b>
1. Quarterly Health, Safety and Wellbeing Group chaired by the Chief Executive with senior representatives from every Directorate.  Corporate Group has CEX oversight and each Directorate has a quarterly meeting focussed on their own area. All meetings have representation from Trade Union colleagues.	Good	Meetings are effective at escalating and tackling matters of concern or potential risk that arise.
10. Corporate stress risk assessment has been completed. Individual Directorate stress risk assessments will be completed by end Q2 2025.  A corporate stress risk assessment is a requirement of the Health and Safety Executive (HSE). This is complete but will be further enhanced by specific directorate focussed reviews and action plans to identify and address any areas of concern.	Reasonable	Full suite of risk assessments published on Camweb.
11. Mandatory Health and Safety E Learning.  Health and Safety E Learning is mandatory for all colleagues and is refreshed regularly to incorporate any legislative or good practice changes. Completion of this learning is reviewed annually by managers during the Our Ratings process and then by CLT.	Reasonable	High level of completion of E Learning.
12. Health and Safety Policy is reviewed annually.  Policy is reviewed to consider whether it is adequate or any updates are required. This is reviewed by the Health, Safety and Wellbeing Group chaired by the Chief Executive before being signed off by CLT.	Good	Clear audit trail of annual reviews being carried out.
13. Health and Safety is standing item on DMTs  Dedicated Health and Safety Business Partners attend DMT's to discuss local issues.	Reasonable	Rigour is applied in ensuring these discussions take place and issues arising are communicated throughout the service to highlight key issues.
14. Assurance reporting to CLT Risk and Assurance Meeting.  Quarterly review of the risks and controls in place will be taking place from June 2025.	Good	Risks are appropriately identified and mitigated and scores are regularly reviewed.
15. Assurance reporting to Strategy, Resources and Performance Committee.  Annual Health and Safety reports to be presented to Elected Members from 2025 onwards.	Good	
16. Provision of personal Safety & Conflict Management training.  Personal Safety & Conflict Management training and Breakaway Training is available to all colleagues to support risks of violence and aggression for those in customer facing services.	Reasonable	Take up of this training leads to greater confidence amongst colleagues in these services.
17. Comprehensive Health & Safety training in various formats is readily available.  Health & Safety training in various formats is readily available (Risk Assessment, Work at Height & Manual Handling etc.) some of which is essential and required to be regularly re-done.	Reasonable	Training is undertaken at the frequency required and set out in the Essential Learning framework.

2. Quarterly Directorate H&S meetings. Quarterly Directorate meetings report through into the Group above but provide the opportunity to focus on local matters and develop local actions as required.	Good	Meetings provide an effective mechanism to raise concerns and also awareness.
3. Directorate health and safety assurance reviews and controls. Executive Directors are responsible for ensuring that appropriate attention is paid to health and safety matters and that directorate health and safety meetings are taking place quarterly and providing an effective forum.	Reasonable	
4. Busway Health and Safety Assurance Strategy in place. Busway Health and Safety Assurance Strategy in place and all incidents and near misses are appropriately recorded and reported.	Reasonable	Strategy is in place, being actively deployed and has independent health and safety expertise providing quality assurance advice. Reporting of incidents continues to improve as a result of the dedicated busway safety operations team and deployment of safety measures.
5. Trade Union representatives are part of both all health and safety meetings that take place. The three recognised trade unions are invited to take part in all health and safety meetings and are given a specific slot on the agendas to raise any matters on behalf of their members.	Good	
6. Health and Safety Team business partner model. Health and Safety Team adopt business partner approach with advisor aligned to each Directorate to enable a strong understanding of their particular safety challenges.	Good	H&S Business Partners have a good understanding of the services provided, the health and safety related implications, and are able to provide specialist advice.
7. Our Safety Matters H&S bulletin. Our Safety Matters regular bulletin being produced to ensure that everyone is aware of the importance of health and safety, as well as their own responsibility for themselves.	Good	
8. Highlighting the importance of incident reporting. The importance of incident reporting to both deal with matters as they arise and to identify trends to take action is regularly communicated by the Chief Executive as well as members of the Corporate Leadership Team to encourage more proactive reporting.	Reasonable	Incidents are reported in a timely way through the right channels and people know how to do so. Reported incidents are used to identify themes and implement preventative measures as well as learning from what has occurred.
9. Regular reporting to the Corporate Leadership Team. A report from the Strategic Health and Safety Manager is considered monthly by the Corporate Leadership Team, along with a weekly incident report prepared in conjunction with the Property Team.	Good	Reporting demonstrates improvements in the completion of essential learning and appropriate reporting of incidents and also that where concerns are identified in terms of under reporting or increasing levels of stress related absence, clear and appropriate corrective action mechanisms are in place.

Action Plans	Assurance	Responsibility	Target Date
Annual Health and Safety Assurance reporting Reporting commenced in October 2025	The first annual report was presented to SR&P in October 2025. The Health & Safety policy is now finalised and posted on Camweb. The Committee appreciated the clarity around roles and responsibilities, from the Chief Executive down to operational managers, and the integration of health and safety into all phases of service delivery	Service Director: People and Culture	31/03/2027
Stress Risk workshops	The Stress Risk Assessment workshops have been delivered as structured	Head of Workforce Strategy and Wellbeing /	08/03/2026

Directorate Stress Risk workshops taking place between May and September 2025.

have been delivered as structured, interactive sessions designed to help directorates identify and manage workplace stress effectively. Each session gave Directorate Management Teams (DMTs) the skills and knowledge to develop service-specific stress risk assessments, tailored to their unique working conditions. Once all Directorate risk assessments are completed a review will be carried out to look at best practice and any common themes.

Strategy and Wellbeing / Strategic Health and Safety Manager

<b>Risk</b>	<b>14. Lack of effective relationships and governance across the Integrated Care System (ICS) may lead to poorer coordination and worse outcomes for our population</b>										
<b>Likelihood</b>	5										
	4				X						
	3									A	
	2										
	1										
		1	2	3	4	5					
	<b>Consequence</b>										
<b>Risk Owners</b>	Martin Purbrick (Executive Director for Children, Education and Families) Patrick Warren-Higgs (Executive Director for Adults, Health and Commissioning)					<b>Current Score</b>	16	<b>Last Review</b>	23/01/2026		
						<b>Risk Appetite</b>	15	<b>Next Review</b>	23/04/2026		
						<b>Previous Score</b>	16				
<b>Triggers</b>					<b>Likelihood Factors (Vulnerability)</b>			<b>Potential Consequences</b>			
<ul style="list-style-type: none"> <li>•The reorganisation of the health system, including the ICB may impact on the way our services work with NHS services and current integrated arrangements.</li> <li>•Governance arrangements do not support effective decision making.</li> <li>•Challenging finances across the system lead to a reduction of child safeguarding and operational priorities</li> <li>•Inability to achieve joined up data sharing agreements across the local health system and lack of resource (analytical and leadership time) to implement shared work using shared data.</li> <li>•Failure to resource and plan for reforms a</li> <li>•Lack of recognition or value of Public Health expertise across Cambridgeshire, including population health analysis, prevention focus, and health inequalities.</li> <li>•Failure to agree and deliver on system priorities</li> <li>•Proposed aggregation of ICB footprints, may dilute focus on Cambridgeshire's specific needs and reduce local influence in decision-making.</li> <li>•The timing of reforms limits the council's ability to apply statutory scrutiny, potentially bypassing local democratic oversight and weakening accountability.</li> </ul>								<ul style="list-style-type: none"> <li>•Impact of this implementation changes the way LA services work currently.</li> <li>•Impact on capacity and workload for senior managers.</li> <li>•Negative impact on population health outcomes.</li> <li>•Opportunities for prevention are missed leading to escalating need for health and social care.</li> <li>•Ineffective use of funds (duplication of what we are commissioning) across Cambridgeshire.</li> <li>•Lack of system working and poor outcomes from Cambridgeshire residents, and a lack of focus on locality working</li> <li>•Damaging relationships with new organisational form</li> <li>•Cost reduction in the ICB leading to 'work shunting' to the council</li> </ul>			

<b>Controls</b>	<b>Adequacy</b>	<b>Critical Success</b>
1.Attendance at Boards <ul style="list-style-type: none"> <li>•DASS and Director of Public Health representation at health and wellbeing board, neighbourhood committee and other place boards and governance</li> <li>•Ensure LA priorities are fed into ICS governance/boards at all levels</li> <li>•Work to ensure the correct representation on other Boards on going.</li> <li>•Participation in system-wide boards and groups to promote public health as a system priority and support the wider work of the healthcare system</li> </ul>	Reasonable	
2.Working Relationships <ul style="list-style-type: none"> <li>•Building positive working relationships across all levels continues</li> <li>•Some progress is being made to clarify governance and decision making</li> <li>•Local Authority considerations have been discussed with Members.</li> <li>•LA engaging with key ICS implementation and strategic meetings.</li> <li>•Proactive activity being undertaken beneath Board level to drive progress in key work streams i.e. Hospital Discharge and CHC</li> <li>•CCC continues to invest in relationship building in the ICS/ICB</li> <li>•DPHs across the new ICB cluster working together to establish ways of working and build relationships across the ICB</li> </ul>	Reasonable	
3.Ensuring that the two local authority Public Health teams in Cambridgeshire and Peterborough continue to adopt a system wide approach where appropriate to improving health outcomes. <ul style="list-style-type: none"> <li>•Identifying how Public Health teams across both Cambridgeshire and Peterborough collaborate, where relevant, to support the system most effectively.</li> </ul>	Reasonable	
4.Produce MOUs	Reasonable	

•Ongoing work to produce MOUs to clarify roles and responsibilities between the local authority and partner organisations		
5.Ensure effective engagement across system wide partnerships •Review partnership assessments. •Working with partners to establish joint objectives. •Establish key measures to demonstrate effectiveness of partnership.	Reasonable	
6.Formal response •Respond to local ICB around concerns and risks, to ensure engagement and consultation on the proposed changes •Escalation regionally and nationally on the proposed changes and the implications of those locally and to Cambridgeshire residents	Reasonable	

Action Plans	Assurance	Responsibility	Target Date
Conduct a Financial Impact Assessment Assess the impact of national cost reduction targets and ICB budget changes on local services.		Michael Hudson (Executive Director of Finance and Resources)	31/03/2026
Develop clarity on ways of working between Council and ICB Work with new C&P exec director for the ICB to establish clarity on ways of working between council and ICB – roles, responsibilities, escalation routes, board memberships.		Sally Cartwright (Director of Public Health )	31/03/2026
Enhance Democratic Oversight Work with legal and governance teams to ensure statutory scrutiny is maintained during reforms.		Patrick Warren-Higgs (Executive Director for Adults, Health and Commissioning)	30/06/2026
Establish a Joint Governance Review Taskforce Form a cross-agency taskforce to review and strengthen ICS governance structures and decision-making processes.		Patrick Warren-Higgs (Executive Director for Adults, Health and Commissioning)	30/06/2026
Establish role of public health within ICB Work with ICB directors to establish public health roles and responsibilities in new ICB model - including DPH role within ICB exec and boards; clarity on delivery of health care public health/health intelligence/population health functions and approaches within new ICB directorates, across new footprint, and at place.		Sally Cartwright (Director of Public Health )	31/03/2026
Implement a Data Sharing and Analytics Framework Create a shared data strategy and secure necessary resources for analytics and leadership capacity.		Michael Hudson (Executive Director of Finance and Resources)	31/03/2026
Strengthen Locality-Based Working Pilot locality-focused initiatives to ensure Cambridgeshire's needs are addressed within the broader ICS footprint, considering all CCC initiatives.		Patrick Warren-Higgs (Executive Director for Adults, Health and Commissioning)	31/03/2026

Risk		15. Non-delivery of SEND statutory timelines, financial risk of the DfE Safety Valve Agreement for Cambridgeshire and increase in DSG spend					
Likelihood	5	Orange	Orange	Orange	Red	Red	
	4	Green	Orange	Orange	Red	Red	
	3	Green	Orange	Orange	Orange	Orange	
	2	Green	Green	Orange	Orange	Orange	
	1	Green	Green	Green	Green	Orange	
			1	2	3	4	5
		Consequence					
Risk Owners		Sarah Callaghan (Service Director for Education) Martin Purbrick (Executive Director for Children, Education and Families)		Current Score	20	Last Review	26/01/2026
				Risk Appetite	16	Next Review	27/04/2026
				Previous Score	20		
Triggers			Likelihood Factors (Vulnerability)			Potential Consequences	
<p>1. Failure to deliver safety valve plan identified through monitoring.</p> <p>2. Unsustainable demand for Education, Health, Care Plans (EHCP's) meaning the financial carry forward becomes unsustainable</p> <p>3. Insufficient capacity within school system which leads to higher cost placements</p> <p>4. Increase in the number of complaints and possible pay-outs</p>			<p>1. Revised submission to DfE in July. Acknowledgement response received early October to state DfE SEND Advisor to work with the Council on possible changes. This would suggest on going delay by DfE to determine when our payments can commence and a decision on the two Special Schools.</p> <p>2. The Inclusion for All programme outlines a whole system approach to SEND to ensure all children and young people access various services available to them which could meet their needs. We had anticipated that our plan would be validated by the likely content of the national SEND reforms however Secretary of State</p>			<p>1. DfE withholding payments from the Safety Valve Agreement</p> <p>2. Government statutory duties are unable to be fully met</p> <p>3. Some of the changes we were anticipating within the delayed SEND reforms could have mitigated some of our risks, for example – increased scrutiny on Independent Special School funding and quality, a revised focus on the importance of SEN support rather than EHCP in mainstream.</p>	

Controls	Adequacy	Critical Success
<p>Delivery of additional school places</p> <p>Following the DfE continual delay of the opening of 2 x new special schools a recent update has been received from DfE setting out two options for the Council to consider by end February 2026. An options appraisal is being developed and the appropriate governance will be followed.</p>	Reasonable	School provision is in place and meets needs
<p>Management and delivery of the Inclusion for All Programme</p> <p>Full programme management and governance is place with agreed plan between all partners and revised plan, incorporating Ofsted priority actions, agreed by DfE and NHS England and summary published on CCC Local Offer SEND Website. Comprehensive report to C&amp;YP Committee in October with all recommendations agreed, i.e. quarterly reporting to Committee and £780k funding agreed.</p>	Reasonable	Inclusion for All is successfully delivered to time, cost and quality
<p>Monitoring of Safety Valve requirements</p> <p>Submission of the revised Cambridgeshire Safety Valve in July 2025 to DfE was made. A response from DfE is still be awaited for.</p> <p>Monthly review of position through the Education Finance and Performance Board and reporting to the SEND Executive Board. Financial forecasts continue to reported corporately and updated regularly. Activity currently paused.</p>	Reasonable	Requirements are reported regularly and meets expectations
<p>Partnership with DfE</p> <p>We were requested to submit an updated SV plan in July and we were proactive in following up this submission by requesting a meeting with DfE SEND Adviser. However, zero contact from DfE between July and up to end September. Early October 2025 brief acknowledgement email regarding July submission and stating that SEND Adviser would again me in touch to discuss possible further work required. Some contact with DfE in relation to the 2 x new schools in December 2025 and further work is being now being considered.</p>	Reasonable	Good working relationship are established

Action Plans	Assurance	Responsibility	Target Date
Area SEND Action Plan		Executive Director for Children, Education and	27/02/2026

<p>the following outlines the recommendations from the Area SEND inspection:</p> <p>There are 3 possible judgements and Cambridgeshire received the 2nd judgement which has made the following recommendations for Cambridgeshire which includes:</p> <ol style="list-style-type: none"> <li>1.The local area partnership should work together to improve the timeliness and quality of the statutory Education Health and Care (EHC) plan processes so that children and young people with SEND get the right support at the right time. This should include a particular focus on: <ol style="list-style-type: none"> <li>a. improving the timeliness of EHC plan needs assessments and annual reviews;</li> <li>b. improving the quality of EHC plans;</li> <li>c. amending EHC plans appropriately after annual review.</li> </ol> </li> <li>2.The local area partnership should improve access to, and reduce waiting times for, specialist mental health pathways and neurodevelopmental assessments. Leaders should ensure that children and young people and their families consistently receive effective communication and support while waiting for neurodevelopmental assessments.</li> <li>3.The local area partnership should develop better opportunities for co-production with children and young people with SEND, so their voices and views are more fully included in the design of support and services.</li> <li>4.The local area partnership should improve the support for children and young people with SEND as they prepare for adulthood, especially in mainstream schools.</li> </ol>		Children, Education and Families	
<p>Delivery of additional Schools</p> <p>Following the DfE continual delay of the opening of 2 x new special schools a recent update has been received from DfE setting out two options for the Council to consider by end February 2026. An options appraisal is being developed and the appropriate governance will be followed.</p>		Executive Director for Children, Education and Families	27/02/2026
<p>Revision of Safety Valve Model</p> <p>Revised Safety Valve Model submitted to the DfE including re-phased savings / potential extension of period of safety valve deal. Awaiting for DfE response.</p>		Executive Director for Children, Education and Families	27/02/2026
<p>Revision of transformation programme to be now the Inclusion for All</p> <p>Programme Board and task &amp; finish groups have been established.</p> <p>In addition, further inspection earlier in 2025 outlined the issues related to Safety Valve.</p>		Executive Director for Children, Education and Families	27/02/2026

## Draft Internal Audit Plan 2026/27

To: Audit and Accounts Committee

Meeting Date: 26 March 2026

From: Head of Internal Audit and Risk Management

Electoral division(s): All

Key decision: No

Forward Plan ref: Not applicable

Executive Summary: In line with Global Internal Audit Standards (GIAS), the Head of Internal Audit develops and maintains a risk-based Audit Plan demonstrating how the work of the Internal Audit team will provide the Audit Committee and management with independent assurance on the effectiveness of the controls in place to ensure that the Council's objectives are achieved. This report presents the proposed Internal Audit Plan for 2026/7.

Recommendation: The Audit and Accounts Committee is recommended to review, comment on and approve:

- a) the proposed draft Internal Audit Plan 2026/7.
- b) the Internal Audit Strategy 2026/7 – 2027/8.

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# 1. A healthy, fair and sustainable Cambridgeshire

- 1.1 The role of Internal Audit is to provide the Audit and Accounts Committee and management with independent assurance on the effectiveness of the controls in place to ensure that the Council's objectives are achieved. Internal Audit coverage is planned so that the focus is upon those areas and risks which will most impact upon the Council's ability to achieve these objectives. As such, the maintenance of an effective system of internal audit contributes to the achievement of all twelve of the Council's priorities.

## 2. Background

### Internal Audit Planning:

- 2.1 The Accounts and Audit (England) Regulations 2015 require that the Council "must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes; taking into account public sector internal auditing standards or guidance."
- 2.2 The Global Internal Audit Standards (GIAS) Standard 9.4 requires that the Chief Audit Executive (at Cambridgeshire County Council, this is the Head of Internal Audit and Risk Management) "must create an internal audit plan that supports the achievement of the organization's objectives. The chief audit executive must base the internal audit plan on a documented assessment of the organization's strategies, objectives, and risks. This assessment must be informed by input from the board [at Cambridgeshire County Council, this is the Audit and Accounts Committee] and senior management as well as the chief audit executive's understanding of the organization's governance, risk management, and control processes."
- 2.3 The risk-based Audit Plan therefore needs to include an appropriate and comprehensive range of work which is sufficiently robust to confirm that all assurances provided as part of the system of internal audit can be relied upon by the Audit and Accounts Committee.

### Internal Audit Strategy:

- 2.4 The Global Internal Audit Standards (GIAS) Standard 9.2 requires that the Chief Audit Executive (Head of Internal Audit and Risk Management) "must develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the organization and aligns with the expectations of the board, senior management, and other key stakeholders." This report also provides a refreshed version of the Internal Audit Strategy which was last presented to Committee in June 2025. There are no significant changes to the Strategy since its previous presentation.

## 3. Draft Internal Audit Plan 2026/7

- 3.1 The approach taken to risk-based internal audit planning at Cambridgeshire; the proposed programme of work for the Internal Audit team in 2026/7; the Internal Audit Strategy; and a copy of the approved Internal Audit Mandate are set out in Appendix 1 to this report.

## 5. Conclusion and reasons for recommendations

5.1 Conclusion and the reasons why the recommendations are being proposed.

## 6. Significant Implications

### 6.1 Finance Implications

There are no financial implications.

### 6.2 Legal Implications

Effective Internal Audit planning supports the Council's compliance with its obligations under the Accounts and Audit (England) Regulations 2015 and Global Internal Audit Standards.

### 6.3 Risk Implications

Effective Internal Audit planning is risk-based, and should provide the Audit and Accounts Committee and management with an assurance over the effectiveness of risk management at the Council.

### 6.4 Equality and Diversity Implications

There are no equality and diversity implications.

## 7. Source Documents

7.1 None



## DRAFT CAMBRIDGESHIRE COUNTY COUNCIL INTERNAL AUDIT PLAN: 2026/27

### 1. Approach to Internal Audit Planning:

1.1 At Cambridgeshire County Council, the Internal Audit service operates in line with its mandate, as agreed with the Audit & Accounts Committee (see Annex B), in order to deliver the Internal Audit Strategy (see Annex A).

1.2 The Annual Internal Audit Plan is the detailed operational workplan which sets out the approach to delivering the service's Strategy in line with the Mandate. Internal Audit has recognised that the Annual Internal Audit Plan essentially comprises two key elements:

The "Core" Audits: This is the part of the Plan which remains largely unchanged from year-to-year. It comprises key areas of assurance which are reviewed every year, such as Key Financial Systems, grant compliance audits, strategic risk management, and core governance reviews, as well as allowances of time for ongoing areas of work including reporting to the Audit Committee and senior management, and following-up on the implementation of agreed actions from previous audit reviews. However, it must be recognised that completion of these core audits alone would not give sufficient assurance to fully inform the Chief Audit Executive's annual opinion.

The "Flexible" Audits: This is the part of the Plan which varies significantly from one year to the next, comprising audits of areas which are identified as being high-risk through the Internal Audit risk assessment process. Equally, the broader themes within the flexible audits remain largely consistent; for example, each year it is expected that a significant resource would be directed towards the audit of contracts, although the specific contracts under review varies according to the risk assessment.

1.3 In practice, this means that the 'core' element of the Plan is set annually, while the 'flexible' element of the Plan is presented as a series of rolling quarterly Audit Plans, based on current risk assessments. Quarterly risk assessments ensure that the timing of planned audits is always actively informed by an up-to-date assessment of the areas of highest risk, and that the flexible plan is subject to regular challenge and comment by both CLT and the Audit and Accounts Committee.

1.4 This approach brings a number of benefits:

- Greater flexibility to introduce and reschedule planned audits in line with current emerging risks, or pressures being faced by the service due to be audited.
- A reduced need to 'cancel' audits when the risk environment changes, as the Audit Plan is no longer constrained by the year-end.
- Improved targeting of resource to areas of greater risk, with the highest risk areas always prioritised for the next quarter's work.
- Ensuring greater efficiency by eliminating the artificial cut-off of 'year end' for audit work and reducing the 'lull' at the start of a new financial year while new audits are initiated.
- Ensuring that when changes are made to the Audit Plan throughout the year, any impact of those changes on the Chief Audit Executive's ability to deliver an annual internal audit opinion is more easily understood.

## 2. Risk Assessment Process:

2.1 In order to develop the Audit Plan, there must first be a sound understanding of the risks facing the Council. In developing the Plan, Internal Audit undertakes a risk assessment which includes:

- Review of the Corporate Risk Register and Directorate Risk Registers and consideration of associated risk management activity.
- 'Horizon scanning' to identify key legislative changes etc. which may impact the Authority's risk environment in the future.
- Review of the Strategic Framework, Annual Governance Statement, Business Plan and Statement of Accounts.
- Engaging with senior management regarding the risks in their areas, including discussions with members of the Corporate Leadership Team and other key contacts, and review of the Annual Assurance Statements produced by Executive Directors.
- Reviewing the outcomes of previous audit work and follow-ups on the implementation of agreed audit actions.
- Considering the work of external providers of assurance, particularly: the findings of the Council's external auditors and their Value for Money opinion; the outcomes of Ofsted inspections and focused visits; the Annual Review letter from the Local Government & Social Care

Ombudsman and any specific LGSCO findings as relevant; and other sources of external assurance as appropriate, such as peer reviews.

- Benchmarking against Audit Plans developed by other Local Authorities.
- Considering input and feedback from the Audit & Accounts Committee.
- Considering which areas of high risk have had recent assurance coverage by Internal Audit or external assurance providers and those where Internal Audit are still following-up on the implementation of agreed actions, in which case they are likely to be lower-priority for re-inclusion in the plan; and conversely considering which areas of high risk have not recently been audited, in which case they are likely to be higher-priority for inclusion in the plan.

2.2 Potential audit areas identified through this process are then assessed and weighted according to the level of potential risk they relate to, and the level of urgency to complete an audit of this area. This enables Internal Audit to produce a list of audit areas which are clearly prioritised by risk.

2.3 Finally, the plan is also balanced to ensure that over the course of the year, audit coverage is provided across the full range of different types of organisational risk, including financial and non-financial risk areas. The risk assessment is updated throughout the year on at least a quarterly basis. More detail on this is provided at Section 5, below.

### 3. In-year Review and Update of the Audit Plan:

3.1 In Q4 of each financial year, CLT and the Audit & Accounts Committee are provided with a full draft Audit Plan for the next financial year, incorporating both the 'core' and 'flexible' audits planned, for review and challenge. Although this is an annual process, as outlined above the 'flexible' audit plan is expected to change throughout the year in line with the rolling quarterly risk assessments.

3.2 In the quarterly Internal Audit reporting, CLT and the Audit & Accounts Committee are asked to approve the next quarter's 'flexible' plan. They are also provided with a current 'indicative' draft of the audits that are likely to be included in the following four quarters after that i.e. a full-year forecast of upcoming audits based on the current risk assessment, for review and challenge.

### 4. Audit Plan 2026 – 27 Resources:

- 4.1 The Audit Plan for 2026 – 27 seeks to remain dynamic, challenging and prioritised based on the organisation’s risks. The draft Plan maintains a focus on risk-based and compliance audits, as well as providing assurance on key financial systems. This reflects the need to focus on the management of emerging risks and to ensure the continued operation of key controls within the Council’s governance arrangements, systems and processes.
- 4.2 The Internal Audit coverage for 2026/27 is proposed as 1,750 days, in line with previous years. In line with corporate processes, the Internal Audit team budget was approved by Full Council on the 10<sup>th</sup> February 2026 as part of the Council’s published Business Plan and Budget 2026/27 – 2028/29. At the time of writing, the Internal Audit team has sufficient human, financial and technological resources to deliver this coverage, in order to fulfill the Internal Audit Mandate and achieve the proposed Internal Audit Plan.
- 4.3 The Internal Audit coverage is split across the ‘core’ and ‘flexible’ plans as follows:
- ‘Core’ Plan: 1,140 days
  - ‘Flexible’ Plan: 610 days
- 4.4 In order to manage resources effectively, Internal Audit estimates the time requirement for each individual audit; these time allocations are set out at Section 5 and 6, below. In practice, the amount of time spent on each piece of work may vary, depending on business need and risk.
5. Audit Plan 2026 – 27 Risk and Assurance Coverage:
- 5.1 Within the resource days set out above, the Internal Audit plan needs to include an appropriate and comprehensive range of work aligned to the full range of organisational risks. This must be sufficient to inform the annual audit opinion of the Head of Internal Audit; in line with the Application Note on the Global Internal Audit Standards in the UK Public Sector, this opinion must conclude on the overall effectiveness of the organisation’s framework of governance, risk management and control and as such, Audit Planning must be sufficient to support this annual conclusion.
- 5.2 In order to achieve this cross-cutting assurance across a wide range of Council activities and risks, at Cambridgeshire County Council the Internal Audit Plan is based on ‘assurance blocks’ that each provides an opinion over key elements of the control environment, targeted towards in-year risks.
- 5.3 The ‘assurance blocks’ are closely aligned to the Council’s key corporate risks as identified on the Corporate Risk Register; this can be summarised as follows:

- **Business Continuity** – Providing assurance over the controls in place to manage potential threats and disruptions that could impact the Council’s ability to continue its operations and deliver its services. Links to Risk 4 on the Corporate Risk Register: “A serious incident occurs, preventing services from operating and/or requiring a major/critical incident response.”
- **Financial Governance** – Providing assurance over the controls in place to manage the Council’s financial resources effectively and in compliance with relevant laws, regulations, and internal policies. This includes annual or cyclical reviews of the Council’s key financial systems, and the review of grant expenditure which requires sign-off from the Head of Internal Audit. Links to Risk 3 on the Corporate Risk Register: “The Council does not have enough budget to deliver agreed short and medium-term corporate objectives.”
- **Fraud, Corruption & Whistleblowing** – Providing assurance over the controls in place to prevent and detect fraud, theft, corruption, and similar attempts to circumvent the normal functioning of the organization’s financial systems and controls. Includes an annual allowance of time for the Internal Audit team to investigate any allegations of fraud, theft or corruption. Links to Risk 8: “The Council is a victim of cyber crime” and Risk 3: on the Corporate Risk Register: “The Council does not have enough budget to deliver agreed short and medium-term corporate objectives.”
- **Governance** – Providing assurance over the controls in place to direct and control the Council’s activities. In practice, the Council’s corporate governance framework encompasses elements of all the assurance blocks listed in this report; the focus of the ‘governance’ block of the Audit Plan centres around coverage of key cross-cutting governance areas that are not accounted for within other assurance blocks.

In addition to time for general governance-related work, this includes (but is not limited to) the performance management framework, HR policies, whistleblowing, and governance of partnerships and Council-owned companies. This assurance block primarily links to Risk 5: “Serious failure of corporate governance” as well as Risk 6: “The Council’s workforce is not able to meet business need” and Risk 11: “Failure of Collaborative Working” on the Corporate Risk Register.

- **ICT & Information Governance** – Providing assurance over the controls in place to manage the Council’s data and IT infrastructure securely and effectively in line with legislation and best practice guidance. Links to both Risk 8: “The Council is a victim of cyber crime” and Risk 9: “The Council fails to comply with Information Governance legislation and industry standards” on the Corporate Risk Register.

- **Procurement & Commissioning** – Providing assurance over the controls in place to ensure that the Council’s procurement, commissioning and contract management activity is conducted in line with legislation, the Council’s own regulations, and best practice, and achieves value for money. Links to Risk 10 on the Corporate Risk Register: “Failure of key contracts.”
- **Project Management & Change** – Providing assurance over the controls in place to ensure that the Council’s project and programme management and corporate change activity are managed effectively and in line with good practice to ensure that planned outcomes are delivered and risks are mitigated. Links to Risk 7: “Failure to deliver Key Council Services” and Risk 11 on the Corporate Risk Register: “Failure of Collaborative Working”.
- **Risk Management** – Allowance of time to support the development and implementation of effective risk management arrangements at Cambridgeshire County Council, as well as the provision of risk assurance reviews for risks on the Corporate Risk Register.
- **Safeguarding & Health and Safety** – Providing assurance over the controls in place to safeguard the Council’s service users and to manage health and safety of staff, contractors and members of the public, in line with legislation and good practice. Links to Risk 1: “There are reputational and legal impacts when the Council’s arrangements for Safeguarding Adults with Care and Support needs fail” and Risk 2 on the Corporate Risk Register: “Failure of the Council’s arrangements to safeguard vulnerable children and young people”.
- **Value for Money** – Providing assurance over controls in place to ensure that the Council uses public money efficiently and effectively to achieve its objectives. Links to Risk 3 on the Corporate Risk Register: “The Council does not have enough budget to deliver agreed short and medium-term corporate objectives.”

5.4 Visualising how the proposed Audit Plan is broken down by assurance block helps to demonstrate how the planned reviews will provide coverage across all key organisational risk areas.

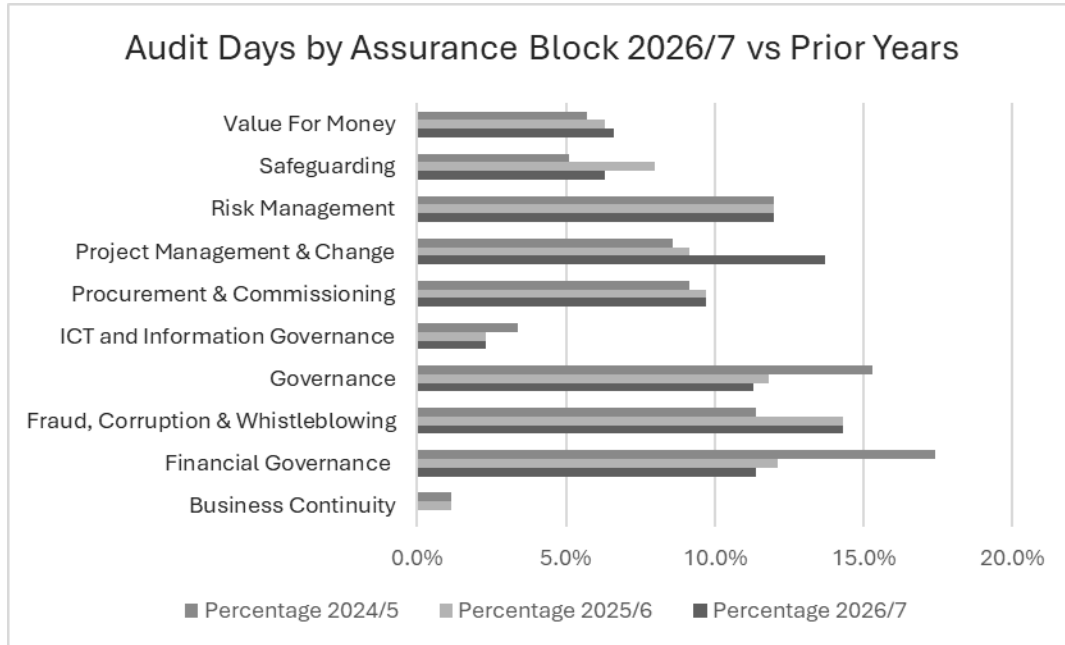
5.5 The proposed approximate split of time across the 2026/27 Audit Plan by assurance block (based on the current indicative assessment of all four quarterly ‘flexible’ plans) is as follows:

**Table 1: Analysis of Audit Plan by Assurance Block:**



- 5.4 For comparison, the breakdown of time by assurance block for 2026/7 is presented against the equivalent time allocations at the start of 2025/6 and 2024/5 in Table 2, below.
- 5.5 The draft Plan proposes an increase in the allocation of time towards audit of Project Management & Change, which primarily reflects the fact that a block of time has been set aside within the 'core' plan to provide assurance over areas linked to Local Government Reorganisation.
- 5.8 Linked to the above, it should be noted that while each audit has been allocated a single primary 'assurance block' for the purposes of this illustration of the cross-cutting nature of the Audit Plan, in practice most audits will provide some level of assurance across multiple assurance blocks. In 2026/7, there are no audits in the proposed plan which are solely linked to the 'Business Continuity' assurance block. This reflects the fact that the audit team have undertaken audits of Emergency Planning and ICT Disaster Recovery in 2025/6 and Business Continuity in 2024/5 and therefore there is a good level of existing assurance; equally, it should be noted that some of the work linked to Local Government Reorganisation is likely to also provide assurance over this risk area.

**Table 2: Analysis of Audit Plan by Assurance Block 2026/7 vs Prior Years:**



5.7 Full detail of the proposed coverage, and more information on the changes in coverage proposed for 2026/7 compared to previous years, is set out below in sections 6 and 7.

6. 'Core' Internal Audit Plan 2026/27

6.1 The 'Core' Plan for 2026/27 is similar to the Core Plan in 2025/26, but the number of 'core' days has increased from 1,003 to 1,140. The key changes are:

- An allowance of 130 days for Local Government Reorganisation (LGR) has been added to the Core Plan; this is the primary reason for the increase in 'core' days. An audit to provide assurance over implementation of actions from the Ministry of Housing, Communities and Local Government (MHCLG) LGR preparedness checklist has been included as part of this plan, and the remaining allowance of time will be used for smaller LGR-focused audits, as required throughout the year in agreement with senior management. It is anticipated that the types of audit work this time will be used for is likely to include areas such as: compliance reviews of contract availability; reviews of employment documentation availability; reviews of data cleansing and data availability in Mosaic and key systems; consideration of ordinary resident status; and more.

- Adjustments to the Grant Audit section to reflect actual grants which require certification in 2026/27, as this varies by year. The overall number of grants requiring certification by Internal Audit is expected to reduce in 2026/27; a contingency allowance has also been included, as in previous years several grants requiring Internal Audit certification were identified by Council services after the start of the financial year.
- In addition to the regular reviews of key financial systems, time has been set aside for a review of the Insurance function delivered as part of the Lead Authority arrangements, and a review of the use of spreadsheets to interface payment information into ERP.
- The allowance of time for work to follow up on the implementation of agreed recommendations has also been increased slightly to reflect the increased time required to complete this work in 2025/6.

6.2 The detail of the proposed plan can be found at Table 3, below:

**Table 3: Proposed 'Core' Internal Audit Plan 2026/27:**

Audit	Directorate	Category	Days	Why
<b>Annual Audit Reviews of Key Financial Systems</b>			<b>110</b>	
Accounts Receivable	CCC	Financial Governance	15	Annual assurance over Key Financial Systems; conducting transactional testing across core systems.
Purchase to Pay	CCC	Financial Governance	15	Annual assurance over Key Financial Systems; conducting transactional testing across core systems.
Payroll	CCC	Financial Governance	20	Annual assurance over Key Financial Systems; conducting transactional testing across core systems.
Insurance Fund	CCC	Financial Governance	20	Review of insurance policies, service management and compliance.
ERP Spreadsheet Payments	CCC	Financial Governance	20	The use of spreadsheets to interface payment information into ERP is a risk area and this review would provide assurance that this approach is only being used where strictly necessary and with appropriate controls to minimise the risk of error or fraud.
Debt Recovery	CCC	Financial Governance	20	Annual assurance over Key Financial Systems; conducting transactional testing across core systems.
<b>Grant Certification Work Required In-Year</b>			<b>70</b>	

Audit	Directorate	Category	Days	Why
Local Transport Capital Block Funding (Highways Maintenance )	P&S	Financial Governance	7	Annual cycle of grant certification requirement.
Pothole and Challenge Fund	P&S	Financial Governance	5	Annual cycle of grant certification requirement.
HS2 Grant	P&S	Financial Governance	7	Grant sign-off required in 2026/7.
Disabled Facilities Grant	AHC	Financial Governance	5	Annual cycle of grant certification requirement.
Basic Needs Funding	CEF	Financial Governance	10	Annual cycle of grant certification requirement.
Youth Investment Fund Pilot Grant	CEF	Financial Governance	5	Grant sign-off required in 2026/7.
Grants Contingency	CCC	Financial Governance	31	Contingency allowance for additional grant sign-off requirements.
<b>Annual Allowance for Local Government Reorganisation</b>			<b>130</b>	
MHCLG Preparednes Checklist Audit	CCC	Project Management & Change	30	Review to provide assurance that the Council is implementing the recommended actions from the Local Government Reorganisation Preparedness Checklist published by the Ministry for Housing Communities and Local Government; and to identify any areas that require further input.
LGR Focused Mini Audits	CCC	Project Management & Change	100	Allowance of time to be utilised for 'mini audits' to support focused work on Local Government Reorganisation, as required. This is likely to include compliance reviews of contract availability; employment documentation availability; data cleansing and data availability in Mosaic and key systems; consideration of ordinary resident status; and more.
<b>Annual Allowance for Fraud Investigations &amp; National Fraud Initiative</b>			<b>250</b>	
Fraud Investigations	CCC	Fraud & Corruption	200	Receive whistleblowing referrals and allocation of time to investigate alleged fraud or theft.
Pro-active Counter Fraud Work	CCC	Fraud & Corruption	10	Allowance of time for pro-active Counter Fraud work.
National Fraud Initiative	CCC	Fraud & Corruption	40	Management of statutory National Fraud Initiative.

Audit	Directorate	Category	Days	Why
<b>Strategic Risk Management and Assurance</b>			<b>210</b>	
Annual Assurance on Risk Management	CCC	Risk Management	5	Providing an annual assurance over the Council's Risk Management framework.
Risk Management	CCC	Risk Management	125	Strategic risk management processes, workshops and reporting to stakeholders including CLT, Strategy Resources & Performance Committee and Audit & Accounts Committee.
Risk Assurance Reviews	CCC	Risk Management	80	A programme of compliance checks on key controls mitigating the Corporate risks and top Directorate-level risks to provide assurance on whether critical controls are routinely complied with in practice.
<b>Core Procurement &amp; Commissioning Audit Work</b>			<b>50</b>	<b>(plus contract reviews in flexible Audit Plan)</b>
Procurement Breach Process	CCC	Procurement & Commissioning	20	A new procurement breach process was introduced in April 2024; this review would provide assurance that it is operating as intended and that the process is effective in identifying and addressing non-compliance.
Contract Management Policies & Compliance	CCC	Procurement & Commissioning	30	Noted as a risk area. This would review contract management guidance and training available to managers in the organisation, and implementation of contract management processes. High impact area.
Contract Reviews	CCC	Procurement & Commissioning	-	A minimum of 120 further days is committed to review of contracts and commissioning; see flexible Audit Plan at Section 7.
<b>Annual Core Governance Reviews</b>			<b>102</b>	
Annual Governance Statement/Code of Corporate Governance	CCC	Governance	5	support to Annual Governance Statement/Code of Corporate Governance work.
Corporate Key Performance Indicator Framework	CCC	Governance	20	Providing an annual assurance over the effectiveness of the Council's corporate Key Performance Indicator framework.

Audit	Directorate	Category	Days	Why
Annual Key Policies & Procedures Review	CCC	Governance	5	Following previous year audit reviews of core policies and procedures, this review will provide assurance that key policies are reviewed, updated and accessible to staff.
Whistleblowing Policy Annual Review	CCC	Governance	15	Work to review the whistleblowing policy, conduct awareness-raising activities across the organisation, and produce the annual report on whistleblowing cases.
Global Internal Audit Standards (GIAS) Review	CCC	Governance	5	Annual review to verify compliance with GIAS
Information Management Board	CCC	Governance	2	Attending panel to provide support on information management and security issues
Schools Assurance Auditing	CEF	Governance	50	Annual assurance over key risks in schools, with a focus on financial governance and payroll risks.
<b>Advice &amp; Guidance Work</b>			<b>133</b>	
Advice & Guidance	CCC	Advice & Guidance	50	Providing support and guidance to staff on ad-hoc queries.
Freedom of Information Requests	CCC	Advice & Guidance	8	Allowance of time to respond to FOI requests received in-year.
Follow-Ups of Agreed Actions	CCC	Advice & Guidance	75	Confirming agreed actions have been implemented to reduce key organisational risks.
<b>Management &amp; Committee Reporting and Planning</b>			<b>85</b>	
Committee Reporting	CCC	Reporting	35	Reporting to Audit and Accounts Committee.
Management Reporting	CCC	Reporting	25	Reporting to CLT.
Audit Plan	CCC	Reporting	25	Development of the Internal Audit Plan and in-year revisions/updates.

## 7. 'Flexible' Internal Audit Plan 2026/27:

7.1 The 'flexible' Internal Audit Plan is split into rolling quarterly plans; the precise number of days included each quarter is likely to vary slightly around this number, to maintain some flexibility based on the audits prioritised for inclusion in that quarter. The number of days in the 'flexible' Plan has reduced from 705 in 2025/6, to 610 in 2026/7, to reflect the additional days added to the 'core' plan for Local Government Reorganisation.

7.2 This programme of work is indicative only, and is subject to change throughout the year to ensure that the Audit Plan can be reactive as well as proactive about providing assurance over emerging risk areas. The team will continue to progress each quarter's work as outlined below at Table 4, assuming a full team structure; any shortfall will be re-profiled in future quarters:

**Table 4: 'Flexible' Internal Audit Plan 2026/27:**

Audit	Dir.	Category	Days	Qtr.	Why
<b>Flexible Audit Plan for Q1 26/27:</b>			<b>165</b>		
Highways Contract	P&S	Procurement & Commissioning	30	Q1	Review to confirm implementation of key controls within contract management of the Council's Highways Contract, following up on the outcomes of previous audit work.
Health & Safety in Place & Sustainability	P&S	Safeguarding & Health and Safety	20	Q1	Review of controls and compliance for key health and safety considerations in P&S Directorate including how management obtains assurance that key controls are met
Guided Busway	P&S	Governance	30	Q1	Review to provide assurance over the controls in place to manage the operation and maintenance of the Guided Busway, including both in-house and contracted-out aspects of busway management and controls over health and safety.
Domiciliary Care Contract Monitoring	AHC	Safeguarding & Health and Safety	20	Q1	Review of the arrangements for monitoring domiciliary care agencies who contract with the Council, including a focus on monitoring for compliance with safeguarding and health and safety requirements, as well as considering supplier resilience and continuity.
Early Years Entitlements Funding	CEF	Financial Governance	20	Q1	To provide assurance that robust and efficient processes are in place to ensure payments to Early Years providers are timely and accurate and there are appropriate controls in place to reduce the risk of fraud.

Audit	Dir.	Category	Days	Qtr.	Why
Brokerage	AHC	Procurement & Commissioning	25	Q1	Review of the Brokerage function including consideration of the usage of block contract spaces, how need is forecast and monitored, and value for money including how the risk of error or fraud is managed.
Customer Feedback	OCEX	Governance	20	Q2	Review of new Feedback Policy implemented in 2025/6, to provide assurance that the policy is complied with in practice and that complaints are responded to in a timely way avoiding the need for ombudsman intervention.
<b>Flexible Internal Audit Plan for Q2 26/27:</b>			<b>150</b>		
Capital Project Management	P&S	Project Management & Change	60	Q2	Review of a sample of capital projects (including major infrastructure and energy projects) to gain assurance over compliance with key project management controls, risk and issue management, and identify any lessons learned for dissemination.
ICT Procurement	F&R	ICT and Information Governance	20	Q2	Review of ICT procurement function including commissioning, contract management, efficiencies etc.
High Cost Placements (Childrens Social Care)	CEF	Value For Money	25	Q2	Review of high-cost external placements in Children's Social Care with a focus on residential and out-of-county placements to provide assurance that placements are made in line with policy and achieve value for money while safeguarding service users. In particular this will focus on how children enter care and how the Council identifies and commissions these placements.
Waste PFI	P&S	Procurement & Commissioning	25	Q2	Council's biggest PFI contract, £35m p.a. gross budget. Renegotiation of the contract to resolve legacy issues re: retention of monies. The scale of the contracts means this is a key financial risk for the Council.

Audit	Dir.	Category	Days	Qtr.	Why
Artificial Intelligence (AI) Strategy	F&R	ICT and Information Governance	20	Q2	Review of the Council's strategies for managing and optimising the use of AI to provide assurance these maximise value for money while mitigating risks such as data security and fraud.
<b>Flexible Internal Audit Plan for Q3 26/27:</b>			<b>135</b>		
Home to School Transport	CEF	Value For Money	25	Q3	Key financial pressure area. Recent external review has identified opportunities for savings and the service is working with the Policy team to develop this into a formal programme. Audit review to provide assurance over the programme and procurement arrangements in place.
Cambridge Biomedical Campus	F&R	Governance	25	Q3	Major partnership construction programme which may involve forward funding from the Council and partnership working. Audit would provide a view on governance arrangements and consider LGR implications.
S75 Occupational Therapy	AHC	Procurement & Commissioning	20	Q3	Review to provide assurance over the effectiveness and value for money of the Council's s75 agreement for Occupational Therapy services.
SEND Audit	CEF	Value For Money	25	Q3	Allowance of time to audit SEND processes in light of proposed SEND Reforms and implementation of system to support SEND data availability as well as the outcomes of previous audits. Precise scope to be agreed at the time of review, to consider demand management, financial resilience and data quality.
Road Safety	P&S	Safeguarding & Health and Safety	20	Q3	Review of the operation and effectiveness of the Council's Road Safety service. This would focus on understanding how effectively the Council responds to investigations and intelligence regarding road safety, and how the Council ensures that recommended actions to address road safety risks are implemented

Audit	Dir.	Category	Days	Qtr.	Why
					in a timely way.
ICT & Digital Strategy and Service Planning	F&R	Governance	20	Q3	Review of service planning and strategy within ITDS with a focus on 'second line of defence' arrangements around cyber and data security; the front door programme and customer services; and considering LGR implications
<b>Flexible Internal Audit Plan for Q4 26/27:</b>			<b>160</b>		
Street Works & Permitting	P&S	Value For Money	20	Q4	Review to provide assurance over management of highways permits and licensing, and Temporary Traffic Regulation Orders (TTROs) administered by the StreetWorks team.
Parking, Traffic and Network Management	P&S	Value For Money	20	Q4	Audit of parking policy and operations, traffic signals and systems and the Traffic Management Centre, to provide assurance that services are operated in line with legislation and corporate policy and achieve value for money.
Projects Assurance	OCEX	Project Management & Change	50	Q4	Review of a sample of key non-capital projects focusing on compliance with the corporate project management framework.
Children's Social Care Complaints	CEF	Safeguarding & Health and Safety	20	Q4	Review of processes to manage and respond to Children's Social Care Complaints to ensure that these are effective in identifying and responding to complaints effectively.
S12 Doctors	AHC	Procurement & Commissioning	20	Q4	Review to provide assurance that new arrangements for s12 doctors under the Mental Health Act (1983) are in-house, there are appropriate policies and processes in place for how these services are commissioned and paid.
Quality Assurance in Adult Social Care	Adults	Safeguarding	30	Q3	Review of quality assurance arrangements in Adult Social Care to ensure that key safeguarding risks are mitigated

Audit	Dir.	Category	Days	Qtr.	Why
					through appropriate monitoring of practice.

8. Key Performance Indicators 2026/27:

8.1 The Internal Audit team maintains and tracks Key Performance Indicators (KPIs) to monitor delivery of the Internal Audit Plan. The primary Key Performance Indicators reported to Committee are:

1. Delivery of the Agreed Internal Audit Plan:
  - (a) Measured by productive audit days delivered against the target of 1750 days in 2026/7.
  - (b) Measured by the number of individual reviews delivered against the agreed Audit Plan in 2026/7 (n.b. the number of individual reviews in the Plan varies throughout the year as the Plan is revised and re-stated).
2. Audit Team Productivity – measured as the percentage of available Internal Audit team time spent on direct delivery of activities within the Internal Audit Plan 2026/7 (target is 85% productivity).
3. Customer Feedback Survey Responses – the team issue Customer Feedback Surveys alongside every final audit report issued and request feedback from officers involved in the audit. The target is to improve average feedback scores against each of the five questions in the survey, year-on-year.
4. GIAS Compliance – annual confirmation of team compliance with Global Internal Audit Standards.

8.2 Updates on progress with indicator 1b are provided in Annex A to every Internal Audit Progress report to Committee. Updates on achievement of the other Key Performance Indicators are provided within the Internal Audit Annual Report, alongside other metrics such as the implementation of agreed audit actions.



# Internal Audit Strategy 2026/7 – 2027/8

## 1. Introduction

- 1.1 In line with Global Internal Audit Standards (GIAS), the Internal Audit service is required to develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the organization and aligns with the expectations of the board, senior management, and other key stakeholders. The Strategy is defined in GIAS as “a plan of action designed to achieve a long-term or overall objective”.
- 1.2 For the purpose of GIAS, the Internal Audit Strategy must include a vision, strategic objectives, and supporting initiatives for the internal audit function. The Internal Audit Strategy helps guide the internal audit function toward the fulfilment of the internal audit mandate, and it complements the Internal Audit Charter and annual Internal Audit Plan.
- 1.3 This document sets out the Internal Audit Strategy for Cambridgeshire County Council for the financial years 2026/7 to 2027/8. It is a high-level document, which sets out how the Internal Audit service will be delivered and developed over this period. The Internal Audit Plan then demonstrates how this Strategy translates into a detailed workplan, and is continuously updated and presented to the Audit Committee quarterly for review.

## 2. Internal Audit Mission & Vision

- 2.1 At Cambridgeshire County Council, Internal Audit’s mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight. Our vision is to provide a top-quality, trusted professional service which is continually improving and which operates in compliance with GIAS.
- 2.2 Through delivering on this strategy, Internal Audit will help to enhance the Council’s governance, risk management and control framework, which in turn will ultimately contribute to the achievement of the Council’s corporate priorities and objectives.

## 3. Internal Audit Strategic Objectives

- 3.1 In order to deliver our mission and vision, the Internal Audit service has defined the following strategic objectives:
  - **Fulfil the Internal Audit mandate and deliver the Annual Internal Audit Plan and independent Annual Opinion** on the adequacy and effectiveness of the Council’s framework of governance, control environment and risk management.
  - **Operate in conformance with our Internal Audit Charter and with GIAS**, subject to the interpretations and additional requirements set out

in the *Application Note on Global Internal Audit Standards in the UK Public Sector* issued by the Relevant Internal Audit Standard Setters (RIASS) and the *CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government*.

#### 4. Internal Audit Supporting Initiatives

4.1 To support the delivery of the team's strategic objectives as set out above, in addition to the 'business-as-usual' work of the Internal Audit team outlined in the Internal Audit Charter and aligned to the GIAS, the following initiatives have been identified as priorities for the team over the financial years 2025/6 to 2027/8:

- **Embedding GIAS & External Quality Assessment:** The introduction of GIAS will continue to be embedded in team systems and processes and the commissioning of an external quality assessment is a priority to provide assurance over the team's conformance with GIAS and identify any areas for improvement. The overall objective of this initiative will be to ensure full conformance with GIAS and to undertake an External Quality Assessment.
- **Implementation of Follow-Up Actions:** The Internal Audit team will continue to work closely with senior management and the Performance team to develop and enhance systems to give increased oversight of the implementation of agreed audit actions. The Internal Audit team will also work to identify approaches to encourage services to implement actions in a timely way. The overall objective of this initiative will be to increase the proportion of agreed audit actions which are implemented by their initial agreed target date, year-on-year.
- **Enhance Team Resourcing:** Developing the approach to ongoing effective resourcing of the Internal Audit team will continue to be a focus. In particular this will include developing a more structured in-house training plan, continuing to support our ongoing CIPFA training programme with colleagues in Finance, and increasing the breadth of qualifications across the Internal Audit team, with a particular focus on counter-fraud qualifications. The overall objective of this initiative will be to ensure that Internal Audit maintains sufficient resourcing to successfully deliver the Internal Audit Plan.
- **Local Government Reorganisation:** Planned Local Government Reorganisation (LGR) will result in a change from two-tier local authorities across Cambridgeshire, to unitary council(s). Change of this scale will have a significant impact on the Council's risk profile and there will be a period of transition for Internal Audit Teams. The Head of Internal Audit at Cambridgeshire will maintain membership of the Local Authority Chief Auditors Network LGR working group to access guidance and best practice on managing Internal Audit through this major transition, and the Council's Corporate Risk Manager will provide support and guidance regarding risk management approaches for the

LGR transformation. The overall objective of this initiative will be to support a safe and compliant transition into the new authorities, with effective and compliant Internal Audit arrangements in place throughout the transition.

- **Review of Internal Audit Technology and Systems:** Internal Audit will conduct a review and benchmarking exercise looking at the team's use of ICT systems, with a particular focus on the use of AI, document storage and filing systems, and time recording and quality management systems. The overall objective of this initiative will be to identify any areas where systems could be improved or enhanced to better support delivery of effective Internal Audit services, and this will also be helpful to inform the future shape of services following LGR.

## **5. Review and Update of the Strategy**

- 5.1 In line with GIAS, the Head of Internal Audit must review the Internal Audit Strategy with the Audit & Accounts Committee and senior management periodically. In practice this will take place on an annual basis, aligned to the Internal Audit Plan report.



## Internal Audit Mandate

(per the Internal Audit Charter approved by Audit & Accounts Committee on 4<sup>th</sup> June 2025)

### 1 What is Internal Auditing?

- 1.1 Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

### 2 Authority of the Internal Audit service:

- 2.1 Cambridgeshire County Council's internal audit function's mandate is found in the Accounts & Audit Regulations (2015), which state:

*"5.(1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.*

*(2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—*

*(a) make available such documents and records; and*

*(b) supply such information and explanations;*

*as are considered necessary by those conducting the internal audit.*

*(3) In this regulation "documents and records" includes information recorded in an electronic form."*

- 2.2 The internal audit function's authority is created by its direct reporting relationship to the Audit & Accounts Committee. Such authority allows for unrestricted access to the Audit & Accounts Committee. The Audit & Accounts Committee authorizes the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives in line with Global Internal Audit Standards.
- Obtain assistance from the personnel of Cambridgeshire County Council and other specialized services from within or outside the Council to complete internal audit services.

### 3 Organisational Position & Independence:

- 3.1 The Head of Internal Audit is positioned at a level in the organization that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function.
- 3.2 The Head of Internal Audit will report functionally to the Audit & Accounts Committee and administratively (for example, day-to-day operations) to the Monitoring Officer. The Head of Internal Audit will also have regular, one-to-one meetings with the Chief Executive. This arrangement provides the authority and ability to bring matters directly to senior management and escalate matters to the Audit & Accounts Committee, when necessary, without interference. It also supports internal auditors' ability to maintain objectivity.
- 3.3 The Head of Internal Audit will confirm to the Audit & Accounts Committee at least annually, the organizational independence of the Internal Audit function. If the governance structure does not support organizational independence, the Head of Internal Audit will document the characteristics of the governance structure which limit independence, and any safeguards employed to achieve the principle of independence. The Head of Internal Audit will disclose to the Audit & Accounts Committee any interference encountered related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of any interference on the Internal Audit function's effectiveness and ability to fulfil its mandate.

#### **4 What is the Internal Audit service here for?**

- 4.1 The scope of internal audit activities encompasses (but is not limited to) objective examinations of evidence to provide independent assurance and advisory services to the Audit & Accounts Committee and management on the adequacy and effectiveness of governance, risk management, and control processes for Cambridgeshire County Council. The scope of Internal Audit services covers the entire breadth of the organisation, including all of Cambridgeshire County Council's activities, assets, and personnel.
- 4.2 Internal Audit's mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight. At Cambridgeshire County Council, that means:
  - Developing a forward plan of audit work (the Internal Audit Plan) which identifies and assesses key risk areas for the Council, in order to allocate Internal Audit resource to provide independent and objective assurance over the most high-risk areas.
  - Updating the Audit Plan on a regular basis as the risk environment changes, taking into account the views of senior management, Councillors and the Audit & Accounts Committee.

- Supporting senior management in identifying opportunities for improving value for money and effective governance and control. Agreeing recommended actions to be taken after each audit. Looking beyond financial issues to consider wider issues such as the organisation's operations, reputation, growth, its impact on the environment and the way it treats its employees.
- Reporting on the outcomes of individual pieces of Internal Audit work, and the implementation of recommended actions, to senior management and the Audit & Accounts Committee.
- Drawing on the results of audit work undertaken throughout the year to provide a comprehensive, independent Annual Opinion on the adequacy and effectiveness of the Council's framework of governance, control environment and risk management.

## **5 Compliance with Global Internal Audit Standards (GIAS)**

- 5.1 Internal Audit will govern itself by adherence to the mandatory elements of the Chartered Institute of Internal Auditor's (IIA) International Professional Practices Framework, which are the Global Internal Audit Standards (GIAS) and the Topical Requirements, subject to the interpretations and additional requirements set out in the Application Note on Global Internal Audit Standards in the UK Public Sector issued by the Relevant Internal Audit Standard Setters (RIASS) and the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government. Through this, Internal Audit will provide a robust, high-quality audit service that delivers honest, evidenced assurance.
- 5.2 An internal self-assessment of compliance with GIAS is conducted annually by the team, with an external review at least once every five years by a qualified, independent assessor or assessment team from outside Cambridgeshire County Council. Any non-conformance with GIAS identified by this review, or at any other time, will be reported to the Audit & Accounts Committee.
- 5.3 The Head of Internal Audit will report at least annually to the Audit & Accounts Committee and senior management regarding the Internal Audit function's conformance with the Standards, including the outcomes of the annual self-assessment and any external assessments, and the results of the Quality Assurance and Improvement Programme.

## **6 Changes to the Mandate & Charter**

- 6.1 Circumstances may justify a follow-up discussion between the Head of Internal Audit, Audit & Accounts Committee and senior management on the Internal Audit Mandate or other aspects of the Internal Audit Charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards, or new laws or regulations that may affect the nature and/or scope of internal audit services.
  - Significant reorganisation within the Council, or changes in the Head of Internal Audit, Audit & Accounts Committee, and/or senior management.
  - Significant changes to the organization's strategies, objectives, risk profile, or the environment in which the organization operates.
- 6.2 In the absence of specific circumstances prompting updates to the document, the Internal Audit Mandate & Charter will be re-presented to the Audit & Accounts Committee for review at least once every three years.

## Executive Director's Assurance Report: Children, Education & Families

To: Audit and Accounts Committee

Meeting Date: 26 March 2026

From: Executive Director for Children, Education & Families

Electoral division(s): All

Key decision: No

Forward Plan ref: Not Applicable

**Executive Summary:** The purpose of this report is for the Executive Director for Children, Education & Families to provide assurance to the Audit and Accounts Committee that a sound system of internal control is in place and operating effectively for their areas of responsibility. This will support the delivery of the key functions of the Audit and Accounts Committee, in line with the committee's terms of reference. This is an information-only report. No decision is required.

**Recommendation:** The committee is recommended to consider the assurance provided over the adequacy of the Council's control environment and compliance with corporate governance controls.

Officer contact:  
Name: Martin Purbrick  
Post: Executive Director for Children, Education & Families  
Email: [Martin.Purbrick@Cambridgeshire.gov.uk](mailto:Martin.Purbrick@Cambridgeshire.gov.uk)

# 1. A healthy, fair and sustainable Cambridgeshire

- 1.1 The purpose of this report is for Executive Director for Children, Education and Families to provide assurance to the Audit and Accounts Committee that a sound system of internal control is in place and operating effectively for their areas of responsibility. The report will also update the committee on the implementation of planned actions to further strengthen arrangements for governance, risk and control, and the outcomes of whistleblowing referrals in the Directorate.
- 1.2 This will support the Audit and Accounts Committee to deliver the following key functions within the committee's Terms of Reference:
- monitor the effectiveness of the system of internal control, including arrangements for internal audit, external audit, financial management, ensuring value for money, risk management, governance, assurance statements, supporting standards and ethics, and managing the authority's exposure to the risks of fraud and corruption.
  - provide independent assurance of the adequacy of the risk management framework and the associated control environment.
  - review compliance with the relevant standards, codes of practice and corporate governance policies.
- 1.3 As such, this specific report will support the delivery of the following twelve priorities as set out in the revised Strategic Framework:
- The best start in life for children and young people
  - Jobs for the future
  - Financial security
  - Stronger ties

## 2. Background

- 2.1 The Council is required to include an Annual Governance Statement (AGS) as part of the Annual Statement of Accounts. The AGS is an important statutory requirement which enhances public reporting of governance matters. It should therefore be honest and open, favouring disclosure.
- 2.2 A key element of developing the AGS is the preparation of self-assurance statements by all directors, as a formal assurance from those managers who have responsibility for the development, implementation and maintenance of the governance environment.
- 2.3 These assurance statements require Executive Directors to:
- confirm that they have obtained assurance from their service directors on the key elements of risk and control systems for which they are responsible.
  - confirm that all significant internal control matters brought to their attention have been or are being properly dealt with.

- confirm that that the risks and internal controls for which they are responsible have been sufficiently addressed in order to provide reasonable assurance of effective financial and operational control, compliance with the Code of Corporate Governance and with other laws and regulations; and confirm that to the best of their knowledge, these arrangements have been complied with in all material respects throughout the period.
- identify any exceptions to the above and/or any significant governance issues<sup>1</sup> the Executive Director is aware of, and how these are being addressed.

### 3. Highlights from the Annual Governance Statement

- 3.1 The Children, Education and Families (CEF) Directorate support the delivery of the actions identified in the Annual Governance Statement Action Plan and although the directorate does not have any specific actions, they have supported the actions within the plan.

### 4. Overall Control Environment

#### 4.1 Governance Arrangements

The Cambridgeshire Childrens Safeguarding Board continues to oversee the safeguarding partnership. The Board has a number of priorities with Families First Partnership reforms being an umbrella priority under which the other workstream sit. These priorities are Neglect, Child sexual abuse, Risk outside of the home and Domestic abuse. The Board has sub-groups for the priority areas, and the board and sub-groups are made of of multi-agency safeguarding leads.

The Children's Rapid Improvement Board has representation from Police, Health and Education, as well as the Department for Education alongside the independent chair. This has continued to help drive the improvements by using collaborative approaches to problem solving and practice development.

The revised approach for the Special Education Needs and Disability (SEND) Executive Board to refocus on the 'Inclusion for All' framework agreed in 2024.

The Children's Change Board provides oversight to key work areas across CEF, including Ofsted Action Plan action, service redesigns, business planning actions and project developments. Key areas and large programs of change feed into the overarching Change Board.

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<sup>1</sup> N.B. Significant governance issues are defined as those which:

- Seriously prejudice or prevent achievement of a principal objective of the authority
- Have resulted in the need to seek additional funding to allow it to be resolved, or has resulted in significant diversion of resources from another aspect of the business
- Have led to a material impact on the accounts
- The Audit Committee advises should be considered significant for this purpose
- The Head of Internal Audit reports on as significant in the annual opinion on the internal control environment
- Have attracted significant public interest or have seriously damaged the reputation of the organisation
- Have resulted in formal action being undertaken by the Chief Financial Officer and / or the Monitoring Officer

Strengthened Governance of financial controls. Financial transparency continues to be a standing item on the weekly Children, Education and Families. This tracks contract management, contractual spend and procurement practice.

In education, Schools Forum has a High Needs Block Sub-group that monitors the progress of rolling out additional Enhanced Resource Bases and any future projects put in place to improve outcomes for children with SEND as well as having a mitigating factor on the High Needs Block budget.

CEF Governance arrangements have consistently been reviewed in light of new work areas and arrangements as described in 4.2. The Children, Education & Families Change Board has introduced a new way of reporting progress of key areas of work ensuring updates are provided and being progressed.

#### 4.2 Work areas for assurance:

There have been significant key programs of reform progressed through 2025 and these have included:

- Families First Partnership (Social Care Reforms)
- Best Start in Life
- Inclusion for All
- Transport

All programmes have established their governance arrangements, including reporting mechanisms into both the CEF Change Board and the corporate Change Board as well as to Children and Young People's Committee and Spokes where appropriate.

## 5. Outstanding Audit Actions

#### 5.1 Within CEF, there are a total of 3 key themes with 5 recommendations outstanding,

- Dedicated School Grant (DSG) Safety Valve / High Needs Block Demand Management x 3
- Case 177 – Children's Social Care x 1
- Overall Schools Report 24/25 x 1

#### 5.2 **DSG Safety Valve Review:**

In acknowledgement of the length of time taken to complete this action it is worth noting that the world of SEND has changed considerably since this action was agreed. The requirement for a training package will still be rolled out as agreed, however the demand for SEND has grown rapidly since this time. Most schools provide good quality information for the annual review process and this is no longer the area of greatest focus for improvement, although it remains important. The annual review backlog has been part of a focused piece of work which has seen significant reductions over recent months. The SEND Executive Board has representation from across the Local Area Inclusion Partnership and this has a clear plan for improvement across SEND through Inclusion for All. These groups were not established at the time of this audit and there is now much stronger, reshaped governance over SEND and a strong partnership approach to improvement.

The service has reported progress made against the remaining open elements of the original recommendation, sections 3B and 3C. - Requirements of the Safety Valve agreement between the council and DfE are being taken forward as part of the

Inclusion for All programme. The overall programme is reported monthly to the Children's Change Board and specific updates have been in place since September 2025, which provides an overview of RAG status on each element of the plan. - Quarterly reporting has also been agreed via the Children & Young People Committee, following the initial report in October 2025, with the next scheduled report at the April 2026 Committee.

A data and finance subgroup of the Inclusion for All programme board was established in the autumn term with the specific task of developing a data dashboard that would enable tracking / reporting of all agreed KPIs for the Inclusion for All programme and these would include the financial benefits.

Two meetings have taken place between the council and Department for Education (DfE) in February 2026 as part of six-monthly monitoring of the Area SEND Action Plan and governance/finance monitoring as part of the government preparations for national SEND reforms via a White Paper. The recommendation is still only partly implemented and can be closed when the SMART targets have been agreed and are being reported against, the prioritisation of key actions has been undertaken and an interdependency log for key actions has been created, and these interdependencies are reflected in the programme progress timeline.

### 5.3 **Case 177 – Recruitment and Retention Strategy (Children's Social Care):**

The service has reported a current costed establishment for social workers (incl. team managers and independent chairs) of 235.23 full-time equivalents (FTE). Agency usage has fallen from 19.99 (47 FTE) at the end of June 25 to 9.5% (26 FTE) at the end of January 25. The service has engaged Opus to support with permanent recruitment, which is starting to yield positive results. At the end of December 2025, the service had 19.1 FTE vacancies left to recruit to and 30.1 FTE pipeline starters due to start before April 2026. Revised Target Date: 31.3.2026. This is now below the target percentage of 15% agency / 85% permanent social worker workforce.

### 5.4 **Overall Schools Report 24/25:**

The service has reported that following publication of updated documents this recommendation should now be complete once Internal Audit have evidence that the documents have been shared with all schools.

## 6. Directorate Risk Register

6.1 As per the risk management guidance, CEF Leadership Team meets every month to discuss, review and update the CEF Risk Register, alongside any updates required for the Corporate Risk Register.

6.2 During the Winter 2025, CEF revised all current risks to ensure every risk had additional action plans, alongside updating the pre-existing mitigations and controls. In addition, the risks were amalgamated to ensure better alignment and monitoring. This was presented to Children and Young People's (CYP) Committee in November 2025.

6.3 The changes meant the pre-existing risks of 12 have been amalgamated to have six key risks currently and the understanding that some additional risks may be added if escalated to be monitored at Directorate level as and when necessary, from various programmes or projects.

- 6.4 A summary of the current risks are below and Appendix 4 outlines the more detailed risk register for CEF.
- 6.5 In December 2025, the risks were fully reviewed at Corporate Leadership Team (CLT) Assurance group and it was agreed that Risk 2 – Non-delivery of SEND Statutory timelines financial risk of the DfE Safety Valve agreement for Cambridgeshire and increase Dedicated Schools Grant (DSG) spend , should be added onto the Corporate Risk Register.
- 6.6 SEND reforms were expected to be announced in Autumn in 2025, this was delayed and they were announced on 23<sup>rd</sup> February 2026. This has been an area of focus both nationally and more locally with parents, committee as seen with the number of complaints. The Government has conducted a [SEND reform national conversation](#) to gather views and experiences of the SEND system, which closed on 14 January 2026. This includes views from parents, those working in schools, college and early years etc. On 23 February 2026, the government published a further consultation on the [SEND reform proposals: putting children and young people first](#) which is due to close on 18<sup>th</sup> May 2026.
- 6.7 On 28 November 2025, the [government](#) outlined that local authorities currently cover the costs of the SEND system, with the Dedicated Schools Grant (DSG) statutory override ensuring Councils can do this without reducing other services. From 2028 onwards, future costs will be managed, in full, within the overall government budget. Local authorities will not need to cover SEND costs from their general funds after the end of 2027-28. There was a subsequent announcement linked to the SEND reforms that will see the Government accept responsibility for a proportion of the current override amount depending on plans being submitted to and approved by the Secretary of State.
- 6.8 However, there has been no indication on how historic DSG deficits will be managed from 2028.
- 6.9 Cambridgeshire had an Area SEND inspection in January 2025 and received the second indicator of progress between 3 possible indicators, showing Inconsistent outcomes for children with SEND across the Local Area. ASEND Action Plan has been developed to ensure improvements are made in line with the inspection. In addition, in 2024 Cambridgeshire began its 'Inclusion for All' journey which is now part of the Council's portfolio of programmes in ensuring inclusion for all can be implemented and embedded across services from cross-cutting sectors working with those children and young people with particular needs.
- 6.10 In support for this, an investment has been agreed in restructuring Education and SEND services to build in capacity for implementing the Inclusion for all across Children, Education and Families. Also, links are being made with programmes such as Best Start in Life and the Families First Partnership, particularly through targeted support and universal service provision.

<b>Risk Name &amp; Number</b>	<b>Current Score [Jan 26)</b>	<b>Previous Score [Oct 25]</b>	<b>Direction Of Travel</b>	<b>Key Updates &amp; Mitigations</b>
1. <i>Unable to deliver services within the financial allocation across CEF</i>	20	20	↔	<i>Key expenditure controls are in place</i>
2. <i>Non delivery of SEND Statutory timelines, financial risk of the DfE Safety Valve agreement for Cambridgeshire and increase Dedicated Schools Grant (DSG) spend</i>	20	20	↔	<i>The Inclusion for All framework is realigning focus on services for those children with Special Educational Needs and Disabilities (SEND).  ASEND Action plan following the inspection is starting to be progressed to make improvements.</i>
3. <i>Risk of significant harm to vulnerable children and young people increases</i>	15	15	↔	<i>A number of key controls are in place including progress on the improvements recommended by Ofsted and partnership working through the Safeguarding Board.</i>
4. <i>Inability to meet statutory duties and inspection outcomes across Children's Social Care</i>	15	15	New risk	<i>This risk had weaved through other risks on the register. It was agreed this required a standalone risk to ensure the different changing landscapes, such as government reforms and financial environment can be considered alongside statutory duties. All SEND areas have been added into Risk 2.</i>
5. <i>Services are unable to manage demand and workloads within existing capacity across CEF.</i>	12	12	↔	<i>Improvements have been made to permanent recruitment, reducing agency usage and reduced caseloads in the majority of social care services. This is also being considered as part of the Social Care Reforms work, Families First Partnership (FFP).</i>
6. <i>Non delivery of the Early Years and Education System</i>	15	20	↓	<i>Due to the reprofiling of the timelines, this had reduced to be a baseline. After review, it</i>

<i>(EYES) Implementation</i>			<i>was identified that the consequence outcome significance required increasing to reflect a more suitable rating.</i>
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## 7. Whistleblowing, Complaints and Inspections

### 7.1 Whistleblowing

The Council received two referrals from Ofsted that related to specific children. One was investigated and led to no further action and the second is currently being investigated. As both referrals relate to individual children and contain confidential information that would make them identifiable, an appendix has not been included.

### 7.2 Complaints

In October 2025 the Strategy and Resources Committee agreed the Cambridgeshire County Council Customer Feedback Policy for non-statutory complaints. CYP Committee will be asked to consider and agree the Children's Social Care Statutory Complaint Policy in March 2026.

Since 1/4/25 – 25/2/26, CEF have received the following:

- Compliments received – 62\*
- General enquiries – 75
- MP enquiries – 238
- Statutory Stage 1 received – 164
- Statutory Stage 2 received – 38
- Statutory Stage 3 received – 8
- Corporate Stage 1 received – 825
- Corporate Stage 2 received – 360
- Corporate Stage 3 received – 206
- LGO enquiries received – 72

\*collating compliments ceased since 19/1/26 with colleagues encouraged to complete the new feedback form, so they can be centrally reported instead.

The year saw an increase in complaints which were largely about delays in the SEND assessment process and / or allocation of appropriate education resources for children with SEND. Changes in the way we deliver the services has seen some improvements in timeliness for SEND assessments but a there is still a significant backlog of children waiting assessment. The service prioritises children waiting for assessment using a risk based approach that considers their individual circumstances, any additional vulnerability and whether they are approaching a phase transfer (primary to secondary for example). A significant contributor to the delays is the increasing need for assessment and the lack of Education Psychologists available to undertake an essential component of the assessment process. It is hoped that the reforms will create pathways that enable needs to be identified and met earlier in many children.

The majority of MP enquiries and complaints across all of the three stages relate to delays in the delivery of SEND assessments and services. The CEF service is

developing a workforce and service plan, linked to the Inclusion for All Strategy that will ensure need is met more effectively over the course of 2025/26.

### 7.3 Inspections

A focused visit took place in July 2025 focusing around Care Leavers and noted the progress and improvements being made in these areas. In addition, the annual conversation with Ofsted took place in November 2025.

The next Ofsted related inspection activity as part of the Inspection of Local Authority Childrens Services (ILACS) framework will be another focused visit expected in the Autumn Term 2026 or early 2027.

## 8. Appendices

8.1 The following appendices are attached to this report:

- Appendix 1 - Executive Director for Children, Education & Families Annual Assurance Statement 2024-2025.
- Appendix 2 - Actions within the Annual Governance Statement Action Plan
- Appendix 3 - Audit Actions Overdue in the Children, Education & Families as at 31 January 2026.
- Appendix 4 – Directorate risk register

## 9. Source Documents

9.1 None



To: Chair of the Strategy and Resources Committee  
From: Martin Purbrick, Executive Director for Children, Education and Families  
Ref: Annual Governance Statement - 2024/25  
Date: 22 April 2025  
cc:

## **EXECUTIVE DIRECTOR ASSURANCE STATEMENT**

The Council's Code of Corporate Governance illustrates how the Council is governed as a corporate body. On an annual basis the Council is required to prepare an Annual Governance Statement, which reports the extent to which the Council has complied with the Code of Corporate Governance for the financial year in question, as part of its Annual Financial Statement.

The Executive Director Assurance Statement is a key element of evidence to illustrate the degree of compliance with the Code of Governance.

## **ASSURANCE STATEMENT**

I confirm the following points to the Chair of the Strategy and Resources Committee:

- I understand the requirements of my job as set out in my contract of employment and my job description.
- I have made a Declaration of Private Interests as required by the Code of Conduct for any paid or unpaid private work or consultancy, or any potential conflict of interests relating to my work at the Council.
- I am aware of the principal statutory obligations and key priorities of the Council which impact on the services for which I am responsible and have actively communicated these to staff within my Directorate. I have made an assessment of the significant risks to the successful discharge of the Council's key outcomes and my service outcomes and have identified the appropriate controls to cost effectively mitigate these risks.
- I acknowledge that one of my managerial tasks is to develop, maintain and operate effective control systems to manage risk in all areas for which I have responsibility.

I confirm that I understand what this involves and that I have the necessary authority to establish and operate such controls effectively.

I have obtained assurance from my service directors on the key elements of risk and control systems for which I am responsible and I am satisfied that they:

- have met their responsibilities to identify and manage areas of high risk.
- have ensured control systems are operating effectively having taken action to address control weaknesses.
- are empowered to operate such control procedures.
- are aware of their responsibility to report upwards any unresolved matters of concern about the management of risk and to deal with any risk matters reported to them in an expeditious manner.
- have made Declarations of Private Interests as required by the Code of Conduct for any paid or unpaid private work or consultancy, or any potential conflict of interests relating to their work at the Council.
- are familiar with the Council's policy on whistleblowing which enables them to bypass intermediate levels of management without fear of victimisation, and
- have up to date business continuity plans in place for all the services they are responsible for.

I confirm that all significant internal control matters brought to my attention by staff, Internal Audit and Risk Management, External Audit or external regulators have been or are being properly dealt with.

Throughout the financial year 2024/25 I consider that the risks and internal controls for which I am responsible have been sufficiently addressed in order to provide reasonable assurance of effective financial and operational control, compliance with the Code of Corporate Governance and with other laws and regulations. To the best of my knowledge, these arrangements have been complied with in all material respects throughout the period.

I am not aware of any significant weaknesses in internal control or non-compliance with Council policies or procedures, including any relating from any change in business practice in my area of responsibility, or other irregularities in accounting practice which should be brought to your attention.

I confirm that any future plans will be assessed for their risks and internal control implications and that sufficient control will be put in place before such plans are implemented.

**Any exceptions to the above are set out below:**

Nothing to declare

**I detail below any significant governance issues<sup>1</sup> I am aware of, and the action being undertaken to address these:**

Nothing to declare

**In support of the annual assessment of the Council's compliance with its Code of Corporate Governance, I detail below any reflections and comments on the Council's current governance arrangements, against the seven characteristics of governance within the Centre for Governance & Scrutiny's [Governance Risk & Resilience Framework](#):**

- 1. Extent of recognition of individual and collective responsibility for good governance.**
- 2. Awareness of political dynamics.**
- 3. How the Council looks to the future to set its decision-making priorities.**
- 4. Officer and Councillor roles.**
- 5. How the Council's real situation compares to its sense of itself.**
- 6. Quality of local (external) relationships.**
- 7. The state of member oversight through scrutiny and audit committees.**

**I also detail any actions which have been completed in 2024/25 or which are planned for 2025/26 to strengthen the Council's systems of governance against the seven characteristics noted above.**

Not applicable

**SIGNATURE:**

**DATE: 22/4/2025**

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<sup>1</sup> N.B. Significant governance issues are defined as those which:

- Seriously prejudice or prevent achievement of a principal objective of the authority;
- Have resulted in the need to seek additional funding to allow it to be resolved, or has resulted in significant diversion of resources from another aspect of the business;
- Have led to a material impact on the accounts;
- The Audit Committee advises should be considered significant for this purpose;
- The Head of Internal Audit reports on as significant in the annual opinion on the internal control environment;
- Have attracted significant public interest or have seriously damaged the reputation of the organisation;
- Have resulted in formal action being undertaken by the Chief Financial Officer and / or the Monitoring Officer



## Annual Governance Statement Action Plan

This Action Plan has been developed taking into consideration the outcomes from the annual review of corporate governance and development of the Annual Governance Statement; actions and issues identified by the Statutory Officer Group, issues arising from the Monitoring Officer report; governance issues raised by Internal Audit reviews; and third party feedback, inspections or complaints. The implementation of the actions outlined in this plan will be monitored through the Statutory Officers Group and reported to the Audit and Accounts Committee.

The actions are thematically grouped under the themes of the Centre for Governance and Scrutiny “Risk and Resilience Framework.”

Action	Owner	Target Date	Status
<b>i. Extent of recognition of individual and collective responsibility for good governance</b>			
The implementation of Induction Programme and Member Development Plan	Service Director (Legal and Governance)	31 <sup>st</sup> March 2026	Complete
To introduce a Planning Protocol	Service Director: Legal and Governance	31 <sup>st</sup> March 2026	In progress. Draft Protocol has been to CWG and a Planning Committee session is planned in the next week.
To introduce a new part of the Constitution relating to Council Owned Companies (including conflicts of interest)	Service Director (Legal and Governance)	31 <sup>st</sup> March 2026	Complete
To review the Strategic Plan to ensure that it meets the new administration’s priorities	Chief Executive	31 <sup>st</sup> March 2026	Complete
Implement monthly briefing sessions for Members	Service Director (Legal and Governance)	31 <sup>st</sup> March 2026	Complete

To introduce a Committee dedicated to Health Scrutiny	Service Director (Legal and Governance)	31 <sup>st</sup> March 2026	Complete
Review Member/Officer Protocol in line with new LGA Guidance	Service Director (legal and Governance)	31 <sup>st</sup> March 2026	In progress. Revisions are in draft and are scheduled for CLT.
The implementation of any action plan resulting from review of AGS process	Service Director (Legal and Governance)	31 <sup>st</sup> March 2026	In progress
To ensure Preparedness for the Local Government Reorganisation	Chief Executive	31 <sup>st</sup> March 2026	In progress. Workstreams established
Implement a quarterly overview of the Change Portfolio Scrutiny meeting for Members	Head of Change Portfolio	31 <sup>st</sup> March 2026	Complete
To introduce annual Health and Safety reporting to Strategy, Resource and Performance Committee	Service Director HR	31 <sup>st</sup> March 2026	Complete
To implement any changes to practice in relation to the Duty of Candor	Service Director (Legal and Governance)	31 <sup>st</sup> March 2026	In progress. Note being prepared for CLT

**Appendix 3 - Summary of Outstanding Audit Recommendations across Children, Education & Families Services**  
*(Recommendation status as of 31<sup>st</sup> January 2026)*

**Risk Levels:**

*E - Essential - Action is imperative to avoid exposure to a significant organisational risk.*

*H – High - Action is imperative to avoid exposure to a significant risk to the service area*

Within CEF, there are a total of 3 key themes with 5 recommendations outstanding,

- Dedicated School Grant (DSG) x 3
- Case 177 – Children’s Social Care x 1
- Overall Schools Report 24/25 x 1

<b>NO</b>	<b>Audit Theme</b>	<b>Summary of Recommendation</b>	<b>Risk Level</b>	<b>Target Date</b>	<b>Status</b>
1.	DSG Safety Valve Review	<p>3a - Once data accuracy is assured as per Recommendation 1, targets and expected benefits should be added and include measurable aims to allow for accurate monitoring of actions – e.g., 'if we do X, the no. of Education, Health Care Plans (EHCPs) should be reducing by X each month compared to this time last year in order to meet the target of X.'</p> <p>3b - Once SMART targets are in place, a formal prioritisation of actions should then be undertaken, noting which actions will have the most significant impact on the programme and focusing on these first.</p>	E	31/05/2024	<p>The service has reported progress made against the remaining open elements of the original recommendation, sections 3B and 3C.</p> <ul style="list-style-type: none"> <li>• Requirements of the Safety Valve agreement between the council and DfE are being taken forward as part of the Inclusion for All programme.</li> <li>• The overall programme is reported monthly to the Children's Change Board and specific updates have been in place since September 2025, which provides an overview of RAG status on each element of the plan.</li> <li>• Quarterly reporting has also been agreed via the Children &amp; Young People Committee, following the initial report in October 2025, with the next scheduled report at the April 2026 Committee.</li> </ul>

NO	Audit Theme	Summary of Recommendation	Risk Level	Target Date	Status
		3c - Identify interdependencies between actions and add to the progress timeline in the action plan, so that any delays are shown clearly and can be taken into account when planning the start of new actions and reporting on progress.			<ul style="list-style-type: none"> <li>• A data/finance subgroup of the Inclusion for All programme board was established in the autumn term with the specific task of developing a data-dashboard that would enable tracking / reporting of all agreed KPIs for the Inclusion for All programme and these would include the financial benefits.</li> <li>• Two meetings are taking place between the council and DfE in February 2026 as part of six-monthly monitoring of the Area SEND Action Plan and governance/finance monitoring as part of the government preparations for national SEND reforms via a White Paper which was published on 23<sup>rd</sup> February 2026.</li> </ul> <p>The recommendation is still only partly implemented, and can be closed when the SMART targets have been agreed and are being reported against, the prioritisation of key actions has been undertaken and an interdependency log for key actions has been created and these interdependencies are reflected in the programme progress timeline.</p> <p>Revised Target date: 31/03/2026</p>
2.	DSG Safety Valve Review	Once the information system has been implemented [see recommendation 1], the status reports should be updated with detailed quantitative data as this will give more clarity as to how the project is progressing towards meeting	M	31/05/2024	<p>October 2025, reporting in the public domain via the Children &amp; Young People Committee.</p> <p>A comprehensive report to the C&amp;YP Committee was presented on 7 October resulting in confirmation of quarterly reporting for the duration of the programme.</p>

NO	Audit Theme	Summary of Recommendation	Risk Level	Target Date	Status
		<p>the agreement. It will also allow the Board to see what actions are making more of an impact so these can be prioritised.</p> <p>Quantitative data should include:</p> <ul style="list-style-type: none"> <li>• Number/cost of EHCPs for current period vs previous period;</li> <li>• Net change in EHCP numbers;</li> <li>• Change in budget deficit;</li> <li>• Data showing the effect of actions on number of new EHCPs, ceased EHCPs etc.</li> </ul>			<p>Agreement also secured that the regular reporting would feature a) baselined KPIs to monitor headline activity on a regular basis and b) a 'spot-light' on a specific aspect of the programme to ensure that the breadth of the programme could be reported on in an iterative way. For example, the October Committee report included a spotlight on EHCP performance data.</p> <p>The next report on the Inclusion for All programme is scheduled for the April Committee meeting and this will include an update on the programmes KPIs, these include those relating to EHCPs and key finance indicators linked to the DfE 'safety-valve' agreement. The DfE acknowledged the council's revised safety-valve plan in October (having been submitted in July) and made arrangements for the link DfE SEND adviser to meet with senior representatives of the council in December. This meeting coincided with communication from the DfE to all councils setting out advance notice of publication of SEND reforms in February 2026. We anticipate those announcements providing further updates regarding the status of safety valve agreements nationally and we will update our plans and reporting to Committee on that basis.</p> <p>Revised target date: TBC</p>
3.	DSG - High Needs Block	A detailed written training package should be developed and implemented by the local authority and distributed to	M	31/07/2024 - revised to 30/07/26	Annual Review training package has been developed and is being rolled out internally. Meeting with school leaders as part of a new reference group took place

NO	Audit Theme	Summary of Recommendation	Risk Level	Target Date	Status
	Demand Management	<p>schools and special educational needs coordinators (SENCO), with information on how to conduct an annual review meeting and how to amend an EHCP after an annual review has taken place. The service should also seek to identify schools which repeatedly supply annual review forms that do not meet the standard requirements expected by CCC and retrain them, in addition to challenging paperwork sent by schools if it is not completed correctly.</p>			<p>w/c 3 November as part of the Inclusion for All programme, this included an update on the Annual Review and associated Quality Assurance work and invitations were sought from schools to trial the new 'paperwork' for remainder of autumn term and up to February half-term. This will inform full countywide roll-out from end spring term onwards.</p> <p>In addition, the additional business support resource that has been redirected to support annual reviews has contributed to a significant reduction in annual review backlog processing. Starting in 'summer' now more than 900 reviews have been processed via this approach.</p> <p>The specific work on annual reviews will be complemented via a revised approach to Quality Assurance across all EHCP assessment and review functions, being taken forward within the Inclusive Practice workstream of the Inclusion for All improvement programme and with this programme incorporating the Ofsted priority action areas, including for EHCPs. Impact of these changes are likely to evidenced through dip sampling at end of spring term 2026.</p> <p>Revised target date: 31 July 2026</p>

<b>NO</b>	<b>Audit Theme</b>	<b>Summary of Recommendation</b>	<b>Risk Level</b>	<b>Target Date</b>	<b>Status</b>
4.	Overall Schools Report 24/25	The Director for Education should write to all schools in deficit and remind them that engaging in cashflow forecasting is a requirement of a deficit position. The schools should be informed of the consequences of not doing so, both disciplinary from Cambridgeshire County Council and the possibility of liquidity issues and the school becoming unable to pay for essentials due to an overdrawn bank account.	M	22/07/2025	The service has reported that following publication of updated documents this recommendation should now be complete. Internal Audit is awaiting evidence that the documents have been shared with all schools.  Revised Target Date: TBC
5.	Case 177 Children's Social Care	Recruitment and Retention Strategy should be finalised with input from CSC staff and published.	M	1/10/2025	The service has reported a current costed establishment for C&F social workers (incl. team managers and independent chairs) of 235.23 FTE. Agency usage has fallen from 19.99 (47 FTE) at the end of June 25 to 11.48% (27 FTE) at the end of December 25. The service has engaged Opus to support with permanent recruitment, which is starting to yield positive results. At the end of December 2025 the service had 19.1 FTE vacancies left to recruit to and 30.1 FTE pipeline starters due to start before April 2026.  Revised Target Date: 31.3.2026



# Children, Education and Families Risk Register

Risk		01. Unable to deliver services within the financial allocation across CEF						
Likelihood	5				X			
	4				A			
	3							
	2							
	1							
		1	2	3	4	5		
		<b>Consequence</b>						
<b>Risk Owners</b>		Martin Purbrick (Executive Director for Children, Education and Families)		<b>Current Score</b>	20	<b>Last Review</b>	10/12/2025	
				<b>Risk Appetite</b>	16	<b>Next Review</b>	10/03/2026	
				<b>Previous Score</b>	20			
		<b>Triggers</b>			<b>Likelihood Factors (Vulnerability)</b>		<b>Potential Consequences</b>	
		<p>1. Growing demand on services such as Transport and Children in Care</p> <p>2. Significant inflationary and workforce pressures on the provider market, impacting on the cost of care</p> <p>3. Lack of availability of capacity, resulting in higher costs to place care</p> <p>4. Key partners are also under significant strain, which may lead to further increases in demand as other services that support families are ceased</p> <p>5. Safety Valve failure and DSG deficit (covered in Risk 2)</p> <p>6. Increase in school budgets being in deficit</p> <p>7. Delays in the implementation of the EYES system impacts on financial costs for this programme</p> <p>CIC:</p> <p>1. Demand out-stripping supply of placements, particularly those with high needs and complex</p> <p>2. Lack of affordable and sustainable housing options for placements across Cambridgeshire</p> <p>3. Lack of appropriate accommodation options for those with high and complex needs</p> <p>4. Lack of appropriate provision with the skills to manage those with high and complex needs</p> <p>5. Partner funding is not available to support the right placement package for key individuals</p> <p>6. Delays in progressing the residential strategy</p>			<p>1. Budget pressures are occurring in demand led services such as Transport, Children in Care placements and SEND</p> <p>2. Some investments have been committed into SEND to redesign the education structure to further support the wider Inclusion for All framework</p> <p>3. Families First Partnership has provided some grant funding to implement the reforms within service areas and opportunities to redesign areas which require it.</p> <p>4. Delays are occurring in the implementations of EYES</p> <p>5. Falling rolls and rising demand for SEND impacting significantly on school budgets.</p> <p>CIC:</p> <p>1. Demand is already outstripping supply currently</p> <p>2. In-house solutions have been paused due to delays in planning</p> <p>3. Budget pressures within the children in care placement budget has been reoccurring for a number of years</p> <p>4. Savings allocated to the budget are not currently being reached</p>		<p>1. Statutory services are no longer able to be delivered</p> <p>2. Services are unable to meet demand</p> <p>3. Children and young people do not receive services to time or quality</p> <p>4. Schools become financially unviable which leads to impact on safety of pupils, quality of education and ultimately school closures.</p> <p>CIC:</p> <p>1. Financial impact on cost of placements for children with more complex needs</p> <p>Impact on finding suitable placements</p> <p>2. Children and young people may experience multiple accommodation moves if the right placement for them is not available at the time they enter care</p> <p>3. Increase in workload and reduction of capacity for Children in Care teams</p> <p>Transport:</p> <p>1. Cost of providing transport continues to exceed the budget available.</p> <p>2. Children and young people are not transported to school and not able to access education.</p>	

<p>Transport:</p> <ol style="list-style-type: none"> <li>1. Increase in the number of children and young people with EHCP requiring specialist transport</li> <li>2. Requests from schools and/or parents for transport assistance due to concerns over safeguarding risks in respect of a child or young person's ability to walk to and from school even accompanied by an adult.</li> <li>3. Increase in the number of contract handbacks has resulted in higher cost contracts and demand on staff capacity to manage procurement processes</li> <li>4. Increased contract costs, operation and overhead costs eg fuel, insurance</li> <li>5. Operators having insufficient numbers of drivers and/or passenger assistants to be able to fulfil contracts</li> <li>6. Cambridgeshire offers over the statutory requirements for transport therefore increasing the number of children and young people utilising home to school transport in Cambridgeshire</li> </ol>	<p>Transport:</p> <ol style="list-style-type: none"> <li>1. Transport logistics review has taken place outlining key areas for consideration in the future</li> <li>2. Savings within Transport has already been identified in previous and future years</li> </ol>	
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Controls	Adequacy	Critical Success
<p><b>CIC Specific - Contract management and commissioning providers:</b></p> <p>Continuous improvement through contract management with providers and market engagement.</p>	Good	Providers continue to make improvements
<p><b>CIC Specific - Inflation Strategy</b></p> <p>Developing an inflation strategy which is fair and transparent aligned to all our providers.</p>	Good	Inflation uplifts are clear, transparent and fair to providers
<p><b>CIC Specific - Multi-agency partnership working with other services:</b></p> <p>Continued working with partners to provide a multi-agency approach of the needs for the child / young person.</p> <p>Working with statutory health partners for the risk pathways for self-harm. Criteria for the MAP panel is progressing for agreement with health.</p> <p>Multi-agency monthly meetings to review cases and provide multi-agency support on where cases can be worked on together when needed (MAPP, 0-25 complex cases)</p>	Reasonable	Partnership working is well established and criteria has been approved
<p><b>CIC Specific - Provider Communications</b></p> <p>We are widening our communications within our services to local and national provider bases across all of children services.</p>	Good	Providers feel well informed
<p><b>CIC specific - Provider training &amp; development</b></p> <p>Providing training, support and development to upskill providers working with more young people with high and complex needs</p>	Good	Providers are well supported and suitably trained to work with those with high and complex needs.
<p><b>CIC specific - Residential Strategy</b></p> <p>The residential strategy outlines further explore the residential accommodation across Cambridgeshire including in-house provision, working better with providers and greater partnership working. The in-house solutions for enhancing properties within the Council's portfolio has been paused due to planning delays.</p>	Poor	Sufficient residential accommodation available across Cambridgeshire and more CiC are in-county.
<p><b>CIC specific - Sufficiency Statements:</b></p> <p>The sufficiency statement have been published</p>	Reasonable	Sufficient capacity and future needs can meet demand

<p><b>Financial Control</b></p> <p>All temporary and permanent recruitment is subject to recruitment panels by the Director of Childrens, Education &amp; Families (CEF) and the Chief Executive Officer (CEO)</p> <p>CEF Criteria has been redefined and restricted on spend.</p> <p>Scheme of delegation for children social care in place to help wit decision-making a mitigate spend</p> <p>Robust school deficit management process in place to ensure schools put in place strong deficit recovery plans that achieve a <u>balanced budget and there is clear Council oversight</u>.</p>	Good	Budget pressures are minimised
<p><b>Managing demand</b></p> <p>1. Reforms have been defined to help manage demand for services such as the Inclusion for All and Families First Partnerships. Working with school leaders, through Schools Forum governance, we have codesigned a 'continuum of provision' to ensure clarity regarding respective responsibility of schools and the council for different types of provision, with associated benefit ultimately of a shift of demand to mainstream from special with a focus on placement close to home to reduce travel time and costs in addition to placement costs.</p> <p>2. Revision of the Children in Care Residential Strategy to ascertain the placements required</p> <p>3. Early help services are operating more effectively to meet demand</p> <p>4. Key improvements to the integrated front door have been identified and being implemented to meet demand</p>	Reasonable	Demand can be met through existing capacity and relative preventative measures
<p><b>Transformation Projects</b></p> <p>There are a number of transformation programmes in progress in each of the 3 areas:  SEND - Inclusion for All  Transport - Travel to Learn  Children in Care Placements (Residential Strategy)  EYES implementation</p> <p>All areas are defined and progressing, although demand is continuing.</p>	Reasonable	Budget pressures are minimised and savings are achieved
<p><b>Transport specific - Additional Capacity on SEND 0-25</b></p> <p>Funding secured to appoint additional members of staff who will focus on reducing the number of single occupancy taxis and work with colleagues in the SEND 0-25 teams and in Social Care to ensure that consideration of transport requirements and the cost of these is embedded into the annual review process and conversations with parents/carers and educational establishments.</p>	Good	Reduced spend and high costs for SEND transport
<p><b>Transport specific - Travel to Learn Plan</b></p> <p>Travel to Learn plan is currently in development to consider ways for delivering home to school transport more efficiently.</p>	Good	Once the plan has been agreed at Committee (Winter 2025/26), the delivery of the plan will be implemented.

Action Plans	Assurance	Responsibility	Target Date
<p><b>Additional financial controls</b></p> <p>This has now been undertaken and key aspects being taken forward - monitoring purposes.</p> <p>CEF Financial diagnostics underway to ensure only essential spend is occurring and identifying other opportunities to reduce spending.</p>	<p>This has now been undertaken and completed a monitoring action for short period. CEF Financial Diagnostics requires all services to review spend and identify further opportunities to reduce core budget spending.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>31/03/2026</p>

<p><b>Children in Care transport provision:</b></p> <p>Managing the provision at the beginning of CYP coming into Care, relying on Social Workers to transport during the first few weeks, which is not sustainable.</p>	Processes are being developed to ensure these can be mitigated where possible	Sarah Callaghan (Service Director for Education) Liz Clarke (Service Director: Quality Assurance and Practice Improvement)	31/03/2026
<p><b>EYES Implementation programme revised</b></p> <p>The implementation of the EYES Programme has been revised to ensure implementation occurs in June 2026.</p>	Plans have been verified and approval for reallocation of Capital budget is planned for October		30/06/2026
<p><b>High cost children in care</b></p> <p>High-cost children in care reviewed by Service Directors to ensure the child is in the right home at the right cost and where appropriate move on plans are progressed. Also work on review of all placements which purport to include 'therapeutic support'</p>	Placement Panel chaired by Service Director	Liz Clarke (Service Director: Quality Assurance and Practice Improvement) Nigel Denning (Service Director, Targeted Support & Children Social Care)	31/03/2026
<p><b>Implementation of Families First Programme</b></p> <p>The Implementation of Families First over the next two years is intended to reduce the demand on statutory services and realign services to support families earlier. The part 2 of the implementation plan will be submitted in December 2025 setting out key milestones for implementation</p>	Families First Partnership Programme Governance will ensure effective oversight of delivery and monitoring outcomes – reported to the DfE	Nigel Denning (Service Director, Targeted Support & Children Social Care)	31/03/2026
<p><b>Reducing the number of 'high cost' placements and care costs</b></p> <p>Weekly placement panel and Service Director oversight of all entrants to care</p>	Weekly placement panel and Service Director oversight of all entrants to care	Nigel Denning (Service Director, Targeted Support & Children Social Care)	31/12/2025
<p><b>Residential Placement options</b></p> <p>Strategic approach to residential sufficiency to be reviewed applying lessons learned for the approaches that have been attempted thus far .</p> <p>London Road residential property to be progressed for Dec 2026 delivery.</p>	London Road is progressed for December 2026 delivery/	Nigel Denning (Service Director, Targeted Support & Children Social Care)	31/12/2026
<p><b>Review of commissioning arrangements internally</b></p> <p>Children's Commissioning review has taken place and identified key areas to improve.</p>	A children in care working group has been established to progress the areas in CIC	Chris Bush (Service Director Strategy and Commissioning)	31/03/2026
<p><b>Review of placement provider frameworks to access for value for money:</b></p> <p>This has been agreed at Committee in November 2025. Children's external placements report is due for approval at committee in November 2025. It will outline the plan to review and reflect on capacity and costs for the longer term.</p>	Ensure the time to ensure the provider framework is right	Chris Bush (Service Director Strategy and Commissioning)	31/03/2026
<p><b>Strategic Provider Meetings</b></p> <p>Provider meetings are arranged and will be regular to ensure co-consideration of housing proposals and needs collaboratively.</p>	Governed by Commissioning	Chris Bush (Service Director Strategy and Commissioning)	31/03/2026

Risk		02. Non-delivery of SEND statutory timelines, financial risk of the DfE Safety Valve Agreement for Cambridgeshire and increase in DSG spend														
Likelihood	5				X							Risk Owners Sarah Callaghan (Service Director for Education)	Current Score	20	Last Review 18/12/2025	Next Review 26/04/2026
	4				A								Risk Appetite	16		
	3												Previous Score	20		
	2												Triggers	Likelihood Factors (Vulnerability)	Potential Consequences	
	1												1. Failure to deliver safety valve plan identified through monitoring. 2. Unsustainable demand for Education, Health, Care Plans (EHCP's) meaning the financial carry forward becomes unsustainable 3. Insufficient capacity within school system which leads to higher cost placements 4. Increase in the number of complaints and possible pay-outs	1. Revised submission to DfE in July. Acknowledgement response received early October to state DfE SEND Advisor to work with the Council on possible changes. This would suggest on going delay by DfE to determine when our payments can commence and a decision on the two Special Schools.  2. The Inclusion for All programme outlines a whole system approach to SEND to ensure all children and young people access various services available to them which could meet their needs. We had anticipated that our plan would be validated by the likely content of the national SEND reforms however Secretary of State confirmed in October a further delay to those announcements to Spring 2026.	1. DfE withholding payments from the Safety Valve Agreement 2. Government statutory duties are unable to be fully met 3. Some of the changes we were anticipating within the delayed SEND reforms could have mitigated some of our risks, for example – increased scrutiny on Independent Special School funding and quality, a revised focus on the importance of SEN support rather than EHCP in mainstream.	
		1	2	3	4	5	Consequence									
Controls													Adequacy	Critical Success		
<b>Delivery of additional school places</b> Following the DfE continual delay of the opening of 2 x new special schools a recent update has been received from DfE setting out two options for the Council to consider by end February 2026. An options appraisal is being developed and the appropriate governance will be followed.													Reasonable	School provision is in place and meets needs		
<b>Management and delivery of the Inclusion for All Programme</b> Full programme management and governance is place with agreed plan between all partners and revised plan, incorporating Ofsted priority actions, agreed by DfE and NHS England and summary published on CCC Local Offer SEND Website. Comprehensive report to C&YP Committee in October with all recommendations agreed, i.e. quarterly reporting to Committee and £780k funding agreed.													Reasonable	Inclusion for All is successfully delivered to time, cost and quality		
<b>Monitoring of Safety Valve requirements</b> Submission of the revised Cambridgeshire Safety Valve in July 2025 to DfE was made. A response from DfE is still be awaited for.  Monthly review of position through the Education Finance and Performance Board and reporting to the SEND Executive Board. Financial forecasts continue to reported corporately and updated regularly. Activity currently paused.													Reasonable	Requirements are reported regularly and meets expectations		
<b>Partnership with DfE</b> We were requested to submit an updated SV plan in July and we were proactive in following up this submission by requesting a meeting with DfE SEND Adviser. However, zero contact from DfE between July and up to end September. Early October 2025 brief acknowledgement email regarding July submission and stating that SEND Adviser would again be in touch to discuss possible further work required. Some contact with DfE in relation to the 2 x new schools in December 2025 and further work is being now being considered.													Reasonable	Good working relationship are established		

Action Plans	Assurance	Responsibility	Target Date
<p><b>ASEND Action Plan</b></p> <p>the following outlines the recommendations from the Area SEND inspection:</p> <p>There are 3 possible judgements and Cambridgeshire received the 2nd judgement which has made the following recommendations for Cambridgeshire which includes:</p> <p>1.The local area partnership should work together to improve the timeliness and quality of the statutory Education Health and Care (EHC) plan processes so that children and young people with SEND get the right support at the right time. This should include a particular focus on:</p> <p>a. improving the timeliness of EHC plan needs assessments and annual reviews;</p> <p>b. improving the quality of EHC plans;</p> <p>c. amending EHC plans appropriately after annual review.</p> <p>2.The local area partnership should improve access to, and reduce waiting times for, specialist mental health pathways and neurodevelopmental assessments. Leaders should ensure that children and young people and their families consistently receive effective communication and support while waiting for neurodevelopmental assessments.</p> <p>3.The local area partnership should develop better opportunities for co-production with children and young people with SEND, so their voices and views are more fully included in the design of support and services.</p> <p>4.The local area partnership should improve the support for children and young people with SEND as they prepare for adulthood, especially in mainstream schools.</p> <p>5.The local area partnership should improve how it communicates its offer, so that schools, services and families know about and understand what the area seeks to provide. This will mean those who work most closely with children and young people with SEND will be better able to help them access the support available.</p>	<p>In response to the judgement an action has been developed and submitted in June 2025.</p> <p>The Inclusion for All programme will ensure the key elements of the ASEND plan is part of the programme and progress the key areas of improvements required, Regular reporting to the CEF Change Board and the Committee will ensure assurances are provided.</p>	<p>Sarah Callaghan (Service Director for Education)</p>	<p>30/06/2026</p>
<p><b>Delivery of additional Schools</b></p> <p>Following the DfE continual delay of the opening of 2 x new special schools a recent update has been received from DfE setting out two options for the Council to consider by end February 2026. An options appraisal is being developed and the appropriate governance will be followed.</p>	<p>A decision will be required by end February 2026.</p>		<p>31/03/2026</p>
<p><b>Revision of Safety Valve Model</b></p> <p>Revised Safety Valve Model submitted to the DfE including re-phased savings / potential extension of period of safety valve deal. Awaiting for DfE response.</p>	<p>Revised model submitted alongside with discussions with the DfE</p>	<p>Sarah Callaghan (Service Director for Education)</p>	<p>30/06/2026</p>
<p><b>Revision of transformation programme to be now the Inclusion for All</b></p> <p>Programme Board and task &amp; finish groups have been established.</p> <p>In addition, further inspection earlier in 2025 outlined the issues related to Safety Valve.</p>	<p>Regular monitoring and tracking of key actions to ensure progress is being made. Regular updates to be provided at all levels of governance.</p>	<p>Sarah Callaghan (Service Director for Education)</p>	<p>30/06/2026</p>

Risk		03. Risk of significant harm to vulnerable children and young people increases				
Likelihood	5					
	4					
	3					X
	2					
	1					
		1	2	3	4	5
		Consequence				
Risk Owners		Martin Purbrick, Executive Director for Children, Education & Families			Current Score	15
					Risk Appetite	15
					Previous Score	15
		Triggers			Likelihood Factors (Vulnerability)	
		<p>1. High workload in Children's Social Care are in excess of the Council's operating model</p> <p>2. Demand is greater than our capacity</p> <p>3. National initiatives changing the current workforce requirements and model of working</p> <p>4. Reduced universal support through the safeguarding partnership partners</p> <p>5. Lack of financial resilience.</p> <p>6. Non-compliance with safeguarding processes and procedures.</p> <p>7. Inability to recruit and retain experienced Social Care staff leading to challenges in meeting demand</p> <p>8. Lack of placement sufficiency to meet the needs of complex children and young people.</p> <p>9. Major incident results in inability to access Council systems, records or buildings.</p>			<p>Each one below is linked to each of the triggers:</p> <p>1. Children's social care workloads are too high in some areas due to issues with recruitment and retention.</p> <p>2. Difficulty procuring affordable capacity for children's placements. There continues to be a national shortage of foster Carers and affordable Children's Placements (Medium)</p> <p>3. National shortage of recruitment of qualified and experienced social care staff and the competitive marketplace with neighbouring Local Authorities (LA's) (Medium) and retention has improved for those in some teams and more difficult in safeguarding currently. More work is underway for recruitment of permanent social workers (Medium)</p> <p>4. National Reforms influencing future requirements and uncertainty of requirements (Medium)</p> <p>5. Growing demand leading to continued pressure on budgets and exceeding any efficiencies and business planning already made (high)</p>	
					Potential Consequences	
					<p>1. Serious harm to child or young person that could have been prevented</p> <p>2. Reputational damage to the Council.</p> <p>3. Financial impact.</p> <p>4. Appointment of a Children's Commissioner and notice of statutory intervention issued by the Department for Education (DfE)</p> <p>5. Additional external inspection scrutiny</p>	

Controls	Adequacy	Critical Success
<p>1. Multi-agency Safeguarding Boards and Executive Boards.</p> <p>Provides multi agency focus on safeguarding priorities and provides systematic review of safeguarding activity specific safeguarding situation between partners. In February 2025, the joint partnership became a Cambridgeshire specific partnership Board (instead of one board across both Peterborough &amp; Cambridgeshire).</p>	Good	Establishing a Cambridgeshire-specific board will enable greater focus on the needs of Cambridgeshire children and young people, while effectively managing this risk in a more controlled manner. The ILACS inspection of 2024 noted that separation from shared services had led to improvements in outcomes for children. *ILACS - Inspection of Local Authority Children Services
<p>2. Information-sharing and coordinated work between multi-agency partners, providers, and regulators.</p> <p>In particular Police, County Council and other agencies to identify child sexual exploitation, including supporting children and young people transitions to adulthood, with the oversight of the Safeguarding Boards. Regular monitoring of social care providers and information sharing meetings with other local organisations.</p>	Reasonable	Relationships across partners are well established and maintain good working relationships.
<p>3. Comprehensive and up-to-date Safeguarding Policies, Procedures and Practice Standards.</p> <p>Continuous process of updating practice and procedures, linking to local and national trends, including learning from local and national reviews such as Child Safeguarding Practice Reviews (SPR's).</p>	Good	All policies, procedures and processes are routinely updated and followed within Children's. Implementation of new documentation is clearly communicated to the workforce and ample implementation given to embed.

<p>4. Workforce Training &amp; Development</p> <p>Comprehensive and robust safeguarding training, ongoing development opportunities for staff, and regular supervisions monitor and instil safeguarding procedures and practice.</p>	Good	<p>1. Effective training and development ensures all staff understand and can implement key safeguarding processes.</p> <p>2. Good working relationship with Learning &amp; Development</p> <p>3. Social care academy in place and established to support new and existing workforce in social care.</p> <p>4. Ensuring a comprehensive training offer response to service needs and is able to flex to the requirements of the service.</p>
<p>5. Quality Assurance Framework.</p> <p>Robust process of internal Quality Assurance (QA framework) including case auditing and monitoring of performance.</p>	Good	<p>Recently revised and implemented new practice governance ensuring performance information is more accessible and training has been provided to ensure performance is monitored more closely. In addition, an audit schedule has been reviewed, updated and is underway. QA framework that is understood by all that are using it; reflects the lived experience of children; and helps with practice improvement, whilst supporting practice standards.</p>
<p>6. A clear oversight on practice, quality &amp; performance in Children, Education and Families (CEF)</p> <p>A number of key controls are in place which include, but not limited to: Workforce Strategic Plan, Cambridgeshire Academy for Reaching Excellence (CARE), Recruitment and Retention Strategy, Relational Practice Model (THRIVE approaches), Children's Quality Assurance Framework and greater data availability to ensure performance is measured.</p> <p>In addition, Whistleblowing Policy, robust Local Authority Designated Officer (LADO) arrangements and complaints process inform practice.</p>	Good	<p>1. Timeliness &amp; quality of service delivery improvements</p> <p>2. Experiences from Children and Young People provide feedback to influence changes</p> <p>3. The threshold document is adhered too</p> <p>4. The Quality Assurance Framework is being followed</p> <p>5. Improvements made on the OFSTED action plans</p> <p>6. Effective processes for reporting concerns ensure that the response to concerns is timely and effective, with the involvement of appropriate partners.</p> <p>7. There is an effective Dispute Resolution Process in place and utilised when required</p>
<p>7. Strength based approaches review</p> <p>After a review of the family safeguarding approaches, Cambridgeshire has developed a systemic practice model using strength based approaches. Relational Practice Model has been rolled out through the THRIVE approaches. Implementation has been completed, although time to embed is required.</p>	Reasonable	<p>The revised practice model is understood, followed and embedded in the workforce.</p>

Action Plans	Assurance	Responsibility	Target Date
<p><b>1. Corporate response to Ofsted Inspections</b></p> <p>Internal audit has completed an audit on the Ofsted Action plan one year after the ILACs inspection and assurances are being provided.</p> <p>Updated self-assessment completed and action plan submitted around the 7 recommendations made by Ofsted, ILACs. the plan is reviewed and actions tracked through the CEF LT meeting. Each recommendation is outlined in the action plan below.</p> <p>An action plan has been submitted in June 2025 following the Area SEND Inspection. The Improvement Plan has also been presented to CYP Committee and update reports will be provided at regular intervals. ASEND Action plan update was provided to CYP Committee in October 2025. CYP Spokes received an update in January 2026 and a Committee update will be provided in April 2026.</p>	<p>Audit actions are underway and progress on Ofsted Actions are being reviewed regularly.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>
<p><b>1a. Workforce - building the right capacity within the workforce</b></p> <p>The revised Children's Strategic Workforce Plan has been developed and has been approved through the governance process at CYP Committee November 2024.</p> <p>The action plan outlines activities within Workforce and building the right capacity within the workforce to ensure consistency, quality and timeliness.</p>	<p>Three Drivers from the Workforce Plan is being focused on to ensure progresssion in priority areas</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>

<p><b>1b. Placement Sufficiency (the residential strategy)</b></p> <p>Placement Sufficiency - One stream of the residential strategy is continuing. This is the London Road project. Additional work around emergency placements, increase of foster-carer and kinship carers is also underway. the placement sufficiency statement is currently developed has now been approved.</p>	<p>London Road project is progressing and the Residential Strategy is being revised.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>
<p><b>1c. Assessments - additional capacity to improve the quality, consistency and timeliness of assessments</b></p> <p>Additional capacity to improve the quality, consistency and timeliness of assessments is in place and being recruited to permanently. In addition, Lancashire Council have conducted a sector led improvement review of MASH &amp; Front door and a support plan is being developed and put in place to ensure improvements are being made.</p>	<p>Lancashire SLIP are supporting Cambridgeshire further to progress the support plan agreed.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>
<p><b>1f. Out of hours support - a review of the out of hours services will be completed</b></p> <p>An options appraisal and review of the out of hours service has taken place (2024/25). PCC agreed (July 25) to remain in a shared arrangements with CCC and a SLA has been put in place. This has been endorsed by the CCC Change Board in July 25. This has meant that recruitment for a further 10 relief workers to work within the Emergency Duty Team on a rota-basis has been agreed and in ongoing.</p>	<p>Out of Hours work has progressed and implemented with monitoring in place.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>
<p><b>1g. Homelessness 16/17 year olds - review of this area is planned to ensure a more joined up approach</b></p> <p>Updated Joint Protocol for Homeless 16 and 17 year olds has been agreed between CCC and the 5 districts and awaits ratification at the Children's Partnership Board on 16/09/2025. The protocol is accompanied by improved paperwork for the triage and joint assessment of homeless teens, to assist with improved practice and recording. Staff from CCC and the 5 districts will be invited to joint briefing sessions in preparation for implementation on 1 October.</p> <p>There remain two key issues to be addressed:</p> <p>Advocacy for children in this situation should be available but has not historically been part of the CCC contract with NYAS.</p> <p>Suitable accommodation for any children requiring emergency accommodation pending a joint housing assessment (and beyond) is a concern due to a lack of sufficiency.</p> <p>Quality Assurance have commenced planned audit in relation to this specific issue</p>	<p>Work with the Districts is being progressed.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>
<p><b>2. Recruitment of a permanent workforce</b></p> <p>As part of the children's improvement work, there is a focus on ensuring the recruitment and support of children's workforce. Successful recruitment within management areas with over 90% of permanent Directors, Heads of Services, Service Managers and Team Managers. Over 80% of Social Workers are now permanent</p>	<p>Agency has reduced in recent months and further work is in progress to ensure recruitment is secured.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>
<p><b>3. Children's Placement Sufficiency.</b></p> <p>Sufficiency Statement has been published. There has been improved Market engagement and increasing number of Children being placed in Cambridgeshire although 53% are still place in other Local Authority areas. Social Care &amp; Commissioning working more closely together as a strong focus on recruiting in-house foster, showing early signs of success, however, there are still a number of children in unregistered placements</p> <p>Work to manage the local market with support from Commissioning services is underway to support placement sufficiency for Cambridgeshire. This action is likely to remain ongoing. "</p>	<p>Children's placement sufficiency work is underway and external placements is due at CYP Committee in Jun 2026.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>

<p><b>4. Review of key areas of Children's, Education and Families services</b></p> <p>The Families First Partnership (FFP) reforms is a government programme to realign better working arrangements for children services, this requires Cambridgeshire to review some of its key areas to better work with each other. In addition, a review of decision making in the MASH and closer integration of Targeted Support and Children in Need work.</p> <p>Essex diagnostics throughout 2023 and 2024 has now been completed. CCC was successful in receiving additional Sector Led Improvement partner work and additional support throughout 2025 is being planned. In December 2025, the DfE outlined the timeline for FFP would be brought forward for a year and further work is underway to consider the impact and implications of this.</p>	<p>FFP placed their submission in December and has general support from the DfE.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>
<p><b>ASEND Action Plan - following the ASEND inspection, the following have been identified as areas for improvement:</b></p> <p>There are 3 possible judgements and Cambridgeshire received the 2nd judgement which has made the following recommendations for Cambridgeshire which includes:</p> <ol style="list-style-type: none"> <li>1.The local area partnership should work together to improve the timeliness and quality of the statutory Education Health and Care (EHC) plan processes so that children and young people with SEND get the right support at the right time. This should include a particular focus on: <ul style="list-style-type: none"> <li>a.improving the timeliness of EHC plan needs assessments and annual reviews;</li> <li>b.improving the quality of EHC plans;</li> <li>c.amending EHC plans appropriately after annual review.</li> </ul> </li> <li>2.The local area partnership should improve access to, and reduce waiting times for, specialist mental health pathways and neurodevelopmental assessments. Leaders should ensure that children and young people and their families consistently receive effective communication and support while waiting for neurodevelopmental assessments.</li> <li>3.The local area partnership should develop better opportunities for co-production with children and young people with SEND, so their voices and views are more fully included in the design of support and services.</li> <li>4.The local area partnership should improve the support for children and young people with SEND as they prepare for adulthood, especially in mainstream schools.</li> <li>5.The local area partnership should improve how it communicates its offer, so that schools, services and families know about and understand what the area seeks to provide. This will mean those who work most closely with children and young people with SEND will be better able to help them access the support available. In response to the judgement an action is in development and submitted on 24th June 2025. A full action plan has been developed and is being monitored.</li> </ol>	<p>SEND is being reported regularly to CYP Spokes and a report to the June Committee is due.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>27/02/2026</p>

Risk		04. Inability to meet statutory duties and inspection outcomes across Children Social Care				
Likelihood	5					
	4					
	3					X
	2					
	1					
		1	2	3	4	5
		Consequence				
<b>Risk Owners</b>		Martin Purbrick (Executive Director for Children, Education and Families)			<b>Current Score</b>	15
					<b>Risk Appetite</b>	
					<b>Previous Score</b>	15
		<b>Triggers</b>			<b>Likelihood Factors (Vulnerability)</b>	
		1. Workforce shortages in social care and education transport, including driver and passenger assistant deficits 2. Market dysfunction in external placements, leading to delays and insufficient provision 3. Budgetary pressures from rising costs and increasing demand for specialist services			1. Various government reforms affecting Local Authorities and key Partners may conflict in prioritisation and funding available 2. 3. Increase in demand for children in care placements and not enough market capacity	
		<b>Potential Consequences</b>				
		1. Legal implications under the Children Act 1989, Children and Families Act 2014 and Education Act 1996, if statutory duties are not fulfilled 2. Safeguarding risks due to delayed or inappropriate placements and lack of oversight 3. Ofsted concerns and reputational damage from inadequate service delivery 4. Financial exposure from costly out-of-county placements and inefficient commissioning				

Controls	Adequacy	Critical Success
<b>Children in Care Placements</b> Children in care placements are subjected to governance for external panel for agreement for both accommodation and care packages. In addition work with the residential strategy has paused, although the strategy is being revised to ensure further opportunities for property developments for children residential homes can be developed. All unregistered placements are closely monitored with further support from the service to ensure they are applying to become registered providers.	Reasonable	Children in care are in the right placement at the time they need it. More children in Care are within County
<b>Government Reforms</b> Key Programmes have been applied for the the LGR, Families First Partnership which will deliver the key aspects of the government reforms.  Close contact with health as they proceed to deliver on their health reforms, although the implications of this reform is likely to impact on children and young people services.	Good	Reforms are implemented alongside partner engagement and delivered timely to meet the statutory responsibilities required
<b>Ofsted Action Plan</b> The action has been developed to ensure key improvements are underway	Good	Ofsted action plan elements have improved and embedded across CEF
<b>Travel to Learn plan</b> The plan is in development and sets out a different way for delivering services and savings to ensure the budget can be met year on year.	Good	Travel to Learn plan is fully implemented and transport costs and available are stabilised

Action Plans	Assurance	Responsibility	Target Date
<b>CEF awareness of statutory duties</b> All CEF Leaders are fully aware of the statutory responsibilities and being fully monitored.	Through various key programmes based around national reforms: FFP, LGR, Best start in life, SEND reforms and financial diagnostics.	Martin Purbrick (Executive Director for Children, Education and Families)	31/03/2026

<p><b>Court work</b></p> <p>Further training is ongoing to ensure the court processes are fully understood and followed</p>	<p>Identified as an area for development and specific training has been undertaken within the relevant service areas to make improvements</p>	<p>Nigel Denning (Service Director, Targeted Support &amp; Children Social Care)</p>	<p>31/03/2026</p>
<p><b>Families First Partnership</b></p> <p>This reform has a programme which alters elements of statutory duties. The programme is developed and co-design of services is underway.</p>	<p>Service redesign considers the statutory responsibilities in this area and how it is delivered.</p>	<p>Nigel Denning (Service Director, Targeted Support &amp; Children Social Care)</p>	<p>30/06/2026</p>
<p><b>Inspection Preparation work</b></p> <p>Further work to ensure preparation for unexpected inspections which may occur in the future is in place</p>	<p>All preparation work has been complete to ensure readiness for inspections.</p>	<p>Denise Revens (Directors Office)</p>	<p>30/10/2026</p>
<p><b>Overview of reforms:</b></p> <p>Mapping of key partner reforms affecting CYP is underway and development of multi-agency outcomes framework has started through the Children's Rapid Improvement Board</p>	<p>Partners are agreed to an approach which would pull together areas of similarities to work through a joint outcomes framework in areas where it makes sense to do so.</p>	<p>Martin Purbrick (Executive Director for Children, Education and Families)</p>	<p>31/03/2026</p>

Risk		05. Services are unable to manage demand and workloads within existing capacity across children, education and families				
Likelihood	5					
	4					
	3				X	
	2					
	1					
		1	2	3	4	5
		<b>Consequence</b>				
<b>Risk Owners</b>		Martin Purbrick (Executive Director for Children, Education and Families)			<b>Current Score</b>	12
					<b>Risk Appetite</b>	
					<b>Previous Score</b>	12
		<b>Triggers</b>			<b>Likelihood Factors (Vulnerability)</b>	
		<ul style="list-style-type: none"> <li>1. Increased number of workforce vacancies in critical services such as Multi-agency Safeguarding Hub (MASH), front door services etc</li> <li>2. Increase cost and reliance on agency workers</li> <li>3. Gaps in recruitment as seen across national labour workforces</li> <li>4. Unmanageable caseloads within key teams</li> <li>5. Increase in staffing sickness levels</li> <li>6. A number of government reforms such as Local Government Reorganisation (LGR), Families First Partnership (FFP), Health Reforms is a moving landscape</li> <li>7. Emerging changes from children service requirements</li> <li>8. Working on the improvements from the Ofsted inspections in 2024 &amp; 2025.</li> <li>9. Changes in practice and approaches</li> <li>10. More emphasis to focus on narrowing the budget gap</li> </ul>			<ul style="list-style-type: none"> <li>1. Increase in permanent workforce has been progressing</li> <li>2. Less reliance on agency workers (reduced from 39% to now 19% in many areas.</li> <li>3. A gap occurring in experienced staff as more emphasis on growing our own workforce</li> <li>4. Reforms work have commenced and are underway and being well managed.</li> <li>5. Budget gaps are emerging</li> <li>6. Staff turnover is occurring</li> </ul>	
					<b>Potential Consequences</b>	
					<ul style="list-style-type: none"> <li>1. Increased risk of unsafe services without experience workforce</li> <li>2. Inconsistent practice</li> <li>3. Lack of improvement to outcomes for children and young people</li> <li>4. Failure to meet OfSTED requirements and improvements required.</li> <li>5. Low morale and demotivated staff delivering poorer outcomes.</li> <li>6. Poorer services</li> <li>7. Savings targets not delivered.</li> <li>8. Transformative change not delivered</li> <li>9. Inefficient services</li> </ul>	

Controls	Adequacy	Critical Success
<b>ASYE Scheme &amp; Apprenticeships</b> Continue to recruit and support the newly qualified social care workforce and encourage in-house apprenticeships	Good	These recruits become qualified and confident in their workplace.
<b>Communications:</b> Communication with the workforce is regular and has recently been reviewed to ensure a better variety and frequency of communications to staff, including a fortnightly newsletter, virtual staff forums, drop-in sessions in offices with staff etc	Reasonable	Staff are well informed and engaged and share a common understanding of key priorities
<b>Improvements:</b> CEF annual self-assessment is updated and updates on the ofsted action plan is being reported monthly through the CEF Change Board and the Extended CEF Leadership Team, following the audit recently.	Good	The self-assessment priorities for the next 12 months are delivered
<b>Recruitment &amp; Retention Strategy</b> The development of a clear recruitment and retention strategy	Poor	Permanent workforce is place with minimal use of agency staff
<b>Recruitment International Social Workers</b> A number of international social workers recruited during 2024 has been completed	Good	International social workers are recruited and supported across Cambridgeshire and become fully integrated with the workforce
<b>Social work academy</b> Cambridgeshire's Academy in Reaching Excellence (CARE) to deliver across all Children, Education & Families (CEF) service areas from 2024 has been launched and a phased approach in delivering this to the workforce.	Reasonable	All staff are trained through the CARE academy

<p><b>Social Worker recruitment</b></p> <p>Increase in permanent workforce, particularly in front-door services has recently been successful which should see improved practice and consistency and therefore greater efficiency within the workforce</p>	Good	Permanent workforce in place and embedded across Cambridgeshire
<p><b>Workforce Development framework and action plan</b></p> <p>The implementation of a clear outline the workforce framework for children, education and families for all staff has been updated and reflect revised practice and standards. This also includes the support elements for existing workforce. A need to allow time to embed into services.</p>	Reasonable	The action plan is fully delivered
<p><b>Workforce impact on reform changes:</b></p> <p>Key programmes and projects align to consider impact on service delivery, including staff and CYP.</p>	Reasonable	Change is managed well and the workforce responds positively to the changing landscape.

Action Plans	Assurance	Responsibility	Target Date
<p><b>Recruitment campaigns</b></p> <p>Sanctuary recruitment company commissioned on a 12-month contract for attracting social workers into Cambridgeshire and have started to see additional resources</p>	Further work is required and a meeting is due to take place to further explore this further	Caroline Adu-Bonsra (Head of HR and Recruitment)	31/03/2026
<p><b>Sector Led Improvement Support</b></p> <p>SLI Partners (Essex &amp; Lancs) are supporting the improvement journey particularly with workforce development opportunities on systemic training and with the improvements for the integrated front door.</p>	Learning is reflected into work based practice improvements	Nigel Denning (Service Director, Targeted Support & Children Social Care) Denise Revens (Directors Office)	31/03/2026
<p><b>Service Redesign work - Families First Partnership</b></p> <p>Key service redesign work is being developed to ensure capacity can be in place</p>	Families First Partnership reforms are providing additional capacity to understand the service redesign for CEF	Nigel Denning (Service Director, Targeted Support & Children Social Care)	30/06/2026
<p><b>The MASH capability and capacity will be considered further as part of the Families First Programme Implementation.</b></p> <p>Additional resources have been agreed and recruitment for MASH has started and will be ongoing as part of the service redesign</p>	SLIP and Families First Governance	Nigel Denning (Service Director, Targeted Support & Children Social Care)	31/03/2026
<p><b>Workforce action plan</b></p> <p>Workforce action plan has been developed on key areas to focus on to embed good practice and attract workforce into Cambridgeshire. This has been reworked and further focus on key drivers to make key improvements are underway.</p>	Practice approaches have been fully embedded across CEF	Martin Purbrick (Executive Director for Children, Education and Families)	31/03/2026

Risk		06. Non-delivery of the Early Years and Education System (EYES) Implementation				
Likelihood	5	Orange	Orange	Orange	Red	Red
	4	Green	Orange	Orange	Red	Red
	3	Green	Orange	Orange	Orange	X
	2	Green	Green	Orange	Orange	Orange
	1	Green	Green	Green	Green	Orange
		1	2	3	4	5
Consequence						
Risk Owners		Sarah Callaghan (Service Director for Education)			Current Score	15
					Risk Appetite	
					Previous Score	15
Triggers			Likelihood Factors (Vulnerability)		Potential Consequences	
1. Timelines and milestones are not met for implementation to take place 2. Planned testing highlights significant issues for full implementation 3. Provider unable to deliver			1. August deadline has not been met due to testing highlighting key issues 2. New programme ahs been reconfigured for delivery by June 2026.		1. Delays in the implementation leads to financial impact 2. Case management system	

Controls	Adequacy	Critical Success
<b>Capacity to successfully deliver</b> Review/optmise resource allocation, prioritising key milestones and deliverables Provide support/training to existing staff to improve efficiency Monitor morale and implement well-being initiatives Implement Operational Oversight to regularly update SRO on progress and delivery timelines	Good	Resources are available and in place
<b>Data Quality</b> Implement automated validation checks for regular (weekly) data migration process Engage data owners/SMEs throughout the process Document and communicate data quality monitoring through governance controls for ongoing quality assurance	Reasonable	Data quality testing highlights data quality is reasonable
<b>External suppliers</b> Set clear service level agreements (SLAs) with suppliers, including delivery timelines and penalties Regularly review supplier performance and hold escalation meetings for non-compliance	Good	A new case management system will be in place and full working order.
<b>Programme plan has been re-baselined and realigned</b> The EYES programme has been re-baselined and aligned for delivery in June 2026. Additional financial capital funding is required and was agreed in October 2025.	Good	A new case management system will be in place and full working order.

Action Plans	Assurance	Responsibility	Target Date
All service areas training completed	All services are adequately trained	Sarah Callaghan (Service Director for Education) IT Lead - Head of Projects and Programmes	22/05/2026
Dry run for go-live	Dry run complete and areas of errors outlined	IT Lead (Head of Projects and Programmes)	05/05/2026

<b>Final data extract from CapitaOne and Impulse Nexus completed</b>	Data extracted successfully	IT Lead (Head of Projects and Programmes)	05/06/2026
<b>Formal round of Testing migrated data and config across services Completed</b>	Migrated data has been tested and configured across Services	IT Lead (Head of Projects and Programmes)	04/03/2026
<b>Formal round of testing migrated data and configuration across services completed</b>	Testing complete and data errors amended.	IT Lead (Head of Projects and Programmes)	30/04/2026
<b>Go-live is completed</b>	Go-live weekend for configuration of EYES	IT Lead (Head of Projects and Programmes)	08/06/2026
<b>Reconfiguration of the programme</b> The programme has been re-baselined for the new go live date June 2026.	The realigned timeline has been approved by all governance areas	Sarah Callaghan (Service Director for Education) IT Lead (Head of Projects and Programmes)	30/06/2026
<b>Training Materials amended and signed off</b>	Training materials reflects sign off and ready for use.	Sarah Callaghan (Service Director for Education)	27/02/2026

# Audit and Accounts Committee Agenda Plan

Agenda Item No: 8

The following are standing agenda items which are considered at every Committee meeting:

- Minutes of previous meeting and Minutes Action Log
- Agenda plan
- Training plan

+ indicates a report which is exempt from publication

Meeting Date	Report title	Frequency of report	Lead officer/ Report author	Final reports to reach Democratic Services	Agenda publication
26/03/26	Financial Reporting and Accounting Policies	Each meeting	Head of Finance	16/03/26	18/03/26
	Corporate Risk Register	Biannual	Head of Internal Audit and Risk Management		
	Executive Director Assurance Report	Each meeting	Executive Director of Children, Education and Families		
	Draft Internal Audit Plan 2026/27	Annual	Head of Internal Audit and Risk Management		
	CONFIDENTIAL Cyber Risk Assessment and Appetite +		Executive Director of Finance and Resources		

Meeting Date	Report title	Frequency of report	Lead officer/ Report author	Final reports to reach Democratic Services	Agenda publication
22 May 2026	Notification of Chair and Vice Chair 2026/27	Annual		11/05/26	14/05/26
	Internal Audit Annual Report 2025/26	Annual	Head of Internal Audit and Risk Management		
	Financial Reporting and Related Matters	Each meeting	Head of Finance		
	Executive Director Assurance Report	Each meeting	Executive Director of Finance and Resources		
	Consultancy and Agency Spend	Biannual	Head of Procurement and Commercial/ Head of Human Resources and Recruitment		
	Debt Management Update	Biannual	Head of Finance Operations		
24 July 2026	Draft Cambridgeshire County Council Statement of Accounts 2025/26	Annual	Head of Finance	13/07/26	16/07/26
	Draft Annual Governance Statement	Annual	Service Director: Legal and Governance		
	External Audit Plan for Cambridgeshire Pension Fund 2025/26	Annual	Investments and Fund Accounting Manager		
	Financial Reporting and Related Matters	Each meeting	Head of Finance		
	Internal Audit Progress Report	Each meeting	Head of Internal Audit and Risk Management		

Meeting Date	Report title	Frequency of report	Lead officer/ Report author	Final reports to reach Democratic Services	Agenda publication
	Annual Risk Report 2025/26	Annual	Head of Internal Audit and Risk Management		
	Assurance Report: Office of the Chief Executive	Each meeting	Chief Executive		
26 November 2026	Financial Reporting and Related Matters	Each meeting	Head of Finance	13/11/26	18/11/26
	Internal Audit Progress Report	Each meeting	Head of Internal Audit and Risk Management		
	Draft Audit and Accounts Committee Annual Report 2025/26	Annual	Head of Internal Audit and Risk Management		
	External Audit Plan for CCC 2026/27	Annual	Head of Finance		
	Cambridgeshire Pension Fund Annual Report and Statement of Accounts 2025/26	Annual	Investments and Fund Accounting Manager		
	Corporate Risk Register	Biannual	Head of Internal Audit and Risk Management		
	Consultancy and Agency Spend	Biannual	Head of Procurement and Commercial/ Head of Human Resources and Recruitment		
	Debt Management Update	Biannual	Head of Finance Operations		

Meeting Date	Report title	Frequency of report	Lead officer/ Report author	Final reports to reach Democratic Services	Agenda publication
	Annual Whistleblowing Report	Annual	Head of Internal Audit and Risk Management		
	Executive Director's Assurance Report: Adults, Health and Commissioning	Each meeting	Executive Director for Adults, Health and Commissioning		
25 February 2027	CCC Statement of Accounts 2025/26 and Audit Results Report	Annual	Head of Finance	12/02/27	17/02/27
	Internal Audit Progress Report	Each meeting	Head of Internal Audit and Risk Management		
	Executive Director's Assurance Report: Children, Education and Families	Annual	Executive Director for Place and Sustainability		
25 March 2027				12/03/27	17/03/27

<b>AUDIT AND ACCOUNTS COMMITTEE TRAINING PLAN</b>			The Training Plan below includes topic areas for Audit and Accounts Committee approval. Following sign-off the training and development sessions will be worked up and scheduled.					Agenda Item No. 9
			The Constitution states that 'The Committee will ... maintain the technical capability to discharge the Audit and Accounts Committee responsibilities of the Council.'					
Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Cllrs Attending (All or AAC only)	Attendance (including via L&D site):
1.	Election Induction Training: Audit and Accounts Committee	Basic introduction to the purpose of an Audit Committee, the Terms of Reference, frequency and agenda of meetings, where to find further information and introduction to key officers and partners.	High	22.05.25	Michael Hudson Emma Duncan Tom Kelly Mairead Claydon	Teams	AAC	Cllr C Galbraith Cllr B Goodliffe Cllr R Martin Cllr L Navarro Cllr C Poulton Cllr G Wilson
2.	Internal Audit	A focus on the role of Internal Audit, qualitative factors and measures, resourcing, risk-based approach including three lines of defence, as well as good reporting and follow up.	High	22.05.25	Mairead Claydon	Teams	AAC	Cllr C Galbraith Cllr B Goodliffe Cllr R Martin Cllr L Navarro Cllr C Poulton Cllr G Wilson

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Cllrs Attending (All or AAC only)	Attendance (including via L&D site):
3.	The Annual Governance Statement and Statutory Officer Responsibilities	To include who are the statutory officers, what are they responsible for, where is their role defined and what does that mean for the way we work.			Emma Duncan			
4.	Accounts (1)	Basic introduction to the format and content of the Council's Statement of Accounts	High	22.07.25	Tom Kelly/ Stephen Howarth	Teams	AAC	Cllr L Navarro Cllr G Wilson
5.	How to Manage Risk	An introduction to how the council manages risk.	High	23.09.25	Mairead Claydon	Teams	All	Cllr G Wilson
6.	Accounts (2)	More in depth analysis of the content of the Council's Statement of Accounts, including Property, Plant and Equipment Valuations, Capital reporting and pension fund.			Tom Kelly/ Stephen Howarth			

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Cllrs Attending (All or AAC only)	Attendance (including via L&D site):
7.	Treasury Management	This will inform members of the Council's Treasury Strategy, the reasoning behind risk, as well as how and where the Council invests / borrows its money. The cashflow forecasting employed and the accounting for treasury management.						
8.	Budget Setting	A review of how the Council sets its budget, how assumptions are worked through and the funding calculations.						
9.	Schools	An overview of how schools are funded, the Dedicated schools grant and the Council's relationship with these budgets and balances.						
10.	Capital Programme	What is capital, how do we plan, monitor and fund.						

Potential e-learning modules:

1. Audit Landscape: Changes taking place around how external and internal audit are set out, delivered and governed are expected, including Codes of Practice.
2. Partnership Governance: How do we work with our partners; what difference factors do we need to consider in making decisions across partnerships.
3. Ombudsman: Which Ombudsman bodies cover local government; how do they operate and how do we respond.
4. Transparency & openness: why is this such an important principle of the public sector and what does it mean? How do we interpret and ensure we are in line with standards? Where do the 'grey lines' lie?
5. Skills Frameworks: This programme will focus on the core competencies of audit and finance, including risk-based audit, estimation and forecasting.
6. External & Internal Audit: Who are they, what are their powers, what areas do they look at, how are they different. Introduction to our auditors as well as plans of work and ways of reporting to Committee.
7. Risk Management: What is it, how do we do this and what is the role of councillors and this Committee in risk management.
8. Financial reporting: How the Council sets, monitors and reports its finances