



**MEETING** : AUDIT AND GOVERNANCE COMMITTEE  
**VENUE** : COUNCIL CHAMBER, WALLFIELDS, HERTFORD  
**DATE** : TUESDAY 22 APRIL 2025  
**TIME** : 7.00 PM

**PLEASE NOTE TIME AND VENUE**

This meeting will be live streamed on the Council's Youtube page:  
<https://www.youtube.com/user/EastHertsDistrict>

**MEMBERS OF THE COMMITTEE**

Councillor Martin Adams (Chair)

Councillors B Deering, C Hart, S Nicholls, G Williamson, D Willcocks,  
D Woolcombe, Poppy and Sharman

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A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:

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- must not participate in any vote taken on the matter at the meeting;
- must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
- if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
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## **AGENDA**

1. Apologies

To receive any apologies for absence

2. Minutes - 18 February 2025 (Pages 5 - 20)

To approve as a correct record the minutes of the meeting held on 18 February 2025.

3. Chair's Announcements

4. Declarations of Interest

To receive any declarations of interest.

5. Internal Audit Plan Report 2025/26 (Pages 21 - 50)

6. 'External auditors completion report for those charged with governance - 2021/22 & 2022/23 (To Follow)

7. Approval of Annual Governance Statement 2021/22 & 2022/23 (To Follow)

8. Draft Annual governance Statement 2023/24 (To Follow)

9. Audit and Governance Committee Work Programme (Pages 51 - 60)

10. Urgent Items

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

MINUTES OF A MEETING OF THE  
AUDIT AND GOVERNANCE COMMITTEE  
HELD IN THE COUNCIL CHAMBER,  
WALLFIELDS, HERTFORD ON TUESDAY  
18 FEBRUARY 2025, AT 7.00 PM

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PRESENT: Councillor M Adams (Chair)  
Councillors B Deering, C Hart, S Nicholls,  
D Willcocks and Mr N Sharman.

ALSO PRESENT:

Councillors C Brittain and B Crystall

OFFICERS IN ATTENDANCE:

Michele Aves	- Committee Support Officer
Mathew Crosby	- Interim Head of Strategic Finance

ALSO IN ATTENDANCE:

Nick Jennings	- Shared Anti-Fraud Service (SAFS)
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333 APOLOGIES

There were apologies for absence from Mr Poppy, Independent Person, and Councillor Williamson.

334 MINUTES - 27 NOVEMBER 2024

Mr Sharman noted that his and Mr Poppy's names were missing from the attendance list on the first page of the minutes. It was confirmed that they should be added as both were present at the meeting on 27 November.

It was moved by Councillor Willcocks and seconded by Councillor Deering, that the Minutes of the meeting of the

Committee held on 27 November 2024 (as amended) be confirmed as a correct record and signed by the Chair. After being put to the meeting and a vote taken, the motion was declared CARRIED. It was noted that Councillor Nicholls abstained from the vote.

**RESOLVED** – that the Minutes of the Committee meeting held on 27 November 2024 (as amended) be confirmed as a correct record and signed by the Chair.

335 CHAIR'S ANNOUNCEMENTS

The Chair thanked Members for attending the recent Joint Meeting of the Scrutiny Committees which was held on 29 January 2025. He said that this meeting was useful and that he hoped it would be repeated next year to scrutinise the budget.

336 DECLARATIONS OF INTEREST

There were no declarations of interest.

337 FINANCIAL MANAGEMENT 2024/25 - Q2 FORECAST TO YEAR END - 'TO FOLLOW'

This report was not included on the agenda, and so was not considered by the Committee. The Interim Head of Strategic Finance said that information pertaining to Quarter 2 of 2024/25 could be seen in Appendix A of Agenda Item 6.

338 FINANCIAL MANAGEMENT 2024/25 - Q3 FORECAST TO YEAR END

The Executive Member for Financial Sustainability introduced the report which gave an overview of the expected outturn at the year-end based on current expectations. He said that a revenue forecast at the end of Quarter 2 was provided in Appendix A, but had been superseded by the forecast at the end of Quarter 3, which

was in Appendix B.

The Executive Member for Financial Sustainability said that the overall overspend was now expected to be £955,000. He said that this was made up of an overspend on services of just over £2 million, plus savings in interest payments and investment income of £561,000, and a reduction in reserves contributions of £486,000 making up most of the balance.

The Executive Member for Financial Sustainability referred Members to Appendix C of the report which detailed a list of key variances in the cost of services. He said that BEAM made up almost 75% of the total differences.

The Executive Member for Financial Sustainability said that the change in accounting policy (to allow the capitalisation of interest during the build phase of major construction projects) had resulted in a reduction of interest payments in the expenditure account of £340,000. He said that updates to the capital spending programme were provided in Appendix D, with key changes being the reprofiling into 25/26 of the reduced budget for Refuse and Recycling vehicles and containers, which was now anticipated in Quarter 1 of 2025/26.

The Executive Member for Financial Sustainability referred to paragraph 2.7 of the report which outlined the work being done to tackle outstanding debt. He said that debt aged over 180 days stood at £2.27 million, with a few key accounts responsible for at least half of this.

The Executive Member for Financial Sustainability said that the mitigations being considered for the overspend were discussed at paragraphs 2.8 – 2.11 of the report.

The Chair thanked the Executive Member for Financial Sustainability for the report.

Councillor Deering referred to the council's debt, saying

that this was significant and old, and asked what was being done to address this, and how procedures would be improved to avoid debt occurring in the first place.

The Executive Member for Financial Sustainability said that the detail of the debt was being looked at. He said that key accounts had been identified for around half of the total debt, but there were delicate issues surrounding some of these. He said that a dedicated team was now in place to deal with debt, but this was an ongoing project which would take time and would prioritise large debts first. He added that transformation, in the shape of automated payments, would help.

The Interim Head of Strategic Finance said that direct debit collection would be used for the garden waste charge, and that this could be extended to other services to enable payments upfront or when due, and flag problems more quickly.

Councillor Deering asked how long the debt team had been in place and when it was constituted.

The Executive Member for Financial Sustainability said that the team was put in place approximately 4/5 months ago under the previous Section 151 Officer. He said that training of the team was ongoing with the help of the Interim Head of Strategic Finance.

The Interim Head of Strategic Finance said that he had been working with the Debt Team Leader since November 2024, and that a forensic examination of the debt was being undertaken, with data collated. He said that there would be debt written off, but that he had seen improvements in the team, with old debt now being recovered due to new working methods.

Councillor Deering said that he accepted that new processes were now underway, but he was concerned at the delay between the election and the debt team being put together. He asked how much of the £2.8 million debt



would be classified as bad debt.

The Interim Head of Strategic Finance said that there was a £900,000 provision for bad debt in the accounts, but he expected more, He said that an exact figure could not yet be given as this was still being worked through.

Councillor Willcocks referred to the rise in the cost of BEAM's domestic rates and asked why this increase was sevenfold.

The Executive Member for Financial Sustainability said that the increase was due to the rates review, and that the figure was the best available estimate as no final settlement had been given. He said that there were some plans for authorities to appeal the rates.

The Interim Head of Strategic Finance said that the figure of £200,000 was the best guess post advice, with the earlier figure used underestimated.

Councillor Nicholls asked how much of the debt was estimated to be due to incorrect invoices etc.

The Interim Head of Strategic Finance said that this was trying to be established, and that there were no current figures. He said it was estimated that £200,000 of debt should possibly not have been raised.

Councillor Nicholls asked for further information as to how the net cost of services had increased, referring to the increase in centrally managed costs from £97,000 to £686,000, and the increase of £249,000 for Communication, Strategy and Policy.

The Interim Head of Strategic Finance said that he would obtain and provide this detail for Councillor Nicholls. The Executive Member for Financial Sustainability said that key variants could be found in Appendix C of the report.

Councillor Deering referred to Appendix C of the report

and asked why the council retained £300,000 of business rates and utilities liabilities for Charringtons House post its disposal.

The Executive Member for Financial Sustainability said that the council was advised that it would no longer be liable for business rates once the development agreement was signed. He said that this original information was not accurate, for which he apologised.

Councillor Willcocks asked for further clarity regarding the IT infrastructure at BEAM.

The Executive Member for Financial Sustainability said that once Wi-Fi was in place at BEAM there would no longer be the need for overnight security at the venue. He said that he would follow up on this issue.

Mr Sharman asked for implications of the savings proposals being less than anticipated, in particular the overspend of £1 million so close to year end. He also referred to the department forecasting changes from Quarter 2 to Quarter 3 and asked how good the council's forecasting skills were.

The Executive Member for Financial Sustainability said that while savings had not been achieved, many were still likely next year, therefore being delayed and not cancelled. He said that more focus was being placed on these savings, with Leadership Team meeting fortnightly to keep them on track. He said that the overspend would come from the council's reserves, and that forecasting was challenging.

The Interim Head of Strategic Finance said that mitigations, the accounting policies, and advice from Arlingclose would also help going forward. He said that he could see areas for improvements, but a good process was evolving. He added that as the year moved on information would become more accurate.

Mr Sharman said this was encouraging, especially as culture change in an organisation was difficult. He said that unforeseen things did happen and that there was no implication of mismanagement. He said that a contingency was needed for headroom when things went in the wrong direction.

Councillor Hart questioned how realistic the anticipated savings were, asking if these were always unachievable.

The Executive Member for Financial Sustainability said that this was a good point, but savings targets were agreed in advance with Heads of Service. He said the targets required close management to enable mitigation at the earliest opportunity.

The Interim Head of Strategic Finance said that some of last year's targets were too ambitious, but there were now new steps in place with Leadership Team for robust monitoring.

Councillor Deering said that the perception was that East Herts was adrift on its savings targets, which was concerning. He reiterated that Leadership Team needed to ensure delivery of the targets.

The Interim Head of Strategic Finance said that Leadership Team were taking ownership of the targets, taking robust steps to ensure that these were achievable.

The Chair asked if the council's debt had stopped it being able to do anything tangible.

The Executive Member for Financial Sustainability said that it had not. The Interim Head of Strategic Finance agreed, he said that it would be preferable for the council to not have debt, as this would mean less borrowing and less interest costs.

It was moved by Councillor Nicholls and seconded by Councillor Willcocks, that the recommendations, as

detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED. It was noted that Councillor Deering abstained from the vote.

**RESOLVED** – that (A) the reasons for the net revenue budget end of year projected overspend of £955k be considered: and.

B) that the capital programme forecast outturn of £9.083m, carry forward of £7.835m be considered.

### 339 TREASURY MANAGEMENT MID-YEAR REVIEW 2024/25

The Interim Head of Strategic Finance introduced the report which was the mid-year treasury management review and prudential indicators or 2024/25. He highlighted the key issues of the report, noting that the council's total borrowing on 30 September 2024 was £46.5 million, with investments of £19 million, giving net borrowing of £27.5 million – almost all of which was now short term.

The Executive Member for Financial Sustainability said that the report also showed the reduction in property investments as the Loftbury fund was gradually being wound up, and the council's second fund, Hermes was likely to see changes in the next few months. The latter giving the possibility for the council to get the majority of its investment back.

The Chair thanked the Executive Member for Financial Sustainability for the report.

Mr Sharman said that he found the report difficult to understand and suggested that the inclusion of an executive summary which gave key points at its outset would be helpful.

The Interim Head of Strategic Finance said that the inclusion of key points would be considered going forward.

It was moved by Councillor Nicholls and seconded by Councillor Hart, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

**RESOLVED** – that (A) Members examine and comment on the Mid-Year Treasury Management Review and Prudential Indicators for 2024/25.

340 CORPORATE PROCUREMENT STRATEGY 2025-2030

The Executive Member for Financial Sustainability introduced the report which detailed the council's new procurement strategy. He said that East Herts previously followed the National Procurement Strategy for Local Government 2022, and that the new strategy was underpinned by the Procurement Act 2023, which came into force in February 2025.

The Executive Member for Financial Sustainability said that the new act reformed the existing procurement rules, focussing on cutting red tape, supporting innovation, and improving transparency, which meant that everyone would have access to public procurement data. He said that the new act also simplified the process of working with the public sector, supporting more small businesses to bid for contracts, and aligning with the council's LEAF priorities.

The Chair thanked the Executive Member for Financial Sustainability for the report.

Councillor Nicholls said that it was really good to see the new policies alignment with the council's LEAF corporate strategy, especially with regards to transparency as this would help to dispel talk of 'brown envelopes'. She asked if the new policy would involve more checks and balances, thus creating a longer procurement process.

The Interim Head of Strategic Finance said that the new

process would be different, not longer, with the open market allowing smaller companies to bid.

Councillor Willcocks referred to residents' comments regarding the waste centre in Bishop's Stortford and said it would be good for the council to give a better explanation of how money was spent.

The Executive Member for Financial Sustainability said that better/more council communication could be considered, to include social media. He said that the ground markings at the Bishop's Stortford waste centre were however the responsibility of Hertfordshire County Council.

Councillor Nicholls asked for further clarity on the strategy's formula, and how it would offset each of the five principal elements.

The Interim Head of Strategic Finance said that different ratings would be applied, and so the lowest price did not have to be the only factor when bidding.

Councillor Deering asked if the primary reason for the new policy was the new act which came into force in 2025.

The Interim Head of Strategic Finance said this was the exact reason, and this was also good for the council's policy.

Mr Sharman said that cost versus other criteria was linked to good process, and the capability for officers to be able to assess and judge. He said that the contract process could be difficult, which made it unattractive to small companies.

The Interim Head of Strategic Finance said that the council had a good shared service procurement team, who were appropriately resourced and professional in their approach.

It was moved by Councillor Nicholls and seconded by Councillor Hart, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

**RESOLVED** – that (A) the draft Corporate Procurement Strategy 2025-2030 and actions within it as set out in Appendix A be reviewed and the Executive advised of any significant issues.

### 341 2023/2024 ACCOUNTING POLICIES

The Executive Member for Financial Sustainability introduced the report which detailed a proposed change to the accounting policy, which would allow the capitalisation of interest during construction.

The Executive Member for Financial Sustainability referred to paragraph 2.4 of the report which detailed the amount of interest that could be capitalised from each of the councils' major construction projects, this totalled £1.358 million. He said of this, £340,000 could be applied to the current year, with a further £1.017 million being capitalised in 2023/24, which if appropriate could be moved into the Interest Equalisation Reserve.

The Executive Member for Financial Sustainability said that minimum revenue provision charges would increase slightly in future years to consider the increase in asset value.

The Chair thanked the Executive Member for Financial Sustainability for the report.

Councillor Nicholls asked if there were any drawbacks to the policy change.

The Interim Head of Strategic Finance said that there were no drawbacks. He said that the minimum revenue provision would increase over the life of the asset.

It was moved by Councillor Willcocks and seconded by Councillor Nicholls, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

**RESOLVED** – that (A) the Committee reviews the inclusion of a new Accounting Policy that allows the capitalisation of interest during construction:  
and

B) that the effect that this change in Accounting Policy will have on the associated values of relevant assets and the interest charged in 2023/24 to the CIES are noted.

342 SHARED ANTI-FRAUD SERVICE - PROGRESS REPORT  
2024/2025

The Head of the Shared Anti-Fraud Service introduced the report which was an update to the Anti-Fraud Plan for the current year. He referred to page 2 of the report and said that in collaboration with the former Head of Strategic Finance and Property the planned review of policies had been pushed into next year. He also drew Members attention to several key points:

- 35 urgent fraud alerts had been issued for the period April 2024 – December 2024.
- 4 detailed reports had been issued for the above period, relating to multiple employment fraud, ID fraud, 'deliberate' overpayments – linked to money laundering, and MS account takeovers.
- Training had been planned and delivered (as detailed in the report).
- 77 referrals had been received for the above period, to include allegations of housing, Council Tax and Blue Badge fraud.
- 9 cases had been closed – from those closed and those still under investigation £317,000 in fraud loss was reported, with a further £89,000 of fraud loss



prevented. 2 of these cases pertained to long period Housing Benefit fraud and involved work with the Department for Work and Pensions (DWP).

Prosecutions for these cases was being considered.

- National Fraud Initiative (NFI) – data matched and under review.
- Fraud Hub – slower process due to limited resources, but urgent matters prioritised.
- Council Tax Review – fully funded by Hertfordshire County Council
- Empty Homes Review – enabling recovered properties to be re-let to those on the council's housing register.
- Key Performance Indicators (KPIs) – all 6 on target, except for 3A - due to a lack of reporting function on the SAFS case management system.

The Chair thanked the Head of the Shared Anti-Fraud Service for his report.

The Executive Member for Financial Sustainability asked what the recovery rate for fraud was.

The Head of the Shared Anti-Fraud Service said that in relation to Housing Benefit, 40% was clawed back immediately via subsidy. He said that unfortunately recovery would generally be from individuals who did not have much money. He added that East Herts' collection rate for Council Tax was excellent.

The Chair asked if the use of artificial intelligence (AI) in fraud was widespread.

The Head of the Shared Anti-Fraud Service said that this was seen in tenancy fraud, and although the council did not have its own housing stock, detection of this type of fraud did free up stock for its housing register. He said that AI was being developed with the Shared IT Service, to verify who a person was at the front end of services, which would cascade down and divert to SAFS if a possible fraud was detected.

**RESOLVED** – that (A) the progress by officers and the Shared Anti-Fraud Service (SAFS) to deliver the Anti-Fraud Plan for the Council be noted.

343 SHARED ANTI-FRAUD SERVICE - ANTI-FRAUD PLAN 2025/2026

The Head of the Shared Anti-Fraud Service introduced the report which set out the Anti-Fraud Plan for 2025/26, establishing a plan for resources. He said that the risk of fraud was significant for local authorities, and it was important to be aware of how fraud was changing. He added that the plan was based on best practice, including guidance from the Local Government Association (LGA) and The Chartered Institute of Public Finance (CIPFA).

The Head of the Shared Anti-Fraud Service said that the plan had been developed over several years of working with East Herts, with an increase in fees of 4% agreed by the board on which the former Head of Strategic Finance and Property sat (and which the Interim Head of Strategic Finance would now attend). He said that the amount of service days would rise from 267 to 300 following several SAFS apprenticeships coming to end, which made the 4% fee increase good value for money.

The Head of the Shared Anti-Fraud Service said that as discussed in the previous agenda item, KPI 3A would be tweaked. He however gave assurance to Members that triage on reports of fraud ensured high profile management.

The Chair thanked the Head of the Shared Anti-Fraud Service for the report.

It was moved by Councillor Deering and seconded by Councillor Willcocks, that the recommendations, as detailed, be approved. After being put to the meeting and

a vote taken, this motion was declared CARRIED.

**RESOLVED** – that (A) the Anti-Fraud Plan 2025/26 be reviewed and approved.

344 AUDIT AND GOVERNANCE WORK PROGRAMME

The Interim Head of Strategic Finance introduced the report, which updated the Committee's work programme for the coming year based on current known events.

The Interim Head of Strategic Finance said that the council's previous auditors (EY LLP) were expected at the next meeting of the Committee, with their reports covering both 2021/22 and 2022/23. He said that there was an assumption that the accounts would be available by the end of June 2025, with a normal cycle of reporting to then return going forward.

The Chair thanked the Interim Head of Strategic Finance for the report.

Councillor Deering questioned EY attending the next meeting of the Committee, as they had been unhelpful during their previous appearance.

The Interim Head of Strategic Finance said that it was hoped that EY would talk Members through their reports. He said that EY also intended on issuing the council with a statutory notice, for which they would give an explanation and answer Members questions.

Councillor Nicholls noted the gap between the meeting of the Committee in May 2025 and September 2025, and asked if this was too long, with the number of items on each meeting's agenda in mind.

The Interim Head of Strategic Finance said that this could be looked at, pending availability, but it was hoped that matters would become more manageable once the audit cycle had caught up.

Mr Sharman thanked the Interim Head of Strategic Finance for his work, and said that a catch up would be good, but was dependent on the auditor. He said that the work programme looked better for 2026.

It was moved by Councillor Deering and seconded by Councillor Nicholls, that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, this motion was declared CARRIED.

**RESOLVED** – that (A) the work programme as set out in the report be approved; and

(B) that any training requirements be specified.

345 URGENT ITEMS

There were no urgent items.

The meeting closed at 8.14 pm

Chairman .....
Date .....



# INTERNAL AUDIT PLAN REPORT 2025/26

## EAST HERTS COUNCIL

AUDIT & GOVERNANCE COMMITTEE

8 APRIL 2025

### **RECOMMENDATION**

Members are recommended to approve the proposed East Herts Council Internal Audit Plan for 2025/26

Members are requested to note the SIAS Internal Audit Strategy and provide any comments prior to approval by the SIAS Board

## **Contents**

### **1. Introduction and Background**

### **2. Audit Planning Process**

2.1 Planning Principles

2.2 Approach to Planning

2.11 Planning Context

2.14 Internal Audit Plan 2025/26

### **3. Performance Management**

3.1 Update Reporting

3.3 Performance Indicators

## **Appendices**

A Proposed East Herts Council Internal Audit Plan 2025/26

B Risk Register Mapping to Internal Audit Plan

C Glossary of Terms

D SIAS Internal Audit Strategy

# 1. Introduction and Background

- 1.1 The purpose of internal audit is to strengthen the Council’s ability to create, protect, and sustain value by providing Members and management with independent, risk-based, and objective assurance, advice, insight, and foresight.
- 1.2 The International Professional Practices Framework (IPPF) organises the authoritative body of knowledge for the professional practice of internal auditing. The IPPF includes Global Internal Audit Standards (GIAS), Topical Requirements (designed to enhance the consistency and quality of internal audit services related to specific audit subjects) and Global Guidance. The Public Sector Internal Audit Standards, which encompassed the mandatory elements of the IPPF, have been replaced by the Application Note Global Internal Audit Standards in the UK Public Sector. Taken together, the GIAS and the Application Note will form the basis of UK public sector internal audit effective from 1 April 2025. The Note states that a professional, independent, and objective internal audit service is one of the key elements of good governance, as recognised throughout the UK public sector.
- 1.3 The SIAS Board reviewed the SIAS Internal Audit Strategy in 2024, and this strategy outlines how SIAS will achieve the purpose of internal audit and ensure ongoing compliance with the GIAS (UK public sector). The following report follows the key principles related to Audit Planning and Resourcing, with the Internal Audit Strategy itself attached as an appendix. The GIAS (UK public sector) includes setting out how SIAS must approach internal audit planning. The specific requirements that SIAS must adhere to are set out below:

Standard	Description
Domain III 6.3	<b>Board and Senior Management Support</b> It is an essential condition for Senior Management and the Audit Committee to approve the internal audit plan.
Domain III 8.1	<b>Board Interaction</b> The Chief Audit Executive (CAE) must provide the Audit Committee with the information needed to conduct its oversight responsibilities. This includes the internal audit plan and subsequent significant revisions.
Domain III 8.2	<b>Resources</b> The CAE, Audit Committee and Senior Management must collaborate to ensure that internal audit has sufficient resources to fulfil the internal audit mandate and achieve the internal audit plan. This should be at least annually, and cover numbers and capability, as well as the impact and remedy of insufficient resources on the internal audit mandate and plan (if applicable).
Domain III 8.3	<b>Quality</b> Amongst the essential conditions in this Standard is a requirement for the Audit Committee to review and approve

	<p>the internal audit functions performance objectives at least annually. This includes its conformance with the Standards, laws and regulations, ability to meet the internal audit mandate, and progress towards completion of the internal audit plan.</p>
<p>Domain IV 9.3</p>	<p><b>Methodologies</b></p> <p>The CAE must establish methodologies to guide the internal audit function in a systemic and disciplined manner to implement the internal audit strategy, develop the internal audit plan, and conform with the Standards.</p>
<p>Domain IV 9.4</p>	<p><b>Internal Audit Plan</b></p> <p>The CAE must create an internal audit plan that supports the achievement of the council’s objectives.</p> <p>The CAE must base the internal audit plan on a documented assessment of the organisation’s strategies, objectives, and risks. The assessment must be informed by input from the Audit Committee and Senior Management as well as the chief audit executive’s understanding of the organisation’s governance, risk management, and control processes. The assessment must be performed at least annually.</p> <p>The internal audit plan must:</p> <ul style="list-style-type: none"> <li>• Consider the internal audit mandate and the full range internal audit services.</li> <li>• Specify internal audit services that support the evaluation and improvement of the council’s governance, risk management, and control processes.</li> <li>• Consider coverage of information technology governance, fraud risk, the effectiveness of the council’s compliance and ethics programs and other high-risk areas.</li> <li>• Identify the necessary human, financial, and technological resources necessary to complete the plan.</li> <li>• Be dynamic and updated timely in response to changes in the council’s business, risk operations, programs systems, controls, and organisational culture.</li> </ul> <p>The CAE must review and revise the internal audit plan as necessary and communicate timely to the Audit Committee and Senior Management:</p> <ul style="list-style-type: none"> <li>• The impact of any resource limitations on internal audit coverage.</li> <li>• The rationale for not including an assurance engagement in a high-risk area or activity in the plan.</li> <li>• Conflicting demands for services between major stakeholders, such as high priority requests based upon emerging risks and requests to replace planned assurance engagements with advisory engagements.</li> </ul>



	<ul style="list-style-type: none"> <li>• Limitations on scope or restrictions on access to information.</li> </ul> <p>The CAE must discuss the internal audit plan, including significant interim changes, with the Audit Committee and Senior Management. The plan and significant changes to the plan must be approved by the Audit Committee.</p>
Domain IV 10.1 to 10.3	<p><b>Financial, Human and Technological Resources Management</b></p> <p>The CAE must ensure that financial, human, and technological resources are appropriate, sufficient, and effectively deployed to achieve the approved internal audit plan.</p> <p>The CAE must communicate with the Audit Committee and Senior Management regarding the appropriateness and sufficiency of the internal audit function’s resources. If the function lacks appropriate and sufficient resources to achieve the internal audit plan, the CAE must determine how to obtain the resources or communicate timely to the Audit Committee and Senior Management the impact of the limitations.</p>
Domain V 13.2	<p><b>Engagement Risk Assessment</b></p> <p>To develop an adequate understanding, internal auditors must identify and gather reliable, relevant, and sufficient information regarding the risk assessment supporting the internal audit plan.</p>

- 1.4 The Council’s Internal Audit Plan sets out the programme of internal audit work for the year ahead, and forms part of the Council’s wider assurance framework. It supports the requirement to produce an overall audit opinion or conclusion on the internal control environment of the Council, as well as a judgement on the robustness of risk management and governance arrangements, contained in the Chief Audit Executive’s Annual Opinion Report.
- 1.5 The Shared Internal Audit Service’s (SIAS) Audit Charter was presented to the May 2024 meeting of this Committee, and it shows how the Council and SIAS work together to provide a modern and effective internal audit service. This approach conforms with the requirements of the GIAS (UK public sector). An updated version of the SIAS Internal Audit Charter will be brought to the May 2025 Audit & Governance Committee meeting for Member approval.
- 1.6 Section 2 of this report details how SIAS complies with these requirements.

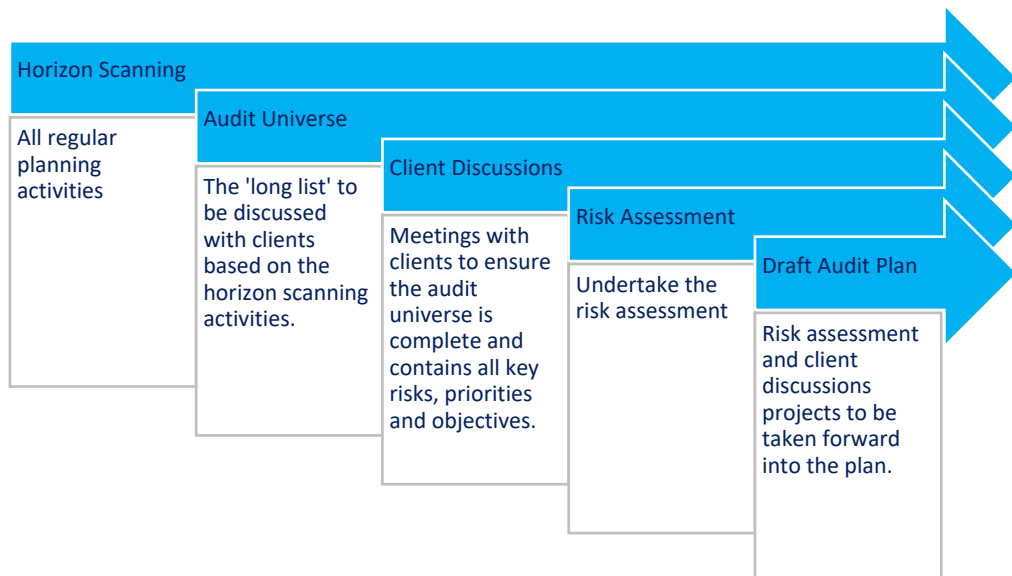
## 2. Audit Planning Process

### Planning Principles

- 2.1 SIAS audit planning is underpinned by the following principles:
- a) Focus of assurance effort on the Council's obligations, outcomes and objectives, critical business processes and projects and principal risks. This approach ensures coverage of both strategic and key operational issues.
  - b) Maintenance of an up-to-date awareness of the impact of the external and internal environment on the Council's control arrangements.
  - c) Use of a risk assessment methodology to determine priorities for audit coverage based, as far as possible, on management's view of risk.
  - d) Dialogue and consultation with key stakeholders to ensure an appropriate balance of assurance needs. This approach includes recognition that in a resource-constrained environment, all needs cannot be met.
  - e) Identification of responsibilities where services are delivered in partnership.
  - f) In-built flexibility to ensure that new risks and issues are accommodated as they emerge.
  - g) Capacity to deliver key commitments including governance work.
  - h) Capacity to respond to management requests for assistance with special investigations, consultancy, and other forms of advice.

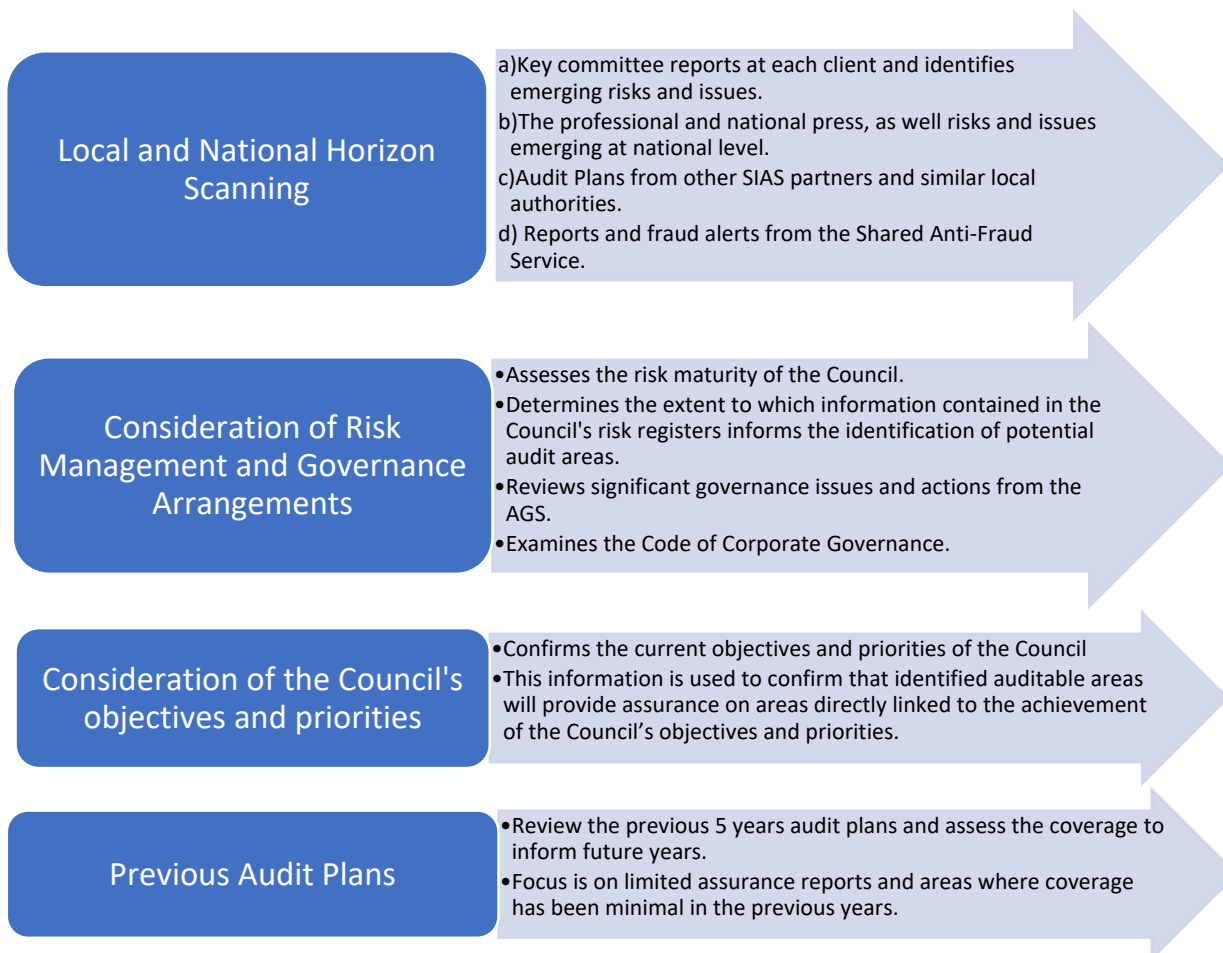
### Approach to Planning

- 2.2 SIAS has developed an approach to annual planning that ensures conformance with the requirements of the GIAS (UK public sector). SIAS applies the following methodology at its partners:



## Horizon Scanning and Audit Universe

- 2.3 SIAS conducts horizon scanning to ensure that it is aware of the key issues and risks locally and nationally as well as the corporate and service objectives of the Council. To do this, SIAS undertakes the following activities:



- 2.4 Following the horizon scanning work, SIAS creates an Audit Universe based on all auditable areas and entities. The Audit Universe forms the basis of discussions with Senior Managers.

### Client Discussions

- 2.5 SIAS undertook discussions with senior managers and other key officers within the Council to confirm auditable areas and elicit high level detail of the scope of audits. This process incorporates the following steps to assist in the prioritisation of proposed internal audit projects:

#### *Risk Assessment*

Senior Managers and SIAS agree the level of risk associated with an identified auditable area and prioritise this accordingly.

#### *Assurance Mapping / Other sources of Assurance*

The results of assurance mapping are consulted and discussed with Senior Managers to determine whether assurance in the auditable area is obtained

from other assurance providers e.g., external audit or the Health and Safety Executive. This approach ensures that provision of assurance is not duplicated.

#### *Significance*

Senior Managers assess how significant the auditable area is in terms of the achievement of corporate or service objectives and priorities.

#### *Timings*

Senior Managers identify when an audit should be undertaken to add most value.

#### Risk Assessment

- 2.6 The overarching risk that SIAS bases planning against is the risk that audit work completed does not provide sufficient coverage and significance for SIAS to provide a robust annual assurance opinion. Therefore, SIAS risk assesses each auditable area to ensure that their resources are directed appropriately.
- 2.7 The risk assessment behind the development of the 2025/26 Internal Audit Plan was strongly correlated to the Council's Delivery Plan and associated Council monitoring through risk assessments, KPI's and project progress.
- 2.8 SIAS also include considerations of financial materiality, corporate significance, vulnerability and change and management concerns, as part of the risk assessment, including alternative sources of assurance through assurance mapping and the Three Lines (of Defence) model.

#### Draft Audit Plan

- 2.9 The results of the risk assessment and discussions with Senior Mangers provides a draft Internal Audit Plan. SIAS has presented this draft plan to the Senior Leadership Team to seek their views on the assessments completed and to provide any further updates or comments. The outcome is now presented to Members as part of this report for their approval of the Draft Internal Audit Plan 2025/26.

#### **The Planning Context**

- 2.10 The context within which local authorities provide their services remains challenging:
  - Demand for services is still rising, driven by a range of factors including the growing and ageing population, and challenges in the healthcare system. Combined with the cost of living, local authorities will have to continue to be more innovative and commercially minded.
  - Macro-economic uncertainty continues, driven by factors such as inflation, interest rates, energy costs and a range of geo-political tensions. Resulting

significant cost pressures and limited government funding make financial planning a key component of managing local government finance challenges.

- Cyber and data security remains a consistent threat to organisations and there are a growing number of local authorities that have been subjected to successful cyber-attacks. Continued vigilance and risk management remain key to protecting local authority assets and services.
- Local authorities are facing significant challenges in relation to human resources and talent management, both in terms of vacancy management, recruitment and retaining staff meaning ability to remain resilient and deliver high quality services may continue to be an increasing concern.
- Many local authorities have declared a Climate & Ecological Emergency and made public commitments relating to carbon reduction and becoming Net Zero.
- Proposals around local government reorganisation and devolution provide both significant challenges and opportunities for local authorities.

2.11 The resultant efficiency and transformation programme that councils are in the process of implementing and developing continues to profoundly alter each organisation's nature. Such developments are accompanied by potentially significant governance, risk management and internal control change.

2.12 The challenge of giving value in this context, means that Internal Audit needs to:

- Meet its core responsibilities, which are to provide appropriate assurance to Members and senior management on the effectiveness of governance, risk management and control arrangements in delivering the achievement of Council objectives.
- Identify and focus its effort on areas of significance and risk, assisting the organisation in managing change effectively, and ensuring that core controls remain effective.
- Give assurance which covers the control environment in relation to new developments, using leading edge audit approaches such as use of technology to achieve 'whole population testing' and new insights over sampling or 'continuous assurance' where appropriate.
- Retain flexibility in the audit plan and ensure the plan remains current and relevant as the financial year progresses, this is particularly key given the current challenges and risks and the impact this has had on audit activity.

## Internal Audit Plan 2025/26

- 2.13 The draft plan for 2025/26 is included at Appendix A and contains a high-level proposed outline scope for each audit and the delivery quarter. The number of days commissioned in 2025/26 is confirmed as 250 days.
- 2.14 The table shows the estimated allocation of the total annual number of purchased audit days for the year.

Coverage	2025/26 Days	%
Key Financial Systems	60	24
Corporate Themes	62	25
Operational Areas	55	22
IT Audits	6	2
Grants Certification	6	2
Strategic Support*	51	21
Contingency	5	2
Completion of 2024/25 Projects	5	2
<b>Total allocated days</b>	<b>250</b>	<b>100%</b>

\* This covers supporting the Audit & Governance Committee, monitoring delivery of the audit plan, client liaison and planning for 2026/27

- 2.15 Any significant audit plan changes agreed between Management and SIAS will be brought before this committee for noting through the usual plan update reporting cycle. The postponement or cancellation of any audits will require approval from the Head of Strategic Finance & Property. It should be noted that the Internal Audit Plan is intended to be dynamic and responsive to changing risks and matters arising during the year.
- 2.16 Members will note the inclusion of a provision for the completion of projects that relate to 2024/25. The structure of Internal Audit's programme of work is such that full completion of every aspect of the work in an annual plan is not always possible, especially given the high dependence on client officers during a period where local government faces significant resourcing risks.
- 2.17 The nature of assurance work is such that enough activity must have been completed in the financial year, for the Chief Audit Executive to give an overall opinion on the Authority's internal control, governance, and risk management framework. In general, the tasks associated with the total completion of the plan, which includes the finalisation of all reports and negotiation of the appropriate level of agreed mitigations, is not something that adversely affects delivery of the overall opinion. The impact of any outstanding work is monitored closely during the final quarter by SIAS in conjunction with the Section 151 Officer / Head of Strategic Finance & Property.

## Resources

- 2.18 Standard 8.2 and 10.1 to 10.3 requires SIAS to ensure that financial, human, and technological resources are appropriate, sufficient, and effectively deployed to achieve the approved internal audit plan, as well as any limitations of the adequacy of resources.
- 2.19 Achievement of our role and objectives is predicated on the matching of audit needs to available resources through our work allocation processes. This is accomplished through the delivery of internal audit activities by a range of suitably qualified and experienced team members working flexibly in a matrix structure to maximise the value to all our partners and clients. SIAS resources are calculated based on the chargeability of each member of the team and the structure was designed to ensure sufficient chargeability to deliver all plans.
- 2.20 SIAS will utilise our internal audit delivery partner to provide service resilience and access to specialist skills not currently available within the service, or which are not economically viable to recruit and retain on a permanent basis.
- 2.21 SIAS staff are provided training and development across the year to support service delivery at our partners. In addition, SIAS provides funding for professional qualifications and currently has five team members studying towards their professional qualifications.
- 2.22 The service will be adequately resourced to deliver the number of planned internal audit days commissioned by East Herts Council. There are currently no limitations on the adequacy of resources in place to deliver the East Herts Council Internal Audit Plan 2025/26.
- 2.23 The SIAS Internal Audit Strategy is set out at Appendix D.

## **3. Performance Management**

### **Update Reporting**

- 3.1 SIAS is required to report its work to a Member Body so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit provision is fulfilling its statutory obligations. Progress against the agreed plan for 2025/26 and any proposed changes will be reported to this Committee four times in the 2025/26 civic year.
- 3.2 SIAS will report on the implementation of agreed critical and high priority recommendations as part of the update reporting process.

## Performance Indicators

- 3.3 Annual performance indicators were approved at the SIAS Board and are reviewed annually by the Board. Details of the targets set for 2025/26 are shown in the table below. Actual performance against target will be included in the regular update reports to this Committee.

Performance Indicator	Performance Target	Reporting Frequency
<b>1. Public Sector Internal Audit Standards</b> – the service conforms with the standards	Yes	Annually
<b>2. Internal Audit Annual Plan Report</b> – approved by the March Audit Committee or the first meeting of the financial year should a March committee not meet	Yes	Annually
<b>3. Annual Internal Audit Plan Delivery</b> – the percentage of the Annual Internal Audit Plan delivered (measured in audit days)	95%	Quarterly
<b>4. Project Delivery</b> – Percentage of audit plan projects delivered to draft report stage by 31 March 2026	90%	Quarterly
Percentage of audit plan projects delivered to final report stage as reported within the CAE Annual Assurance and Opinion report.	100%	Quarterly
<b>5. Client Satisfaction*</b> – percentage of client satisfaction questionnaires returned at ‘satisfactory overall’ level (minimum of 39/65 overall)	90%	Quarterly
<b>6. Chief Audit Executive’s Annual Assurance Opinion and Report</b> – presented at the first Audit Committee meeting of the financial year	Yes	Annually



## APPENDIX A – PROPOSED EAST HERTS COUNCIL INTERNAL AUDIT PLAN 2025/26

### Coverage of Key Financial Systems (60 days)

<u>Audit Title</u>	<u>Purpose of the Audit</u>	<u>Days</u>	<u>Delivery Quarter</u>	<u>Audit Sponsor</u>
Business Rates	An in-depth audit covering one or more aspects of business rates administration e.g. determining liability, the application of discounts/exemptions, billing arrangements, the collection of payments, recovering outstanding debt and approving refunds. A joint audit reflecting the shared service with Stevenage Borough Council.	6	3	Head of Strategic Finance & Property
Council Tax	An in-depth audit covering one or more aspects of council tax administration e.g. determining liability, the application of discounts/exemptions, billing arrangements, the collection of payments, recovering outstanding debt and approving refunds. A joint audit reflecting the shared service with Stevenage Borough Council.	6	3	Head of Strategic Finance & Property
Housing Benefits	An in-depth audit covering one or more aspects of Housing Benefits administration e.g. claims verification and processing, payment arrangements, fraud prevention and detection. A joint audit reflecting the shared service with Stevenage Borough Council.	6	3	Head of Strategic Finance & Property
Accounts Receivable	An audit covering invoicing customers for works, goods, or services. The collection and recovery of outstanding sums. Denial of service when payment is not forthcoming.	6	4	Head of Strategic Finance & Property
Accounts Payable	An audit covering the payment of invoices received. Use of purchase orders, supplier onboarding, receipt and verification of invoices, payment arrangements and credit notes.	6	4	Head of Strategic Finance & Property

## APPENDIX A – PROPOSED EAST HERTS COUNCIL INTERNAL AUDIT PLAN 2025/26

Treasury Management	An audit covering governance and reporting, cash flow and risk management, record keeping and completion of reconciliations.	6	3	Head of Strategic Finance & Property
Insurance	An audit covering insurance provision, claim management, self-insurance, and renewal arrangements.	6	1	Head of Strategic Finance & Property
Payroll	An in-depth audit covering one or more aspects of Payroll administration, e.g. verification of starters and leavers, verifying that additions / amendments / deductions from pay are appropriate, payments to employees are correct.	10	4	Head of Strategic Finance & Property
Cash & Banking	An in-depth audit covering one or more aspects of income received e.g. payment card security, cash handling arrangements and interfaces with the financial management information system.	8	3	Head of Strategic Finance & Property

### Coverage of Corporate Themes (68 days)

<u>Audit Title</u>	<u>Purpose of the Audit</u>	<u>Days</u>	<u>Delivery Quarter</u>	<u>Audit Sponsor</u>
Transformation Project Assurance	A provision for supporting the council's transformation programme e.g. checking that governance arrangements are appropriate and budgeted financial benefits have been realised.	10	1-4	Head of Communications, Strategy & Policy
Risk Management	An audit covering associated policy and procedures, risk registration, ownership, risk ranking and mitigation measures.	6	3	Head of Housing & Health
Corporate Governance	An audit covering compliance with the Code of Corporate Governance, and associated policies and procedures.	6	3	Head of Legal & Democratic Services and Monitoring Officer

## APPENDIX A – PROPOSED EAST HERTS COUNCIL INTERNAL AUDIT PLAN 2025/26

Business Support	An advisory project covering the role and responsibilities of the centralised business support function.	10	2	Head of Communications, Strategy & Policy
On Demand Grant Audits	Provision for auditing grant claims in accordance with the providers terms and conditions. Such requests are typically made on an adhoc basis.	6	1-4	Various
Equality, Diversity & Inclusion	An advisory project to conduct an EDI maturity assessment that encompasses one or more themes e.g. Tone from the top, Governance, compliance and strategy, Policies, procedures, training / awareness, and development.	10	1&4	Various
Social Media	An audit covering policies & procedures in place, identification of business need, vetting of communication channels, roles & responsibilities, procedural compliance, and monitoring.	10	1	Head of Communications, Strategy & Policy
Procurement Act	An audit covering associated policy, embedding changes resulting from the Act, and compliance.	10	2	Head of Strategic Finance & Property

### Coverage of Operational Areas (55 days)

<u>Audit Title</u>	<u>Purpose of the Audit</u>	<u>Days</u>	<u>Delivery Quarter</u>	<u>Audit Sponsor</u>
BEAM	An audit covering theatre systems for receiving income, making payments, stock control and room bookings.	15	2	Head of Communications, Strategy & Policy
Old River Lane	Project assurance as and when governance considerations impact upon workstreams.	10	1-4	Various
Recycling	An audit of processes and procedures for handling and transferring recyclable materials,	10	2	Head of Legal & Democratic Services and Monitoring Officer

## APPENDIX A – PROPOSED EAST HERTS COUNCIL INTERNAL AUDIT PLAN 2025/26

	including reliance upon alternative assurance such as the Environment Agency.			
Parks & Open Spaces	An in-depth audit covering one or more elements of managing the districts parks and open spaces e.g. grounds maintenance contract, health & safety, and environment management.	10	1-2	Various
Follow Up Audit Provision (x2)	Provision for up to follow up 2 Limited Assurance audits from prior years.	10	1-4	Various

### Coverage of Information Technology (6 days)

<u>Audit Title</u>	<u>Purpose of the Audit</u>	<u>Days</u>	<u>Derelivery Quarter</u>	<u>Audit Sponsor</u>
Cyber Security - Reliance on Alternative Assurance	A review of assurance provided by third parties, relating to cyber security risks.	6	2	Assistant Director, Chief Technology Officer, and Senior Information Risk Owner

### Contingency (5 days)

Available time for ad hoc work as required.

### Strategic Support (51 days)

<u>Title</u>	<u>Purpose</u>	<u>Days</u>
Chief Audit Executive Annual Opinion Report	To prepare the Chief Audit Executive Opinion 2024/25.	3
Audit Committee	To provide services linked with the preparation, agreement, and presentation of Audit Governance Committee reports, as well as any training requirements.	12

## APPENDIX A – PROPOSED EAST HERTS COUNCIL INTERNAL AUDIT PLAN 2025/26

Performance Monitoring	Audit Plan monitoring against agreed KPIs.	12
Client Liaison	Meetings with the S151 Officer, preparation and attendance at the Risk Management and Corporate Governance Groups, and other groups or meetings as required.	8
Audit Planning 2026/27	Provision of services to prepare, agree and report the 2026/27 Annual Audit Plan.	6
SIAS Development	Included to reflect the Council's contribution to developing the shared service.	10

### 2024/25 Carry Forward (5 days)

Available time for completion of 2024/25 audits which did not commence or complete as scheduled.

### Reserve List

<u>Title</u>	<u>Purpose</u>
Bribery Act 2010	An audit covering the main provisions of the Bribery Act and the actions that must be taken to mitigate related risks, including the six principles.
Grant Funding Administration	An audit to provide assurance that the management control framework over grant administration is effective and being executed appropriately.
Contract Management	An audit of the leisure contract management and monitoring arrangements.
Devolution and Local Government Reorganisation	<p>The English Devolution White Paper published in December 2024 set out Government's intention for all areas of the country to be covered by an elected Mayor and all two-tier areas like Hertfordshire, to be reorganised into single tier unitary authorities. The Local Government Minister wrote to all County and District councils in February 2025, including those from Hertfordshire, formally inviting the submission of initial proposals for local government reorganisation by 21 March, followed by full proposals by 28 November 2025.</p> <p>The Leaders and senior officers of all councils in Hertfordshire are seeking to build a shared evidence base to inform decision making, proposals and structures. The ultimate decision on</p>

**APPENDIX A – PROPOSED EAST HERTS COUNCIL INTERNAL AUDIT PLAN 2025/26**

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	<p>any proposals will be for the Secretary of State for Housing Communities and Local Government.</p> <p>While time may not be required in the 2025/26 Internal Audit Plan for assurance activities related to devolution and local government reorganisation, this entry on the reserve list provides the opportunity to elevate the topic into the plan should it be needed and permits consideration as part of future audit plans.</p>
Security & Resilience	An in-depth review of security and resilience arrangements at Council buildings and where the Council has reliance upon critical local infrastructure.

## APPENDIX B – RISK REGISTER MAPPING TO INTERNAL AUDIT PLAN

Council Corporate Plan and Corporate Risks - Risk Register	Internal Audit Coverage 2021/22 – 2024/25	Internal Audit Coverage 2025/26	Assurance Mapping and Other Assurance
<b>Insufficient Financial Resources</b>	Revenues Housing Benefits Accounts Payable/Receivable Payroll Treasury Management Asset Management Homes England Grant DEFRA Food Waste Grant	Revenues Housing Benefits Accounts Payable/Receivable Payroll Treasury Management Cash & Banking Transformation Grant Audits	Performance Metrics Budget Reports Management Team/Line Management Medium Term Financial Plans External Audit Risk Register Member Oversight
<b>Adaptation to Climate Change</b>	Crisis Management Waste Contract Recycling	Recycling	As above, plus Emergency/Business Continuity Plans
<b>District Plan Not in Place</b>	S106 Agreements Planning Fees	Old River Lane	As above, plus inspection
<b>Key Contractor Failure</b>	Supply Chain Interruption Contract Management	BEAM Parks & Open Spaces	As above, plus contract management arrangements and contingency plans
<b>Governance Failure</b>	Whistleblowing Corporate Governance Risk Management Tendering Arrangements	Insurance Risk Management Corporate Governance Equality, Diversity & Inclusion Procurement Act	As above, plus statutory posts e.g. S151 Officer, Monitoring Officer
<b>Successful Ransomware Attack</b>	Cyber Security Malicious Software	Cyber Security – Reliance on Alternative Assurance	As above, plus IT Partnership Board
<b>Major Data Breach</b>	Information Governance Data Breach Management	Social Media	As above
<b>Lack of Staff &amp; Skills</b>	Equalities & Diversity Elections Health & Safety Sickness Absence	Business Support	As above

## **APPENDIX B – RISK REGISTER MAPPING TO INTERNAL AUDIT PLAN**

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The Corporate Risk Register and Corporate Plan are closely connected. The version used above was the most recent in place (reported October 2024) at the time of internal audit planning and is subject to regular review and update that means both the projects, risks and risk scores will have changed over time.

The Council has a large volume of identified risks, and our audit plan is constrained. We will monitor these risks and flexibly adapt our audit plan as appropriate and if required to cover these risks. We also note management's own actions seek to mitigate these risks.



## APPENDIX C – GLOSSARY OF TERMS

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### **Assurance mapping**

An assurance map is a structured way of identifying and presenting the sources of assurance over how risks are being managed. It is an essential element of mature risk management practices. An assurance map identifies the many sources of assurance that the Leadership team and FAR Committee rely on in their oversight role and can also include information on the frequency and quality of the assurance provided.

The key benefit for the organisation is the effective and efficient use of resources to provide assurance. An assurance map is also a practical tool for chief audit executives (CAEs) to use on two levels; demonstrating the depth/gaps in assurance and to plan audit activity.

The new Global Internal Audit Standards (Standard 9.5 Co-ordination and Reliance) requires the CAE to co-ordinate with internal and external assurance providers and consider relying on their work. Co-ordination minimises duplication of work, highlights gaps in coverage of key risks and enhances the overall value of all assurance providers. The way to achieve this requirement is with an assurance map.

### **Control Risk (Self) Assessment (CRSA / CRA)**

Control risk (self)-assessment is a process or method by which management and staff work with internal audit to identify and evaluate operational risks and the effectiveness of controls. The objective is to provide reasonable assurance that all business objectives will be met. CRA is an empowering and iterative process that integrates risk management practices and culture into the way staff undertake their jobs.

### **Data analytics / Data analysis**

Data analytics is a multidisciplinary field that employs a wide range of analysis techniques, including maths, statistics, and computer science, to draw insights from data sets. Data analytics is a broad term that includes everything from simply analysing data to theorising ways of collecting data and creating the frameworks needed to store it. Data analysis is a subcategory of data analytics that deals specifically with extracting meaning from data.

The top benefits of using data analytics and data-led audits include greater levels of assurance, greater audit coverage and enhanced efficiency. The top barriers to fully embracing data analytics include lack of skills, lack of resources and lack of time to implement.

## APPENDIX C – GLOSSARY OF TERMS

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### Health check

It is a focused review that addresses specific areas of interest or concern and provides actionable insights and recommendations. The health check helps to identify and address critical gaps in processes and controls. They can also be 'light touch' reviews to establish and confirm the operation of controls and processes, providing a 'high-level' assurance without the depth of a full, evidence-based internal audit.

### Maturity assessment

Used to develop a 'snapshot' view of how an organisation is progressing against a measurable scale in the embedding of a change or transformation.

### Project (Embedded) assurance

A typical approach to project management reviews is for the internal audit to join a project board/steering group or team with the inclusion of time in the audit plan for meetings. This often involves a considerable time commitment. There are advantages and disadvantages with this approach:

#### Advantages

1. It enables internal audit to be at the heart of what is happening and have the opportunity to communicate issues as soon as they are identified. In a fast-moving project this may be the only opportunity.
2. If done well it raises the standing of internal audit within the business as a trusted advisor.
3. You can help ensure appropriate controls are installed and risks are being adequately mitigated, based on a timely appreciation of changing variables as highlighted by the management of the project.

#### Disadvantages

1. Internal audit involvement can compromise independence. This could apply when internal audit assesses programme/project management or audit the process or activity that was the basis of the project.
2. Internal audit attendance can also be interpreted as 'audit approval' or audit sign-off'. The implication being that everything is satisfactory and on course.
3. Project board/steering group meetings often include detailed discussion about the adequacy of risk responses and the nature of specific controls to justify the presence of internal audit, but this can slow down, even delay progress. Internal audit may not need to be part of project board meetings to provide advice through their consultancy role.

## **APPENDIX C – GLOSSARY OF TERMS**

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Internal audit involvement should have a specific assurance or advisory purpose that is discussed, documented, and agreed with senior management (as part of the terms of reference). Internal audit should not be part of the management sign-off process or be part of the decision making.

An alternative approach would be for the internal auditor to schedule attendance at one or two selected meetings during the audit of a project to consider specific issues such as the management of risk, validation of progress and to observe that appropriate information is being received, scrutinised, and challenged.

### SIAS - Internal Audit Strategy 2025/26

#### Introduction

1. The Shared Internal Audit Service (SIAS) is a shared service created by eight Hertfordshire Councils with the purpose of providing internal audit services to each of the partner Councils, as well as a small number of external customers.
2. This document sets out our Internal Audit Strategy (IAS) for the next 12 months. The strategy includes how the service will support and promote good governance, this underpinned by our Internal Audit Charter (IAC) which describes the purpose, authority, responsibility, and position of the Internal Audit Service within our partner organisations.
3. Internal Audit is a statutory service in the context of the Accounts and Audit (England) Regulations 2015, which state:

*‘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’.*

4. SIAS operate in accordance with the International Professional Practices Framework (IPPF), which includes the Global Internal Audit Standards (UK public sector) (GIAS (UK public sector)), Topical Guidance and Global Guidance. The GIAS (UK public sector) is comprised of five domains, covering:
  - The purpose of internal auditing,
  - Ethics and professionalism,
  - Governing the internal audit function,
  - Managing the internal audit function, and
  - Performing internal audit services.
5. The GIAS (UK public sector) contains a Purpose Statement as follows:

*‘Internal auditing strengthens an organisation’s ability to create, protect and sustain value by providing the board and management with independent, risk-based and objective assurance, advice, insight and foresight.’*

6. Our partners response to internal audit activity should have the following benefits as outlined in the Purpose Statement:

*‘Internal auditing enhances the organisations:*

- *Successful achievement of its objectives.*
- *Governance, risk management and internal control processes.*
- *Decision-making and oversight.*
- *Reputation and credibility with its stakeholders.*
- *Ability to serve the public interest.’*

## APPENDIX D – SIAS Internal Audit Strategy

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### Our Mission

7. As a shared service, SIAS aims to:

***‘Be a high-quality shared service that seeks to embrace best professional practice, shared learning, develops our workforce, and delivers services in a financially sustainable way.’***

8. In delivering this mission statement SIAS will:

- Produce and deliver an Annual Risk Based Internal Audit Plan which complies with the GIAS (UK public sector) and CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government.
- Provide the statutory Chief Audit Executive’s Annual Opinion on each partner’s internal control, risk management framework and corporate governance arrangements.
- Provide progress reports to the Audit Committees / Boards which highlight any significant risk and control deficiencies or potential areas for improvement in the organisation’s governance, risk, and control arrangements; and
- Support and suitably challenge key assumptions and judgments taken by management, through IA’s assurance and advisory services, to ensure they are appropriate and in accordance with relevant legislation, policies and procedures, guidance, and professional standards.
- Continue to progress our grow your own strategy to support the development of high-quality internal audit staff.
- Progress our external business strategy in order build a sustainable and resilient service for the future.

9. To fulfil our aspirations and demonstrate our professionalism, SIAS must conform with the requirements of the GIAS (UK public sector).

### Our core values

10. Our core values which underpin the delivery of our mission

**Quality:** Our overarching value is to successfully blend the elements of quality as fitness for purpose (satisfying needs flexibly and responsively), excellence (achieving the highest standards), transformation (learning, innovation, and continuous improvement), professionalism (conformance with professional standards) and value for money (cost effectiveness). Quality is also about leadership, responsibility and accountability throughout the team and the ability to establish a culture of continuous learning that will challenge us to be our best and inspire and motivate all.

**Customer Focus:** We put service excellence and customer care at the heart of our internal audit and consultancy work, seeking to provide a service that inspires

## APPENDIX D – SIAS Internal Audit Strategy

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confidence and trust and meets customer expectations. We are always professional and courteous, take ownership for getting things right and support the service, our colleagues, and our partners / clients to meet their objectives.

**Learning and Development:** Our staff are our biggest asset; therefore, we support our staff to become professionally qualified, and build knowledge and skills to support their career development, maintain compliance with professional standards and delivery a high-quality service to our partners.

**Responsible:** We promote a culture of diversity and inclusion in relation to our approaches to recruitment, progression, and reward, within our ways of working, service development and internal audit delivery approach, and in our mutual respect for the people comprising our team.

**Accountability:** We take ownership of and are accountable for our work, are open to challenging ourselves and will raise concerns and provide solutions to improve the service.

**Agile Working:** We work with our clients to build trust; develop common understanding and take collective action to improve organisational priorities and outcomes; and be a trusted advisor to strategic management and the Audit Committees / Boards.

**Growth:** We maximise income generation through the continuous exploration of opportunities.

### Our priorities

11. SIAS must continue to deliver a good quality, efficient, resilient and cost-effective service that achieves its annual key performance indicators. Its focus must include the nuts and bolts of sound internal control, risk management and governance frameworks.
12. It is vital though that SIAS continues to remain agile, relevant and timely, while evolving in response to changing stakeholder needs and business objectives. Key areas of focus for SIAS include:
  - Enhancing the business impact of internal auditing and ensuring sufficient focus on business-critical risks,
  - Recruitment, retention, and progression of our grow your own strategy,
  - Building meaningful relationships with key stakeholders,
  - Co-ordination with other assurance providers and the outcomes of their work,
  - Building agility into audit approaches, and
  - Expanding the use of data analytics and assurance mapping amongst other assurance techniques.

### Our role and delivery objectives

13. The full regulatory context and scope of internal audit and the Shared Internal Audit Service is set out within our partners Internal Audit Charter, approved annually by their respective Audit Committees.
14. Our core internal audit objective is to deliver sufficient, relevant internal audit and consultancy work to support the statutory annual assurance opinion on each of our partners internal control, risk management and corporate governance frameworks. The annual assurance opinion forms a significant part of our partners statutory Annual Governance Statements.
15. Delivery of the internal audit objectives outlined below support the core objective and ensure conformance with professional standards:
  - To develop and deliver dynamic and risk-based Internal Audit Plans that evidence the links to our partners objectives, risks and priorities.
  - To document our internal audit planning process alongside our Internal Audit Plans for Audit Committee approval. The planning process comprises our Planning Principles, Approach to Planning and Planning Context (internal audit environment and local government context and challenges).
  - To ensure that outcomes of assurance activities are reported in a clear and concise manner for all stakeholders, as well as seeking to identify root causes of the issues identified.
  - To support our partners in monitoring the implementation of high and medium priority internal audit recommendations, and other key findings from external inspectors or other assurance providers (e.g., Shared Anti-Fraud Service).
  - To support key transformation and change projects within our partner Council's through assurance and advisory services that provide real time insight into improvement opportunities and good governance.
  - To promote a culture of shared learning on good governance, risk management and internal control, through the sharing of good practice / emerging risks, completion of joint reviews and shared workshops.
  - To work with our partners to ensure that audit methodologies and approaches can adapt to the challenges of new ways of working and still maintain robust independent assurance.
  - To embrace and embed emerging internal audit techniques to ensure that our work can provide appropriate insight and support management in meeting statutory or best practice requirements.
  - To implement and maintain a Quality Assurance and Improvement Program (QAIP) covering planned quality activities to assess the efficiency and

## **APPENDIX D – SIAS Internal Audit Strategy**

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effectiveness of the internal audit activity followed by the completion of actions to address opportunities for improvement.

### **Resources**

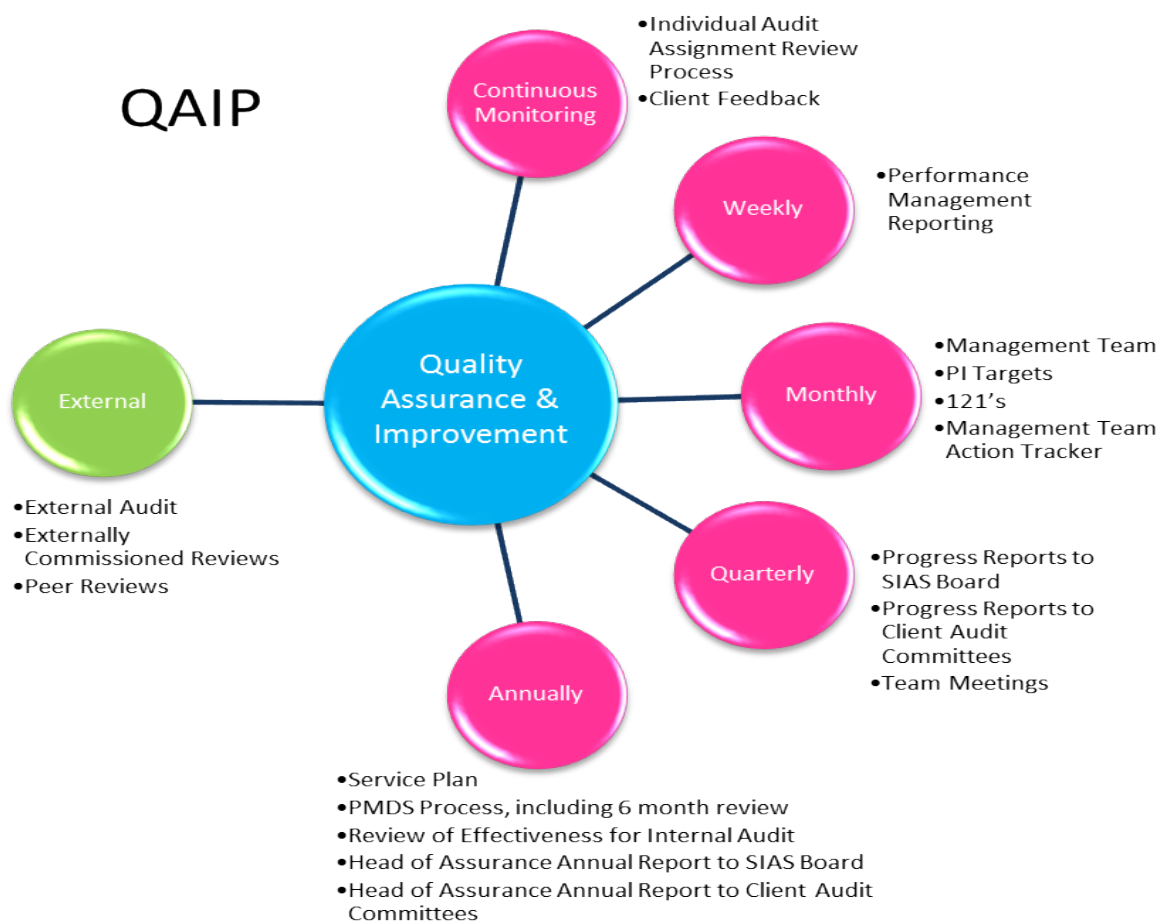
16. Achievement of our role and objectives is predicated on the matching of audit needs to available human resources through our work allocation processes. This is accomplished through the delivery of internal audit activities by a range of suitably qualified and experienced team members working flexibly in a matrix structure to maximise the value to all our partners and clients.
17. SIAS will utilise our internal audit delivery partner to provide service resilience and access to specialist skills not currently available within the service, or which are not economically viable to recruit and retain on a permanent basis.
18. The service will be adequately resourced to deliver the number of planned internal audit days commissioned through our partners internal audit plans and the requirements of our external clients.
19. Our structure is comprised of 17.2 FTE's; these being aligned to the 3,066 internal audit days that SIAS is commissioned to deliver.
20. Our internal resources are as follows:
  - 0.4 FTE Head of Assurance
  - 1 FTE Head of Shared Service / Client Audit Manager
  - 3.2 FTE Client Audit Managers
  - 1 FTE Assistant Client Audit Manager
  - 2.6 FTE Senior Auditors
  - 5 FTE Auditors
  - 3 FTE Trainee Auditors
  - 1 FTE Business Support & Development Officer
21. Our equivalent available resource from our delivery partner is as follows:
  - BDO (equivalent of 1.75 FTE)
22. The financial resource management of SIAS is described in the Budget and Medium-Term Financial Plan presented annually to the SIAS Board, and includes funding for training, professional development, conferences, and other learning opportunities. This is integral to our 'grow your own' strategy. The SIAS Budget also contains funding for audit software and software licenses (technology) and the SIAS Reserve Strategy includes the potential for investment in further internal audit software, based on business need and subject to approval by the Board. These documents should be consulted for further detail.



## APPENDIX D – SIAS Internal Audit Strategy

### Measuring quality and performance

23. The GIAS (UK public sector) require SIAS to implement and maintain an ongoing QAIP (see diagram below) based on an annual self-assessment against the standards, supplemented at least every five years by a full independent external assessment.



24. The QAIP includes the continuous reporting of key performance indicators (KPIs) and other measures focusing on delivery of internal audit plans for our partners and clients, service quality, productivity, efficiency, conformance with professional standards, value, and good governance. These are summarised in the table below:

Performance Indicator	Performance Target / Reporting
<b>Annual Internal Audit Plan Delivery</b> – the percentage of the Annual Internal Audit Plan delivered (excludes contingency)	95%
<b>Project Delivery</b> – the number of projects delivered to draft report stage against projects in the approved Annual Internal Audit Plan	90%

## APPENDIX D – SIAS Internal Audit Strategy

<b>Project Completion</b> – delivery of all planned projects to final report stage prior to the publication of the CAE annual assurance statement and opinion.	100%
<b>Client Satisfaction - percentage</b> of client satisfaction questionnaires returned at 'satisfactory' level.	90%
<b>Internal Audit Annual Plan Report</b>	Approved by the March Audit Committee or the first meeting of the financial year should a March committee not meet.
<b>Chief Audit Executive's Annual Report (incl. Annual Assurance Opinion)</b>	Presented to the first meeting of each Audit Committee in the new financial year.
<b>Implementation of critical, high, and medium priority (where relevant to partner) recommendations</b>	Presented as part of regular internal audit progress updates to Audit Committee
<b>Conformance with GIAS (UK public sector)</b> – annual self-assessment or five-yearly external assessment; including areas of non-conformance.	Reported annually as part of the Chief Audit Executive's Annual Report.

25. The SIAS teams' individual performance is assessed through regular supervision and performance development and management meetings, as well as the outcomes of quality reviews and customer feedback for each internal audit assignment. Client satisfaction survey responses are reviewed, and improvement actions implemented as necessary.
26. Our co-sourced delivery partners performance is monitored through contractual KPIs and contract management meetings. We will also continue to explore performance measures used both within local government and other sectors.
27. Membership of the Chartered Institute of Internal Auditors Local Authority Heads of Internal Audit Forum, the Home Counties Chief Internal Auditors' Group, Audit Together (strategic alliance of similar shared services) and the Local Authority Chief Auditors' Network are crucial for sharing experiences, keeping up to date with technical and professional developments, benchmarking good practices and ensuring consistency of approach with our peers in the sector.

## East Herts Council Report

### Leadership Team Meeting

**Date of meeting: Tuesday 8 April 2025**

**Report by:** Brian Moldon, Head of Finance S151

**Report title:** Audit and Governance Committee Work Programme

**Ward(s) affected: (All Wards);**

**Summary** – To present to Audit and Governance Committee the Updated work programme for the year of finance and audit business with a summary, so that Members can see the business that will come before the Committee at each meeting.

### **RECOMMENDATIONS FOR AUDIT AND GOVERNANCE COMMITTEE**

- a) Approve the work programme as set out in the report; and
- b) Specify any training requirements.

#### **1.0 Proposal(s)**

- 1.1. Audit and Governance Committee's audit functions are:
  - 1.1.1. Approving the Council's statement of accounts.
  - 1.1.2. Consider the effectiveness of the Council's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements.
  - 1.1.3. Seek assurances that action is being taken on risk-related issues identified by auditors and inspectors.
  - 1.1.4. Be satisfied that the Council's assurance statements, including reviewing the Annual Governance Statement against the good governance framework, properly reflect the risk environment and any actions required to improve it.

- 1.1.5. Approve internal audit's strategy, its plan and monitor its performance.
  - 1.1.6. Approve the shared anti-fraud service strategy, its plan and monitor its performance.
  - 1.1.7. Review summary internal audit reports and the main issues arising and seek assurance that action has been taken where necessary.
  - 1.1.8. Receive the annual report of the head of internal audit.
  - 1.1.9. Receive and consider the reports of external audit (including the annual audit letter) and inspection agencies, and monitor management action in response to the issues raised.
  - 1.1.10. Ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies and that the value of the audit process is actively promoted.
  - 1.1.11. Review the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit.
  - 1.1.12. Oversight of the Council's commercial projects.
- 1.2. Audit and Governance Committee's finance functions are:
- 1.2.1. Receive budget monitoring reports and risk management reports.
  - 1.2.2. Lead the cross-Member scrutiny and consideration of the Council's draft annual budget and medium-term financial plan.
  - 1.2.3. Scrutinise the Council's Annual Investment Strategy, Annual Capital Strategy, Mid-Year Treasury Management Report and Annual Treasury Management Report and through review gain assurance that systems of governance and control for Treasury Management are effective.
  - 1.2.4. Where appropriate, assisting the Council and the Executive in the development of its budget and policy framework by in-depth analysis of financial, procurement and governance related policy issues.

1.2.5. Where relevant to the audit or finance functions of the Committee, overseeing and scrutinising all Internal, Corporate and Corporate Governance functions of the Council.

1.3. In order to fulfil these functions a series of reports will be brought to Members to provide:

- 1.3.1. Assurance that the council's financial affairs are being properly managed and that the council is making the best use of resources;
- 1.3.2. An adequate and effective system of internal audit is operating and that its approved plan is being delivered;
- 1.3.3. The Council's governance arrangements are adequate;
- 1.3.4. That key business risks have been identified, evaluated and are being managed;
- 1.3.5. That key systems and controls are operating effectively giving assurance that the Statement of Accounts is materially correct and can be approved; and
- 1.3.6. Receive and consider the external auditor's Audit Plan, Audit Results Report and Annual Audit Letter.

2.0 Receive copies of Executive budget monitoring reports, for information, so that the final accounts outturn position can be compared to forecasts during the year.

#### Training

- 2.1. Training for Members of the Committee will be delivered for the first 30 minutes of the Committee meeting and will be related to the business before the Committee.
- 2.2. Members are recommended to review the proposed work programme and suggested training and identify any other training needs they require.

### **3.0 Work Programme**

- 3.1. The Committee will note that outstanding statement of accounts have been shown within the updated work programme.
- 3.2. Years 2021/22, 2022/23, and 2023/24 will be utilising Backstop arrangements to progress and help re-set the normal cycle.

- 3.3. 2024/25 Statement of Accounts are expected to be completed by the end of June 2025 and Audited by Azets, in line with the 2024/25 arrangements.
- 3.4. The work programme for the Committee is proposed to be as per Appendix A:

#### **4.0 Reasons**

- 4.1. To ensure that Audit and Finance Committee is aware of the work programme and ensure that Members have the opportunity to request any training or briefing around upcoming items.

#### **5.0 Risks**

- 5.1. Risk Management is reported to the Committee regularly.

#### **6.0 Implications/Consultations**

##### **Community Safety**

No

##### **Data Protection**

Data Protection reports and policies will be brought before the Committee as appropriate.

##### **Equalities**

No

##### **Environmental Sustainability**

No

##### **Financial**

The report details the Committee's responsibilities in relation to finance.

##### **Health and Safety**

No

##### **Human Resources**

No

## **Human Rights**

No

## **Legal**

Legal requirements are noted in the report summaries in the table in this report.

## **Specific Wards**

No

## **7.0 Background papers, appendices and other relevant material**

### **7.1 Appendix A – Updated Work Programme**

## **Contact Officer**

Brian Moldon, Head of Finance S151,

Contact Tel. No. 01279 502050

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## **Report Author**

Mathew Crosby, Brian Moldon, Alison Street

[Brian.moldon@eastherts.gov.uk](mailto:Brian.moldon@eastherts.gov.uk)

Committee	Author	Report Title	Report Summary
Audit & Governance Committee	Debbie Hanson - EY	Receipt of the Final External Auditor's Audit Results Report 2021/22	In accordance with the Code of Audit Practice (the Code), this report provides a summary of the work the external auditor has carried out during their audit of accounts, the conclusions they have reached and the recommendations they have made to discharge their statutory audit responsibilities to those charged with governance (in this case the Audit and Governance Committee) at the time they are considering the financial statements. In preparing their report, the Code requires them to comply with the requirements of International Standards on Auditing (United Kingdom & Ireland) – ISA (UK&I) - 260 'Communication of Audit Matters to Those Charged With Governance'.
Apr-25	Debbie Hanson - EY	Receipt of the Final External Auditor's Audit Results Report 2022/23	In accordance with the Code of Audit Practice (the Code), this report provides a summary of the work the external auditor has carried out during their audit of accounts, the conclusions they have reached and the recommendations they have made to discharge their statutory audit responsibilities to those charged with governance (in this case the Audit and Governance Committee) at the time they are considering the financial statements. In preparing their report, the Code requires them to comply with the requirements of International Standards on Auditing (United Kingdom & Ireland) – ISA (UK&I) - 260 'Communication of Audit Matters to Those Charged With Governance'.
	Mathew Crosby	Approval of the Annual Governance Statement 2023/24	To present to Audit and Governance Committee for approval the Annual Governance Statement for incorporation in the Statement of Accounts. Regulation 6 of the Accounts and Audit Regulations 2015 requires the Council to conduct a review, at least once a year, of the effectiveness of its system of internal control and approve an annual governance statement to accompany the statement of accounts.
	Simon Martin	Shared Internal Audit Service Internal Audit Plan Progress Report	To present to Audit and Governance Committee the Shared Internal Audit Service's progress against the Internal Audit Plan 24/25.
	Simon Martin	Internal Audit Plan	To present to Audit and Governance Committee the Shared Internal Audit Service Audit Plan for the financial year 2025/26.
	Brian Moldon	Audit and Governance Committee Work Programme	To present to Audit and Governance Committee an update on the work programme for the year.



Committee	Author	Report Title	Report Summary
Audit & Governance Committ May-25	Michele Aves	Appointment of Vice- Chairman for 2025/26	Members will vote to appoint the Vice Chairman of the Committee
		Training:	Members are invited to nominate a training topic
	Alison Street	Provisional Outturn 2023/24	To present to Audit and Governance Committee the provisional General Fund Revenue and Capital Outturn. The figures remain provisional until the external auditor has completed the audit.
	Brian Moldon	Approval of the Statement of Accounts 2023/24	Regulation 10 (1) of the Accounts and Audit Regulations 2015 requires the Statement of Accounts to be approved by a resolution of a committee of the Council, such approval to take place before 30 September immediately following the end of a year, or as soon as practicable after the conclusion of the audit.
	Alison Street	Update to the 2024/25 Accounting Polices	To update the Accounting Policies for 2024/25 and subsequent years.
	Lisa Baldock	Social Value Policy – Priority Themes, Outcomes and Measures	To present to Audit and Governance Committee an update to the Social Value Policy Themes, Outcomes and Measures. A sub report of the Procurement Strategy
	Sara Saunders	Leisure Annual Report	To present to Audit & Governance Committee an annual report on leisure so that the Committee can assure Council that the investment in new leisure centres is performing as per the business case and making a return to the council after servicing debt.
	Simon Martin	Annual Assurance Statement and Internal Audit Annual Report	To present to Audit and Governance Committee the Annual Report on Internal Audit Activity for the preceding financial year and the level of assurance on the financial systems. Regulation 6 of The Accounts and Audit Regulations 2015 require the Council, at least once a year, to conduct a review of the effectiveness of its internal audit.
	Tyron Suddes	Data Protection Update	To present to Audit and Governance Committee the progress on data protection policies and practices.
	Brian Moldon	Strategic Risk Register Monitoring Q4 2024/25 and Annual Review of Risk Management Strategy	To present to Audit and Governance Committee the Strategic Risk Register Monitoring at the end of quarter 4.
Brian Moldon	Audit and Governance Committee Work Programme	To present to Audit and Governance Committee an update on the work programme for the year.	

Committee	Author	Report Title	Report Summary
Audit & Governance Committee		Training	Members are invited to nominate a training topic
Sep-25	Alison Street	Provisional Outturn 2024/25	To present to Audit and Governance Committee the provisional General Fund Revenue and Capital Outturn. The figures remain provisional until the external auditor has completed the audit.
	Paul Grady - Azets	Receipt of the Final External Auditor's Audit Results Report 2023/24	In accordance with the Code of Audit Practice (the Code), this report provides a summary of the work the external auditor has carried out during their audit of accounts, the conclusions they have reached and the recommendations they have made to discharge their statutory audit responsibilities to those charged with governance (in this case the Audit and Governance Committee) at the time they are considering the financial statements. In preparing their report, the Code requires them to comply with the requirements of International Standards on Auditing (United Kingdom & Ireland) – ISA (UK&I) - 260 'Communication of Audit Matters to Those Charged With Governance'.
	Paul Grady - Azets	External Audit Planning Report 2024/25	To present to Audit and Governance Committee the external auditor's Audit Planning Report. The Committee receives the report on behalf of the Council.
	Brian Moldon	Note draft Statement of Accounts 2024/25	Regulation 10 (1) of the Accounts and Audit Regulations 2015 requires the Statement of Accounts to be approved by a resolution of a committee of the Council, such approval to take place before 30 September immediately following the end of a year, or as soon as practicable after the conclusion of the audit.
	Brian Moldon	Approval of the Annual Governance Statement 2024/25	To present to Audit and Governance Committee for approval the Annual Governance Statement for incorporation in the Statement of Accounts. Regulation 6 of the Accounts and Audit Regulations 2015 requires the Council to conduct a review, at least once a year, of the effectiveness of its system of internal control and approve an annual governance statement to accompany the statement of accounts.
	Nicola Munro	Treasury Management 2024/25 Outturn Report	To provide Audit and Governance Committee with a copy of the Treasury Management Outturn Report so that they can scrutinise the Report
	Alison Street	Financial Management 2025/26 – Quarter 1 Forecast to Year End	To provide Audit and Governance Committee with a copy for information of the Executive Report with the forecast position on revenue spending and the capital programme as at the end of quarter 1.
	Simon Martin	Shared Internal Audit Service Internal Audit Plan Progress Report	To present to Audit and Governance Committee the Shared Internal Audit Service's progress against the Internal Audit Plan 2025/26
	Nick Jennings	Shared Anti-fraud Service Anti-Fraud Plan progress report	To present to Audit and Governance Committee the Shared Anti-Fraud Service's progress against the Anti-Fraud Plan 2025/26.
	Steve Sargent	BEAM Trading Update	To present to Audit & Governance Committee an annual report on BEAM (theatre and cinema in Hertford) so that the Committee can assure Council that the investment in new leisure centres is performing as per the business case and making a return to the council after servicing debt.
	Brian Moldon	Strategic Risk Register Monitoring Q1 2025/26	To present to Audit and Governance Committee the Strategic Risk Register Monitoring at the end of quarter 1.
	Ben Wood	Assets of Community Value	To present to Audit & Governance Committee the Register of Assets of Community Value annual update report.
	Brian Moldon	Audit and Governance Committee Work Programme	To present to Audit and Governance Committee an update on the work programme for the year.

Committee	Author	Report Title	Report Summary
Audit & Governance Committ Nov-25		Training: TBD	Members are invited to nominate a training topic
	Jackie Bruce	Annual Infrastructure Funding Statement Report 2024/25	To present to Audit and Governance Committee an update on Section 106 contributions and the council's Annual Infrastructure Funding Statement Report 2024/25
	Jackie Bruce	Annual Infrastructure Funding Statement Report Qtr 2 Update 2025/26	To present to Audit and Governance Committee an update on Section 106 contributions and the council's Annual Infrastructure Funding Statement Report Update at Q2 for 2025/26
	Alison Street	Financial Management 2025/26 – Quarter 2 Forecast to Year End	To provide Audit and Governance Committee with a copy for information of the Executive Report with the forecast position on revenue spending and the capital programme as at the end of quarter 2.
	Paul Grady	External Audit Update 2024/25	To present to Audit and Governance Committee the external auditor's Audit Update Report. The Committee receives the report on behalf of the Council.
	Nicola Munro	Treasury Management 2025/26 Mid-Year Review	To provide Audit and Governance Committee with a copy of the Treasury Management Mid-Year Review Report so that they can scrutinise the Report
	Lisa Baldock	Procurement Strategy - Update	Executive Member for Financial Sustainability to present to Audit and Governance Committee the Executive's proposed Procurement Strategy for scrutiny.
	Steve Sargent	BEAM Trading Update	To present to Audit & Governance Committee an annual report on BEAM (theatre and cinema in Hertford) so that the Committee can assure Council that the investment in new leisure centres is performing as per the business case and making a return to the council after servicing debt.
	Simon Martin	Shared Internal Audit Service Internal Audit Plan Progress Report	To present to Audit and Governance Committee the Shared Internal Audit Service's progress against the Internal Audit Plan.
	Nick Jennings	Shared Anti-fraud Service Anti-Fraud Plan progress report	To present to Audit and Governance Committee the Shared Anti-Fraud Service's progress against the Anti-Fraud Plan.
Brian Moldon	Audit and Governance Committee Work Programme	To present to Audit and Governance Committee an update on the work programme for the year.	

Committee	Author	Report Title	Report Summary
Audit & Governance Committ  Jan-26	Alison Street	Budget Scrutiny - Budget 2026/27 and Medium Term Financial Plan 2026-30	Executive Member for Financial Sustainability to present to Audit and Governance Committee the Executive's proposed General Fund Budget and Medium Term Financial Plan for scrutiny.
	Alison Street	Financial Management 2025/26 - Quarter 3 Forecast to Year End	To provide Audit and Governance Committee with a copy for information of the Executive Report with the forecast position on revenue spending and the capital programme as at the end of quarter 3.
	Paul Grady - Azets	Approval of the Statement of Accounts 2024/25	Regulation 10 (1) of the Accounts and Audit Regulations 2015 requires the Statement of Accounts to be approved by a resolution of a committee of the Council, such approval to take place before 30 September immediately following the end of a year, or as soon as practicable after the conclusion of the audit.
	Alison Street	Update to the 2025/26 Accounting Polices	To update the Accounting Policies for 2025/26 and subsequent years.
	Nicola Munro	Investment Strategy 2026/27 for scrutiny	Executive Member for Financial Sustainability to present to Audit and Governance Committee the Executive's proposed Investment Strategy for scrutiny.
	Nicola Munro	Capital Strategy and Minimum Revenue Provision Policy 2026/27 for scrutiny	Executive Member for Financial Sustainability to present to Audit and Governance Committee the Executive's proposed Capital Strategy and Minimum Revenue Provision Policy for scrutiny.
	Nick Jennings	Anti-Fraud Plan 2026/27	To present to Audit and Governance Committee the Shared Anti-Fraud Service Anti-Fraud Plan for the financial year 2026/27.
	Simon Martin	Internal Audit Plan 2026/27	To present to Audit and Governance Committee the Shared Internal Audit Service Audit Plan for the financial year 2026/27.