



Oadby & Wigston

BOROUGH COUNCIL

Law & Democracy
Democratic Services

TO COUNCILLOR:

G A Boulter
J K Ford
C S Gore

S Z Haq
J Kaufman
K J Loydall (Chair)

I K Ridley

I summon you to attend the following meeting for the transaction of the business in the agenda below.

Meeting: Audit Committee
Date & Time: Wednesday, 1 October 2025, 6.00 pm
Venue: Civic Suite 2, Brocks Hill Council Offices, Washbrook Lane, Oadby, Leicester, LE2 5JJ
Contact: Democratic Services
t: (0116) 257 2775
e: democratic.services@oadby-wigston.gov.uk

Yours faithfully

Council Offices
Oadby
23 September 2025

Anne E Court
Chief Executive



Meeting ID: 2923

ITEM NO.

AGENDA

PAGE NO'S

Meeting Live Broadcast | Information and Link

This meeting will be broadcast live.

Press & Public Access:

A direct link to the live broadcast of the meeting's proceedings on the Council's Civico platform is below.

<https://civico.net/oadby-wigston/22700-Audit-Committee>

1. Apologies for Absence

To receive apologies for absence from Members to determine the quorum of the meeting in accordance with Rule 7 of Part 4 of the Constitution.

2. Appointment of Substitutes



Postal Address: Brocks Hill Council Offices, Washbrook Lane, Oadby, Leicester, LE2 5JJ

Refuse & Recycling Centre: The Depot, Wigston Road, Oadby, Leicester, LE2 5JE

Telephone: (0116) 288 8961 **Email:** customer.services@oadby-wigston.gov.uk



oadby-wigston.gov.uk



OadbyWigstonBC



@Oadby_Wigston

To appoint substitute Members in accordance with Rule 26 of Part 4 of the Constitution and the Substitution Procedure Rules.

3. Declarations of Interest

Members are reminded that any declaration of interest should be made having regard to the Members' Code of Conduct. In particular, Members must make clear the nature of the interest and whether it is 'pecuniary' or 'non-pecuniary'.

4. Minutes of the Previous Meeting

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To read, confirm and approve the minutes of the previous meeting in accordance with Rule 19 of Part 4 of the Constitution.

5. Action List Arising from the Previous Meeting

There was no Action List arising from the previous meeting.

6. Petitions and Deputations

To receive any Petitions and, or, Deputations in accordance with Rule(s) 11 and 12 of Part 4 of the Constitution and the Petitions Procedure Rules respectively.

7. Internal Audit Progress Report (October 2025)

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Report of the Chief Finance Officer / S151 Officer.

8. External Audit Progress Report (October 2025)

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Report of the Chief Finance Officer / S151 Officer.

9. Strategic Risk Register Update (Q1 2025/26)

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Report of the Chief Finance Officer / S151 Officer.

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**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD AT CIVIC SUITE 2,
BROCKS HILL COUNCIL OFFICES, WASHBROOK LANE, OADBY, LEICESTER, LE2 5JJ ON
THURSDAY, 17 JULY 2025 COMMENCING AT 6.00 PM**

PRESENT

K J Loydall Chair



Meeting ID: 2896

COUNCILLORS

G A Boulter
J K Ford
C S Gore
I K Ridley

OFFICERS IN ATTENDANCE

R Anderson	External Auditor
S J Ball	Legal & Democratic Services Manager / Monitoring Officer (Solicitor)
K Robson	Democratic & Electoral Services Officer
C Warren	Chief Finance Officer / Section 151 Officer

45. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillors S Z Haq and J Kaufman.

46. APPOINTMENT OF SUBSTITUTES

None.

47. DECLARATIONS OF INTEREST

None.

48. MINUTES OF THE PREVIOUS MEETING

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The minutes of the previous meeting held on 9 April 2025 be taken as read, confirmed and approved.

49. ACTION LIST ARISING FROM THE PREVIOUS MEETING

There was no Action List arising from the previous meeting.

50. PETITIONS AND DEPUTATIONS

None.

51. INTERNAL AUDIT ANNUAL REPORT AND OPINION (2024/25)

The Committee gave consideration to the report and appendix (as set out at pages 7-17 of the agenda reports pack) which provided the committee with the Internal Auditors Annual Report and Opinion for 2024/25.

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The content of the report and appendix 1 be noted.

52. INTERNAL AUDIT PROGRESS REPORT (JULY 2025)

The Committee gave consideration to the report and appendices (as set out at pages 18-30 of the agenda reports pack) which presented a summary of the audit work concluded since the last meeting of this Committee.

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The content of the report and appendices be noted.

53. EXTERNAL AUDIT PLAN (2024/25)

The Committee gave consideration to the report and appendix (as set out at pages 31-51 of the agenda reports pack) which presented the External Audit Progress Plan for 2024/25

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The content of the report and appendix be noted.

54. ANNUAL GOVERNANCE STATEMENT (2024/25)

The Committee gave consideration to the report and appendix (as set out at pages 52-93 of the agenda reports pack) which presented the draft Annual Governance Statement for 2024/25.

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The Council's Annual Governance Statement for 2024/25 be approved.

55. STRATEGIC RISK REGISTER UPDATE (Q4 2024/25)

The Committee gave consideration to the report and appendix (as set out at pages 94-101 of the agenda reports pack) which presented the latest Strategic Risk Register to

Committee for information.

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The content of the report and the Strategic Risk Register, as set out in Appendix 1, be considered and noted.

THE MEETING CLOSED AT 6.30 pm

Agenda Item 7



Audit Committee

**Wednesday, 01
October 2025**

**Matter for
Information**

Report Title: Internal Audit Progress Report (October 2025)

**Report Author(s): Colleen Warren (Chief Finance Officer/S151 Officer)
Lucy Cater (Assistant Director, SWAP)**

Purpose of Report:	To present a summary of the audit work concluded since the last meeting of this Committee.
Report Summary:	To provide an update on the progress of the Internal Audit Plan, along with Final Reports and Updated Agreed Actions
Recommendation(s):	That the Audit Committee discusses and notes the content of the report
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	Colleen Warren (Chief Finance Officer/S151 Officer) (0116) 257 2759 colleen.warren@oadby-wigston.gov.uk Lucy Cater (Assistant Director SWAP) 020 8142 5030 lucy.cater@swapaudit.co.uk
Strategic Objectives:	Our Council (SO1)
Vision and Values:	"Our Borough - The Place To Be" (Vision) Resourceful & Resilient (V4)
Report Implications:-	
Legal:	There are no implications arising from this report.
Financial:	There are no implications arising from this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Key Supplier / Partnership Failure (CR2) Reputation Damage (CR4) Effective Utilisation of Assets / Buildings (CR5) Regulatory Governance (CR6) Organisational / Transformational Change (CR8) Increased Fraud (CR10) Cyber Threat / Security (CR11) Other corporate risk(s)
Equalities and Equalities Assessment (EA):	There are no implications arising from this report.
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.

Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	As the author, the report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	<p>The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:</p> <p>Internal Audit Progress Reports</p> <p>These documents will be available for inspection online at www.oadby-wigston.gov.uk or by contacting democratic services democratic.services@oadby-wigston.gov.uk for a period of up to 4 years from the date of the meeting.</p>
Appendices:	<ol style="list-style-type: none"> 1. Internal Audit Progress Report October 2025 2. Open Agreed Actions September 2025

1. Executive Summary

- 1.1 The Council must ensure that it has sound systems of internal control that facilitate the effective management of all the Council's functions. The work delivered by SWAP Internal Audit Services (SWAP), the Council's internal audit service, is one of the control assurance sources available to the Audit, Compliance and Governance Committee, the Executive Leadership Team and Senior Leadership Team and supports the work of the external auditor.
- 1.2 The Annual Internal Audit Opinion presented to the Audit Committee provides an overall assurance opinion at the end of the financial year. This Internal Audit Progress Report, however, is designed to give the Audit Committee the opportunity to comment on the work completed by the partnership and provide 'through the year' comment and assurances on the control environment.

2. Background

- 2.1. The Internal Audit Service is provided to this Council by SWAP Internal Audit Services (SWAP). SWAP is a local authority-controlled company.
- 2.2. The report attached at **Appendix 1** sets out the work undertaken by SWAP for the Council since the last meeting of this Committee. It follows the risk-based auditing principles and, therefore, this is an opportunity for the Committee to be aware of emerging issues which have resulted in SWAP involvement.
- 2.3. Officers from SWAP will be in attendance at the Committee meeting and will be available to address Members' questions.

3. Main Points

- 3.1 The progress report enables the Audit Committee to monitor the work of the Internal Audit Service and ensure that it remains effective. It also provides the Committee with assurance opinions over areas reviewed within the reporting period, details of audit recommendations and the outcome of follow-up reviews conducted on previous audit recommendations.
- 3.2 We have finalised 1 audit since the last meeting of this committee
 - Section 106 Process – High Substantial
- 3.3 We will follow up all agreed actions. A report (**Appendix 2**) showing all open agreed actions and those that have been actioned has been included for Members information.

Oadby and Wigston Borough Council

Report of Internal Audit Activity

October 2025

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Appendix 1

Contents

The contacts at SWAP in connection with this report are:

Lucy Cater

Assistant Director

Tel: 01285 623340

lucy.cater@swapaudit.co.uk

Jaina Mistry

Principal Auditor

Tel: 01285 623337

jaina.mistry@swapaudit.co.uk

- Contents:

Internal Audit Definitions

Audit Plan Progress

Finalised Audit Assignments

Internal Audit Definitions

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

- **No**
- **Limited**
- **Reasonable**
- **Substantial**

•

Audit Framework Definitions

Control Assurance Definitions

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

Non-Opinion – In addition to our opinion based work we will provide consultancy services. The “advice” offered by Internal Audit in its consultancy role may include risk analysis and evaluation, developing potential solutions to problems and providing controls assurance. Consultancy services from Internal Audit offer management the added benefit of being delivered by people with a good understanding of the overall risk, control and governance concerns and priorities of the organisation.

Internal Audit Definitions

Recommendations are prioritised from 1 to 3 on how important they are to the service/area audited. These are not necessarily how important they are to the organisation at a corporate level.

●

Audit Framework Definitions

Categorisation of Recommendations

When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. No timeframes have been applied to each Priority as implementation will depend on several factors; however, the definitions imply the importance.

	Categorisation of Recommendations
Priority 1	Findings that are fundamental to the integrity of the service’s business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management
Priority 3	Finding that requires attention.

Definitions of Risk

Risk	Reporting Implications
High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.
Medium	Issues which should be addressed by management in their areas of responsibility.
Low	Issues of a minor nature or best practice where some improvement can be made.

Each audit covers key risks. For each audit a risk assessment is undertaken whereby with management risks for the review are assessed at the Corporate inherent level (the risk of exposure with no controls in place) and then once the audit is complete the Auditors assessment of the risk exposure at Corporate level after the control environment has been tested. All assessments are made against the risk appetite agreed by the SWAP Management Board.

Audit Plan Progress

Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
Governance	Transparency Agenda	Final Report	High Limited	7	-	7	-	Reported in July
Operational	Section 106 Process	Final Report	High Substantial	0	-	-	-	Report Included
Operational	Elections	In Progress						
Operational	Health and Safety	In Progress						
Core Financial	Payroll	In Progress						
Operational	Pooling Housing Capital Receipts	In Progress						
Operational	Housing Service Recharges	Deferred						Audit Deferred to Quarter 4
Governance	Data Breaches	Deferred						Audit Deferred to Quarter 4
Operational	Data Protection (to include Data Retention Procedures)	Deferred						Audit Deferred to Quarter 4
Follow-Up	Follow-Up of Agreed Actions (not included in an audit above)	On Going						

Audit Plan Progress

Audit Type	Audit Area	Status	Opinion	No of Rec				Comments
					Priority			
					1	2	3	
Other Audit Involvement	Management of the IA Function and Client Support	On Going						
Other Audit Involvement	Contingency – Provision for New Work based on emerging risks							

Summary of Audit Findings

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

Section 106 Process – Final Report – June 2025

Audit Objective

To review the effectiveness of the management of Section 106 Agreements.

Executive Summary



Assurance Opinion

A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Management Actions

Priority 1	0
Priority 2	0
Priority 3	0
Total	0

Organisational Risk Assessment

Low

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

Key Conclusions



Monitoring Arrangements: A S106 Working Group comprising of officers of an appropriate seniority, expertise and representing all service areas involved in administering S106 agreements meet regularly. Records held by the Planning Policy service area provide comprehensive details of trigger points, fund allocations and progress of both financial and non-financial contributions. Furthermore, site visits are undertaken twice a year which help inform monitoring.



Reporting Arrangements: An annual Infrastructure Funding Statement (IFS) is published in accordance with government requirements. Review of the 2023/24 IFS confirmed amounts quoted reconcile to financial records. In addition, fortnightly communications, and reports to the Policy, Finance and Development Committee, as well as Development Control Committee ensure there is opportunity for member oversight.



Financial Processes: Robust financial controls are operating. Records are well maintained providing a clear trail of income and expenditure. Regular discussions held with Finance and reconciliations undertaken between the service area's records and the Council's financial system ensure that funds are well managed.

Audit Scope

The audit covered the following areas:

- S106 agreements are appropriately recorded.
- Triggers are identifiable, recorded centrally, monitored and actioned in a timely manner.
- Receipts are collected and held appropriately.
- Monies are used in accordance with the agreement.
- This information is easily available, monitored and appropriately reported.

Discussions were held with officers and evidence sought to support statements made. Testing included reviewing a S106 agreement and the reporting of the last Infrastructure Funding Statement.

Other Relevant Information

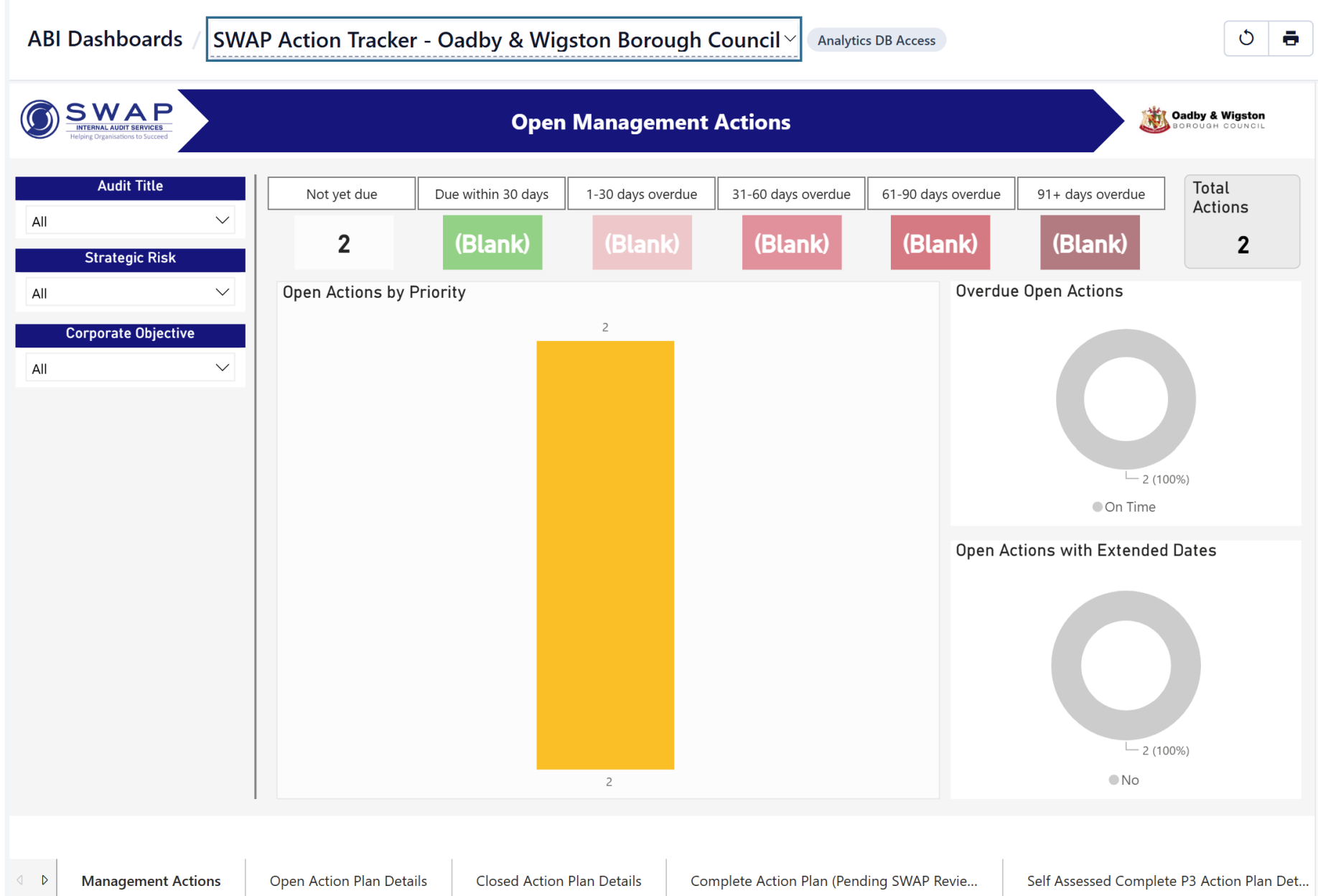
Comprehensive policies and procedures are in place for both developers and Council officers, and organisations who may be impacted from potential developments. Funding identified in agreements which relate to the Integrated Health Board is recovered by the Council and forwarded accordingly.

As spreadsheets are the main tool to monitor/manage S106 obligations, consideration could be given to either password protecting spreadsheets and/or specific cells. Although backup copies are maintained by ICT, should there be need to retrieve them, introducing additional controls would be helpful to mitigate against accidental error.

To summarise, the management and monitoring of S106 Agreements is robust and effective ensuring developers comply with terms and conditions set. But it is a completely manual process, and reliance is placed on individual officers which could pose business continuity risk.

The assurance provided is based on the review of one S106 agreement, and within the context of the size of the team and organisation.

OPEN AGREED ACTIONS – SEPTEMBER 2025



Open Agreed Actions - September 2025								
ID (Action Plan)	ID (Issue)	Audit Title	Title (Issue)	Period	Priority Score	AP Status	Original Timescale	Revised Timescale
6592	6174	OWBC - Transparency Agenda 2025/26	Local land and building assets are not published	2025/26	2	In Progress	31/10/2025	
6595	6177	OWBC - Transparency Agenda 2025/26	Fraud data is not published	2025/26	2	In Progress	31/10/2025	

Agenda Item 8



Audit Committee	Wednesday, 01 October 2025	Matter for Information
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Report Title: **External Audit Progress Report (September 2025)**

Report Author(s): **Colleen Warren (Chief Finance Officer/S151 Officer)**

Purpose of Report:	To present the Interim Annual Audit Report and update on the progress of the 2024/25 accounts audit.
Report Summary:	The report and appendices include the Interim Annual Audit Report which will be finalised upon the close of the 24/25 accounts audit.
Recommendation(s):	That the content of the report and appendices be noted.
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	Colleen Warren (Chief Finance Officer/S151 Officer) (0116) 257 2759 Colleen.warren@oadby-wigston.gov.uk Richard Anderson (External Audit – Audit Director) (0121) 812 7658 richard.j.anderson@uk.gt.com
Strategic Objectives:	Our Council (SO1)
Vision and Values:	"Our Borough - The Place To Be" (Vision) Resourceful & Resilient (V4)
Report Implications:-	
Legal:	Click to select or insert narrative.
Financial:	There are no implications directly arising from this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Key Supplier / Partnership Failure (CR2) Reputation Damage (CR4) Regulatory Governance (CR6)
Equalities and Equalities Assessment (EA):	There are no implications directly arising from this report. EA not applicable
Human Rights:	There are no implications directly arising from this report.
Health and Safety:	There are no implications directly arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	As the author, the report is satisfactory.

Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	None.
Appendices:	<ol style="list-style-type: none"> 1. Interim Annual Auditors Report 2024/25 2. Audit Progress Report and Sector Updates (September 2025)

1. Background

- 1.1 Each year the Council is subject to an audit to ensure that it has the appropriate arrangements in place to secure value for money for its residents.
- 1.2 Auditors are required to review the Councils position in respect of
 - Financial Sustainability
 - Managing governance arrangements and
 - Securing economy, efficiency and effectiveness in its use of resources.

2. Interim Annual Auditors Report

- 2.1 The interim Annual Audit report is included at Appendix 1 for the financial year 2024/25.
- 2.2 The Value for Money summary includes 2 amber risks outlined below:
 - An improvement recommendation in relation to addressing the budget gap in the MTFS and
 - A recommendation re the Internal Audit Financial Management Report which was "Moderate Assurance".

3. External Audit progress Report 2024/25

- 3.1 The report attached at Appendix 2 outlines the progress to date on the annual audit for 2024/25. The audit has progressed well and both External Audit and the finance team are working well together and aiming for completion by November 2025.

Oadby and Wigston Borough Council

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Interim Auditor's Annual Report
Year ending 31 March 2025

4 September 2025



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The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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01 Introduction and context

Introduction

This report brings together a summary of all the work we have undertaken for Oadby and Wigston Borough Council during 2024/25 as the appointed external auditor. The core element of the report is the commentary on the value for money (VfM) arrangements. The responsibilities of the Council are set out in Appendix A. The Value for Money Auditor responsibilities are set out in Appendix B.

Opinion on the financial statements

Auditors provide an opinion on the financial statements which confirms whether they:

- give a true and fair view of the financial position of the Council as at 31 March 2025 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2024/25
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014

We also consider the Annual Governance Statement and undertake work relating to the Whole of Government Accounts consolidation exercise.

Auditor's powers

Under Section 30 of the Local Audit and Accountability Act 2014, the auditor of a local authority has a duty to consider whether there are any issues arising during their work that indicate possible or actual unlawful expenditure or action leading to a possible or actual loss or deficiency that should be referred to the Secretary of State. They may also issue:

- Statutory recommendations to the full Council which must be considered publicly
- A Public Interest Report (PIR).

Value for money

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources (referred to as Value for Money). The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:

- financial sustainability
- governance
- improving economy, efficiency and effectiveness.

Our report is based on those matters which come to our attention during the conduct of our normal audit procedures, which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. The NAO has consulted on and updated the Code to align it to accounts backstop legislation. The new Code requires auditors to share a draft Auditor's Annual Report (AAR) with those charged with governance by a nationally set deadline each year, and for the audited body to publish the AAR thereafter. This new deadline requirement is introduced from November 2025.

Local government – context

Local government has remained under significant pressure in 2024/25

National

Past



Funding Not Meeting Need

The sector has seen prolonged funding reductions whilst demand and demographic pressures for key statutory services has increased; and has managed a period of high inflation and economic uncertainty.



Workforce and Governance Challenges

Recruitment and retention challenges in many service areas have placed pressure on governance. Recent years have seen a rise in the instance of auditors issuing statutory recommendations.

Present



Financial Sustainability

Many councils continue to face significant financial challenges, including housing revenue account pressures. There are an increasing number of councils in receipt of Exceptional Financial Support from the government.



External Audit Backlog

Councils, their auditors and other key stakeholders continue to manage and reset the backlog of annual accounts, to provide the necessary assurance on local government finances.

Future



Funding Reform

The UK government plans to reform the system of funding for local government and introduce multi-annual settlements. The state of national public finances means that overall funding pressures are likely to continue for many councils.



Reorganisation and Devolution

Many councils in England will be impacted by reorganisation and / or devolution, creating capacity and other challenges in meeting business as usual service delivery.

Local

The Council is located to the south-east of the city of Leicester and shares boundaries with Harborough and Blaby district councils. There are just under 58,000 residents living in Oadby and Wigston within an area of around nine square miles which is predominantly urban. The annual budget is just under £8m. The Council is restricted by its size and existing housing density. It has a limited capacity to host additional housing compared to most other districts and boroughs. This means the Council has limited capacity to increase its funding by growing its Council Tax base and attracting New Homes Bonus and is also limited in attaining Business Rates growth. As part of the Government plans for Local Government Reorganisation, the Council is working with the other Leicestershire councils and Rutland County Council to agree a proposal. Please see the next page.

It is within this context that we set out our commentary on the Council’s value for money arrangements in 2024/25.

Grant Thornton Insights – Local Government Reorganisation (LGR)

National perspectives – devolution and LGR

In December 2024, the English Devolution White Paper set out the government’s vision for a simpler form of local government. The intention is to produce better outcomes, save money for reinvestment in local services and to improve local accountability. All councils with a two-tier county and district system of local government (together with neighbouring small unitary councils) were required to set out the plans for a programme of devolution and local government reorganisation.

On 5 February 2025, the government’s Devolution Priority Programme was announced to establish six new regional Mayoral Strategic Authorities. Those selected for the programme submitted plans by May 2025 with the ambition of holding Mayoral elections in May 2026.

On the same date, all remaining councils with a two-tier system were required to develop proposals to reconfigure county and district services into one or more new unitary councils. Plans are required to be submitted by 28 November 2025 with the ambition of establishing the new Unitary Councils from April 2028.

Local perspectives – LGR in the Leicestershire and Rutland region

The seven district councils in Leicestershire and Rutland County Council have proposed creating three unitary councils to govern the region. This would see the creation of three unitary councils: one for North Leicestershire and Rutland, one for South Leicestershire, and one for Leicester City, based on existing boundaries.

Under these proposals, Oadby and Wigston BC would be part of the South Leicestershire unitary which would also cover the areas currently served by Blaby DC, Harborough DC and Hinckley & Bosworth BC.

Leicestershire County Council and Leicester City Council believe that the best option for Leicester and Leicestershire is a two unitary model, one City, one County, although existing boundaries may change.

Our discussions with the councils in the region indicate there has been collaboration between officers to progress the LGR agenda but there is currently no consensus around a single model.



Grant Thornton insight

What the Council is already doing

- Active participation of Officers in the governance and options appraisal process.
- Consideration of LGR compatibility in contract renewal and capital investment decisions.
- Safeguarding responsible financial decisions in the medium-term including use of reserves.

What the Council should consider

- Continuing to engage constructively with the LGR process
- Working with partners towards a single proposal which maximises Value for Money for Leicester, Leicestershire and Rutland.
- Modelling potential outcomes to discuss with members and establish political priorities.
- Making advance preparations for member and public engagement within a tight timeframe.
- The potential cost of transition for the council and how this will be funded.

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02 Executive Summary

Executive Summary – our assessment of value for money arrangements

Our overall summary of our Value for Money assessment of the Council’s arrangements is set out below. Further detail can be found on the following pages.

Criteria	2023/24 Assessment of arrangements	2024/25 Risk assessment	2024/25 Assessment of arrangements
Financial sustainability	A No significant weaknesses identified; one improvement recommendation retained and one new one raised in respect of addressing budget gaps.	One risk of significant weakness identified in relation budget gaps and reserve levels.	A No significant weaknesses identified; one improvement recommendation refreshed in respect of addressing budget gaps.
Governance	A No significant weaknesses identified; one improvement recommendations carried forward in respect of budget setting.	No risks of significant weakness identified.	G No significant weaknesses identified nor improvement recommendations raised.
Improving economy, efficiency and effectiveness	A No significant weaknesses identified; no improvement recommendations raised. However “Amber” in relation to commissioning and procurement from Internal Audit findings.	No risks of significant weakness identified.	A No significant weaknesses identified or improvement recommendations raised, but one criterion rated “Amber” in respect of the Internal Audit Financial Management “Moderate Assurance” report.

- G No significant weaknesses or improvement recommendations.
- A No significant weaknesses, improvement recommendation(s) made.
- R Significant weaknesses in arrangements identified and key recommendation(s) made.

Executive Summary

We set out below the key findings from our commentary on the Council's arrangements in respect of value for money.



Financial sustainability

In 2024/25 the Council achieved an underspend of £0.15m on a budget of £7.68m, despite an overspend of £0.55m in regard to homelessness. The Council achieved £0.81m of its planned savings of £1.00m (81%). The 2025/26 budget includes reasonable assumptions for growth and cost increases, and is balanced without the need to make any savings. However, pressures in homelessness demand continue and the Council is taking steps to manage this.

The Council's Medium Term Financial Plan indicates that, without further action, the General Fund balance will decrease from a forecast £1.36m at the end of 2025/26 to £0.20m at the end of 2029/30. The Council recognises that further work is needed in this area and that this will include difficult decisions. We have retained our improvement recommendation in this area.



Governance

The Council has appropriate arrangements in respect of risk management, internal audit and counter fraud. The budget setting process is robust, but could be further strengthened to reflect best practice by including consultation feedback in the report to Council.

The Committee system supports effective scrutiny and challenge.

Arrangements are in place to support compliance with ethical standards and conduct. In June 2025 the Council strengthened its contract management and oversight arrangements.



Improving economy, efficiency and effectiveness

Quarterly Integrated Performance reports and Budget Monitoring reports provide appropriate information to monitor performance and identify any corrective action required.

The Council uses benchmarking to identify areas for further improvement and has sound arrangements for working with a variety of partners, some of whom deliver key services.

Executive summary – auditor’s other responsibilities

This page summarises our opinion on the Council’s financial statements and sets out whether we have used any of the other powers available to us as the Council’s auditors.

Auditor’s responsibility	2024/25 outcome
Opinion on the Financial Statements	Our audit of your financial statements is currently in progress. On completion, we will issue a final version of this report, which will include a summary of our audit opinion and findings.
Use of auditor’s powers	<p>We have not made any written statutory recommendations under Schedule 7 of the Local Audit and Accountability Act 2014.</p> <p>We have not made an application to the Court or issued any Advisory Notices under Section 28 of the Local Audit and Accountability Act 2014.</p> <p>We have not made an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014.</p> <p>We have not identified any issues that required us to issue a Public Interest Report (PIR) under Schedule 7 of the Local Audit and Accountability Act 2014.</p>



03 Opinion on the financial statements and use of auditor's powers

Opinion on the financial statements

These pages set out the key findings from our audit of the Council's financial statements, and whether we have used any of the other powers available to us as the Council's auditors.

Audit opinion on the financial statements

Our audit of your financial statements is currently in progress. On completion, we will issue a final version of this report, which will include a summary of our audit opinion and findings.

The full opinion will be included in the Council's Financial Statements for 2024/25, which can be obtained from the Council's website.

Grant Thornton provides an independent opinion on whether the Council's financial statements:

- give a true and fair view of the financial position of the Council as at 31 March 2025 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2024/25
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We conducted our audit in accordance with: International Standards on Auditing (UK), the Code of Audit Practice (2024) published by the National Audit Office, and applicable law. We are independent of the Council in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard.

Findings from the audit of the financial statements

The Council provided draft accounts in line with the national deadline of 30 June 2025.

Draft financial statements were of a reasonable standard and supported by detailed working papers. Our financial statement audit work is currently ongoing.

Audit Findings Report

We report the detailed findings from our audit in our Audit Findings Report. A final version of our report will be presented to the Council's Audit Committee. Requests for this Audit Findings Report should be directed to the Council.

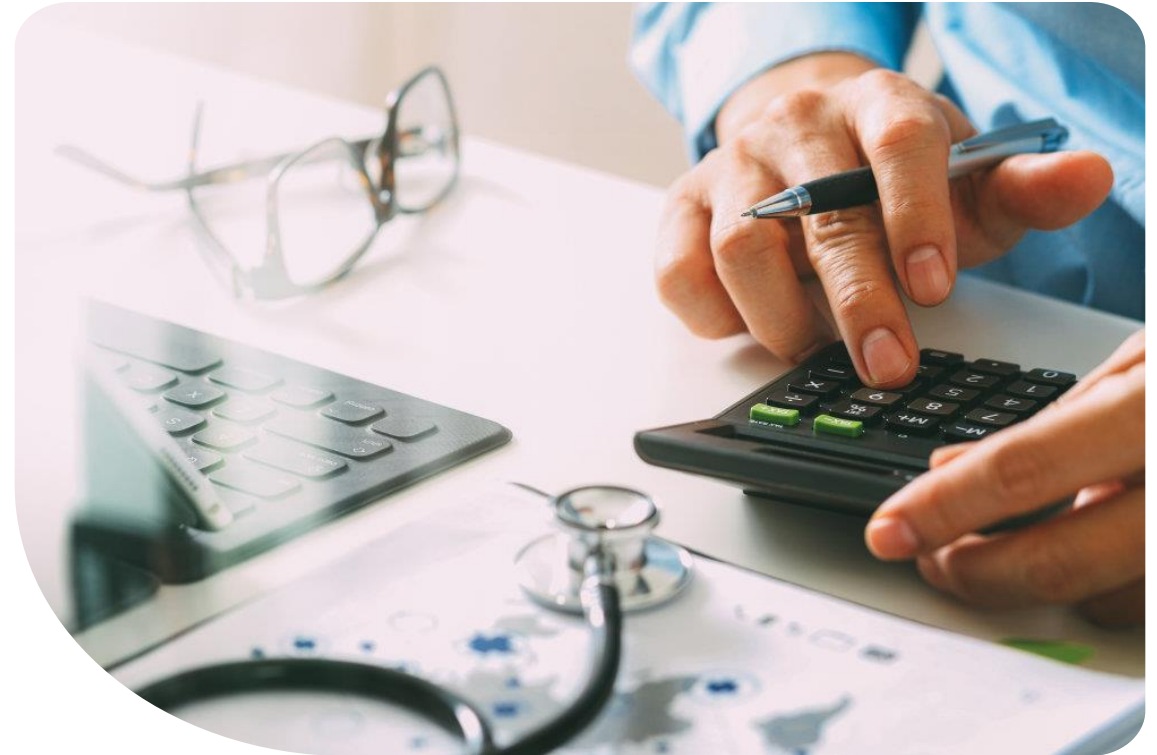
Other reporting requirements

Annual Governance Statement

Under the Code of Audit Practice published by the National Audit Office we are required to consider whether the Annual Governance Statement does not comply with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting, or is misleading or inconsistent with the information of which we are aware from our audit.

We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Our work in this area is ongoing.



04 Value for Money commentary on arrangements

Value for Money – commentary on arrangements

This page explains how we undertake the value for money assessment of arrangements and provide a commentary under three specified areas.

All Councils are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Council's report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:



Financial sustainability

Arrangements for ensuring the Council can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



Governance

Arrangements for ensuring that the Council makes appropriate decisions in the right way. This includes arrangements for budget setting and budget management, risk management, and making decisions based on appropriate information.



Improving economy, efficiency and effectiveness

Arrangements for improving the way the Council delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

Financial sustainability – commentary on arrangements

~ Page 37 ~

We considered how the Council:	Commentary on arrangements	Rating
identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them	<p>In 2024/25 the Council achieved an underspend of £0.15m on a budget of £7.68m. The main overspend was £0.55m in regard to homelessness. Areas of overspend have been offset by, amongst others, additional National Non Domestic Rates (NNDR) income of £0.25m. Demand for homeless accommodation remains volatile and was particularly high in the first part of 2025/26. The Council is taking appropriate steps to manage this challenge.</p> <p>At 31 March 2025 total General Fund reserves are nearly £3.30m, which comprises a General Fund reserve of £1.54m and £2.14m earmarked reserves. The Council also holds a £1.76m Housing Revenue Account (HRA) reserve and a Useable Capital Receipts reserve of £1.78m. The Council has responded positively to our 2022/23 key recommendation around reserves and is, overall, controlling expenditure within budget and delivering anticipated savings.</p> <p>The 2025/26 budget of £7.73m is based on the 2024/25 budget, with known changes reasonable. It includes permanent service growth of £0.86m and salary growth of £0.44m. There are no savings included as the budget is balanced without them. Early indications are that homelessness will again be the key pressure, but the Council is taking reasonable steps to increase capacity and reduce demand.</p> <p>Looking further ahead, the Council's Medium Term Financial Plan (MTFP) shows a forecast surplus of £0.13m in 2025/26, with deficits in subsequent years of £0.17m; £0.29m; £0.33m and £0.37m in 2029/30. The General Fund balance decreases from £1.36m at the end of 2025/26 to £0.20m at the end of 2029/30. The Council is aware that more needs to be done to balance the budget, but there is scope to do this through additional savings schemes and income generation. We have retained our prior year improvement recommendation. Please see page 18.</p>	A

- G No significant weaknesses or improvement recommendations.
- A No significant weaknesses, improvement recommendations made.
- R Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability – commentary on arrangements

~ Page 38 ~

We considered how the Council:	Commentary on arrangements	Rating
plans to bridge its funding gaps and identify achievable savings	For 2024/25 the Council had a savings plan of £1.00m. Savings achieved were £0.81m, being 81% of the target. Reasons for schemes under and over achieving are set out in reports to the Policy, Finance and Development Committee. The 2025/26 budget is balanced without the need for a savings programme, but the Council recognises that additional savings or increased income is needed to balance the budget in subsequent years. Officers are engaging with Members at an early stage to support them in making difficult decisions. The Council is looking more towards income generation and commercialisation rather than cost cutting.	G
plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities	The 2025/26 budget-setting and MTFP report explains how capital schemes are evaluated and prioritized. Criteria include whether there is statutory and legislative support and compliance with the Council's corporate objectives. The Council has made improvements based on our prior year recommendation to better demonstrate how capital or revenue investments will contribute to achieving the Council's priorities, and now includes a descriptive narrative that outlines how the capital funds will be spent and how it links back to the core objectives. The budget-setting and MTFP report also highlights how the Council aims to ensure a balanced budget and that spending is reasonable in allocating resources to statutory or priority areas. We have closed our prior year recommendation.	G

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability – commentary on arrangements (continued)

~ Page 39 ~

We considered how the Council:	Commentary on arrangements	Rating
ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system	<p>The People Strategy 2023-26 is aligned to the Council's five strategic objectives and four vision areas. The Council has an ambition of achieving net zero emissions by 2030 and has calculated that this is likely to cost £13.30m. Given its financial challenges, the Council intends to access available funding to support this, and avoid borrowing where possible, and has already been successful in a number of areas.</p> <p>In-year financial reporting provides appropriate information and is consistent with the year end position. Movements are clearly explained and are reasonable.</p>	G
identifies and manages risk to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions in underlying plans	<p>The budget setting report, quarterly finance reports, and the risk register clearly outline the key financial risks facing the Council and action being taken. The Council no-longer includes scenario analysis in its budget setting report. While we consider that including sensitivity analysis is good practice, its absence will not lead to a significant weakness, so we have not raised an improvement recommendation.</p>	G

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

Financial sustainability (continued)

Area for Improvement identified: identifying and delivering recurrent savings

Key Finding: The Council has made significant progress in moving itself to a more sustainable financial position, but recognises that it needs to retain focus on bridging the annual gaps forecast in its Medium Term Financial Plan (MTFP).

Evidence: The Council's MTFP shows a forecast surplus of £0.13m in 2025/26, with deficits in subsequent years of £0.17m; £0.29m; £0.33m and £0.37m in 2029/30. The General Fund balance is forecast to decrease from £1.36m at the end of 2025/26 to £0.20m at the end of 2029/30.

Impact: To support the Council in moving to a recurrently balanced financial position, without the need to draw on reserves, we have retained our prior year improvement recommendation.

Improvement Recommendation 1

IR1: In order to ensure that it remains financially sustainable in the medium term and is able to balance its annual budget without the need to use reserves, the Council needs to develop further income generation or savings schemes to address the forecast gap in its Medium Term Financial Plan. Members will need to continue to take difficult decisions when necessary.

Governance – commentary on arrangements

We considered how the Council:	Commentary on arrangements	Rating
<p>monitors and assesses risk and how the Council gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud</p>	<p>The Council has established strong systems for monitoring and assessing risks, underpinned by a comprehensive risk management framework and ongoing reviews. The Strategic Risk Register and Strategic Risk Update facilitate the identification of key risks, aligning them with corporate objectives and ensuring proper monitoring. Internal Audit, provided in 2024/25 by 360 Assurance, provides appropriate assurance on both strategic and operational risks, ensuring that audits are focused on significant risks and that governance and control measures are effective. A Progress Report is presented to each Audit Committee, covering a wide range of the Council's activities. The Head of Internal Audit Opinion is "significant assurance", with only three "Moderate" assurance opinions provided. Internal Audit note that one high risk action, relating to effective monitoring of the grounds maintenance contact, remains outstanding. In terms of fraud prevention, whistleblowing mechanisms reinforce a zero-tolerance policy. Regular assessments and reviews conducted by the Audit Committee play a crucial role in detecting and managing fraud risks. Additionally, breaches of internal controls, particularly those related to the workforce, are tracked through corporate complaints and whistleblowing procedures, allowing for swift detection and resolution.</p>	<p>G</p>

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements

We considered how the Council:	Commentary on arrangements	Rating
<p>~ Page 42 ~</p> <p>approaches and carries out its annual budget setting process</p>	<p>The Council has a robust approach to budget setting. An initial budget setting report to Members in September each year outlines key approaches and principles, such as measuring inflation, reviewing budgets for savings, and implementing sustainability programmes. The "Star Chamber" process requires Heads of Service to present their budget needs to key stakeholders, who then provide feedback and challenges to the proposed budget. The Council engages in external budget consultation, but there was no evidence that the results were available to Members as part of the budget setting process. This is good practice and we have highlighted this as an opportunity to further improve on page 23. As it will not lead to a significant weakness we have not raised an improvement recommendation.</p> <p>In our 2022/23 report we raised an improvement recommendation that the Council needs to ensure that both revenue and capital budgets are realistic and achievable to avoid significant revenue overspend or capital underspends. This recommendation was carried forward into 2023/24 as at the time we were unable to conclude on the effectiveness of the enhanced arrangements. Review of the 2024/25 outturn reports indicates that the revenue budget was sufficiently accurate. The outturn for the General Fund capital programme is expenditure of £1.90m with slippage of £1.10m. Explanations for this include long lead-in times for replacement vehicles (£0.31m) and £0.48m on a sport facility owing to funding issues that have since been resolved. The outturn for the HRA capital programme is £3.00m expenditure with slippage of £2.33m due to a delay on the New Housing Initiatives scheme as further funding options and housing options were being investigated. These explanations are reasonable and not indicative of a weakness in arrangements. We have therefore closed the recommendation.</p>	<p>G</p>

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements

~ Page 43 ~

We considered how the Council:	Commentary on arrangements	Rating
ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships	<p>Quarterly finance reports and the annual financial statements provide clear explanations of the overall position of the General Fund and Housing Revenue Account for both revenue and capital. Variances exceeding £0.03m are highlighted and accompanied by explanations. Any changes to budgets during the year are also clearly outlined.</p> <p>Treasury management is supported by adequate reporting, including both an annual and a mid-year report. These reports highlight the objectives, requirements, current position, borrowing and debt strategy, and performance indicators for the year. Additionally, the Constitution emphasises the Council's responsibility regarding the adoption of its budget and policy framework.</p>	G

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements (continued)

We considered how the Council:	Commentary on arrangements	Rating
<p>ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee</p>	<p>The Council has established comprehensive arrangements to support informed and transparent decision-making. Key oversight is provided by the Policy, Finance, and Development (PFD) Committee, which conducts thorough scrutiny of decisions through detailed reporting, and the Audit Committee, which offers independent assurance. Scrutiny is embedded within the committee system, promoting challenges across financial and operational decisions. The involvement of the Senior Leadership Team, particularly the active role of the Section 151 Officer, in financial oversight, further enhances this process. The Council demonstrates a constructive 'Tone from the Top' within its committee-based governance, prioritising transparency, inclusiveness, and strong oversight.</p> <p>The government has announced plans to legislate to abolish the committee system, requiring those councils currently operating this model to transition to the leader and cabinet model. This will impact Oadby and Wigston Borough Council, although primary legislation will be required. How this will be impacted by Local Government Reorganisation is unclear.</p>	<p>G</p>

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

Governance – commentary on arrangements (continued)

We considered how the Council:	Commentary on arrangements	Rating
<p>monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour</p>	<p>The Council has robust mechanisms in place to ensure adherence to legislative and regulatory requirements, supported by the roles of the statutory officers—the Section 151 Officer, Head of Paid Service, and Monitoring Officer. These officers oversee governance and ensure compliance with legal requirements, supported by the Constitution, Codes of Conduct, and regular training on ethical behaviour, including managing conflicts of interest, gifts, and hospitality. Regular reports, such as the Standards and Ethical Indicators, ensure that compliance is monitored and enforced.</p> <p>The updated Contracts Register provides a transparent and up-to-date record of all active contracts. This register is an essential tool for monitoring and managing contracts, enabling the Council to "<i>track contractor performance against expected standards</i>" and ensure adherence to legislative requirements, thereby promoting accountability and transparency. In June 2025 the Council adopted a comprehensive Contract Management Framework to support it in managing the nearly 30% of its expenditure it incurs with suppliers. Additionally, the Fraud and Corruption Policy helps safeguard ethical standards.</p>	<p>G</p>

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

Grant Thornton insights – learning from others

The Council has the arrangements we would expect to see in respect of budget consultation, but could challenge itself to go further, based on the best arrangements we see across the sector



What the Council is already doing

- The Council website indicates inviting residents, tenants, businesses, and organisations to comment on the draft budgets. The feedback will be relayed to the elected Councillors responsible for setting the budget, for their consideration before the budget is approved. This demonstrates that the Council is engaging appropriately with external stakeholders. The website states *"The feedback will be relayed to the elected Councillors responsible for setting the budget, for their consideration before the budget is approved."*
- The Council has collated and analysed the 113 responses. However, there is no evidence that this was included in the budget setting reports.



What others do well

- At other councils we see a summary analysis of consultation responses included in the public budget setting reports.



The Council could consider

- Including a summary of the consultation responses in public reports would demonstrate transparency and that the views expressed have been relayed for consideration before the budget is agreed.

Improving economy, efficiency and effectiveness – commentary on arrangements

~ Page 47 ~

We considered how the Council:	Commentary on arrangements	Rating
uses financial and performance information to assess performance to identify areas for improvement	<p>The Council uses financial and performance information to monitor service delivery, workforce, and operational performance through quarterly Integrated Performance reports and Budget Monitoring reports.</p> <p>Internal Audit has provided 'Moderate Assurance' regarding financial management and reporting. Internal Audit has stated it was not provided with evidence to confirm that finance reports are derived directly from the ledger. Internal Audit noted a lack of segregation of duties concerning journal authorization, delays in timely completion and management review of control account reconciliations. An action plan has been agreed upon following the Internal Audit investigation to address areas for improvement. We have not repeated the recommendation, but have assessed this criterion as "Amber".</p> <p>The Council undertakes benchmarking with the other Leicestershire districts to identify opportunities for further improvement. Examples include customer services and council tax collection.</p>	A
evaluates the services it provides to assess performance and identify areas for improvement	<p>The Council has not received any inspections or reviews in 2024/25. Following the Peer Review in 2022 the Council remains in contact with the Local Government Association, but has not needed to provide further updates or reports. The Council continues to have appropriate arrangements in place to evaluate services and identify areas for improvement.</p>	G

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

Improving economy, efficiency and effectiveness – commentary on arrangements (continued)

We considered how the Council:	Commentary on arrangements	Rating
<p>ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives</p>	<p>The Council has solid arrangements to work with a wide variety of partners to deliver services. This is underpinned by engagement with key stakeholders and partners when developing strategic priorities. Where appropriate, partnership performance is reported to Members. For example, the leisure contract and Lightbulb (Disabled Facilities Grant).</p> <p>In terms of Local Government Reorganisation (LGR), the Council along with the other district councils in Leicestershire and Rutland County Council have submitted an interim proposal for three unitary councils – North, South and City. The County Council and City Council have expressed a preference for different proposals. From our discussions, we are aware that Members and officers are cognisant of the importance of maintaining “business as usual” service delivery throughout the LGR process. The Council is not entering into new contracts that are more than two years and is actively involved in Officer group meetings. We would encourage the Council to continue to maintain this collaborative approach and work with partners to agree a single proposal for Leicestershire and Rutland.</p>	<p>G</p>
<p>commissions or procures services, assessing whether it is realising the expected benefits</p>	<p>The Council has appropriate arrangements in place to enable it to identify and manage key ongoing contracts. This includes a contracts register that is accessible via the website. The register is split between general contracts and software contracts, and each entry highlights the title, description, value over the life of the contract, start and end dates, and renewal dates.</p> <p>The risk register includes key supplier failure with comprehensive actions taken and arrangements in place to mitigate risks clearly set out. In June 2025 the Council adopted a comprehensive Contract Management Framework to support it in managing the nearly 30% of its expenditure it incurs with suppliers.</p>	<p>G</p>

- G

 No significant weaknesses or improvement recommendations.
- A

 No significant weaknesses, improvement recommendations made.
- R

 Significant weaknesses in arrangements identified and key recommendation(s) made.

05 Summary of Value for Money Recommendations raised in 2024/25

Improvement recommendations raised in 2024/25

~ Page 50 ~

Recommendation		Relates to	Management Actions
IR1	In order to ensure that it remains financially sustainable in the medium term and is able to balance its annual budget without the need to use reserves, the Council needs to develop further income generation or savings schemes to address the forecast gap in its Medium Term Financial Plan. Members will need to continue to take difficult decisions when necessary.	Financial sustainability (page 19)	<p>Actions: Meetings are held with the Leader and Members on a regular basis to discuss the budget and the budget gap. This is then reinforced through Quarterly Monitoring to ensure that everyone is informed of the current position. SLT has a Sustainability Plan in place which was last updated 30 June 2025.</p> <p>In September 2024 a meeting was held with all Members to discuss budget setting, the budget gap and proposals to close the gap, including restructures, income generation and fees and charges increases. The same meeting will be held again on 30 September 2025 to encourage Members to be engaged in the budget setting process and to generate solutions.</p> <p>Responsible Officer: Colleen Warren</p> <p>Due Date: January 2026</p>

07 Appendices

Appendix A: Responsibilities of the Council

~ Page 52 ~

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Council's Chief Finance Officer is responsible for preparing the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Finance Officer is required to comply with CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

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



Appendix B: Value for Money Auditor responsibilities

Our work is risk-based and focused on providing a commentary assessment of the Council’s Value for Money arrangements

Phase 1 – Planning and initial risk assessment


As part of our planning, we assess our knowledge of the Council’s arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period.

Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements, we will undertake further work to understand whether there are significant weaknesses. We use auditor’s professional judgement in assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations.

**A range of different recommendations can be raised by the Council’s auditors as follows:**

Statutory recommendations – recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.

Key recommendations – the actions which should be taken by the Council where significant weaknesses are identified within arrangements.

Improvement recommendations – actions which are not a result of us identifying significant weaknesses in the Council’s arrangements, but which if not addressed could increase the risk of a significant weakness in the future.

Information that informs our ongoing risk assessment

Cumulative knowledge of arrangements from the prior year	Key performance and risk management information reported to the Executive or full Council
Interviews and discussions with key stakeholders	External review such as by the LGA, CIPFA, or Local Government Ombudsman
Progress with implementing recommendations	Regulatory inspections such as from Ofsted and CQC
Findings from our opinion audit	Annual Governance Statement including the Head of Internal Audit annual opinion

Appendix C: Follow up of 2023/24 improvement recommendations

~ Page 54 ~

Prior Recommendation		Raised	Progress	Current position	Further action
IR1	In order to ensure that it remains financially sustainable in the medium term and is able to balance its annual budget without the need to use reserves, the Council needs to develop further income generation or savings schemes to address the forecast gap in its Medium Term Financial Plan. Members will need to continue to take difficult decisions when necessary.	2023/24	The Council has made significant progress in moving itself to a more sustainable financial position, but recognises that it needs to retain focus on bridging the annual gaps forecast in its Medium Term Financial Plan. This shows a forecast surplus of £0.126m in 2025/26, with deficits in subsequent years of £0.17m; £0.29m; £0.33m and £0.37m in 2029/30. The General Fund balance decreases from £1.359m at the end of 2025/26 to £0.2m at the end of 2029/30. To support the Council in moving to a recurrently balanced financial position we have retained our prior year improvement recommendation.	Improvement Recommendation is retained.	Continue to implement the recommendation.

Appendix C: Follow up of 2023/24 improvement recommendations

Prior Recommendation		Raised	Progress	Current position	Further action
IR2	The Council should enhance public budget setting reporting to clearly demonstrate how major investments – capital or revenue – will contribute to achieving the Council’s priorities.	2022/23	The Council now displays each capital bid separately, along with a descriptive narrative that outlines how the capital will be spent and how it links to the corporate objectives. The Council can now more clearly demonstrate how major investments will contribute to achieving the Council's priorities. However, it should be noted that not all schemes have a direct link to a strategy or scheme, but the descriptive narratives provided are not unusual and are within our expectations of the normal scope of the Council, and therefore link back to the Council's priorities. We therefore consider that there is sufficient and appropriate evidence to close the prior year recommendation.	Closed	No
IR3	The Council needs to ensure that both revenue and capital budgets are realistic and achievable to avoid significant revenue overspends or capital underspends.	2022/23	The 2024/25 outturn report shows a General Fund revenue outturn underspend of £0.15m on a budget of £7.68m. General Fund capital programme saw expenditure of £1.90m with slippage of £1.10m. The Housing Revenue Account Capital expenditure was £3.00m with slippage of £2.33m. Review of the 2024/25 outturn reports indicates that the revenue budget was sufficiently accurate and that the level of slippage and explanations on the capital programme are reasonable. The recommendation is closed.	Closed	No



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Oadby and Wigston Borough Council

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Audit progress report and sector updates

September 2025

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Audit Progress Report

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Introduction

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This paper provides the Audit Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a series of sector updates in respect of emerging issues which the Committee may wish to consider.

Members of the Audit Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:

<https://www.grantthornton.co.uk/industries/public-sector/local-government/>

If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at September 2025

Financial Statements Audit

Our Audit Plan was presented to the April 2025 Audit Committee. As planned, our work on the audit commenced earlier in the year with allocations in February and April.

The Council's accounts were published in advance of the statutory deadline and we were provided with working papers at the same time. We commenced audit work on the draft statement of accounts from August 2025. We have made good progress to date, including sample selection and substantive testing. We have received good assistance from the finance team and will continue to work closely with them through this period. At this time, we have nothing significant to communicate to Audit Committee.

Value for Money

Our value for money work was undertaken from June to August 2025, with support from the finance team.

In the Audit Plan presented to Audit Committee in April 2025 we reported one risk of significant weakness relating to financial sustainability.

In the interim Annual Auditor's Report to be presented alongside this report we have not identified any significant weaknesses in arrangements but have reported one improvement recommendation relating to financial sustainability.

The final Annual Auditor's report will be issued upon completion of the financial statements audit.

Events

On 4th June 2025 we hosted a webinar on devolution and local government re-organisation, and lessons from our 2023/24 value for money audits. The recording can be accessed here: [Audit committee webinar](#).

The next event will be:

- ❖ 27th January 2026 – webinar providing updates on managing local authority debt; and on preparing for local government reorganisation.

Invitations will be available shortly on our website or can be obtained from your Engagement Lead or Audit Manager.

Audit Deliverables

Below are some of the audit deliverables planned for 2024/25

2024/25 Deliverables	Planned Date*	Status
Audit Plan We are required to issue a detailed audit plan to the Audit and Standards Committee setting out our proposed approach in order to give an opinion on the Council's 2024/25 financial statements.	April 2025	Complete
Audit Findings Report The Audit Findings Report will summarise the findings from our financial statements audit.	December 2025	Not due yet
Auditors Report This includes the opinion on your financial statements.	December 2025	Not due yet
Auditor's Annual Report This report communicates the key outputs of the audit, including our commentary on the Council's value for money arrangements.	November 2025	Interim report provided September 2025

Sector Updates

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Lessons from 2023/24 auditors' annual reports

Recommended reading for Audit Committees:

In August 2025, we published a review of 100 Auditors' Annual Reports (AARs) produced by Grant Thornton for our local government audited bodies across England. This represents about a third of all councils in the country. The AARs offer a wealth of insights on what works, and what doesn't, when it comes to value for money and governance.

The reports in our sample showed that financial sustainability remains the major challenge for the majority of councils. Poor governance has led to some councils depleting their reserves and others incurring excessive borrowing, which current government policies around exceptional financial support and statutory override for dedicated schools grant deficits are not helping.

Common challenges for councils include gaps in risk management; high vacancy rates in internal audit; de-centralised contract management; under-supported project management; and the need for stronger, timelier data on performance. For Councils with Housing Revenue Accounts, there are also significant challenges with identifying, costing and managing high volumes of backlog repairs and maintenance work needed to meet regulatory standards.

However, with this being the second year of reporting on lessons from AARs, we also charted notable examples of cases where arrangements have been strengthened since 2022/23, yielding benefits. As well as good practice questions and reminders, the report includes case studies showing better: Control over transformation planning; approach to internal audit; project management; key performance indicator reporting; and rightsized workforce.

AAR findings in August 2025 can be compared to those from one year earlier by accessing the two years of full reporting here:

[Lessons from 2023/24 auditors' annual reports](#)

[Lessons from recent auditor's annual reports](#)



Financial Instruments in Local Government Accounts (1)

Recommended reading for Audit Committees:

Financial instruments are contracts that give rise to a financial asset for one party and a financial liability or equity instrument for another. In local government, these include a wide range of arrangements such as cash, loans, trade receivables and payables, pooled investments, financial guarantees, and more complex instruments like derivatives or loans with embedded features.

These instruments are governed by accounting standards and can significantly influence how a council's financial position and performance are presented in the accounts. Proper identification and treatment of these instruments are essential to ensure that financial statements reflect the true nature of the authority's financial commitments and exposures.

The accounting for financial instruments is not just a technical exercise. It has real implications for financial planning, risk management, and public accountability. Misclassification or incorrect measurement can lead to material misstatements, unexpected financial impacts, or audit challenges. Financial instruments can affect key areas such as the General Fund, usable reserves, and statutory reporting.

Ensuring that these instruments are correctly accounted for supports transparency, compliance with professional and statutory requirements, and the safeguarding of public resources.

We have recently released a thought leadership report, "Local authority accounting: Avoiding pitfalls in financial instruments" which covers financial instruments in detail.

Our full report includes insight about some of the potential pitfalls relating to financial instruments that can occur in local authority accounts. In addition, each section includes a range of challenge questions for authorities to consider.

The table on the next page highlights key areas of focus in accounting for financial instruments, along with explanatory context and suggested questions that Audit Committee members may wish to raise with management.

The full report is available here:

[Local authority accounting: Avoiding pitfalls in financial instruments | Grant Thornton](#)



Financial Instruments in Local Government Accounts (2)

Key areas of focus in accounting for financial instruments, along with explanatory context and suggested questions for Audit Committees to ask:

Area of Focus	Description	Challenge Questions
Identification	Proper identification ensures that all relevant instruments are captured in the financial statements and assessed for risk and impact. While some items like loans and investments are obvious, others may be less visible.	<ul style="list-style-type: none"> How have you ensured that all financial instruments, including less obvious or complex arrangements, have been identified? What controls are in place? Have any new or unusual arrangements been reviewed for potential financial instrument implications?
Classification	Financial instruments must be classified based on how they are managed and the nature of their cash flows. Classification determines how movements are reported in the financial statements and can influence the volatility of reported results.	<ul style="list-style-type: none"> What process is followed to determine the classification of financial instruments, and how do you ensure that the classification reflects the nature of the financial instrument, including both business purpose and characteristics? Have any instruments been classified differently this year, and if so, why?
Measurement	Once identified and classified, financial instruments must be measured appropriately. Measurement affects reported balances and income, and errors can lead to misstatements.	<ul style="list-style-type: none"> What valuation methods are used for financial instruments, and how are they validated? Were any experts required during this process? Do changes in assumptions or market conditions require remeasurement?
Disclosure	Disclosures help users of the financial statements understand the nature, significance, and risks of financial instruments. Disclosures should be tailored to your specific circumstances, avoiding unnecessary complexity or boilerplate language.	<ul style="list-style-type: none"> How do you ensure that disclosures are tailored to reflect the authority's specific financial instruments and risks, and are any additional disclosures required for unusual or complex financial instruments, or for particular risks? Are disclosures complete, clear, and free from unnecessary detail?
Other Considerations	Other considerations include soft loans, capital treatment of financial assets, statutory overrides, and the requirement to make prudent revenue provisions (MRP) for certain losses. These adjustments can have a direct impact on financial planning and budget setting.	<ul style="list-style-type: none"> Have all relevant statutory overrides and adjustments been correctly applied and disclosed, and what impact have these adjustments had on the General Fund or other usable reserves? Are expected credit losses / impairments reflected in the financial strategy?

The Local Authority Backstop

Key information for Audit Committees to be aware of:

On 5th June 2025, the National Audit Office published [Local Audit Reset and Recovery Implementation Guidance \(LARRIG 06I\)](#). This followed on from the fact that on 28 February 2025, approximately 40% of local authorities received an unqualified opinion on their financial statements for 2023/24; and the remaining 60% of audits were disclaimed as auditors had not been able to conclude work by the deadline.

We are pleased to report that Grant Thornton issued unqualified opinions on 65% of our local authority audits (including Oadby and Wigston Borough Council), well ahead of the national average. Nevertheless, all Audit Committees need to be aware of work currently ongoing across the sector to help rebuild assurance for stakeholders.

How you can support us

Timely preparation of draft accounts and high quality supporting working papers is fundamental to the success of audit closedown. We look for all local authorities to prioritise this in enabling the sector to return to balance. In addition, agreeing timescales for build back work will also be key.

An audit approach to build back assurance on financial statements*

The LARRIG provides principles as well as indicative procedures which, with the application of professional judgement, enable the auditor to regain assurance in respect of opening balances. These include a framework for auditors to:

- ❖ Assess risk at an entity wide level
- ❖ Assess risk at a line-item level including in respect of specific balances and reserves
- ❖ Determine a response to risk, including appropriate testing of prior year transactions.

This will enable auditors to undertake audit work in respect of old year transactions (e.g. years which were not subject to an audit). Without that work, there would be uncertainty as whether reserves are properly accounted for.

*Please note, for Oadby and Wigston Borough Council, this is not currently relevant and will continue to not be relevant if the Council are able to continue to produce financial statements on time and accommodate audit requests to enable audits to be completed in advance of the backstop date. For 2024/25 financial statements, the backstop date is 27 February 2025. Our audit work is scheduled to be complete 2 months in advance of this date.

Reorganisation update



Key reorganisation dates for Audit Committees to be aware of:

Key dates that Audit Committees need to be aware of are listed below. :

26th September 2025: Deadline for areas in the Devolution Priority Programme to submit final proposals for reorganisation.

28th November 2025: Deadline for all other areas to submit final proposals for reorganisation.



Comments from Unison for Audit Committees be aware of, June 2025:

Reorganisation “poses a risk for thousands of local government jobs. Crucial services on which some of society’s most vulnerable people rely could also be disrupted”. The union called for workers to be protected and for the support of residents and staff to be engaged.



August 2025: [Lessons from 2023/24 auditors annual reports](#)

Among the 100 AARs we reviewed in August 2025, were eight AARs for relatively new unitary authorities formed during or since the local government reorganisation of 2019. Our report analyses recommendations made to these councils in 2023/24 for insights that will be useful to others as they embark on their reorganisation journey.



Other recommended materials to support Audit Committees:

September 2024: [Learning from the new unitary councils](#)

March 2025: [Navigating the future: The dual challenge of local Government reorganisation and devolution | Grant Thornton](#)

June 2025: [Audit committee webinar](#)

May 2025: We also directly shared a technical briefing on reorganisation with statutory officers in May 2025. Audit Committees can obtain a copy of the briefing note now from their Section 151 officer, or from their Audit Engagement Lead or Audit Manager.

Other structural changes

Key information for Audit Committees to be aware of:



Multi-year allocations – 11th June 2025

The Spending Review on 11th June 2025 committed to multi-year allocations through the upcoming 2026/27 Local Government Finance Settlement. An assessment of each council's needs and resources was also committed to.

[Spending Review 2025 \(HTML\) - GOV.UK](#)

Additional information on the Spending Review and Fair Funding Review can be seen on pages 15 and 16 of this update.



Simplified local structures – 24th June 2025

The Minister of State for Housing, Communities and Local Government announced on 24th June 2025 that Councils with a committee system will be required to transition to a leader and cabinet model. He also announced a ban on creating new directly elected council mayors.

[Written statements - Written questions, answers and statements - UK Parliament](#)



Pensions pooling – 11th August 2025

Seven Council pension funds announced plans to join the Border to Coast pool on 11th August 2025. The government has committed to allow some “limited flexibility” to other administering authorities looking for new asset pools (moving away from Access and Brunel) but does expect all to conform as closely as possible to the 31 March 2026 deadline for meeting new minimum standards set for asset pooling.

[Pension Investment Review Final Report](#)



English Devolution and Community Empowerment

The English Devolution and Community Empowerment Bill was presented to the House of Commons and given its first reading on 10th July 2025; and its second reading on 2nd September 2025. With ayes of 365 and noes of 164 on 2nd September, the Bill now moves to Committee stage.

[English Devolution and Community Empowerment Bill](#)

Local government financial sustainability

Key information for Audit Committees to be aware of:

On 18th June 2025, the Committee of Public Accounts reported that “MHCLG has implemented short-term and unsustainable approaches to keep local government afloat”.

As evidence, the Committee reported that :

- ❖ Forty-two local authorities had to receive exceptional financial support;
- ❖ Spending on special educational needs and disabilities has outstripped the money available from the Department for Education to pay for it.

Adding to concern, the Committee also reported:

- ❖ MHCLG does not know if the billions spent delivering services locally results in better outcomes for people;
- ❖ Neither MHCLG nor HM Treasury have assessed the impact that increases in national insurance contributions will have; and
- ❖ There is significant uncertainty around how the proposed local government finance reforms and reorganisation will be implemented.

Two days later, on 20th June 2025, the government announced that the statutory override for dedicated schools grant deficits will be extended by another two years, until 31 March 2028. There is no clarity yet about how the debt associated with the grant will be managed once this new period of statutory override ends.

For wider debt burdens, the [LocalGov daily bulletin 19th August 2025](#), reported that Freedom of Information request responses from 254 councils found that:

- ❖ There has been a 60% increase in Council debt over the last sixty years; and
- ❖ Roughly a fifth of council tax revenue is being spent on payments for debt interest.

For a full copy of the Committee of Public Accounts report see [Local Government Financial Sustainability](#).



The Spending Review

Key questions for Audit Committees to ask officers:

- ❖ Have we calculated what impact the Spending Review will have on the assumptions in our medium-term financial plan?
- ❖ If the impact is negative, what mitigation is planned?

Background:

The Spending Review on 12th February 2025 did not directly address local government debt (other than that in some cases exceptional financial support increases the debt). However, the Spending Review did provide an additional £3.3 billion of grant funding in real terms for local authorities in 2028/29 compared with 2023/24. This included:

- ❖ Over £4 billion of funding available for adult social care in 2028-29 compared to 2025/26.
- ❖ £555 million to help more children stay with their families; and £560 million, between 2026/27 and 2029/30, to refurbish and expand children's homes and foster care placements.
- ❖ £39 billion for a successor to the Affordable Homes Programme over 10 years from 2026/27 to 2035/36.

- ❖ £100 million for a new community partnership approach to spending on adults with complex needs.

The Spending Review also announced a new £3.25 billion Transformation Fund to support the reform of public services so that they are focused on prevention, including for special educational needs and disability and homelessness.

The intention is that investment in digital technology and artificial intelligence transformation programmes will drive productivity improvements and help to deliver the government's missions.

[Spending Review 2025 \(HTML\) - GOV.UK](#)



Fair Funding Review 2.0

Key questions for Audit Committee to ask officers:

- ❖ What impact do we expect the Fair Funding Review to have on our medium-term financial plan?
- ❖ Have we calculated what level of support we will need from transitional arrangements?
- ❖ What mitigations are we planning if we don't receive transitional support?

Background:

Between June and August 2025, the government ran a [public Fair Funding Review consultation](#) on how it should implement Fair Funding Review 2, including on how the local government grant system should be made fairer and how transitional arrangements should work.

Under the Fair Funding Review, significant changes to the grant funding system for English local government are now expected to take effect on 1st April 2026, for the 2026/27 financial year. It is expected that grant funding will be allocated to English local authorities using a three-part system, consisting of an assessment of relative need, based on socio-economic indicators; an area costs adjustment; and a resource assessment, measuring the capacity of each council to raise council tax.

It is expected that:

- ❖ There will be no further retained business rates revenue;
- ❖ Recent spending on social care and deprivation will influence the formula; and
- ❖ There will be reduced funding for Councils with higher capacity to raise council tax.

The new methodology will apply to the Revenue Support Grant, which will also swallow up several other smaller grants that Councils currently receive.

Because the existing system has been untouched for many years, and because no new money will accompany the review, there are likely to be some very large changes to some councils' funding allocations.

The [Local Government Information Unit](#) recently argued that “in many ways (the changes) will start to put England back onto its pre-2013 footing”; and a three-year transitional period has been proposed.

Nevertheless, the changes are going to be difficult for some Councils to absorb, especially those that already have other issues with their financial sustainability.



Public procurement

Key questions for Audit Committee to ask officers:

- ❖ How much do we currently spend per annum on contracts with small and medium-sized enterprises and voluntary, community and social enterprises?
- ❖ Do we test whether our suppliers pay their creditors within appropriate timescales?
- ❖ Which outsourced services, if any, have we assessed to test whether outsourcing is still the best solution?

Background:

Between June and September 2025, the government consulted on public procurement. With an estimated £385 billion spent through public procurement every year, the consultation is intended to support implementation of the new National Procurement Policy Statement.



Cabinet Office

Proposals that are being consulted on include:

- ❖ Mandating large contracting authorities with procurement spend over £100 million per annum to publish their own 3-year target for direct spend with small and medium-sized enterprises and voluntary, community and social enterprises; and report against it annually;
- ❖ excluding suppliers from bidding for major contracts (over £5 million per annum) if they cannot demonstrate they pay their invoices within an average of 60 days;
- ❖ requiring contracting authorities to make a standard assessment before procuring a major contract to test whether service delivery should be inhouse or outsourced;
- ❖ mandating contracting authorities to carry out a public interest test prior to making a sourcing decision on major service contracts; and
- ❖ requiring contracting authorities to publish the results of the public interest test in the tender notice.

The government states that the proposals will “open up more opportunities for small and medium-sized enterprises (SMEs) and voluntary, community, and social enterprises (VCSEs), which are vital for driving the UK economy”.

For a full understanding of the proposals that were put forward, follow this link: [Public Procurement: Growing British industry, jobs and skills](#)

Keeping the leisure estate fit for the future

Key question for Audit Committees to ask officers:

- ❖ How are repairs and maintenance and replacement costs for our leisure estate reflected in our medium-term financial plan?
- ❖ Are we on track to cover replacement costs for the leisure estate?

Background:

Some £400 million was announced in [Fit for the future](#) for grassroots sports facilities, but it is not yet clear how much of that will be directed to local authorities. On 2nd August 2025, the [Local Government Association](#) reported that:

- ❖ Since 2010, 500 swimming pools have closed, representing a loss of over 34,000 square metres of water space. Nearly half of the closures occurred in the last five years.
- ❖ 63 per cent of main sports halls and 60 per cent of swimming pools are beyond their expected lifespans or in need of refurbishment.
- ❖ 24 per cent of council areas face the risk of reducing or closing leisure services due to rising energy and operational costs.

An early understanding of the condition of the estate will help to maximise the effectiveness of any funding that does become available to Councils.



Future Webinars for Audit Committee members

We plan to hold a webinar for members of Audit Committees on 27th January 2026. Invitations will be available shortly on our website or can be obtained from your Engagement Lead or Audit Manager.

Areas our webinar will help with include:

Managing debt:

Understanding the true level of debt across all sources;

Assessing the viability of plans for debt repayment;

Understanding and assessing current and future exposure to risk; and

Best practice for Councils managing debt.

Local government reorganisation:

Understanding and anticipating outcomes from the latest submissions;

Managing change whilst waiting for decision announcements; and

Preparing for next steps after decision announcements.



Audit Committee resources

The Audit Committee and organisational effectiveness in local authorities (CIPFA):

<https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees>

LGA Regional Audit Forums for Audit Committee Chairs

These are convened at least three times a year and are supported by the LGA. The forums provide an opportunity to share good practice, discuss common issues and offer training on key topics. Forums are organised by a lead authority in each region. Please email ami.beeton@local.gov.uk LGA Senior Adviser, for more information.

Public Sector Internal Audit Standards

<https://www.gov.uk/government/publications/public-sector-internal-audit-standards>

Code of Audit Practice for local auditors (NAO):

<https://www.nao.org.uk/code-audit-practice/>

Governance risk and resilience framework: material for those with a leadership responsibility on good governance (CfGS):

<https://www.cfgs.org.uk/material-for-those-with-a-leadership-responsibility-on-good-governance/>

The Three Lines of Defence Model (IAA)

<https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf>

Risk Management Guidance / The Orange Book (UK Government):

<https://www.gov.uk/government/publications/orange-book>

CIPFA Guidance and Codes

The following all have a charge, so do make enquiries to determine if copies are available within your organisation.

Audit Committees: Practical Guidance For Local Authorities And Police

<https://www.cipfa.org/policy-and-guidance/publications/a/audit-committees-practical-guidance-for-local-authorities-and-police-2022-edition>

Delivering Good Governance in Local Government

<https://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>

Financial Management Code

<https://www.cipfa.org/fmcode>

Prudential Code

<https://www.cipfa.org/policy-and-guidance/publications/t/the-prudential-code-for-capital-finance-in-local-authorities-2021-edition>

Treasury Management Code

<https://www.cipfa.org/policy-and-guidance/publications/t/treasury-management-in-the-public-services-code-of-practice-and-crossectoral-guidance-notes-2021-edition>



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Agenda Item 9



Audit Committee	Wednesday, 01 October 2025	Matter for Information
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Report Title: **Strategic Risk Register Update (Q1 2025/26)**

Report Author(s): **Colleen Warren (Chief Finance Officer/S151 Officer)**

Purpose of Report:	To present the latest Strategic Risk Register to Committee for information.
Report Summary:	In accordance with the requirements of the Councils Risk Management Policy, this report presents the Strategic Risk Register for the Committees consideration. The register is updated in a regular basis through discussions with the internal Risk Management group, members of the SLT and CMT.
Recommendation(s):	That the content of the report and the Strategic Risk Register, as set out in Appendix 1, be considered and noted.
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	Colleen Warren (Chief Finance Officer/S151 Officer) (0116) 257 2759 colleen.warren@oadby-wigston.gov.uk
Strategic Objectives:	Our Council (SO1)
Vision and Values:	"Our Borough - The Place To Be" (Vision) Resourceful & Resilient (V4)
Report Implications:-	
Legal:	There are no implications directly arising from this report.
Financial:	There are no implications directly arising from this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Key Supplier / Partnership Failure (CR2) Reputation Damage (CR4) Effective Utilisation of Assets / Buildings (CR5) Regulatory Governance (CR6) Failure to Respond to a Significant Incident (CR7) Organisational / Transformational Change (CR8) Economy / Regeneration (CR9) Increased Fraud (CR10) Cyber Threat / Security (CR11)
Equalities and Equalities Assessment (EA):	There are no implications directly arising from this report. EA not applicable.
Human Rights:	There are no implications directly arising from this report.
Health and Safety:	There are no implications directly arising from this report.
Statutory Officers' Comments:-	

Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	As the author, the report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	Risk Management Group Senior Leadership Team Corporate Management Team
Background Papers:	None.
Appendices:	1. Strategic Risk Register Update (Q1 2025/26)

1. Section Title

- 1.1 In line with the Risk Management policy, which was approved by the Audit Committee in January 2023, this report presents the Strategic Risk Register (Q1 2025/26) at Appendix 1.
- 1.2 The Risk Management Group, SLT and CMT have reviewed and updated the Risk Register.
- 1.3 This report presents a high-level summary of the risks contained within the register and highlights any movements in the scores since the last report presented in July 2025.

2. Strategic Risk Register

- 2.1 The Strategic Risk Register contains a total of 14 risks, and no additional risks have been added.
- 2.2 The change in mitigated score is visually represented by the arrows shown in the far-right column "Direction of travel of mitigated score risk".
- 2.3 Changes have been made to the existing controls, management actions and target dates, which are detailed in the review Commentary column of the Risk Register and are highlighted in red for ease of reading.

IMPACT		
Level	Score	Description
Insignificant	1	<ul style="list-style-type: none"> no impact on service no impact on reputation complaint unlikely litigation risk remote
Minor	2	<ul style="list-style-type: none"> slight impact on service slight impact on reputation complaint possible litigation possible
Moderate	3	<ul style="list-style-type: none"> some service disruption potential for adverse publicity - avoidable with careful handling complaint probable litigation probable
Major	4	<ul style="list-style-type: none"> service disrupted adverse publicity not avoidable (local media) complaint probable litigation probable
Extreme / Catastrophic	5	<ul style="list-style-type: none"> service interrupted for significant time major adverse publicity not avoidable (national media) major litigation expected resignation of senior management and board loss of beneficiary confidence

LIKELIHOOD		
Level	Score	Description
Remote	1	<ul style="list-style-type: none"> may only occur in exceptional circumstances
Unlikely	2	<ul style="list-style-type: none"> expected to occur in a few circumstances
Possible	3	<ul style="list-style-type: none"> expected to occur in some circumstances
Probable	4	<ul style="list-style-type: none"> expected to occur in many circumstances
Highly probable	5	<ul style="list-style-type: none"> expected to occur frequently and in most circumstances

		Impact				
		1	2	3	4	5
Likelihood	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5

Risks that are red require mitigating action to reduce to amber or white

Strategic Risk Register																				
Ref	Risk Definition What is the headline risk/issue?	2019-2024	Root Cause: What is the root cause or problem? What could go wrong?	Consequence /effect: What could occur as a result, how much of a problem would it be?	Inherent Risk Score (no controls)			Existing Controls (sources of assurance)	Mitigated Risk Score (with controls)			Further management actions/controls	Target implementation date for further mgt actions	Target Score with further management actions/		Risk Owner	Review Date	Review Commentary	Direction of Travel of mitigated risk score	
CR1	Decreasing Financial resources / Increasing Financial Pressures	Resourceful and Resilient	<div>▢ Increase demand for services e.g. benefits</div> <div>▢ Continuing Austerity</div> <div>▢ Political promises</div> <div>▢ Change in priorities</div> <div>▢ Deflated housing market</div> <div>▢ Lack of business growth</div> <div>▢ Further changes in legislation</div> <div>▢ Pooling/Unpooling of NNDR</div> <div>▢ Universal Credit</div> <div>▢ Political hesitancy in decision making for fundamental service reform.</div> <div>▢ Cost-of-living crises</div> <div>▢ Supplier price variations as a result of inflation</div> <div>Spending Review</div> <div>Fair Funding Review</div>	<div>▢ Cuts in services</div> <div>▢ Political and customer expectations not met</div> <div>▢ Quality of service</div> <div>▢ Reputation damage</div> <div>▢ Knock on impact on the local community and economy e.g. spiral effect</div> <div>▢ Legal challenge.</div> <div>▢ Reduction in rent/monies owed to the council through the introduction of UC.</div> <div>▢ Increased homelessness adding stresses to council finances and the local economy.</div> <div>▢ Supplier price variations significant.</div> <div>Devolution /LGR</div> <div>Reduction in Government Funding</div> <div>Reduction in NNDR (pooling)</div> <div>Further budget pressures/ larger budget gap - further sustainability plans needed.</div>	5	4	20	<div>▢ Budgetary Control processes and committee reporting</div> <div>▢ Medium Term Financial Strategy and HRA Business Plan - including scenario planning</div> <div>▢ Setting and monitoring of savings and efficiency targets</div> <div>▢ Annual Fees and Charges review</div> <div>▢ Disclosure of expenditure over £250</div> <div>▢ Review of reserves and balances</div> <div>▢ Treasury Management and Investment Strategy</div> <div>▢ Prudential Indicators</div> <div>▢ Revised Financial Regulations</div> <div>▢ Business Rates Pooling</div> <div>▢ Procurement Policy.</div> <div>▢ Homelessness team increased</div> <div>▢ Assessment of viability of capital projects.</div> <div>▢ Financial Inclusion Officer assists vulnerable residents</div> <div>▢ Service/Review Transformation Programme across the council to improve service delivery</div> <div>▢ Ongoing impacts of inflation captured in medium term financial plan.</div> <div>▢ New MTFS approved February 2025</div> <div>▢ Engagement with MP, LGA and MHCLG about the council's unique financial Sustainability Programme now</div> <div>▢ The savings targets are constantly monitored by SLT and is a standing item on SLT agenda and opportunities for innovation are regularly sought such as winning an award to install solar panels at Wigston Pool and parklands, therefore reducing energy costs for the Council.</div> <div>Final budget presented to full council in February 2025.</div> <div>Financial challenges of Devolution to be managed through budget set aside from reserves.</div> <div>Vacancy Management</div> <div>Part of the S105 Leicestershire Group/SDCT</div> <div>Marketing of public spaces for income generation</div>	4	4	10	<div>▢ Delivery of Service Delivery Changes – Financial Sustainability Plan.</div> <div>▢ Regular review of savings targets.</div> <div>▢ New PID developed including all aspects linked to sustainability of the Councils finances, eg establishments, contracts etc</div> <div>▢ Final Budget for 2025/26 approved at Full Council in February 2025.</div> <div>▢ Monitoring of reserves quarterly – set amount for Devolution with further requirements to be brought to members for approval.</div> <div>▢ Complete Government surveys, monitor information from Government</div> <div>▢ Sustainability Plan reviewed by SLT in Qtr 1 24/25</div>	▢ Monthly reviews 2025	4	4	10	Chief Financial Officer	Dec-25	Updated existing controls to remove historic / controls no longer relevant. The delivery of Service Delivery Changes – Financial Sustainability Plan, where activity is well under way. New PID completed.	<div>↔</div>
CR2	Key Supplier Failure	Our Borough - the place to be. Resourceful and Resilient.	Business failure	<div>▢ Cost implications</div> <div>▢ Business Continuity</div> <div>▢ Loss of revenue</div> <div>▢ Service failure</div> <div>▢ TUPE issues</div> <div>▢ Potential court action</div> <div>▢ Increased complaints</div> <div>▢ Reputation issues</div> <div>▢ Political damage</div> <div>▢ Delays</div> <div>Impact of TUPE</div> <div>inability to process payroll</div>	5	4	20	<div>▢ Formal contracts and agreements including realistic notice periods</div> <div>▢ Tender arrangements and pre qualification financial assessments</div> <div>▢ Qualified internal officers to provide legal advice</div> <div>▢ Use of external counsel</div> <div>▢ Performance management of contracts, Comprehensive Contract Register.</div> <div>▢ Partnership working with Local Authority Partners</div> <div>▢ Part of management Board to oversee delegated services such as Lightbulb and Building Control.</div> <div>▢ Creation of Project and Procurement Team and Procurement Policy promotes use of established frameworks, thus reducing risk of supplier failure.</div> <div>▢ Partnership and contract risk registers</div> <div>▢ Contract term renegotiation with key providers as necessary</div> <div>▢ Contract Management review is undertaken as part of the Sustainability Programme</div> <div>▢ Contracts information has been incorporated into draft service plan template.</div> <div>▢ Contracts an item on 1-2-1's.</div> <div>▢ Specialists engaged where required i.e. Leisure Operator Contract (LOC) negotiations.</div> <div>▢ LOC Contract renegotiation approved at Council 12 December 2023 and SLM has agreed to changes.</div> <div>▢ Formal Contract management training has been rolled out via CMPP</div> <div>▢ Contract Procedure Rules training to be rolled out Summer 25</div> <div>Contract Assurance Board meeting September 25</div>	4	3	12	<div>▢ Contract review complete (Sustainability programme).</div> <div>▢ Further external review of our contract management process and support with improvements (CMPP)</div> <div>▢ Updating of Contract Procedure Rules went to PFD in June 25</div> <div>Contract Assurance Board meetings to be held Bi-annually from Sept 25</div>	Monthly reviews	2	2	4	CFO/Monitoring Officer	Dec-25	Updated management control	<div>↔</div>
CR3	Failure to work effectively with other public sector partner organisations (PSOs) and 3rd sector organisations	Our Borough - the place to be. Resourceful and Resilient.	<div>▢ Poor service delivery from PSOs the Council has agreements with</div> <div>▢ Lack of engagement from partner PSOs</div> <div>▢ Governance arrangements which foster effective relationships may be inadequate leading to relationship breakdown</div> <div>▢ Failure of relationships at strategic level in County & across members</div>	<div>▢ Loss of public confidence in Community Safety Partnership</div> <div>▢ Loss of funding for LLR</div> <div>▢ Sports Alliance partnership</div> <div>▢ May not realise potential economies of scale</div> <div>▢ Impact on staff morale</div>	4	3	12	<div>▢ Formal agreements with public sector partners which clearly identify roles & responsibilities including H&WB, Lightbulb, Building Control and Local Land Charges.</div> <div>▢ Governance arrangements which manage performance against agreements</div> <div>▢ Lead officer arrangements/contract manager</div> <div>▢ Financial controls ensuring payments are only authorised where service being delivered by partner organisation is received and is of appropriate quality</div> <div>▢ Strategic Planning Group - governance arrangements are in place for this.</div> <div>▢ Member Advisory Group also in place - Performance of these arrangements is formally reviewed and changes are made if necessary.</div> <div>▢ Regular account meetings with contracted 3rd sector organisations.</div> <div>▢ Service Level Agreements in place where necessary.</div> <div>▢ Cost of Living support programme has funded 3rd sector organisations and support for warm hubs.</div> <div>Contract review complete.</div> <div>OWBC representation at all Partnership Executive Board Meetings.</div> <div>Working with all districts and boroughs across Leicestershire and Rutland.</div> <div>Partners to attend Service Committee Meeting in September.</div>	2	3	8	Partnership survey/attendance at Service Committee meetings both taking place in September.	Monthly reviews	2	3	8	Strategic Director/Monitoring Officer	Dec-25	Updated management control	<div>↔</div>

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CR4	Hard to reach demographics feel disenfranchised through lack of specific communication and engagement.	Our Borough - the place to be. Resourceful and Resilient.	<ul style="list-style-type: none">Staff capacity could impact on engagementhard to reach communitiessome resident groups not digitally connectedchange in political power could result in non-statutory service being stoppedFailure to consult when appropriate to do soFunding changes impacting on rolesDigital exclusion as a result of cost of living crises	<ul style="list-style-type: none">Reputational damagelack of support for community initiativesmissed opportunity to impact on equalities agenda and HWB of residentsCitizens panel not representative of demographic.Services may not meet the needs of this demographic	4	4	16	<ul style="list-style-type: none">Public consultation surveys to obtain feedback for influencing strategy/policy through Citizens Panel and other communication channels, compliant with the Code of Practice on ConsultationsCommunications Strategy in placeGov.Delivery digital e-mail system – targeted delivery on specific topics e.g. tenants newsletter in placeFinancial Inclusion OfficerVolunteer community champion Digital Newsletter - specifically relating to health and wellbeing targeting socially vulnerableEvents programme run by Community Health Improvement Officers to target vulnerable and hard to reach residents/communities.Statement of community involvement in placeResidents Forums meet regularlySports and physical activity commission plan to target hard to reachCustomer Experience Strategy in placeAppointment hubs in operation as well as reception point open at BrockhillWebsite offers the facility to change language.Use language line for translation services.Tenant & Leaseholder focus group established and meeting on a quarterly basis.Language Translation Service incorporate.All households are to receive 2nd letter communications regarding change to the bin collection regime.Customer Experience Strategy Action Plan being monitoredHousing Regulators new Tenant Satisfaction collectedVirtual Appointments to increase customer contact have commencedVolunteer event took place in November 24.Volunteer thank you lunch took place in June 25Engaging with Local Communities in relation to LGR, Tenant Forum representation and young people.Volunteer event to take place in Nov 25	2	2	4	Members session planned for January 2025	Jun-25	1	2	3	Head of Customer Service and Transformation	Dec-25	Updated management control	←→		
CR5	Political Dynamics	Our Borough - the place to be. Resourceful and Resilient.	<ul style="list-style-type: none">Change in political powerChange in leaderNew membersPublic perception changesGovernment changes	<ul style="list-style-type: none">Change in prioritiesChange in member/officer engagementBreakdown in communicationInability to meet expectationsReputation issues (organisational and political)Reactive decision making (rather than planned)Failure to follow legislative requirements e.g. equalitiesFurther strain on council finances	3	4	12	<ul style="list-style-type: none">Member development programmesNew Code of Conduct has been adopted which comes into force on 1/4/22, with training planned to familiarise members with its contentPolicies e.g. Safeguarding/Equalities and DBS checksProvision of chairing skills trainingConstitution, which is in the process of being reviewed to reflect new management structurePublic consultation,Development of member enquiry systemTraining for members covering a range of areas including IT and PlanningBuddying system in place for Elected Members to useMembers bulletinCustomer Service training and Political awareness training has been undertakenMember and officer training undertaken with Centre for Governance and Scrutiny November 2022.Full review of members induction programme has been completed.Induction training delivered for new members during May to July 2023.SLT/Member workshops July, Sept, NovCMT/Member training sept 'meet the teams'.OFLOG Self Assessment presented to Full Council in April 2024.Member Working Group established to engage with the Alternate Weekly Waste Collection ProjectMember Advisory Group in place, funded by UK Government projects.	3	3	9	<ul style="list-style-type: none">New Corporate Strategy to be presented to Members - presented 18/7/24 at full councilPlanning Member training externally facilitatedAudit Committee meeting to be investigated (CIPFA)	Ongoing	2	3	6	Monitoring Officer	Dec-25	Updated management controls and updated further actions	←→		
CR6	Reputation Damage	Our Borough - the place to be. Resourceful and Resilient.	<ul style="list-style-type: none">LitigationBreakdown in a partnershipFailure to have regard to officers adviceWhistle blowingFreedom of Information (FoI)Inconsistent decision makingPoor Media RelationsPoor communicationFailure to provide or reduce servicesPoor performancePoor business planning and consideration of financial implications	<ul style="list-style-type: none">InterventionLoss of public confidenceOmbudsman findingsCourt costsQuality of service affectedBreakdown in a partnershipAdverse publicityLower public satisfaction levelTime spent mitigating damage/rectifying the situationLow MoraleDifficulties to recruit/staff retentionInadequate budget provision, inappropriate financial decisions made	4	4	16	<ul style="list-style-type: none">Review of external communication by Heads of ServiceUse of modern.govWhistle blowing and Anti Fraud and Corruption policiesFreedom of Information logQualified in house legal teamOfficer complaints training & new complaints processPerformance reporting and Key Performance IndicatorsPublic and media consultationAchieved accreditation for customer service excellence awardCommunications Policy and Communications Plan in placeOnline customer care training in place for all new staff and a separate module also in place for managersPartnership working eg Lightbulb & Local PlanMarketing & Communications ManagerSocial Media PolicyService StandardsProject Comms Plans e.g. external communications regarding alternate weekly waste collection project.Performance Review PlansStandardised project appraisal and affordability approach as per Corporate Peer Review Action Plan built into new MTFSComplaints handling and investigation training for all managers undertakenSafety Risk assessments always consider reputational damage as a risk.Anti Fraud Policy in placeGood relationships built with media i.e. cemeteryConsultations conducted i.e budgetRecruitment pages revamped on Corporate website and Corporate Strategy published Aug 24Engagement group	2	2	4	Regular LGR briefings for members and staff. Public consultation during summer 25.	Ongoing	2	2	2	Chief Executive	Dec-25	Updated further controls	←→		

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CR7	Effective utilisation of Assets/Buildings (non housing)	Resourceful and Resilient	<div><div>❑ Failure to follow Health and Safety</div><div>❑ Insurance/Public Liability</div><div>❑ Financial investment</div><div>❑ Contractor going into liquidation</div><div>❑ Political will</div><div>❑ Facility Management</div><div>❑ Depreciation</div></div>	<div><div>❑ Loss of investment opportunities</div><div>❑ Loss of income</div><div>❑ Loss of capital</div><div>❑ Higher revenue costs</div><div>❑ Costs</div><div>❑ Death or injury</div><div>❑ Higher insurance premiums</div><div>❑ Reputation damage</div><div>❑ Public liability</div><div>❑ Personal liability for corporate team e.g. corporate manslaughter</div></div>	4	3	12	<div><div>❑ Physical controls (e.g. Door Codes, fire alarms)</div><div>❑ Designated first aiders</div><div>❑ Capital Programme and HRA Business Plan - annual reiteration and regular monitoring</div><div>❑ Fixed Asset Register</div><div>❑ Annual valuation of property by external valuer</div><div>❑ Designated Health and Safety Officer</div><div>❑ Implementation of controls within Health and Safety Executive review</div><div>❑ Health and Safety risk assessments</div><div>❑ Designated Facilities Manager</div><div>❑ Accommodation Reviewed</div><div>❑ Health and safety assessments carried out on all buildings</div><div>❑ Move to Bushloe House to Brooks Hill complete</div><div>❑ Asset Management a theme as part of the Sustainability Programme</div><div>❑ Health and Safety Action Plan approved by full Council April 2023.</div><div>❑ Asset Review received end of November - Report to PFDC regarding disposal of assets in Sept 25.</div><div>❑ Further Asset work to be carried out re sale of garage blocks once transfer to General Fund from HRA complete.</div></div>	3	3	9	<div><div>❑ Revision of Asset Management Policy and Capital Expenditure Plan</div><div>❑ Asset review</div><div>❑ Holistic Asset Management database/system purchased and timetable for implementation. Roll out of the system has begun.</div><div>❑ Completion of the sale of Bushloe House and Qadby Pool site.</div><div>❑ Marketing all of our assets for hire to generate additional income to support the sustainability plan</div></div>	Ongoing	2	2	Monitoring Officer	Dec-25	Further Management controls updated.	↔
CR8	Regulatory Governance	Resourceful and Resilient	<div><div>❑ New or changes to legislation</div><div>❑ Resources (staff)</div><div>❑ Failure to identify new legislation</div></div>	<div><div>❑ Substantial fines e.g. Data Protection</div><div>❑ Judicial review</div><div>❑ Reputation</div><div>❑ Code of conduct</div><div>❑ Financial loss</div><div>❑ Cost orders</div><div>❑ Personal liability</div></div>	3	4	12	<div><div>❑ Data Protection Policy and log</div><div>❑ Freedom of Information log</div><div>❑ Code of Conduct and training</div><div>❑ HR Induction</div><div>❑ Statutory Monitoring Officer</div><div>❑ Subscriptions (e.g. legal journals and LGA) and CPD of legal officers</div><div>❑ Prosecution Policy</div><div>❑ Purchased GDPR/DPA learning modules to be rolled out in the future.</div><div>❑ Appraisal training and 1-2-1 training has been rolled out, to all managers.</div><div>❑ New Social Housing Regulation Act 2023 strengthens the regulation regime associated with the Council as a social landlord. A full inspection by the regulator can be expected by end of 2026 - Housing Manager is preparing for mock-inspection during 2024.</div><div>❑ Building Safety Act 2022 places increased compliance responsibilities and scrutiny on Building Control and the construction industry generally and the Leicestershire Building Control Partnership has put in place an action plan to manage this risk</div><div>❑ Reviewed and improved HR induction approach.</div><div>❑ All Key managers trained in undertaking investigations and Disciplinarys.</div><div>❑ Having Difficult Conversations rolled out to relevant managers.</div><div>❑ Building Control Partnership has been audited and shows no major area of concern.</div></div>	1	1	1	<div><div>❑ Refresher training on GDPR/DPA to be completed by all.</div><div>❑ Resources in Housing Team to be focused around meeting the requirements of the new act.</div><div>❑ Mandatory Bullying Harassment and Dignity Respect training to be rolled out from June 2025</div><div>❑ IT policies to be rolled out in Sept 25</div></div>	Summer 2025	1	1	Monitoring Officer	Dec-25	Existing Control and further actions have been updated	↔
CR9	Failure to respond to a significant incident	Resourceful and Resilient	<div><div>❑ Loss of staff</div><div>❑ Loss of ICT</div><div>❑ Loss of Building</div><div>❑ Loss of Key supplier</div><div>❑ Loss of facilities</div><div>❑ Loss of systems</div><div>❑ Act of God</div><div>❑ Adverse Weather</div><div>❑ Pandemic</div><div>❑ Adverse staff impact as a result of cost of living</div></div>	<div><div>❑ Insurance – higher premiums</div><div>❑ Loss of essential services</div><div>❑ Adverse publicity</div><div>❑ Reputation damage</div><div>❑ Loss of public confidence</div><div>❑ Loss of income</div><div>❑ Financial damage</div><div>❑ Death and injury</div><div>❑ Litigation risks:</div><div>❑ Insurance – higher premiums</div><div>❑ Loss of essential services</div><div>❑ Adverse publicity</div><div>❑ Loss of public confidence</div><div>❑ Financial damage</div><div>❑ Death and injury</div><div>❑ Litigation risks</div><div>❑ Staff unavailable after major incident</div><div>❑ Large proportion of staff becoming ill</div></div>	4	4	16	<div><div>❑ Insurance policies and annual review - new insurers from 1 Jan 2024</div><div>❑ Risk Management policies and procedures</div><div>❑ Memberships of Local Resilience Forum</div><div>❑ Standby rota</div><div>❑ IT backup, Business Continuity Plans in place</div><div>❑ Community Engagement with Health professionals</div><div>❑ Agile Working Policy</div><div>❑ Coordination of Out of Hours Service</div><div>❑ Additional training from Leicestershire Resilience Partnership underway (incl power loss scenario)</div><div>❑ Business Continuity training exercise and refresh undertaken December 2022</div><div>❑ BC Plans refresh and incorporated into service plans</div><div>❑ SLT and CMT additional training scheduled with LRF</div><div>❑ Mighty Oak national power outage LRF Training exercise</div><div>❑ Brocks Hill project has incorporated business continuity improvements inc generator if power outage.</div><div>❑ New accident investigation form</div><div>❑ Refresher of Health and Safety Training</div><div>❑ Health and Safety face to face training for manual workers delivered.</div><div>❑ BCPs being reviewed, implications from Marlyn's Law have been considered.</div><div>❑ New insurance processes being rolled out to operational staff</div><div>❑ Foremost Security to carry out any Out of Hours calls for our assets.</div><div>❑ Emergency Centre resilience training taking place June 25</div><div>❑ Protect Training has now been carried out.</div><div>❑ SLT review of the flooding incident in January 2025, recording what went well and areas for improvement. In September 2025 we will be part of the LLR wide Operation Pegasus.</div></div>	2	3	6	<div><div>❑ SLT/CMT Cyber Attack Scenario workshop training being conducted on 30th Sept</div></div>	Sep-25	2	3	Monitoring Officer	Dec-25	Existing controls used further management actions are updated	↔

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CR10	Organisational/ Transformational Change	Our Borough - the place to be. Resourceful and Resilient.	<div><div>☐ Restructure</div><div>☐ Transformational change</div><div>☐ Transferable skills</div><div>☐ Reduction in funding</div><div>☐ Change in personnel</div><div>☐ Change in the way the council delivers services</div><div>☐ Redundancy</div><div>☐ Less controls in place due to limited resources</div><div>☐ Change in office location</div><div>Devolution/Local Government Reform</div></div>	<div><div>☐ Redundancy</div><div>☐ Staff morale</div><div>☐ Staff retention</div><div>☐ Change in working practices</div><div>☐ Impact on quality of services</div><div>☐ Legal implications</div><div>☐ HR implications</div><div>☐ Reputation</div><div>☐ Financial loss</div><div>☐ Possible litigation</div><div>☐ Increased fraud</div><div>☐ Increased workload</div></div>	3	3	9	<div><div>☐ Organisation review policy</div><div>☐ Recruitment and selection policies and procedures</div><div>☐ Union and staff consultation</div><div>☐ Staff Wellbeing Group and Wellbeing Teams</div><div>☐ Staff Health and Wellbeing Action Plan</div><div>☐ Internal Audit</div><div>☐ Staff newsletters</div><div>☐ Monitoring and supervision of management/1:1's</div><div>☐ Training and professional qualification support</div><div>☐ Performance appraisal process</div><div>☐ Formal induction programme</div><div>☐ Comms plans for key projects - includes PR, Public, Staff and member and other stakeholder comms plans</div><div>☐ Staff engagement on organisational culture and values as part of People Strategy undertaken</div><div>☐ Introduction of live vacancy management plan with SLT</div><div>☐ People Strategy approved by PFD 12/09/2023</div><div>☐ Organisation Strategy update completed.</div><div>☐ Clean & Green / Corporate Assets Service Review and Revs and Bens review underway /</div><div>☐ Service changes post budget approval are well underway - Project Management approach has been refined; Joint SLT/CMT Meetings are being programmed into diaries focusing on finance and performance/ Sustainability Plan is a standing item on SLT agenda</div><div>☐ Health Wellbeing Action Plan agreed in Feb 2025</div><div>☐ SLT structure reviewed due to retirement, new structure in place from June 2025.</div><div>☐ Neighbourhood Services Review will be completed in Quarter 2.</div></div>	3	2	6	<div><div>☐ Organisation Strategy to be approved.</div><div>☐ Service Reviews being undertaken</div><div>☐ Sustainability Plan Review /ongoing</div><div>☐ Management plan developed and implemented for Waste Transformation.</div><div>☐ Opportunities being considered for joint working with other local authorities.</div></div>	January 2025 ☐ Ongoing	2 2	2 2	Strategic Director	Dec-25	Existing controls updated for progress against budget/service implications and revised PPM approach and senior management meetings. Waste transformation project has been delivered within timescale. Agreement reached for Blaby DC to pay for additional days of IT support.	↔	
CR11	Economy/ Regeneration	Resourceful and Resilient	<div><div>☐ Further decline in the economy</div><div>☐ BREXIT COVID Ukraine/Russia conflict and also energy costs crisis (uncertainty of cost impact)</div><div>☐ Pooling/Unpooling of NDR</div><div>☐ Cost of living Crisis</div><div>☐ Economic Regeneration Manager and Economic Development posts removed from establishment to enable savings to Council budget</div><div>☐ Conflict in the Middle East could give further inflation rises (June 25)</div></div>	<div><div>☐ Relocation (Business and Domestic)</div><div>☐ Lack of inward investment</div><div>☐ Increased demand for certain services e.g. benefits</div><div>☐ Loss of value in public assets</div><div>☐ Need to continually adapt/change</div><div>☐ Conflicting pressures - decreased funding - increased demand</div><div>☐ Spiral effect</div><div>☐ Short term decision making - uncertainty</div><div>☐ Increased autonomy leads to greater risk</div><div>☐ Decrease in collection levels</div></div>	5	4	20	<div><div>☐ Demand management of services that come under pressure as a result of decline in economy</div><div>☐ Debt Recovery Policy in place</div><div>☐ Local Council Tax and Business Rate Retention scheme in place</div><div>☐ Contract monitoring of bailiffs</div><div>☐ Paying out business grants to support local businesses during pandemic</div><div>☐ Regular programme of business webinars to provide information and support to businesses</div><div>☐ Monthly newsletter issued to businesses</div><div>☐ Helping Hands - energy champion</div><div>☐ Business microsite live and accessible via Council's website.</div><div>☐ UKSPF Investment Plan 2022 to 2025 implemented</div><div>☐ Leveling Up bid developed in partnership with The University of Leicester and ready to submit if an opportunity arises. Currently supporting University in investigating a Heritage Lottery Fund bid</div><div>☐ Capital Projects Sub-committee established</div><div>☐ Cost of Living report to members sets our proposal to review discretionary rates relief which may provide additional relief to businesses.</div><div>☐ Business Networking Event held 14/09/2023 - 80 businesses attended and a programme in place to deliver more on a recurring basis.</div><div>☐ Business Improvement District - Phase feasibility completed and to be progressed during 2024 - businesses voted not to implement</div><div>☐ Horsewell Lane Business Case agreed by Members - approach made to Homes England for potential funding. Awaiting details of new Government funding available.</div><div>☐ Discussions with members held regarding developing a 25/26 programme for the UKSPF funding. UKSPF programme has been singled off and is progressing well.</div><div>☐ In order to mitigate the risk of there being no single manager for the UKSPF programme and to provide advice to businesses in the Borough funding has been identified to recruit an Economic Development Manager as a 2 year fixed term post on a zero hours contract from June 2025.</div><div>☐ Qtr 3 and 4 monitoring submitted on time.</div><div>☐ A Business Advisor has been recruited from October 2025 to 31st March 2026</div></div>	4	4	16	<div><div>☐ Monitor progress against ER Strategy & UKSPF Programme.</div><div>☐ Project review meetings undertaken with all UKSPF funded projects to ensure outcomes and expenditure will be achieved by 31/03/26.</div></div>	Ongoing	2 3	6 6	Head of Built Environment	Dec-25	Consideration needs to be given as part of the 25/27 budget setting process relating to UKSPF funded projects after 31/3/26 as there is currently no indication that this funding stream will continue beyond that date.	↓	
CR12	Increased Fraud	Resourceful and Resilient	<div><div>☐ Dilution of internal controls due to less staff</div><div>☐ Increase in unemployment</div><div>☐ Reduction in benefits</div><div>☐ Inflation</div><div>☐ Debt</div><div>☐ Opportunity</div><div>☐ Sub-letting of Council properties</div></div>	<div><div>☐ Homelessness, poverty and social deprivation</div><div>☐ Financial loss</div><div>☐ Resources of the authority to investigate fraud issues</div><div>☐ Debt</div><div>☐ Reputation impact</div><div>☐ Litigation</div></div>	3	3	9	<div><div>☐ Internal and External Audit</div><div>☐ Financial Regulations</div><div>☐ Segregation of Duties</div><div>☐ Supervision and Management</div><div>☐ Investigation and disciplinary procedures</div><div>☐ Litigation</div><div>☐ Anti Fraud and Corruption Policy</div><div>☐ Whistle blowing process</div><div>☐ Tone from the top - no tolerance</div><div>☐ Budgetary Control</div><div>☐ Participation in National Fraud Initiative</div><div>☐ Transaction review (e.g. invoices/mileage)</div><div>☐ All related Policies to be reviewed and an annual rolling training programme to be implemented.</div><div>☐ Anti Fraud Policy reviewed and approved PFD July 2023</div><div>☐ Fraud Awareness Training rolled out.</div></div>	2	3	6	<div><div>☐ Update of anti-fraud activities to Audit Committee</div></div>	☐ July 2025	2 2	2 2	Chief Financial Officer	Dec-25	Updated to include Audit Committee Report July 2025	↔	

Strategic Risk Register																				
Ref	Risk Definition	2019-2024	Root Cause: What is the root cause or problem? What could go wrong?	Consequence /effect: What could occur as a result, how much of a problem would it be?	Inherent Risk Score (no controls)			Existing Controls (sources of assurance)			Mitigated Risk Score (with controls)			Further management actions/controls	Target implementation date for further mgt actions	Target Score with further management actions/	Risk Owner	Review Date	Review Commentary	Direction of Travel of mitigated risk score
					Likelihood	Impact	Overall risk rating				Likelihood	Impact	Overall risk rating			Likelihood	Impact	Overall risk rating		
CR13	Cyber Threat/Security, Cyber security is seen as an ICT risk and not a corporate risk that needs to be managed and monitored by senior management.	Resourceful and Resilient	Cyber threats are increasing on a worldwide basis, with criminals known to target public sector organisations in an attempt to obtain personal data on a significant scale. The Council is thus at high risk of being attacked.	<div><div><input type="checkbox"/> Financial loss</div><div><input type="checkbox"/> Resources of the authority to investigate fraud issues</div><div><input type="checkbox"/> Reputation impact</div><div><input type="checkbox"/> Litigation, Loss of data, breaches of GDPR, SMT lack of oversight</div></div>	4	5	20	<div><div><input type="checkbox"/> Cyber security is always the highest priority, and at all times. This is considered with any support ticket, change request or new digital implementation and must be approved through change .</div><div><input type="checkbox"/> The IT Team is reviewing its security policies to ensure they are in line with the latest cyber security guidance and ensuring the organisation operates in a safe yet effective way. This includes managing the IT infrastructure, but also with how staff function, use equipment and undertake regular security training within their respective roles.</div><div><input type="checkbox"/> The Council has now implemented a duplicate firewall, for added security and resilience to the Councils network. This further protects us, but also gives us dual connectivity so we are not restricted by a single point of failure in a key security component.</div><div><input type="checkbox"/> The Council has a BCP but this will continuously be checked and updated to ensure we are as prepared as possible for emergency situations (if it were to arise).</div><div><input type="checkbox"/> Member briefing completed to advise of current security features and their responsibility as stakeholders to the authority.</div><div><input type="checkbox"/> All Staff have undertaken their yearly security training (Q1 2024).</div><div><input type="checkbox"/> PSN compliance has been achieved and certification received in Q1 of 2024. The Council is currently submitting information for its 'Cyber essentials' certification as well – both giving assurance the organisation is as secure as reasonably possible.</div><div><input type="checkbox"/> Member training delivered in September 24 with a mop up session planned for January 2025 and further sessions as needed</div><div><input type="checkbox"/> Cyber Essentials of Excellence Assessment - shows high levels of protection.</div><div><input type="checkbox"/> Commencement of 2 factor authentication from June 2025</div><div><input type="checkbox"/> Roll out of refreshed IT Policies Sept 25</div></div>	2	3	6	<div><div><input type="checkbox"/> Cyber security attack Work scenario workshop training taking place 30th Sept</div><div><input type="checkbox"/> Roll out of Multi Factor Authentication across the Council continues - staff complete end Sept - Members rollout Oct</div><div><input type="checkbox"/> Updated acceptable use policy rolled out to Staff & Members in September</div></div>	Ongoing	2	3	6	Head of Customer Service and Transformation	Dec-25		<div><div></div><div></div></div>
CR14	19. Staff lone working including out of hours	Our Borough - the place to be. Resourceful and Resilient.	Increased risk of staff harm from violence & aggression from service users.	Staff could suffer physical and emotional harm, which could lead to long periods of sick leave.	4	5	20	<div><div><input type="checkbox"/> Council has Lone Worker Policy & Procedure</div><div><input type="checkbox"/> Equipment is available such as panic alarms & body cameras</div><div><input type="checkbox"/> Records are maintained of challenging residents which are reviewed prior to visits taking place</div><div><input type="checkbox"/> Relationship with local Police, who will attend visits where there is a potential for aggression & violence</div><div><input type="checkbox"/> Training session undertaken for lone working staff on (pick Protect) system</div><div><input type="checkbox"/> Contract ended for Solo Protect and moved to Pick Protect.</div><div><input type="checkbox"/> Risk Assessment for appointment hubs included consideration of lone working and guidance provided.</div><div><input type="checkbox"/> Head of SC&T and H&S officer reviewed the Customer Alert System including the monitoring of lone working procedures.</div></div>	2	3	6	<div><div><input type="checkbox"/> Moving to Foremost Security from 1/4/25 to mitigate risk to staff on call outs as this function will be carried out by the security company.</div><div><input type="checkbox"/> Significant assurance on the 24/25 audit and continuous monitoring of lone working.</div></div>	Jun-25	2	3	6	Monitoring Officer	Dec-25		<div><div></div><div></div></div>