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Contact:
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13 March 2025

You are requested to attend a meeting of the WELWYN HATFIELD BOROUGH COUNCIL AUDIT COMMITTEE to be held on Monday 24 March 2025 at 7.30 pm in the Council Chamber, Council Offices, The Campus, Welwyn Garden City, Herts, AL8 6AE

AGENDA
PART 1

1. **APOLOGIES & SUBSTITUTIONS**

To note any substitution of Committee members made in accordance with Council Procedure Rules.

2. **MINUTES**

To confirm as a correct record the Minutes of the meeting held on 30 January 2025 (previously circulated).

3. **NOTIFICATION OF URGENT BUSINESS TO BE CONSIDERED UNDER ITEM 10**

4. **DECLARATIONS OF INTERESTS BY MEMBERS**

To note declarations of Members' disclosable pecuniary interests, non-disclosable pecuniary interests and non-pecuniary interests in respect of items on this agenda.

5. **RISK MANAGEMENT - QUARTER 3 RISK REGISTERS 2024/25 (Pages 3 - 48)**

Report of the Executive Director (Finance and Transformation)

6. **INTERNAL AUDIT PROGRESS REPORT 2024/25 - SHARED INTERNAL AUDIT SERVICE (Pages 49 - 60)**

7. **INTERNAL AUDIT PLAN REPORT 2025/26 - SHARED INTERNAL AUDIT SERVICE (Pages 61 - 94)**

8. PROGRESS REPORT ON ANTI-FRAUD PLAN 2024/25 - SHARED ANTI-FRAUD SERVICE (Pages 95 - 100)
9. WHBC ANTI-FRAUD PLAN 2025/26 - SHARED ANTI-FRAUD SERVICE (Pages 101 - 114)
10. SUCH OTHER BUSINESS AS, IN THE OPINION OF THE CHAIR, IS OF SUFFICIENT URGENCY TO WARRANT IMMEDIATE CONSIDERATION
11. EXCLUSION OF PRESS AND PUBLIC

The Committee is asked to resolve:

That under Section 100(A) (2) and (4) of the Local Government Act 1972, the press and public be now excluded from the meeting for item 12 (if any) on the grounds that it involves the likely disclosure of confidential or exempt information as defined in Section 100A (3) and Part I of Schedule 12A of the said Act as amended.

In resolving to exclude the public in respect of the exempt information, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PART II

12. ANY OTHER BUSINESS OF AN EXEMPT NATURE AT THE DISCRETION OF THE CHAIR

<u>Circulation:</u>	Councillors	D.Panter (Chair)	K.Bonkur
		C.Watson (Vice-Chairman)	I.Winter
		R.Platt	

Senior Leadership Team
Press and Public (except Part II Items)

If you require any further information about this Agenda please contact Democratic Services, Governance Service on or email – democracy@welhat.gov.uk

Agenda Item 5

Part I

Main author: Richard Baker

Executive Member: Cllr Kieran Thorpe

WELWYN HATFIELD BOROUGH COUNCIL
AUDIT COMMITTEE – 24 MARCH 2025
REPORT OF THE EXECUTIVE DIRECTOR (FINANCE & TRANSFORMATION)

RISK MANAGEMENT – QUARTER 3 RISK REGISTERS 2024/25

1 Executive Summary

- 1.1 This report presents to the Audit Committee, the current identified strategic risks facing the Council, and those operational risks assessed as having a residual risk level of serious or severe (those with a score of 10 or more) as previously presented to Cabinet. The report is an assessment of risk as at 31 December 2024.
- 1.2 The council captures and reports on both the inherent risk (before control measures are in place) and the residual risk (after control measures are put in place). This allows members to understand how the control measures in place impact on the risk, and whether the residual risk is at an acceptable level, or whether more should be done to reduce the risk.
- 1.3 This report presents the risks under this framework. Narrative is provided by the risk manager, and is shown against each risk individually.

2 Recommendation

2.1 The committee are asked to:

- note the attached risk registers at quarter 3;
- note comments and actions in respect of the strategic and serious/severe operational risks; and,
- make recommendations to Cabinet or Council in relation the management of risk

3 Explanation

- 3.1 The risk framework sets out that all strategic risks will be reported to members on a quarterly basis. Operational risks are reported where the residual risk is considered to be serious or severe.
- 3.2 The level of risk is assessed based on the likelihood of the risk occurring, and the impact if the risk were to occur. Based on the assessment of these two factors, an overall score is determined, and a risk category assigned:

Risk Level	Acceptable	Manageable	Serious	Severe
Score	0-3	4-9	10-14	15-25

- 3.3 The strategic risks are contained in Appendix A. The operational risks with a residual assessment of serious or severe, are contained in Appendix B.

3.4 The tables below, summarise the number of strategic and operational risks, based on residual risk score.

Strategic




Probability	5	0	0	0	0	0
	4	0	0	0	1	1
	3	0	0	5	2	3
	2	0	3	4	2	3
	1	1	0	0	0	0
		1	2	3	4	5
		Impact				

Operational

Probability	5	1	0	0	1	0
	4	3	4	1	3	1
	3	3	5	15	4	3
	2	6	15	16	4	3
	1	4	7	8	4	4
		1	2	3	4	5
		Impact				

3.5 Contained within the appendices, is a comparison of how each individual risk to the previous reporting period. This will assist members with identifying how a risk may have increased or decreased between periods, and narrative will be provided to assist in understanding what has led to this change in assessment.

3.6 The following traffic light system applies to each of the comparisons to the previous inherent and residual score elements: probability; impact; and, total score.

Residual risk direction	Decreased assessment	Same as previous period	Increased assessment
Indicator			

- 3.7 Additional information is also shown in the appendices, such as the date the risk was last updated, to provide assurance to members that risks are regularly reviewed, and comparison to the previous residual risk scores to demonstrate how risks have changed between periods.

4 Legal Implications

- 4.1 The Accounts and Audit Regulations 2015 require that “[a] relevant authority must ensure that it has a sound system of internal control which [among other matters] includes effective arrangements for the management of risk.”
- 4.2 Failure to adequately manage risk may lead to consequences of legal challenge, which will be outlined in risk descriptions.

5 Financial Implications

- 5.1 There are none directly arising from this report. Any risk event may have its own financial consequences, which will be highlighted in the risk description, and controls in place may have financial implications.

6 Risk Management Implications

- 6.1 Failing to maintain adequate and effective arrangements for the management of risk may lead to risk events not being foreseen, an inadequate response to a risk event occurring and a failure to exploit opportunities.

7 Security and Terrorism Implications

- 7.1 There are none directly arising from this report, though of course any risk event may have security and terrorism implications.

8 Procurement Implications

- 8.1 There are none directly arising from this report, though of course any risk event may have procurement implications.

9 Climate Change Implications

- 9.1 There are none directly arising from this report, though of course any risk event may have climate change implications.

10 Health and Wellbeing Implications

- 10.1 There are none directly arising from this report, though of course any risk event may have health and safety implications.

11 Communication and Engagement Implications

- 11.1 There are none directly arising from this report, though of course any risk event may have communication and engagement implications.

12 Link to Corporate Priorities

- 12.1 The subject of this report supports all council priorities in that the effective management of risk is essential to the achievement of objectives.

13 Equality and Diversity

13.1 An Equality Impact Assessment (EIA) has not been carried out in connection with the proposals that are set out in this report as it relates purely to monitoring information.

Name of Author: Richard Baker

Title: Executive Director (Finance and Transformation)

Date: 26 February 2025

Associated documents:

Risk Policy and Strategy: <https://democracy.welhat.gov.uk/documents/s20219/8%20-%20Risk%20Management%20Policy%20and%20Strategy.pdf>

Risk Framework: <https://democracy.welhat.gov.uk/documents/s20220/8%20-%20Risk%20Management%20Framework.pdf>

Appendices:

Appendix A – Strategic Risk Register

Appendix B – Operational Risk Register (serious and severe)

Risk: Recognising and responding to current and future technology needs	Risk Manager: Assistant Director (ICT and Digital)	Last updated: 07 January 2025	
Description of risk: Failure to recognise and respond to the Council's technology needs will impair service delivery and preserve or introduce inefficient processes. This will lead to a poorer service for customers, ineffective investment of time, money and effort with additional costs for the Council in the short and long term. It is also likely to cause reputational damage.	Controls: End User Services contract Use of specialist contractors Transformation Programme Technology Design Principles ICT Strategy Staff engagement	Risk Manager Commentary: The ICT Service works closely with Services within the Council to understand priorities and to respond rapidly to changing needs. Much of the Service has been brought in-house, allowing for closer working, cooperation and informed support for other teams. ICT & Digital forms a core part of the Transformation Programme, designed to deliver technology meeting the Council's current and future business needs. Organisational structures are reviewed to ensure effective delivery and the Web Development and Intranet team and Digital Services have now transferred to the ICT & Digital Service. ICT Management regularly meet with suppliers to understand opportunities for advances and efficiencies presented by new technologies and with colleagues to understand requirements.	
Inherent Probability: 4	Inherent Impact: 4	Inherent Score: 16	
Residual Probability: 2	Residual Impact: 2	Residual Score: 4	
Previous Inherent Probability: 4	<input type="radio"/> Previous Inherent Impact: 4	<input type="radio"/> Previous Inherent Score: 16	<input type="radio"/>
Previous Residual Probability: 2	<input type="radio"/> Previous Residual Impact: 2	<input type="radio"/> Previous Residual Score: 4	<input type="radio"/>

Risk: Cultural change (Transformation)		Risk Manager: Executive Director (Finance and Transformation)		Last updated: 02 January 2025	
Description of risk: It is crucial that staff, the public and members buy into change programmes, to ensure delivery of the Transformation strategy and vision. Failure in this area could lead to financial implications and reputational damage.		Controls: Communications Plan Engagement activity Transformation Strategy and Action Plan Transformation Board and wider Governance Project Management Framework		Risk Manager Commentary: The transformation board meets on a regular basis to oversee key change projects, and considers staff and member communication as part of this. Staff engagement in change is considered on a project by project basis. Work continues on embedding the CORE values into the day to day performance management framework for staff, and was launched on the 17th September at the SMT/Managers meeting. New corporate priorities have been agreed, and the annual business plan targets will be presented alongside the budget. A report on progress against the strategy was presented to Cabinet in February and key areas of work for the 2025/26 programme have been reviewed and agreed by the board. A new learning and development framework is in development, to ensure staff have access to the training and development to excel in their roles.	
Inherent Probability: 5		Inherent Impact: 4		Inherent Score: 20	
Residual Probability: 2		Residual Impact: 3		Residual Score: 6	
Previous Inherent Probability: 5		● Previous Inherent Impact: 4		● Previous Inherent Score: 20	
Previous Residual Probability: 2		● Previous Residual Impact: 3		● Previous Residual Score: 6	

Risk: Recruitment, Retention and Organisational Development		Risk Manager: Human Resources and Organisational Development Manager		Last updated: 16 January 2025	
Description of risk: Issues with recruitment, sickness, staff development and retention within the team may impact on the ability to deliver council services. The consequences of this may mean the council is unable to delivery statutory services, or fail to deliver its corporate plan and annual action plans. The impacts of these would be far reaching and would likely include legal, financial and reputational impacts.		Controls: HR Policies and Procedures Use of agency staff Use of specialist contractors Agency Worker Framework Training and Development Recruitment and Retention Policies and Procedures Learning from exit interviews and staff surveys Regular management monitoring of workforce data Learning Management System and Training Plans		Risk Manager Commentary: Recruitment activity continues to be high. We are able to appointment to most roles. We continue to develop our careers website to attract candidates to our roles; we have added a video to promote an apprenticeship vacancy and the link to the national recruitment campaign has increased the number of visitors to the website. We have recently published our updated Recruitment & Selection Policy. The staff survey results were promising regarding work life balance and pride in working for the council. The recent white paper on local government	
Inherent Probability: 4		Inherent Impact: 4		Inherent Score: 16	
Residual Probability: 3		Residual Impact: 3		Residual Score: 9	
Previous Inherent Probability: 4		Previous Inherent Impact: 4		Previous Inherent Score: 16	
Previous Residual Probability: 2		Previous Residual Impact: 3		Previous Residual Score: 6	

Risk: Employment legislation		Risk Manager: Human Resources and Organisational Development Manager		Last updated: 07 January 2025	
Description of risk: Failure to follow policies and best practice could lead to employment tribunal claims, which if found against the council, would have reputational, financial and legal impacts.		Controls: HR polices and procedures Management training and briefing sessions Legislation HR Training and development Management oversight Insurance Learning from previous cases Professional legal advice and support HR Networks and national guidance		Risk Manager Commentary: Most of the changes in the Employment Rights Bill will not take effect until autumn 2026. Increased ethnicity and disability pay reporting may begin sooner.	
Inherent Probability: 4		Inherent Impact: 4		Inherent Score: 16	
Residual Probability: 3		Residual Impact: 3		Residual Score: 9	
Previous Inherent Probability: 5		Previous Inherent Impact: 4		Previous Inherent Score: 20	
Previous Residual Probability: 3		Previous Residual Impact: 3		Previous Residual Score: 9	

Risk: Equalities and Safeguarding	Risk Manager: Human Resources and Organisational Development Manager	Last updated: 07 January 2025	
Description of risk: Failure to comply with equalities and safeguarding legislation & best practice could lead to challenges to council decisions as a service provider, employer and in the procurement of products and services. This in turn could have severe financial, legal and reputational implications.	Controls: HR policies and procedures Equality and Diversity Strategy Equality and Diversity Action Plan Equality, Diversity and Safeguarding Working Group Training and development Safeguarding policies and procedures	Risk Manager Commentary: The EDI action plan has been approved by SLT and delivery will be monitored by the equalities, diversity, inclusion and safeguarding steering group. Working parties are now leading on each priority. Equalities Impact Assessments training / refresher training was held in July Preparing for changes to Equality Bill to include race and disability pay reporting in 2025.	
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25	
Residual Probability: 2	Residual Impact: 5	Residual Score: 10	
Previous Inherent Probability: 5	<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 25	<input type="radio"/>
Previous Residual Probability: 2	<input type="radio"/> Previous Residual Impact: 5	<input type="radio"/> Previous Residual Score: 10	<input type="radio"/>

Risk: Data Governance	Risk Manager: Executive Director (Finance and Transformation)	Last updated: 02 January 2025
<p>Description of risk:</p> <p>Failures in data governance across the council could lead to data not being held or correctly managed in line with legislation, including data transparency, data protection, freedom of information and environmental information requirements. Failures could lead to severe financial penalties and reputational damage.</p>	<p>Controls:</p> <ul style="list-style-type: none"> Data Retention Policy Data Protection Policy and Procedures Information Asset Register Privacy Impact Assessment Procedures Freedom of Information Processes Data Transparency Processes Reuse of data policy and procedures Appeals processes ICT / Cyber controls Corporate Governance Group 	<p>Risk Manager Commentary:</p> <p>The council has a number of policies and procedures in relation to the protection and control of data.</p> <p>Training was rolled out in the quarter 3 2023/24 and around 95% of all staff have completed the training. Processes are being reviewed for those staff that do not access IT as part of their role. Refresher training is planned for later this financial year using e-learning modules.</p> <p>There have been no reportable breaches in October 2024. An update to the retention guidelines and records retention policy has been drafted to be sent to SLT. Updates have been made to role profiles following a transfer of this function to the Governance team. The information request policy has been reviewed.</p>
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25
Residual Probability: 2	Residual Impact: 5	Residual Score: 10
Previous Inherent Probability: 5	<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 25
Previous Residual Probability: 2	<input type="radio"/> Previous Residual Impact: 5	<input type="radio"/> Previous Residual Score: 10

Risk: Elections	Risk Manager: Assistant Director (Legal and Governance)	Last updated: 10 January 2025	
Description of risk: New legislation has come into force which will see new requirements, including voter ID. Failure to promote and manage this could lead to reputational damage and legal challenge, in turn possibly leading to financial implications. We have yet to complete larger scale elections (government and county) since this new legislation has been introduced, and further legislative changes are anticipated	Controls: Weekly meetings with returning officer Project plans Staff training and development Understanding and management of risks at operational level Government guidance	Risk Manager Commentary: Weekly meeting were held in the run up to the May elections to ensure measures are in place for the smooth running of the elections and continued compliance with the legislation that came into force last year. Polling stations were put in place and resource requirements for postal votes, polling and the count etc are in place. The elections took place and ran successfully. Since this, a General Election was announced. Due to the short notice this risk was increased and management worked closely with the Elections team to ensure key deadlines were met. The risk score has been reduced following the elections being held and running smoothly. These received positive feedback from those present at the count. The team are starting the required contact with EU nationals to advise of the processes around the changes following the departure from the EU and their rights, dependant on whether there are member state agreements in place	
Inherent Probability: 4	Inherent Impact: 4	Inherent Score: 16	
Residual Probability: 1	Residual Impact: 1	Residual Score: 1	
Previous Inherent Probability: 4	<input type="radio"/> Previous Inherent Impact: 4	<input type="radio"/> Previous Inherent Score: 16	<input type="radio"/>
Previous Residual Probability: 1	<input type="radio"/> Previous Residual Impact: 1	<input type="radio"/> Previous Residual Score: 1	<input type="radio"/>

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Risk: Financial Sustainability	Risk Manager: Executive Director (Finance and Transformation)	Last updated: 16 January 2025
<p>Description of risk:</p> <p>The council is in a time of high inflation, with ongoing cuts to government funding forecast for the coming years. It also has restrictions on how much funding can be raised through council tax.</p> <p>The cost of living crisis is likely to have an impact on the ability of residents and businesses in paying debts due to the council, and may impact on the use of discretionary services such as our cultural services, and associated income streams.</p> <p>The reducing capital balances for the general fund puts means the council will become more reliant on borrowing, and interest rate rises will increase the revenue cost to deliver capital schemes. Identification of long term efficiency plans, and sound financial controls, will be crucial to ensure the medium and long term sustainability of the council.</p>	<p>Controls:</p> <p>Income monitoring and trend analysis Medium Term Financial Strategy Debt policy and procedures/Debt monitoring Budget Setting Process Financial Regulations Minimum Reserve Policy Minimum Revenue Provision Policy Budget Monitoring and Reporting Transformation Programme Treasury Management Strategy Internal Audit/External Audit Fraud Prevention</p>	<p>Risk Manager Commentary:</p> <p>The 2024/25 budget was approved at Council in February, which proposed minimal use of general reserves. The medium term forecasts were updated as part of this, and a reserves strategy included to reduce overall balances to smooth the financial challenges in the years ahead.</p> <p>Treasury controls have been maintained and prudential indicators have not been breached.</p> <p>The mid year MTFS update has been produced, and was be presented to Cabinet on 8 October. Due to the significant savings requirements ahead, the risk score were been increased. Additional pressures have been identified on homelessness and benefits subsidy. A balanced budget has been proposed, with use of general fund reserve. MTFS forecasts still remain challenging.</p> <p>The white paper on local government reorganisation and devolution, along with local government funding reforms present financial challenges for the council. The council must continue to plan to maintain adequate reserves and manage its finances robustly, in advance of any section 24 notice being issued.</p>
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25
Residual Probability: 3	Residual Impact: 5	Residual Score: 15
Previous Inherent Probability: 5	Previous Inherent Impact: 5	Previous Inherent Score: 25
Previous Residual Probability: 4	Previous Residual Impact: 5	Previous Residual Score: 20

Risk: Service Standards	Risk Manager: Assistant Director (Customer and	Last updated: 10 January 2025	
<p>Description of risk:</p> <p>Failure to adequately identify key performance statistics, complaints and data could lead to a failure in oversight of service provision, leading to a failure to quickly identify and remedy failures in service provision. This could have wide ranging legal, financial and reputational consequences. Not responding to complaints in line with Policy, Procedure and Complaint Handling Code leading to a complaint handling failure. This could have legal and reputational risks to the council.</p>	<p>Controls:</p> <p>Annual Business Plan Regular review of operational key performance indicators Performance Management Framework Digital collection and reporting of performance Management and Member reporting Complaint handling policy, procedures and use of templates Dispute resolution training Annual complaint assessment Management reporting Member reporting Persistent and Vexatious Policy and Procedure Monitoring and reporting of ombudsman complaints</p>	<p>Risk Manager Commentary:</p> <p>Overall performance is being monitored and reported on a monthly basis to SLT/SMT, with trends and exceptions highlighted.</p> <p>Complaints monitored and reported to relevant officers on a weekly basis. A new Complaints Insight Officer is now in post to support teams with improved complaints compliance and a complaints resolution officer is now working in the repairs team.</p> <p>Officers have undertaken a self-assessment against the Housing Ombudsman's Complaint Handling Code. Updates to the Council's Complaints Policy were agreed by Cabinet in August 2024. Updates were made in Jadu with training to staff taking place in September and October. The annual complaints report was presented to OSC in November and considered by Cabinet in January.</p>	
Inherent Probability: 4	Inherent Impact: 4	Inherent Score: 16	
Residual Probability: 3	Residual Impact: 3	Residual Score: 9	
Previous Inherent Probability: 4	● Previous Inherent Impact: 4	● Previous Inherent Score: 16	●
Previous Residual Probability: 3	● Previous Residual Impact: 3	● Previous Residual Score: 9	●

Risk: Fraud and Corruption	Risk Manager: Executive Director (Finance and Transformation)	Last updated: 02 January 2025	
<p>Description of risk:</p> <p>The council, as a public body, is at risk of fraud and corruption, particularly in relation to housing benefit, council tax support and housing tenancies. Whilst these are not the only areas of potential fraud, these are key services which fraud is commonly attempted. Fraud against the council will lead to financial implications, reputational damage if left uncovered, and may lead to residents not obtaining services required.</p>	<p>Controls:</p> <p>Fraud and corruption policies and procedures Shared anti Fraud Service Fraud reporting hotline and online forms National fraud initiative Hertfordshire Fraud-Hub Hertfordshire fraud hub</p>	<p>Risk Manager Commentary:</p> <p>The council joined the shared anti-fraud service from 1 April 2023.</p> <p>A refresh of policies is complete and these were approved by Audit Committee during quarter 1.</p> <p>Teams are now reviewing their operational procedures and SAFS are working with them to ensure that fraud referrals and checks are built into processes at the right stages.</p> <p>An internal audit has been underway on the approach to anti-fraud during quarter 4, and the results were issued in April - This received substantial assurance with only one low priority recommendation.</p> <p>The annual SAFS report was presented to Audit Committee in quarter 1, along with the Annual Governance Statement. The update against the plan was presented to Audit Committee in September. Fraud awareness campaigns were undertaken for national Fraud week and a key amnesty is planned for January and this has been communicated throughout December.</p>	
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25	
Residual Probability: 2	Residual Impact: 4	Residual Score: 8	
Previous Inherent Probability: 5	<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 25	<input type="radio"/>
Previous Residual Probability: 2	<input type="radio"/> Previous Residual Impact: 4	<input type="radio"/> Previous Residual Score: 8	<input type="radio"/>

Risk: Cyber Security	Risk Manager: Assistant Director (ICT and Digital)	Last updated: 07 January 2025
Description of risk: Issues with cyber security, could lead to loss of sensitive and operational data and render systems unuseable, in turn impacting on the Council's ability to deliver key and statutory services. A major incident could lead to extended downtime, which could impact financially, legally and have a significant impact on the Council's reputation.	Controls: Network Architecture Malware detection Data encryption User awareness Disaster recovery plan (e.g. off-site back-up) DR Tests External Alerts (Eg WARP, NCSC and suppliers) Internal Monitoring (e.g. SIEM) Email gateway PSN accreditation Health checks and Penetration tests ICT policies and procedures Staff training (e.g. Phishing Simulation)	Risk Manager Commentary: The council's ICT environment is subject to 3rd-party testing and accreditation as part of Public Sector Network membership, with any vulnerabilities identified and remedied. The council has once more been reaccredited for 2024/2025. The ICT Team employ a strong range of technical preventative and mitigating measures (including firewalls, timely security patching, anti-malware software, etc.). We include Cyber Security as a core consideration in all major infrastructure and application renewal. The council has adopted Security Information & Event Management (SIEM) system, successfully flagging and mitigating cyber attacks in real time, and more recently a 24/7 managed Endpoint Detection & Response service and Incident Response contract to enhance its network security. We have recently introduced multi-factor authentication to protect account security, upgraded firewalls in February 2024 and have blocked access from overseas by default. Defensive technologies are regularly reviewed to ensure effectiveness. The council undertakes phishing simulations to maintain high awareness of this risk, which are run quarterly. Staff are required to undertake cyber security awareness training annually with similar training recently provided to members. Significant security updates are provided to Senior Management and members when relevant.
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25
Residual Probability: 4	Residual Impact: 4	Residual Score: 16
Previous Inherent Probability: 5	Previous Inherent Impact: 5	Previous Inherent Score: 25
Previous Residual Probability: 4	Previous Residual Impact: 4	Previous Residual Score: 16

Risk: ICT Continuity		Risk Manager: Assistant Director (ICT and Digital)		Last updated: 07 January 2025	
Description of risk: Issues with the Council's core ICT infrastructure (network, data centre, etc.) could lead to major ICT failures, in turn impacting on the Council's ability to deliver key and statutory services. A major incident could lead to extended downtime, which could impact financially, legally and have a significant impact on the Council's reputation.		Controls: Disaster recovery plan (e.g. off-site back-up) Disaster recovery Tests Internal Alerts (e.g. Network & Server Monitoring) Server room controls (cooling, gas suppression systems, UPS, back up generator) Use of cloud-based services ICT policies and procedures Business continuity planning Staff training		Risk Manager Commentary: The Council's data centre includes significant use of resilient technologies, providing failover in the event of hardware failure. ICT manage contractual relationships with core suppliers carefully to minimise the risk of 3rd-party service disruption. Comprehensive back-ups are in place to ensure that systems can be recovered with minimum loss of data. The Council has a contract in place for the provision of Disaster Recovery services, replicating the service provided by the in-house data centre and we continue to assess and move towards Software as a Service Cloud technology where appropriate. Long-term back-up and DR arrangements using cloud-based technologies (to be implemented in 2025) have been procured ahead of deployment, which will provide protected back-ups and see a much reduced Recovery Time Objective, with retention schedules being reviewed accordingly.	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 2		Residual Impact: 4		Residual Score: 8	
Previous Inherent Probability: 4		Previous Inherent Impact: 5		Previous Inherent Score: 20	
Previous Residual Probability: 2		Previous Residual Impact: 4		Previous Residual Score: 8	

Risk: Industrial Action		Risk Manager: Human Resources and Organisational Development Manager		Last updated: 07 January 2025	
Description of risk: Industrial action stemming from employment matters, such as the pay award or changes to terms and conditions, can removed resources from our operations. This could have financial, reputational and health and safety implications.		Controls: Business Continuity Plans Emergency Plans Formal engagement with trade unions		Risk Manager Commentary: Pay award briefings for 2025 begin in February.	
Inherent Probability: 1		Inherent Impact: 4		Inherent Score: 4	
Residual Probability: 3		Residual Impact: 3		Residual Score: 9	
Previous Inherent Probability: 3		 Previous Inherent Impact: 4	 Previous Inherent Score: 12		
Previous Residual Probability: 3		 Previous Residual Impact: 3	 Previous Residual Score: 9		

Risk: Strategic - RSH Regulatory Standards		Risk Manager: Executive Director (Resident Services and Climate Change)		Last updated: 13 January 2025	
Description of risk: Failure to comply with the Regulator of Social Housing's Regulatory standards, including the Social Housing Regulation Bill and Housing Ombudsman's expectations leads to Regulatory intervention and Reputational consequences		Controls: Social Housing White Paper Action plan in place Tenant Survey Measures commenced Training of Members Staff training and development		Risk Manager Commentary: Assessment and action plan against the HQN Consumer Standards toolkit has been completed. The project team are now concentrating on ensuring the evidence/documents are updated ready for an inspection by the RSH for when this occurs. The first cohort of Housing Managers have commenced their Level 4/5 CIH qualification training in Sept/Nov 2024.	
Inherent Probability: 5		Inherent Impact: 5		Inherent Score: 25	
Residual Probability: 3		Residual Impact: 4		Residual Score: 12	
Previous Inherent Probability: 5		● Previous Inherent Impact: 5	●	● Previous Inherent Score: 25	●
Previous Residual Probability: 3		● Previous Residual Impact: 4	●	● Previous Residual Score: 12	●

Risk: Planning - SPD masterplans	Risk Manager: Assistant Director (Planning)	Last updated: 09 January 2025	
Description of risk: Failure to deliver aspirations of Local Plan as a consequence of failure to adopt SPD masterplans for strategic sites	Controls: Identification of sufficient resources and skills across the Planning Service to the preparation of masterplans. Early and meaningful engagement with stakeholders and members. Potential external support and expertise to supplement internal resources.	Risk Manager Commentary: Work on Masterplans, where they can be secured, is continuing positively. The masterplan for Birchall Garden Suburb (joint with East Herts Council) was endorsed by CPPP and Cabinet in August and September 2023. Work is now well advanced on the North West Hatfield masterplan and the Marshmoor masterplan (which will go to CPPP in January 2025). Both are being led by Gascoyne Estates, working with WHBC, HCC and stakeholders. The North West Hatfield document was approved for consultation by Cabinet in November 2024. Work has also progressed well on the masterplan for land to the west of the railway line at Brookmans Park and this was presented to CPPP in November 2024. The Planning Service has identified a need for specialist advice in some areas and has procured specialist Urban Design advice. These costs will be met by applicants through the agreement of a Planning Performance Agreement.	
Inherent Probability: 3	Inherent Impact: 3	Inherent Score: 9	
Residual Probability: 2	Residual Impact: 2	Residual Score: 4	
Previous Inherent Probability: 3	<input type="radio"/> Previous Inherent Impact: 3	<input type="radio"/> Previous Inherent Score: 9	<input type="radio"/>
Previous Residual Probability: 2	<input type="radio"/> Previous Residual Impact: 2	<input type="radio"/> Previous Residual Score: 4	<input type="radio"/>



Risk: Cost of Living Crisis - Impacts on residents, businesses and local economy		Risk Manager: Assistant Director (Leisure, Community and Cultural Services)		Last updated: 02 January 2025	
Description of risk: Failure to support residents and businesses to deal with the impacts of the cost of living crisis could have a detrimental impact on standard of living and economic prosperity within the Borough		Controls: Identified officers to provide support. Dedicated page on WHBC website to signpost to support. Working closely with agencies such as Citizens Advice. Have supported the establishment of warm space throughout the Borough and supported local food banks to take referrals		Risk Manager Commentary: A list of organisations that are delivering community spaces for residents during the winter months is advertised on our website. Support for the food banks is continuing so as to assist residents. HSF funding has been continued, we are developing plans for this spend.	
Inherent Probability: 4		Inherent Impact: 3		Inherent Score: 12	
Residual Probability: 2		Residual Impact: 3		Residual Score: 6	
Previous Inherent Probability: 4		Previous Inherent Impact: 3		Previous Inherent Score: 12	
Previous Residual Probability: 2		Previous Residual Impact: 3		Previous Residual Score: 6	

Risk: Leisure and Culture - Sustainability	Risk Manager: Assistant Director (Leisure, Community and Cultural Services)		Last updated: 02 January 2025	
Description of risk: Failure to operate leisure and culture facilities in a way which maximises usage through responding to changing demands, increase energy efficiency to limit costs, and plan for replacement of ageing facilities could threaten the provision of facilities throughout the Borough	Controls: Business plans are in place for all leisure and culture assets. Buildings being used in more efficient ways, and commercial opportunities are being explored. Plans are being developed to review the future provision of leisure and culture assets and how ageing buildings will be tackled. Energy efficiency measures have been implemented. Management of GLL contract.		Risk Manager Commentary: Leisure centre and facility operational review meetings with the operator and Managers take place monthly any issues are discussed and escalated as required. Teams work closely together to ensure maximum opportunities are promoted. Income streams at our cultural assets have been diversified. Focus for December has been on pantomime sales and spend and promotion of the New Year live on stage events.	
Inherent Probability: 4	Inherent Impact: 3		Inherent Score: 12	
Residual Probability: 2	Residual Impact: 3		Residual Score: 6	
Previous Inherent Probability: 4	<input type="radio"/> Previous Inherent Impact: 3	<input type="radio"/> Previous Inherent Score: 12	<input type="radio"/>	
Previous Residual Probability: 2	<input type="radio"/> Previous Residual Impact: 3	<input type="radio"/> Previous Residual Score: 6	<input type="radio"/>	

Risk: Council Run Events		Risk Manager: Assistant Director (Leisure, Community and Cultural Services)		Last updated: 16 January 2025	
Description of risk: Failure to run events safely and in an organised manner will risk public safety and fail to realise the benefits that successful events can bring for residents and businesses		Controls: Dedicated corporate group has been established to oversee events and ensure consistency and proper processes are in place. Close liaison with Welwyn Garden City BID to maximise benefits. Secured funding through UKSPF. Established new event review procedures to ensure suitable H&S measures in place on an event-by-event basis.		Risk Manager Commentary: All events are managed within a safe environment and Officers develop event management plans for each event which includes the relevant risk documents. Events are planned with safety as a top priority and debrief sessions are held on all events to ensure continuous improvement. Further planning for key events (like the Christmas lights switch) to ensure safety and alternatives are factored in.	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 3		Residual Impact: 3		Residual Score: 9	
Previous Inherent Probability: 4		● Previous Inherent Impact: 5		● Previous Inherent Score: 20	
Previous Residual Probability: 3		● Previous Residual Impact: 3		● Previous Residual Score: 9	

Risk: Planning for, and delivering, high quality affordable homes for everyone	Risk Manager: Assistant Director (Regeneration and Economic Development)	Last updated: 16 January 2025	
Description of risk: Failure to co-ordinate the delivery of new homes of all tenures and types could lead to a lack of availability of homes, increased prices and increased homelessness.	Controls: Planning, Housing Development and Housing Needs co-located in Place directorate to ensure co-ordinated strategic approach to the provision of new homes. Emerging Local Plan has been progressed, and key allocations have been considered by DMC. New social homes being built by the Council. Well resourced Housing Options and Allocations teams with investment in temporary accommodation.	Risk Manager Commentary: A number of large scale AHP projects have completed in 23/24. Further work is being carried out to prepare for the next phase of projects, with new governance arrangements being put in place. The planning team are also engaging positively with developers to negotiate the optimum housing mix for sites as they come forward, having due regard to individual site viability. It has been noted across the sector that high build costs are impacting viability.	
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25	
Residual Probability: 3	Residual Impact: 5	Residual Score: 15	
Previous Inherent Probability: 5	<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 25	<input type="radio"/>
Previous Residual Probability: 3	<input type="radio"/> Previous Residual Impact: 5	<input type="radio"/> Previous Residual Score: 15	<input type="radio"/>

Risk: Strategic - Management of Council Owned Housing Property Assets		Risk Manager: Assistant Director (Homes and Neighbourhoods)		Last updated: 11 January 2025	
Description of risk: Failure to maintain and invest in Council Housing Assets adequately leads to Regulatory, Reputational and Financial consequences		Controls: Capital Investment Programme in place Stock Condition Survey underway Asset Grading Model Regular financial modelling and costings Recruitment of professional staff Training and development, Contractors and Consultants appointed, Wave 2 funding		Risk Manager Commentary: Significant investment programmes for council housing stock were agreed upon, including planned works, major works, and cyclical decorations. However, a contractual dispute with the main contractor has put cyclical decoration and most planned works on hold. Additional planned contractors are on board, and cyclical redecoration is expected to start on April 25. We hold data on 81%. The remaining schedule is to be completed in 2025. The stock condition data has been validated, and uploading will start on March 25. Two hundred homes are being completed in WAVE 2.1.	
Inherent Probability: 5		Inherent Impact: 5		Inherent Score: 25	
Residual Probability: 3		Residual Impact: 5		Residual Score: 15	
Previous Inherent Probability: 5		Previous Inherent Impact: 5		Previous Inherent Score: 25	
Previous Residual Probability: 3		Previous Residual Impact: 5		Previous Residual Score: 15	

Risk: Strategic - Management of Council Owned Non-Housing Property Assets	Risk Manager: Assistant Director (Public Realm)	Last updated: 06 January 2025	
Description of risk: Failure to maintain and invest in Non-Housing property assets adequately leads to Regulatory, Reputational and Financial consequences	Controls: Capital Investment Programme in place Decarbonisation Funding Asset Management Plan Regular financial modelling and costings Recruitment of professional staff Training and development, Contractors and Consultants appointed	Risk Manager Commentary: All general fund properties are maintained through the use of multi specialist contracts and frameworks which are overseen by the Building Services team. These contract cover all statutory requirements as well as planned and responsive maintenance. Contractors and consultants used on contracts are subject to stringent procurement rules where "Quality" is deemed to be an important factor in award. Regular contractor meetings are held to ensure this quality standard is constantly achieved. Works are completed as part of the ongoing planned works programmes following on from the most recent condition surveys, these important works are budgeted for during regular financial monitoring meetings with the Service lead. Capital investment bids made as needed. Budgets in place for works and investment needed. A vacancy in the team has lead to some delays on service delivery. Additional resource has been brought in to cover elements of the vacant Building Services and Garages Manager post. This is supporting the Lead Surveyor in their role.	
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25	
Residual Probability: 4	Residual Impact: 5	Residual Score: 20	
Previous Inherent Probability: 5	Previous Inherent Impact: 5	Previous Inherent Score: 25	
Previous Residual Probability: 3	Previous Residual Impact: 5	Previous Residual Score: 15	

Risk: Failure to be prepared for the impacts of climate change	Risk Manager: Assistant Director (Public Realm)	Last updated: 06 January 2025	
Description of risk: In the event of predicted impacts of climate change (UKCP 18) projections for 2030 and 2050, there is an increased risk that WHBC will not be sufficiently prepared for the consequences of; wetter and warmer winters with greater potential for extreme rainfall events; drier and hotter summers with greater potential for heatwaves; and increased frequency of extreme climatic induced events, such as intense storms, wildfires and droughts. This may lead to deterioration of key infrastructure and assets, limited access to key services by vulnerable residents, an increased demand/pressure on many services, associated community-wide consequences, increasing and significant financial challenges, service disruption and/or a lack of service delivery/effectiveness, deterioration of public health, possible injury/loss of life, ecological and environmental impacts and associated reputational damage to WHBC	Controls: Climate Change Strategy Climate Change Action Plan Climate Change Member Board Carry out individual project risk assessments (developing project risk register) Ensure all directorates update Business Continuity Plans to reflect climate change risks identified Ensure communications team communicate extreme weather event guidance to staff and residents with an extreme weather event alert system Continue to implement our CAP to try to limit impacts of climate change and more broadly influence national and international action to reduce the drivers of the climate crisis	Risk Manager Commentary: Since the arrival of the Climate Change Officer in Summer 2023, there has been a refreshed focus in the Council's work on Climate Change. Work delivered to date includes a complete refresh of the Climate change strategy and action plan, launched the climate change hub for the community, carried out a resident survey in the climate change area as well as delivered a range of community events. A series of events has been delivered for the Great Big Green week 8-15 June. The Climate Biodiversity Cabinet Panel is up and running to inform Cabinet on issues relating to Climate Change. Climate action plan updated and new transition to net zero strategy to be approved. The TTNZ Strategy consultation has now closed. With the Strategy being presented to the Climate Change and Biodiversity Panel in the 6th November. The consultation closed on Friday 11th October. The Climate Biodiversity Pannel met on the 10th September to monitor progress on the Climate Change Action Plan, they also were presented with the Commons Landscape Management Plan and presented with the New Emission's report. The Landscape Management Plan consultation has closed on the 30th December. The TTNZ Strategy is going to Cabinet on the 7th January for approval.	
Inherent Probability: 4	Inherent Impact: 4	Inherent Score: 16	
Residual Probability: 3	Residual Impact: 4	Residual Score: 12	
Previous Inherent Probability: 4	<input type="radio"/> Previous Inherent Impact: 4	<input type="radio"/> Previous Inherent Score: 16	<input type="radio"/>
Previous Residual Probability: 3	<input type="radio"/> Previous Residual Impact: 4	<input type="radio"/> Previous Residual Score: 12	<input type="radio"/>

Risk: Corporate Health and Safety	Risk Manager: Executive Director (Resident Services and Climate Change)	Last updated: 13 January 2025	
Description of risk: Failure to maintain an adequate and effective health and safety management system, including building safety leads to harm to the public and/or colleagues resulting in Regulatory, Legal and Reputational consequences. This risk covers a broad range of H&S matters including (not limited to) lone working, grey fleet management, building compliance and updates to legislation.	Controls: Corporate Health and Safety Manager Health and Safety Policy and Procedures Building Safety Policy and Procedures Operational Health and Safety Board Metrics including Building Safety (reported to CHP and Cabinet) Staff training and Development H&S digital systems (eg Grey Fleet) Lone working devices, policies, procedures and training	Risk Manager Commentary: Policies and procedures have undergone a schedule of review and will be completed by February 2025. The Operational Health and Safety Board is meeting Monthly reviewing health and safety performance and reporting into the Corporate Governance Group.	
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25	
Residual Probability: 2	Residual Impact: 5	Residual Score: 10	
Previous Inherent Probability: 5	<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 25	<input type="radio"/>
Previous Residual Probability: 2	<input type="radio"/> Previous Residual Impact: 5	<input type="radio"/> Previous Residual Score: 10	<input type="radio"/>

Risk: Resilience and Business Continuity	Risk Manager: Executive Director (Resident Services and Climate Change)	Last updated: 13 January 2025	
Description of risk: Not having emergency plans and arrangements in place to comply with the Civil Contingency Act. Failing to meet those requirements and respond adequately in an emergency. Failure to have business continuity plans in place to recover from service disruption. Financial and reputational risk.	Controls: Health and Safety and Resilience Manager to provide advice and plans Emergency plans and contact details Arrangements to respond (eg Gold and Bronze officers) who are trained Part of Herts CC Resilience Forum Contract monitoring to identify potential contractor failure and business continuity plans	Risk Manager Commentary: Emergency Plan and Reception Centre Plan were revised and approved by SLT in Feb 2024. Silver and Bronze training has been undertaken. Corporate Business Continuity Plan was revised and will be updated further with some service specific business continuity plans.	
Inherent Probability: 4	Inherent Impact: 4	Inherent Score: 16	
Residual Probability: 2	Residual Impact: 2	Residual Score: 4	
Previous Inherent Probability: 4	<input type="radio"/> Previous Inherent Impact: 4	<input type="radio"/> Previous Inherent Score: 16	<input type="radio"/>
Previous Residual Probability: 2	<input type="radio"/> Previous Residual Impact: 2	<input type="radio"/> Previous Residual Score: 4	<input type="radio"/>

Risk: New Government's new Resources and Waste Strategy		Risk Manager: Assistant Director (Public Realm)		Last updated: 10 January 2025	
Description of risk: There are draft proposals regarding waste producer responsibility and collection of waste/recyclables, garden waste but the details are not yet known. There are potential Implications for Councils in terms of the collection operation of waste and recycling and additional costs.		Controls: Monitoring the proposals. Monitored closely and information shared in the Hertfordshire waste strategic and operational partnerships Project plan for implementation of food waste recycling at flats.		Risk Manager Commentary: Proposal for food waste and dry recycling from all properties to be introduced from March 2026. Govn funding provided for food waste to flats implementation which will be progressed during 2024/25 . The Producer Responsibility duties requirements are still being considered by the Government and likely not to be decided until 2025. Environments, Landscapes and Climate Change Service Managers Post has been recruited too. Working group has been established with our contractors FCC to work towards making the changes required. Training has been attended by the Team. Meeting has been held internally to ensure that the Council sites are ready for the up coming changes.	
Inherent Probability: 4		Inherent Impact: 3		Inherent Score: 12	
Residual Probability: 2		Residual Impact: 3		Residual Score: 6	
Previous Inherent Probability: 4		Previous Inherent Impact: 3		Previous Inherent Score: 12	
Previous Residual Probability: 2		Previous Residual Impact: 3		Previous Residual Score: 6	

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Risk: Failure in procurement compliance		Risk Manager: Procurement Manager		Last updated: 13 January 2025	
Description of risk: Compliance with Internal and External Rules and Regulations		Controls: Contract Procedure Rules Procurement Strategy Public Contracts Regulations 2015 Training and briefings Compliance checks including regular review on expenditure Procurement checklists		Risk Manager Commentary: A recent audit of spend against the contracts register has shown very little non compliant spend. The procurement manager is working with the services managers on exceptions. No change as of December 2024	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 2		Residual Impact: 5		Residual Score: 10	
Previous Inherent Probability: 4		● Previous Inherent Impact: 5		● Previous Inherent Score: 20 ●	
Previous Residual Probability: 2		● Previous Residual Impact: 5		● Previous Residual Score: 10 ●	

Risk: Supplier failure (Financial)		Risk Manager: Procurement Manager		Last updated: 13 January 2025	
Description of risk: If a supplier faces financial challenges it may lead the supplier into administration or liquidation, which in turn could lead to severe disruption to the delivery of services, along with financial and reputational consequences		Controls: Financial checks as part of supplier selection process Ongoing monitoring of suppliers on Credit Safe system Business continuity plans Use of bonds, parent company gaurentees and other securities as appropriate		Risk Manager Commentary: All our major contracts are monitored through a credit agency and a risk rating is applied. Currently 49 companies are being monitored. 47 are low risk and 2 are moderate risk, These 2 are being monitored closely, and are either for ad-hoc suppliers or where additional controls and contingency plans are in place so no increases in risk have been made.	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 3		Residual Impact: 4		Residual Score: 12	
Previous Inherent Probability: 4		● Previous Inherent Impact: 5		● Previous Inherent Score: 20	
Previous Residual Probability: 3		● Previous Residual Impact: 4		● Previous Residual Score: 12	

Risk: Collection Risks (Council Tax and Business		Risk Manager: Service Manager (Revenues, Benefits and Fraud)		Last updated: 12 January 2025	
Description of risk: Failure to maintain collection rates for council tax and business rates would have an impact on the council's finances, along with other preceptors which may lead to reputational risks also.		Controls: Experienced service delivery partners Contract monitoring. Stringent monitoring with a recent dip in collection and particularly after migration to NEC systems Collection policies and procedures Collections legislation Use of legal action and enforcement agents Benchmarking and regular performance monitoring Fees and penalties used as appropriate.		Risk Manager Commentary: A static debt review has started with the new service provider. Performance is generally improving following the pandemic. However, it is still behind target and it will take time before we get back to pre-covid levels of collection.	
Inherent Probability: 4		Inherent Impact: 4		Inherent Score: 16	
Residual Probability: 3		Residual Impact: 4		Residual Score: 12	
Previous Inherent Probability: 4		● Previous Inherent Impact: 4		● Previous Inherent Score: 16	
Previous Residual Probability: 3		● Previous Residual Impact: 4		● Previous Residual Score: 12	

Risk: Savings Delivery		Risk Manager: Executive Director (Finance and Transformation)		Last updated: 02 January 2025	
Description of risk: Failure to deliver the savings targets set as part of the budget could have financial implications for the council. Delays to implementation may have an impact for 2024/25, but failure to implement or achieve altogether could add to the medium term pressures for the council.		Controls: Budget monitoring processes Monthly reporting to management Quarterly reporting to members Project plans		Risk Manager Commentary: Monthly monitoring is in place. There are some early indications that some of the savings may not be fully delivered, as have not started from 1 April 2024. These continue to be looked by budget managers in detail as part of the monitoring process. Quarter one identified that the full crematorium income is unlikely to be achieved this year. In the quarter 2 report, a number of other savings were identified which are unlikely to be achieved in full during the year, therefore the impact has been increased.	
Inherent Probability: 5		Inherent Impact: 4		Inherent Score: 20	
Residual Probability: 4		Residual Impact: 4		Residual Score: 16	
Previous Inherent Probability: 5		● Previous Inherent Impact: 4		● Previous Inherent Score: 20	
Previous Residual Probability: 4		● Previous Residual Impact: 4		● Previous Residual Score: 16	

Risk: Housing Benefit Subsidy Loss		Risk Manager: Service Manager (Revenues, Benefits and Fraud)		Last updated: 12 January 2025	
Description of risk: Risk of unexpected Housing Benefit Subsidy Loss.		Controls: Subsidy working group set up to deal with the identification of subsidy losses, the correction of errors and any mitigation that can be put in place. Strategic focus on minimising subsidy loss via a corporate project including housing.		Risk Manager Commentary: Housing Benefit Subsidy Loss is an area that can be very costly for the Council. To reduce the risk of unexpected financial loss, the Council has to make a concerted effort to monitor, minimise and plan for the future costs of housing homeless people, people who need support and ensuring Housing Benefit calculations are correct to minimise subsidy loss. additional regular checks are in place to ensure some of the cases attracting higher subsidy are correct.	
Inherent Probability: 4		Inherent Impact: 4		Inherent Score: 16	
Residual Probability: 4		Residual Impact: 3		Residual Score: 12	
Previous Inherent Probability: 5		● Previous Inherent Impact: 4		● Previous Inherent Score: 20	
Previous Residual Probability: 4		● Previous Residual Impact: 3		● Previous Residual Score: 12	

Risk: Recruitment and Retention (Regeneration & Economic Development)	Risk Manager: Assistant Director (Regeneration and Economic Development)	Last updated: 10 January 2025	
Description of risk: Issues with recruitment and retention within the regeneration and economic development services may impact on the ability to deliver council services.	Controls: Use of agency staff Use of specialist contractors Agency Worker Framework Training and Development Recruitment and Retention Policies and Procedures	Risk Manager Commentary: Council's across the country continue to experience challenges relating to professional surveying and estates roles. Key vacancies are currently the Housing Development Manager, Estates Service Manager, Senior Estates Surveyor and Economic Development Officer. Work will continue to be prioritised and to ensure core functions are covered but low value or non statutory matters have been placed into abeyance.	
Inherent Probability: 5	Inherent Impact: 4	Inherent Score: 20	
Residual Probability: 5	Residual Impact: 4	Residual Score: 20	
Previous Inherent Probability: 5	<input type="radio"/> Previous Inherent Impact: 4	<input type="radio"/> Previous Inherent Score: 20	<input type="radio"/>
Previous Residual Probability: 5	<input type="radio"/> Previous Residual Impact: 4	<input type="radio"/> Previous Residual Score: 20	<input type="radio"/>

Risk: Legal Challenge to Planning decisions	Risk Manager: Assistant Director (Planning)	Last updated: 09 January 2025
Description of risk: Successful planning appeals and/or legal challenge against a planning decision can lead to costs awarded against the council, along with potential reputational damage.	Controls: Decision making structure requires applications to be checked before determination. Officers are encouraged to discuss more complex applications with senior managers. Officers in the planning service aim to behave reasonably in order to minimise risk of costs awards against the Council. Other measures include: Application checking processes and procedures Complex cases reviewed by managers Officers in the planning service aim to behave reasonably in order to minimise risk of costs awards against the Council. Member training Constitution and Governance Procedures In terms of DMC decisions, members are always warned of the risk attached to their decision, particularly if this goes against the advice of officers	Risk Manager Commentary: This risk continues to be monitored as more complex applications are determined. The risk of challenge to the Council, both prior and post decision, remains high and therefore legal advice is taken where needed, to try and mitigate the risk of further JR. The judicial review to the adoption of the local plan was successfully defended earlier in 2024. Officers continue to take a precautionary approach to the most complex applications and, where necessary, will take specific legal advice before an application is determined.
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25
Residual Probability: 3	Residual Impact: 5	Residual Score: 15
Previous Inherent Probability: 5	Previous Inherent Impact: 5	Previous Inherent Score: 25

Risk: Planning - Building Control	Risk Manager: Assistant Director (Planning)	Last updated: 09 January 2025	
Description of risk: The identified risk is that HBC is unable to provide the statutory building control service to the Council at any point in time.	Controls: The Council's statutory building control functions are now delivered by appropriately qualified members of the Herts Building Control team, who are seconded to the Council when undertaking this type of work. HBC has a pool of officers who provide this service, providing resilience to that service.	Risk Manager Commentary: Following the creation of a jointly owned company to provide building control services, the Council's statutory building control functions and responsibilities are delivered by Hertfordshire Building Control Ltd. The company, and the council's contract with it, are managed via shareholder & director joint meetings and secondment of staff from Herts Building Control. The seconded staff, by way of formal agreement, are considered to be working for the Council at the time they are undertaking statutory functions. The remainder of the time they work for the commercial business. The company cashflows are under close review following a period of lower service use when there was an economic downturn, further financial support may be required and Herts CFOs are being met with regularly to discuss the companies financial position.	
Inherent Probability: 3	Inherent Impact: 5		Inherent Score: 15
Residual Probability: 3	Residual Impact: 5		Residual Score: 15
Previous Inherent Probability: 3	<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 15	<input type="radio"/>
Previous Residual Probability: 3	<input type="radio"/> Previous Residual Impact: 5	<input type="radio"/> Previous Residual Score: 15	<input type="radio"/>

Risk: Repairs (Commercial Properties and Garages)		Risk Manager: Assistant Director (Public Realm)		Last updated: 06 January 2025	
Description of risk: The Council fails to meet its repairs obligations leading to disrepair, non adherence to regulations , leading to financial, legal, health and safety and reputational implications.		Controls: Staff training and development Help Desk Processes and procedures Service request management Resourcing Management reporting		Risk Manager Commentary: The Building Services team undertake a large, works programme to general fund properties. There are regular inspections carried out by contractors to ensure that the buildings are compliant. Reports from regular equipment services are provided to the team to undertake repairs of a responsive nature. Regular inspections are undertaken by the surveyors in the team to identify any defects and react accordingly. The Estates Team also undertake regular inspections and report to the team. There is a helpdesk that managers of various building can report any failure and these are responded to with immediate effect. These ensure that all buildings meet the legal obligations and maintained to a high standard. Due to the vacant Building Services and Garages post extra support has been brought in to partially cover this vacancy.	
Inherent Probability: 4		Inherent Impact: 4		Inherent Score: 16	
Residual Probability: 3		Residual Impact: 4		Residual Score: 12	
Previous Inherent Probability: 4		● Previous Inherent Impact: 4	● Previous Inherent Score: 16	●	
Previous Residual Probability: 1		● Previous Residual Impact: 4	● Previous Residual Score: 4	●	

Risk: Responsive repairs (Housing)		Risk Manager: Service Manager (Housing Repairs and Building		Last updated: 13 January 2025	
Description of risk: The Council fails to meet its responsive repairs obligations leading to disrepair, non adherence to regulations and expectation set out by the RSH and Housing Ombudsman, leading to financial, legal, health and safety and reputational implications. Any delays in the annual planned investment programme impacts on the number of maintenence orders, and increase in the priorities for the work orders, impacting on the contractor's ability to complete work in the agreed timescales.		Controls: Use of partnering contractor to complete responsive repairs Contractual SLAs Contract Monitoring and KPIS Disrepair Group and Operational damp and mould group in place Councils policy and procedures in relation to responsive repairs Identifying trends through complaints and lessons learned. The service now has regulars report on the, work orders not yet completed, WIP.		Risk Manager Commentary: Repairs performance has under performed over the last period and improvement plans in place and being monitored weekly. Urgent repairs performance is back up to target.	
Inherent Probability: 5		Inherent Impact: 5		Inherent Score: 25	
Residual Probability: 3		Residual Impact: 4		Residual Score: 12	
Previous Inherent Probability: 5		● Previous Inherent Impact: 5	●	Previous Inherent Score: 25	●
Previous Residual Probability: 3		● Previous Residual Impact: 4	●	Previous Residual Score: 12	●

Risk: Asset Data	Risk Manager: Executive Director (Resident Services and Climate Change)	Last updated: 13 January 2025
Description of risk: Failure to maintain building stock data leads to inaccurate forecasting and poor investment decisions leading to Regulatory, Financial and Reputational consequences	Controls: Savills completed over 80% stock condition surveys. We have appointed a Data Asset Manager to develop programmes which are funded in the business plan. We are still recruiting to the, new structure includes an Asset Data team	Risk Manager Commentary: Stock conditions surveys undertaken January-August 2024. No access properties will be completed in 2025. Data now being validated and will be uploaded to Orchard/MRI. Any issues/Cat 1 or 2 hazards were highlighted and actioned on a weekly basis. Once all the stock condition and energy data is validated and uploaded this will inform further maintenance and investment programmes for our buildings, and a refresh of the asset data management strategy.
Inherent Probability: 5	Inherent Impact: 5	Inherent Score: 25
Residual Probability: 3	Residual Impact: 5	Residual Score: 15
Previous Inherent Probability: 5	<input type="radio"/> Previous Inherent Impact: 5	<input type="radio"/> Previous Inherent Score: 25
Previous Residual Probability: 3	<input type="radio"/> Previous Residual Impact: 5	<input type="radio"/> Previous Residual Score: 15

Risk: Fire Safety		Risk Manager: Service Manager (Housing Repairs and Building		Last updated: 13 January 2025	
Description of risk: Failure to comply with the Fire Safety Regulations and Building Safety Act leads to harm to the public and/or colleagues resulting in Regulatory, legal and Reputational consequences		Controls: Policy's and processes in place and regularly reviewed Regular reporting of compliance to ensure visibility Contractors met on a regular basis to ensure issues are identified Programmes are regularly reviewed and updated to ensure compliance.		Risk Manager Commentary: Operational Health and Safety board (OHSB) continues to meet on a regular basis to monitor the actions required to meet the Building Safety Act and KPI for Fire Risk assessments.	
Inherent Probability: 5		Inherent Impact: 5		Inherent Score: 25	
Residual Probability: 2		Residual Impact: 5		Residual Score: 10	
Previous Inherent Probability: 5		● Previous Inherent Impact: 5		● Previous Inherent Score: 25	
Previous Residual Probability: 2		● Previous Residual Impact: 5		● Previous Residual Score: 10	

Risk: Damp, Mould and Condensation		Risk Manager: Service Manager (Housing Repairs and Building		Last updated: 13 January 2025	
Description of risk: Failure to manage damp and mould cases effectively leads to customer harm resulting in Financial, Legal, Regulatory and Reputational consequences.		Controls: Procedures and monitoring in place to manage all cases Damp and Mould Group in place Regular reporting to Cross Party Group Operational damp and mould group in place Self assessment against the Housing Ombudsman's report underway Inherent defect house types identified Budget created for damp and mould		Risk Manager Commentary: we are currently reviewing the damp and mould policy and procedure to ensure they align with the current government consultation, this includes the damp and mould proposal from Morgan Sindall. An internal audit was completed on the councils response to damp and mould. No high priority recommendations were made, but there were a high number of recommendations. A number of these have already been actions, and the risk score has been increased whilst these actions are finalised. A follow up audit has been completed and the report is expected.	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 4		Residual Impact: 5		Residual Score: 20	
Previous Inherent Probability: 4		● Previous Inherent Impact: 5		● Previous Inherent Score: 20	
Previous Residual Probability: 4		● Previous Residual Impact: 5		● Previous Residual Score: 20	

Risk: Recruitment and Retention - Homes and Neighbourhoods		Risk Manager: Assistant Director (Homes and Neighbourhoods)		Last updated: 11 January 2025	
Description of risk: Failure to attract and retain competent staff leads to service failure resulting in Regulatory, Legal and Reputational consequences		Controls: Temporary staff being utilised to fill some gaps in the structure Point 13 appointed to help with targeted marketing campaign All posts re-evaluated Fortnightly staff briefings in place Regular recruitment meetings with HR		Risk Manager Commentary: This continues to be a challenging area, especially given the significant changes in the Housing industry in the past few years. The new AD (Homes and Neighbourhood) is reviewing the structure in light of the challenges in the recruitment market. Recruitment of surveyors, technical staff, and managers is very challenging in the housing sector. The Neighbourhoods Enforcement team is fully staffed except for the Service Manager post, which will be advertised once the revised structure is approved.	
Inherent Probability: 5		Inherent Impact: 5		Inherent Score: 25	
Residual Probability: 4		Residual Impact: 4		Residual Score: 16	
Previous Inherent Probability: 5		● Previous Inherent Impact: 5		● Previous Inherent Score: 25 ●	
Previous Residual Probability: 4		● Previous Residual Impact: 4		● Previous Residual Score: 16 ●	

Risk: Tree Failure		Risk Manager: Environment, Landscape and Climate Change Service Manager		Last updated: 06 January 2025	
Description of risk: Tree Risk of failure of a tree with resultant risk to property or life.		Controls: Trees managed by WHBC are inspected on regular scheduled programmed basis by qualified staff. Any trees requiring any safety works will be given a priority and actioned within budget constraints..		Risk Manager Commentary: Tree inspections are currently on target. Tree works undertaken within agreed KPI standards..	
Inherent Probability: 4		Inherent Impact: 5		Inherent Score: 20	
Residual Probability: 2		Residual Impact: 5		Residual Score: 10	
Previous Inherent Probability: 4		● Previous Inherent Impact: 5		● Previous Inherent Score: 20	
Previous Residual Probability: 2		● Previous Residual Impact: 5		● Previous Residual Score: 10	

Risk: Housing Management - Poor void management		Risk Manager: Assistant Director (Homes and Neighbourhoods)		Last updated: 11 January 2025	
Description of risk: Poor void and allocations management leading to loss of income, increased costs and extended periods of reduced property availability.		Controls: End to end mapped process completed. Housing Management system under review: plans to align the workflow with the process. Contractor working to an agreed contractual improvement plan. Void management standard being maintained. The pre-void inspections have just started. They are carried out by the Neighbourhood Officers and Void Surveyors. Weekly allocation meetings to be implemented at the pre-void stage.		Risk Manager Commentary: The average void time is expected to remain above the target; however, we anticipate improvements in the volume of voids returned starting in January, as the contractor has enhanced its supply chain. The internal review of the voids and lettings process has been completed, and a broader review with the contractor is now in progress. The poor performance can be attributed to several factors, including issues with the kitchen supplier, shortages of contractor resources, challenges associated with planned works, the condition of properties being returned, and the fact that properties are not advertised until they have been handed back. The termination inspection has been beneficial, as more residents are removing their belongings when they move out. An improvement plan is in place with the contractor to enhance turnaround times, and the quality of the work has improved. We conduct weekly meetings to monitor and discuss the performance related to voids.	
Inherent Probability: 5		Inherent Impact: 4		Inherent Score: 20	
Residual Probability: 4		Residual Impact: 4		Residual Score: 16	
Previous Inherent Probability: 5		● Previous Inherent Impact: 4		● Previous Inherent Score: 20	
Previous Residual Probability: 4		● Previous Residual Impact: 4		● Previous Residual Score: 16	



Welwyn Hatfield Borough Council
Audit Committee Progress Report
24 March 2025

Recommendation

Members are recommended to:

- Note the Internal Audit Progress Report for the period to 3 March 2025

Contents

- 1 Introduction and Background
 - 1.1 Purpose
 - 1.2 Background

- 2 Audit Plan Update
 - 2.1 Delivery of Audit Plan and Key Findings
 - 2.3 High Priority Recommendations
 - 2.5 Medium Priority Recommendations
 - 2.6 Proposed In-Year Amendments to the Approved 2024/25 Internal Audit Plan
 - 2.7 Performance Management
 - 2.10 Summary of Performance Against KPI's

Appendices

- A Progress against the 2024/25 Audit Plan

- B 2024/25 Audit Plan Start Dates Agreed with Management

- C Assurance and Findings Definitions 2024/25

1. Introduction and Background

Purpose of Report

- 1.1 This report details:
- a) Progress made by the Shared Internal Audit Service (SIAS) in delivering the Council's Annual Internal Audit Plan for 2024/25 as at 3 March 2025.
 - b) Proposed amendments to the approved 2024/25 Internal Audit Plan.
 - c) An update on performance indicators as at 3 March 2025.

Background

- 1.2 The 2024/25 Internal Audit Plan was approved by the Audit Committee on 18 March 2024.
- 1.3 The Committee receives periodic updates of progress against the Annual Internal Audit Plan. This is the fourth report giving an update on the delivery of the 2024/25 Internal Audit Plan.
- 1.4 The work of Internal Audit is required to be reported to a Member Body so that the Council has an opportunity to review and monitor an essential component of corporate governance and gain assurance that its internal audit provision is fulfilling its statutory obligations. It is considered good practice that progress reports also include proposed amendments to the agreed annual audit plan.

2. Audit Plan Update

Delivery of Audit Plan and Key Audit Findings

- 2.1 As at 3 March 2025, 80% of the 2024/25 Audit Plan days had been delivered.
- 2.2 There have been six final audit reports that have been issued since the previous progress report.

Audit Title	Assurance Opinion	Recommendations
Oak Hill	Substantial	1 Low
Parking – New On-Street Parking Regulations	Substantial	1 Advisory
Treasury Management	Substantial	None
Transformation Board	Reasonable	1 Medium, 3 Low
Cyber Governance and Culture	Reasonable	1 Medium, 1 Low
Decarbonisation Grant – SHDF Wave 2.1	Unqualified	None

High Priority Recommendations

- 2.3 Members will be aware that a Final Audit Report is issued when it has been agreed by management; this includes an agreement to implement the recommendations that have been made. It is SIAS's responsibility to bring to Members' attention the implementation status of high priority recommendations; it is the responsibility of officers to implement the recommendations by the agreed date.
- 2.4 No new high priority recommendations have been raised as a result of the work completed and reported in the table at paragraph 2.2. Therefore, there are currently no outstanding high priority recommendations.

Medium Priority Recommendations

- 2.5 It has been agreed with Council management that SIAS will follow up all medium priority recommendations resulting from internal audit reports at the point that they reach the implementation target date advised in the action plan provided by management. There were no medium priority recommendations due for follow up during this cycle as implementation target dates were not yet due.

Proposed In-Year Amendments to the 2024/25 Internal Audit Plan

- 2.6 One minor plan amendment has been agreed with management within this reporting period, reflecting an additional grant certification (Decarbonisation Grant SHDF Wave 2.1), this having been completed to meet submission timescales.

Performance Management: Reporting of Audit Plan Delivery Progress

- 2.7 To help the Committee assess the current progress of the projects in the Audit Plan, we have provided an overall progress update of delivery against planned commencement dates at Appendix B. The table below shows that summary of performance based in the latest performance information reported at Appendix A.

Status	No of Audits at this Stage	% of Total Audits	Profile to 3 March 2025
Draft / Final Report Issued	18	69%	(20/26)
In Fieldwork / Quality Review	7	27%	(5/26)
Terms of Reference Issued / In Planning	1	4%	(1/26)
Not Yet Started	0	0%	(0/26)

- 2.8 Annual performance indicators and associated targets were approved by the SIAS Board in March 2023. As at 3 March 2025, actual performance for

Welwyn Hatfield Borough Council against the targets that can be monitored in year was as shown in the table below:

Performance Indicator	Annual Target	Profiled Target to 3 March 2025	Actual to 3 March 2025
1. Planned Days – percentage of actual billable days against planned chargeable days completed (excluding unused contingency)	95%	84% (240 / 285 days)	80% (227.5 / 285 days)
2. Planned Projects – percentage of actual completed projects to draft report stage against planned completed projects by 31 st March 2024	90%	77% (20 / 26 projects)	69% (18 / 26 projects)
3. Client Satisfaction with Conduct of the Audit – percentage of client satisfaction questionnaires returned at 'satisfactory' level	100%	100%	100% (11 returned from 21 issued within 2024/25)
4. Number of High Priority Audit Recommendations agreed	95%	95%	No high priority recommendations have been made to date in 2024/25

2.9 In addition, the performance targets listed below are annual in nature. Performance against these targets will be reported on in the 2024/25 Head of Assurance's Annual Report:

- **5. Annual Plan** – prepared in time to present to the March meeting of each Audit Committee. If there is no March meeting, then the plan should be prepared for the first meeting of the financial year.
- **6. Head of Assurance's Annual Report** – presented at the Audit Committee's second meeting of the civic year.
- **7. Planned Projects** - percentage of actual completed projects to Final report stage against planned completed projects. Reported annually within the Chief Audit Executive's annual report and opinion.

Summary of Performance Against KPI's

2.10 Whilst plan delivery is naturally subject to a continued stable establishment and availability of client officers to support audits, we currently report no risks to the delivery of a robust annual assurance opinion.

2.11 Although planned days and projects delivery is slightly behind profile, performance is recorded as at 3 March and therefore progress will have been

made since these statistics were produced. Staff have been allocated to all remaining quarter four projects and we are currently on track to meet our performance indicators. However, this is subject to there being no periods of unplanned absence within the team or client engagement issues during the remaining weeks of the financial year.

APPENDIX A – PROGRESS AGAINST THE 2024/25 AUDIT PLAN AS AT 3 MARCH 2025

2024/25 SIAS Audit Plan

AUDITABLE AREA	LEVEL OF ASSURANCE	RECOMMENDATIONS				AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS / COMMENTS	CSQ RETURNED
		C	H	M	L					
Key Financial Systems										
Cash and Banking						10	SIAS	3.5	In Fieldwork	
Creditors (Risk & Control Mapping)	Substantial	0	0	0	0	5	SIAS	5	Final Report	Yes
Debtors (Risk & Control Mapping)	Substantial	0	0	0	0	5	SIAS	5	Final Report	Yes
Housing Benefits						10	SIAS	9.5	Draft Report	
Payroll (Risk & Control Mapping)	Substantial	0	0	0	0	5	SIAS	5	Final Report	Yes
Treasury Management	Substantial	0	0	0	0	10	SIAS	9.5	Final Report	Yes
Operational Services										
CCTV and Body Worn Cameras						10	SIAS	3.5	In Fieldwork	
CIL – Implementation						10	BDO	4	In Fieldwork	
Damp and Mould Follow Up						6	SIAS	6	Draft Report	
Oak Hill	Substantial	0	0	1	0	10	SIAS	10	Final Report	
Parking - New On-Street Parking Restrictions	Substantial	0	0	0	1	10	SIAS	10	Final Report	
Planned work and repairs						14	SIAS	13.5	Draft Report	
Statutory Compliance						12	SIAS	6	In Fieldwork	
Tenancy Audits						10	BDO	5	In Fieldwork	
Trees Inspection	Reasonable	0	0	1	1	10	SIAS	10	Final Report	Yes

APPENDIX A – PROGRESS AGAINST THE 2024/25 AUDIT PLAN AS AT 3 MARCH 2025

AUDITABLE AREA	LEVEL OF ASSURANCE	RECOMMENDATIONS				AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS / COMMENTS	CSQ RETURNED
		C	H	M	L					
Programme										
Corporate Services										
Agency Staffing						10	SIAS	9.5	Draft Report	
Contract Procurement						10	SIAS	1	In Planning	
Engagement Strategy						8	SIAS	1.5	In Progress	
Procurement Act – Preparedness Part 1	Reasonable	0	0	1	1	5	SIAS	5	Final Report	Yes
Procurement Act – Preparedness Part 2	Substantial	0	0	0	0	3	SIAS	3	Final Report	Yes
Sickness Absence Management	Reasonable	0	0	3	3	10	SIAS	10	Final Report	Yes
Transformation Board	Reasonable	0	0	1	3	10	SIAS	10	Final Report	
IT Audits										
Cyber - Governance and Culture	Reasonable	0	0	1	1	10	BDO	9.5	Final Report	
IT Architecture Assessment						12	BDO	6.5	In Fieldwork	
Remote Working and Multi Factor Authentication	Substantial	0	0	0	1	12	BDO	12	Final Report	No
Grant Claims / Charity Certification										
Decarbonisation Grant SHDF Wave 2.1	Unqualified					3	SIAS	3	Final Report	
Contingency										
Contingency						0				

APPENDIX A – PROGRESS AGAINST THE 2024/25 AUDIT PLAN AS AT 3 MARCH 2025

AUDITABLE AREA	LEVEL OF ASSURANCE	RECOMMENDATIONS				AUDIT PLAN DAYS	LEAD AUDITOR ASSIGNED	BILLABLE DAYS COMPLETED	STATUS / COMMENTS	CSQ RETURNED
		C	H	M	L					
Client Management - Strategic Support										
Audit Committee and Recommendation Follow Up						10	SIAS	9		
Chief Audit Executive Opinion 2023/24						3	SIAS	3	Complete	N/A
Client Liaison and Corporate Governance Group						8	SIAS	7.5		
Plan and Progress Monitoring						7	SIAS	6.5		
SIAS Development and Global Internal Audit Standards implementation.						15	SIAS	13.5		
2025/26 Audit Planning						7	SIAS	6.5		
2023/24 Carry Forward										
Completion of outstanding 2023/24 projects						5	SIAS	5	Complete	N/A
Total		0	0	8	11	285		227.5		

Key / Notes

Not Assessed = No assurance opinion provide as the project was either consultancy based or validation for compliance

C = Critical Priority, H = High Priority, M = Medium Priority, L = Low Priority

BDO = SIAS Audit Partner

N/A = Not Applicable

Audit Plan Days are a guide only and are not formally allocated. This is as per the approved 2023/24 Internal Audit Plan.

CSQ = Client Satisfaction Questionnaire

APPENDIX B – 2024/25 AUDIT PLAN START DATES AGREED WITH MANAGEMENT

	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>
Audits	Sickness Absence Management - Final Report	Creditors CRA Mapping – Final Report	Agency Staffing – Draft Report	Cash and Banking – In Fieldwork
	Trees Inspection Programme - Final Report	Damp and Mould Follow Up – Draft Report	Payroll CRA Mapping – Final Report	CCTV and body worn cameras – In Fieldwork
	Transformation Board – Final Report	Debtors CRA Mapping – Final Report	Statutory Compliance – In Fieldwork	CIL - Implementation – In Fieldwork
		Oak Hill – Final Report	Tenancy Audits – In Fieldwork	Contract Procurement – In Planning
		Parking - New On-Street Parking Restrictions – Final Report	Treasury Management – Final Report	Housing Benefits – Draft Report
		Planned work and repairs – Draft Report		Decarbonisation Grant - Final Report
		Procurement Act – Preparedness Part 1 – Final Report		
	Procurement Act – Preparedness Part 2 – Final Report			
IT Audits	Remote Working and Multi Factor Authentication - Final Report		Cyber - Governance and Culture – Final Report	IT Architecture Assessment – In Planning – In Fieldwork
Embedded Assurance	Engagement Strategy - Provision across 2024/25			

APPENDIX B – 2024/25 AUDIT PLAN START DATES AGREED WITH MANAGEMENT

Other	2023/24 Carry Forward			
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Key:

Final Report Issued

Draft Report Issued

Quality Review

IT – IT Audits

G/C – Grant or charity certification to be completed as part of the audit plan.

O - Other

CRA - Control Risk Assessment - A process by which management and staff work with internal audit to identify and evaluate operational risks and the effectiveness of controls. The objective is to provide reasonable assurance that all business objectives will be met.

APPENDIX C – ASSURANCE AND FINDINGS DEFINITIONS 2024/25

Audit Opinions		
	Assurance Level	Definition
Assurance Opinions	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.
	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.
	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.
	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.
	Not Assessed	This opinion is used in relation to consultancy or embedded assurance activities, where the nature of the work is to provide support and advice to management and is not of a sufficient depth to provide an opinion on the adequacy of governance or internal control arrangements. Recommendations will however be made where required to support system or process improvements.
Grant Certification	Unqualified	No material matters have been identified in relation the eligibility, accounting and expenditure associated with the funding received that would cause SIAS to believe that the related funding conditions have not been met.
	Qualified	Except for the matters identified within the audit report, the eligibility, accounting and expenditure associated with the funding received meets the requirements of the funding conditions.
	Disclaimer Opinion	Based on the limitations indicated within the report, SIAS are unable to provide an opinion in relation to the Council's compliance with the eligibility, accounting and expenditure requirements contained within the funding conditions.
	Adverse Opinion	Based on the significance of the matters included within the report, the Council have not complied with the funding conditions associated with the funding received.

Finding Priority Levels		
	Priority Level	Definition
Corporate	Critical	Audit findings which, in the present state, represent a serious risk to the organisation as a whole, i.e. reputation, financial resources and / or compliance with regulations. Management action to implement the appropriate controls is required immediately.
Service	High	Audit findings indicate a serious weakness or breakdown in control environment, which, if untreated by management intervention, is highly likely to put achievement of core service objectives at risk. Remedial action is required urgently.
	Medium	Audit findings which, if not treated by appropriate management action, are likely to put achievement of some of the core service objectives at risk. Remedial action is required in a timely manner.
	Low	Audit findings indicate opportunities to implement good or best practice, which, if adopted, will enhance the control environment. The appropriate solution should be implemented as soon as is practically possible.



INTERNAL AUDIT PLAN REPORT 2025/26

WELWYN HATFIELD BOROUGH COUNCIL

AUDIT COMMITTEE
24 MARCH 2025

RECOMMENDATION

Members are recommended to approve the proposed Welwyn Hatfield Borough Council Internal Audit Plan for 2025/26

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

Contents

1. Introduction and Background

2. Audit Planning Process

2.1 Planning Principles

2.2 Approach to Planning

2.10 Planning Context

2.13 Internal Audit Plan 2025/26

3. Performance Management

3.1 Update Reporting

3.3 Performance Indicators

Appendices

A Proposed Welwyn Hatfield Borough Council Audit Plan
2025/26

B Audit Start Dates Agreed with Management

C Risk Register Mapping to Internal Audit Plan

D Glossary of Terms

E SIAS Internal Audit Strategy

1. Introduction and Background

- 1.1 The purpose of internal audit is to strengthen the Council’s ability to create, protect, and sustain value by providing Members and management with independent, risk-based, and objective assurance, advice, insight, and foresight.
- 1.2 The International Professional Practices Framework (IPPF) organises the authoritative body of knowledge for the professional practice of internal auditing. The IPPF includes Global Internal Audit Standards (GIAS), Topical Requirements (designed to enhance the consistency and quality of internal audit services related to specific audit subjects) and Global Guidance. The Public Sector Internal Audit Standards, which encompassed the mandatory elements of the IPPF, have been replaced by the Application Note Global Internal Audit Standards in the UK Public Sector. Taken together, the GIAS and the Application Note will form the basis of UK public sector internal audit effective from 1 April 2025. The Note states that a professional, independent, and objective internal audit service is one of the key elements of good governance, as recognised throughout the UK public sector.
- 1.3 The SIAS Board reviewed the Draft SIAS Internal Audit Strategy in December 2024, and this strategy outlines how SIAS will achieve the purpose of internal audit and ensure ongoing compliance with the GIAS (UK public sector). The Internal Audit Plan Report 2025/26 follows the key principles related to Audit Planning and Resourcing, with the Internal Audit Strategy itself attached as an appendix. The GIAS (UK public sector) includes setting out how SIAS must approach internal audit planning. The specific requirements that SIAS must adhere to are set out below:

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

<p>Domain III 8.3</p>	<p>Quality Amongst the essential conditions in this standard is a requirement for the Audit Committee to review and approve the internal audit functions performance objectives at least annually. This includes its conformance with the Standards, laws and regulations, ability to meet the internal audit mandate, and progress towards completion of the internal audit plan.</p>
<p>Domain IV 9.3</p>	<p>Methodologies The CAE must establish methodologies to guide the internal audit function in a systemic and disciplined manner to implement the internal audit strategy, develop the internal audit plan, and conform with the Standards.</p>
<p>Domain IV 9.4</p>	<p>Internal Audit Plan The CAE must create an internal audit plan that supports the achievement of the council’s objectives. The CAE must base the internal audit plan on a documented assessment of the organisation’s strategies, objectives, and risks. The assessment must be informed by input from the Audit Committee and Senior Management as well as the CAE’s understanding of the organisation’s governance, risk management, and control processes. The assessment must be performed at least annually.</p> <p>The internal audit plan must:</p> <ul style="list-style-type: none"> • Consider the internal audit mandate and the full range of agreed to internal audit services. • Specify internal audit services that support the evaluation and improvement of the council’s governance, risk management, and control processes. • Consider coverage of information technology governance, fraud risk, the effectiveness of the council’s compliance and ethics programs and other high-risk areas. • Identify the necessary human, financial, and technological resources necessary to complete the plan. • Be dynamic and updated timely in response to changes in the council’s business, risk operations, programs systems, controls, and organisational culture. <p>The CAE must review and revise the internal audit plan as necessary and communicate timely to the Audit Committee and Senior Management:</p> <ul style="list-style-type: none"> • The impact of any resource limitations on internal audit coverage. • The rationale for not including an assurance engagement in a high-risk area or activity in the plan.

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

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

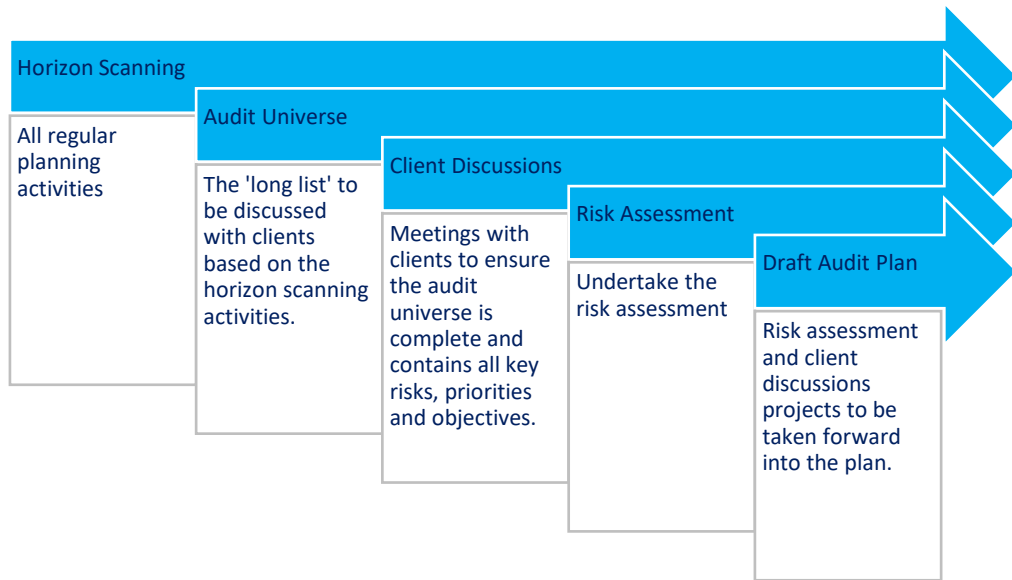
2. **Audit Planning Process**

Planning Principles

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

Approach to Planning

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



Horizon Scanning and Audit Universe

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



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

Client Discussions

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

Risk Assessment

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

Assurance Mapping / Other sources of Assurance

The results of assurance mapping are consulted and discussed with Senior Managers to determine whether assurance in the auditable area is obtained from other assurance providers e.g., external audit or the Health and Safety Executive. This approach ensures that provision of assurance is not duplicated.

Significance

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

Timings

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

Risk Assessment

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

Draft Audit Plan

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

The Planning Context

- 2.10 The context within which local authorities provide their services remains challenging:
- Demand for services is still rising, driven a range of factors including the growing and ageing population, and challenges in the healthcare system. Combined with the cost of living, local authorities will have to continue to be more innovative and commercially minded.
 - Macro-economic uncertainty continues, driven by factors such as inflation, interest rates, energy costs and a range of geo-political tensions. Resulting significant cost pressures and limited government funding make financial planning a key component of managing local government finance challenges.
 - Cyber and data security remains a consistent threat to organisations and there are a growing number of local authorities that have been subjected to successful cyber-attacks. Continued vigilance and risk management remain key to protecting local authority assets and services.
 - Local authorities are facing significant challenges in relation to human resources and talent management, both in terms of vacancy management, recruitment and retaining staff meaning ability to remain resilient and deliver high quality services may continue to be an increasing concern.
 - Many local authorities have declared a Climate & Ecological Emergency and made public commitments relating to carbon reduction and becoming Net Zero.
 - Proposals around local government reorganisation and devolution provide both significant challenges and opportunities for local authorities.
- 2.11 The resultant efficiency and transformation programme that councils are in the process of implementing and developing continues to profoundly alter each organisation's nature. Such developments are accompanied by potentially significant governance, risk management and internal control change.
- 2.12 The challenge of giving value in this context, means that Internal Audit needs to:

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

Internal Audit Plan 2025/26

2.13 The draft plan for 2025/26 is included at Appendix A and contains a high-level proposed outline scope for each audit; Appendix B details the agreed start quarters. The number of days purchased in 2025/26 is confirmed as 285 days.

2.14 The table shows the estimated allocation of the total annual number of purchased audit days for the year.

	2025/26 Days	%
Corporate Themes	65	23
Operational Areas	120	42
IT Audits	24	8
Assurance Mapping	8	3
Grants Certification	4	1.5
Strategic Support*	49	17
Contingency	5	2
Completion of 2024/25 Projects	10	3.5
Total allocated days	285	100%

* This covers supporting the Audit Committee, monitoring delivery of the audit plan, recommendations follow up, client liaison, SIAS development and planning for 2026/27

2.15 Any significant audit plan changes agreed between Management and SIAS will be brought before this committee for noting through the usual plan update reporting cycle. The postponement or cancellation of any audits will require approval from the Executive Director (Finance and Transformation). It

should be noted that the Internal Audit Plan is intended to be dynamic and responsive to changing risks and matters arising during the year.

- 2.16 Members will note the inclusion of a provision for the completion of projects that relate to 2024/25. The structure of Internal Audit's programme of work is such that full completion of every aspect of the work in an annual plan is not always possible, especially given the high dependence on client officers during a period where local government faces significant resourcing risks.
- 2.17 The nature of assurance work is such that enough activity must have been completed in the financial year, for the CAE to give an overall opinion on the Authority's internal control, governance and risk management framework. In general, the tasks associated with the total completion of the plan, which includes the finalisation of all reports and negotiation of the appropriate level of agreed mitigations, is not something that adversely affects delivery of the overall opinion. The impact of any outstanding work is monitored closely during the final quarter by SIAS in conjunction with the Section 151 Officer (Executive Director (Finance and Transformation)).

Resources

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

- 2.23 The SIAS Internal Audit Strategy at Appendix E contains further information on SIAS resources.

3. Performance Management

Update Reporting

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

Performance Indicators

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

Performance Indicator	Performance Target	Reporting Frequency
1. Public Sector Internal Audit Standards – the service conforms with the standards	Yes	Annually
2. Internal Audit Annual Plan Report – approved by the March Audit Committee or the first meeting of the financial year should a March committee not meet	Yes	Annually
3. Annual Internal Audit Plan Delivery – the percentage of the Annual Internal Audit Plan delivered (measured in audit days)	95%	Quarterly
4. Project Delivery – Percentage of audit plan projects delivered to draft report stage by 31 March 2025	90%	Quarterly
Percentage of audit plan projects delivered to final report stage as reported within the CAE Annual Assurance and Opinion report.	100%	Annually
5. Client Satisfaction* – percentage of client satisfaction questionnaires returned at ‘satisfactory overall’ level (minimum of 39/65 overall)	90%	Quarterly

6. CAE's Annual Assurance Opinion and Report – presented at the first Audit Committee meeting of the financial year	Yes	Annually
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APPENDIX A – PROPOSED WELWYN HATFIELD BOROUGH COUNCIL AUDIT PLAN 2025/26

Internal Audits (209 days)

These internal audits have been confirmed as part of the current planning process and will proceed unless there are other significant matters or risks that arise during the 2025/26 financial year that are prioritised.

<u>Audit Title</u>	<u>Background and Purpose of the Audit</u>	<u>Quarter</u>	<u>Audit Sponsor</u>
Corporate Themes			
Key Performance Indicators	To provide assurance over systems in place for internal performance monitoring and KPI data sources to ensure data is accurate, complete and reliable and that there is appropriate engagement, governance and oversight. Additional assurance could be provided around compliance with regulations, the reporting of performance data and continuous improvement.	1	Assistant Director (Customer Service & Transformation)
Equality Impact Assessments	To provide assurance that equality impact assessments are completed and utilised consistently within the Authority. That there is sufficient guidance and training available to ensure compliance with relevant legislation and that documents are appropriately recorded, monitored and reviewed.	1	Human Resources & Organisational Development Manager
Ombudsman	A review of internal case management including adequate governance processes, training, internal controls, compliance with regulatory requirements, monitoring and using information obtained to support continuous improvement.	2	Assistant Director (Customer Service & Transformation)
Data Governance	To provide assurance over the management of data governance, to include data protection and freedom of information. To provide assurance following policy reviews to ensure compliance with legislation, regulations and policies, training, monitoring and continuous improvement.	4	Assistant Director (Legal and Governance)

APPENDIX A – PROPOSED WELWYN HATFIELD BOROUGH COUNCIL AUDIT PLAN 2025/26

Pre Employment Checks	To provide assurance that there are sufficient systems and controls in place during the recruitment process, these are understood by management and that required activities and checks are undertaken consistently and in a timely manner.	4	Human Resources & Organisational Development Manager
Operational Areas			
Housing Consumer Standards – Preparedness	Consultancy allocation to support the housing consumer standards project. To provide assurance where required, considering specific issues such as the management of risk, validation of processes and to observe that appropriate information is being received, scrutinised and challenged.	1	Executive Director (Resident Services and Climate Change)
Safety Advisory Group	To review the safety advisory group advisory process and event feedback. Also considering associated enforcement action where relevant.	1	Executive Director (Resident Services and Climate Change)
Authorisations for Enforcement Powers	To provide assurance over the process of delegating powers to individual officers and whether this is uniformly applied. To ensure that officers are authorised appropriately and there are clear expectations and governance arrangements in place.	2	Assistant Director (Public Realm)
Voids	A review of the voids process following actions undertaken to address contractor issues. The audit will review the current direction of travel, working arrangements and support the service in reviewing actions taken to reduce the risk of future issues.	2	Assistant Director (Homes and Neighbourhood)
Statutory Compliance – Corporate Buildings	To provide assurance that the Council is meeting its statutory obligations and ensuring statutory compliance of its corporate buildings. The audit will seek to verify that governance arrangements are operating as intended and that associated management information reported to Senior Management and Members is accurate and reflective of work being completed in practice.	3	Assistant Director (Homes and Neighbourhood)
Planning Enforcement	To provide assurance over the approach to planning enforcement, including reviewing governance structures,	3	Assistant Director (Planning)

APPENDIX A – PROPOSED WELWYN HATFIELD BOROUGH COUNCIL AUDIT PLAN 2025/26

	policies and procedures and authorisations. Where possible a benchmarking exercise will be undertaken.		
Waste Regulations Preparedness	To provide an advisory audit over the implementation of the new domestic waste regulations, to ensure that the Council has prepared for and identified appropriate actions, guidance and procedures in line with best practice.	4	Assistant Director (Public Realm)
Key Financial Systems Internal Audits			
Budgetary Control CRA – Year 1	Mapping the various sources of assurance, the associated control framework and identifying any gaps for management attention and action.	1	Assistant Director (Finance)
Creditors CRA – Refresh	Mapping the various sources of assurance, the associated control framework and identifying any gaps for management attention and action.	2	Assistant Director (Finance)
Debtors CRA – Refresh	Mapping the various sources of assurance, the associated control framework and identifying any gaps for management attention and action.	2	Assistant Director (Finance)
Council Tax	To provide assurance over the management of Council Tax, including, the identification of liability, billing, discounts and exemptions, collections, refunds and recovery, enforcement, aged debts and write offs.	3	Assistant Director (Finance)
Business Rates	To provide assurance over the management of Business Rates, including, amendments for records, reliefs and exemptions, collections, refunds, suspense accounts and performance management.	3	Assistant Director (Finance)
Treasury Management CRA – Year 1	Mapping the various sources of assurance, the associated control framework and identifying any gaps for management attention and action.	4	Assistant Director (Finance)
Payroll CRA – Refresh	Mapping the various sources of assurance, the associated control framework and identifying any gaps for management attention and action.	4	Assistant Director (Finance)
IT Internal Audits			

APPENDIX A – PROPOSED WELWYN HATFIELD BOROUGH COUNCIL AUDIT PLAN 2025/26

Hardware Build Process	A review of the hardware build process, to independently review and assess the move to an automated process.	1	Assistant Director (ICT and Digital Services)
Chatbot Maintenance and Quality Assurance	To provide assurance over the management of chatbot use within the Authority. To review measures in place to maintain and quality assure its use to ensure the chatbot operates effectively, securely, in line with appropriate guidance and supports user use.	3	Assistant Director (ICT and Digital Services)

Assurance Mapping (8 days)

<u>Assignment Title</u>	<u>Assignment Background and Purpose</u>	<u>Quarter</u>	<u>Assignment Sponsor</u>
Assurance Mapping	To work with relevant risk owners to continue to develop and update the assurance map of Strategic and Operational risks (Serious or Severe Residual Level) identified. See Glossary of Terms at Appendix D for further detail on assurance mapping.	2	Executive Director (Finance and Transformation)

Grant Claims Certification (4 days)

<u>Grant / Charity Title</u>	<u>Purpose</u>
Social Housing Decarbonisation Fund	To provide certification in relation to the yearly reasonable assurance report.
Miscellaneous Grants	To certify any grant claims required during the year.

APPENDIX A – PROPOSED WELWYN HATFIELD BOROUGH COUNCIL AUDIT PLAN 2025/26

Contingency (5 days)

Available time for ad hoc work as required.

Strategic Support (49 days)

<u>Title</u>	<u>Purpose</u>
Chief Audit Executive Annual Opinion Report	To prepare the Chief Audit Executive Opinion 2024/25.
Audit Committee and Recommendation Follow Up	To provide services linked to the preparation, agreement and presentation of Audit Committee reports, as well as any training requirements. Follow up of all recommendations.
Performance Monitoring	Audit plan monitoring against agreed KPIs.
Client Liaison	Meetings with the S151 Officer, preparation and attendance at the Corporate Governance Group and other groups or meetings as required.
Audit Planning 2026/27	Provision of services to prepare, agree and report the 2026/27 Annual Audit Plan.
SIAS Development	Included to reflect the Council's contribution to developing the partnership.

2024/25 Carry Forward (10 days)

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

Reserve List

Potential audit topics for elevation into the 2025/26 Internal Audit Plan or future audit plans where cancellations or deferred audits arise.

APPENDIX A – PROPOSED WELWYN HATFIELD BOROUGH COUNCIL AUDIT PLAN 2025/26

Title	Purpose
Benefits CRA – Year 1	Mapping the various sources of assurance, the associated control framework and identifying any gaps for management attention and action.
Business Centres	To provide assurance that processes are being undertaken appropriately, in line with policy and procedures.
Home Adaptations	To provide assurance over the process for providing aids and adaptations, including referrals criteria and the consideration of appropriate housing.
IT Service Desk	To provide assurance over the operation of the IT Service Desk to ensure there are adequate systems in place to be able to receive, capture, prioritise and respond to incidents. Assurance will also be sought in relation to the oversight of performance to ensure continuous improvement and learning.
UK Shared Prosperity Fund (UKSPF)	<p>To ensure that the Council complies with the aims of the UKSPF, including:</p> <ul style="list-style-type: none"> a) Guidance on what to use the funding for, b) Delivery of the fund, c) The funding places will receive, d) Development of an appropriate invest plan process, and e) Measurement of impact. <p>The audit will look to examine any governance, partnerships and investment already in place, review any challenges and learning that has arisen and seek any shared learning that can be obtained from other local authorities.</p>

APPENDIX B – AUDIT START DATES AGREED WITH MANAGEMENT

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Audits	Key Performance Indicators	Creditors CRA – Refresh	Council Tax	Treasury Management – CRA Year 1
	Equality Impact Assessments	Debtors CRA – Refresh	Business Rates	Payroll – CRA Refresh
	Budgetary Control – Year 1	Authorisations for Enforcement Powers	Planning Enforcement	Data Governance
	Safety Advisory Group	Voids	Statutory Compliance – Corporate Buildings	Pre Employment Checks
		Ombudsman	Waste Regulations Preparedness	
IT Audits	Hardware Build Process		Chatbot – Maintenance and QA	
Grants		Social Housing Decarbonisation Fund		
Embedded Assurance	Housing Consumer Standards			
Other	2024/25 Carry Forward			

APPENDIX C – RISK REGISTER / COUNCIL BUSINESS PLAN MAPPING TO INTERNAL AUDIT PLAN

Council Risk Register – Strategic and Operational (Serious or Severe Residual Level) and Council Corporate Business Plan	Internal Audit Coverage 2020/21 – 2024/25	Internal Audit Coverage 2025/26	Assurance Mapping and Other Assurance
Strategic and Operational (Severe Residual Level)			
Damp, Mould and Condensation (Residual Score 20)	Private / Social Housing Damp and Mould 2023/24 Private / Social Housing Damp and Mould Follow Up 2024/25		Assurance map shows sufficient recent Internal Audit coverage and other forms of corporate oversight.
Recruitment and Retention (Regeneration & Economic Development) (Residual Score 20)	Agency Staffing 2024/25		Assurance noted through business operations and corporate oversight.
Management of Council Owned Non-Housing Property Assets (Residual Score 20)			Use of external consultants.
Cyber Security (Residual Score 16)	Cyber - Governance and Culture 2024/25 Remote Working and Multi Factor Authentication 2024/25 Handheld Devices Security 2023/24 Cyber Risk 2022/23 Phishing 2022/23		Assurance map shows sufficient recent Internal Audit coverage and other forms of corporate oversight and independent assurance.
Savings Delivery (Residual Score 16)	Budgetary Control (2023/24 – 2024/25)	Budgetary Control	Assurance noted through business operations and corporate oversight.
Housing Management - Poor Void Management (Residual Score 16)	Housing Maintenance Contract Mobilisation – Process Mapping 2022/23	Voids	
Recruitment and Retention – Homes and Neighbourhoods (Residual Score 16)	Agency Staffing 2024/25		Assurance noted through business operations and corporate oversight

APPENDIX C – RISK REGISTER / COUNCIL BUSINESS PLAN MAPPING TO INTERNAL AUDIT PLAN

Financial Sustainability (Residual Score 15)	Budgetary Control (2023/24 – 2024/25) Creditors (2023/24 – 2024/25) Debtors (2023/24 – 2024/25) Payroll (2023/24 – 2024/25) Housing Benefits 2024/25 Treasury Management 2024/25 Cash and Banking 2024/25 Transformation Board 2024/25 Procurement Cards 2022/23 Revenues – Discounts and Exemptions 2022/23 Breathing Space Debt Recovery 2021/22 Financial Regulations 2021/22 Self Service – Revenues 2021/22	Budgetary Control Creditors Debtors Payroll Treasury Management	
Planning for, and delivering, high quality affordable homes for everyone. (Residual Score 15)	Planning Services Review Recommendations 2022/23 Affordable Housing 2021/22		Adoption of Local Plan October 2024. Consideration for inclusion in 2026/27 Internal Audit Plan.
Management of Council Owned Housing Property Assets (Residual Score 15)	Planned Work and Repairs 2024/25 Housing Maintenance Contract Mobilisation – Process Mapping 2022/23 Housing Maintenance Contract Mobilisation 2022/23 Housing Maintenance - Continuous Assurance 2021/22	Housing Consumer Standards – Preparedness	
Legal Challenge to Planning Decisions (Residual Score 15)	Planning Appeals 2023/24 Planning Services Review Recommendations 2022/23	Planning Enforcement	The judicial review to the adoption of the local plan was successfully defended in 2024.

APPENDIX C – RISK REGISTER / COUNCIL BUSINESS PLAN MAPPING TO INTERNAL AUDIT PLAN

Asset Data (Residual Score 15)	Building Services Asset Management 2021/22		Operational work underway and planned for 2025/26. Consideration for inclusion in 2026/27 Internal Audit Plan.
Planning – Building Control (Residual Score 15)			Building control functions and responsibilities are delivered by Hertfordshire Building Control Ltd.
Strategic and Operational (Serious Residual Level)			
RSH Regulatory Standards (Residual Score 12)	Tenancy Audits 2024/25 White Paper: Preparedness and Tenant Engagement 2023/24 White Paper: Housing Complaints Handling 2023/24	Housing Consumer Standards – Preparedness	Assurance map shows recent Internal Audit coverage and other forms of corporate oversight.
Failure to be prepared for the impacts of climate change. (Residual Score 12)	Climate Emergency 2021/22, 2023/24		Assurance map shows sufficient recent Internal Audit coverage and other forms of corporate oversight.
Supplier Failure (Financial) (Residual Score 12)	Financial Resilience of Suppliers 2021/22		Independent assurance through credit agency monitoring
Collection Risks (Council Tax and Business Rates) (Residual Score 12)	Revenues and Benefits – New Contract 2023/24 Revenues – Discounts and Exemptions 2022/23 Self Service – Revenues 2021/22 Business Recovery 2021/22	Council Tax Business Rates	
Responsive Repairs (Housing) (Residual Score 12)	Planned Work and Repairs 2024/25		
Housing Benefit Subsidy Loss (Residual Score 12)			Independent assurance - External Audit
Repairs (Commercial Properties and Garages) (Residual Score 12)			Assurance noted through business operations and corporate oversight.

APPENDIX C – RISK REGISTER / COUNCIL BUSINESS PLAN MAPPING TO INTERNAL AUDIT PLAN

Equalities and Safeguarding (Residual Score 10)		Equality Impact Assessments	
Data Governance (Residual Score 10)	Performance Indicators 2022/23 Data Breaches 2021/22	Data Governance Performance Indicators	
Failure in Procurement Compliance (Residual Score 10)	Procurement Act Preparedness Part 1 and 2 2024/25 Contract Procurement 2024/25 Procurement Decision Making Process 2022/23		
Fire Safety (Residual Score 10)	Statutory Compliance 2022/23, 2024/25	Statutory Compliance – Corporate Buildings	
Tree Failure (Residual Score 10)	Trees Inspection Programme 2024/25		
Corporate Health and Safety (Residual Score 10)	Corporate Health and Safety - Policy and Procedures 2023/24		Assurance noted through business operations and corporate oversight.

The Corporate Risk Register and Council Corporate Business Plan are closely connected. The version used above was the most recent in place (January 2025) at the time of internal audit planning and is subject to regular review and update that means both the projects, risks and risk scores will have changed over time. The above table considers those strategic and operational risks with a severe or serious residual score.

We note not all risks have internal audit coverage against them. The Council has a large volume of identified risks, and our audit plan is constrained. We will monitor these risks and flexibly adapt our audit plan as appropriate and if required to cover these risks. We also note management’s own actions seek to mitigate these risks.

APPENDIX D – GLOSSARY OF TERMS

Assurance mapping

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

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

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

Control Risk (Self) Assessment (CRSA / CRA)

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

Data analytics / Data analysis

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

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

Health Check

APPENDIX D – GLOSSARY OF TERMS

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

Maturity assessment

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

Project (Embedded) Assurance

Project and programme assurance is a systematic process designed to provide confidence to stakeholders that a project or programme will achieve its objectives and deliver the intended benefits on time and within budget. It involves independent reviews and assessments at various stages to ensure that risks are managed, and the project or programme is on track. Key components of assurance include governance, roles and responsibilities, risk management, quality assurance, financial management and stakeholder engagement.

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

Advantages

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

Disadvantages

1. Internal audit involvement can compromise independence. This could apply when internal audit assesses programme/project management or audit the process or activity that was the basis of the project.

APPENDIX D – GLOSSARY OF TERMS

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

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

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

SIAS - Internal Audit Strategy 2025/26

Introduction

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

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

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

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

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

‘Internal auditing enhances the organisations:

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

APPENDIX E – SIAS Internal Audit Strategy

Our Mission

7. As a shared service, SIAS aims to:

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

8. In delivering this mission statement SIAS will:

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

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

Our core values

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

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

Customer Focus: We put service excellence and customer care at the heart of our internal audit and consultancy work, seeking to provide a service that inspires confidence and trust and meets customer expectations. We are always professional

APPENDIX E – SIAS Internal Audit Strategy

and courteous, take ownership for getting things right and support the service, our colleagues, and our partners / clients to meet their objectives.

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

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

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

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

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

Our priorities

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

Our role and delivery objectives

13. The full regulatory context and scope of internal audit and the Shared Internal Audit Service is set out within our partners Internal Audit Charter, approved annually by their respective Audit Committees.

APPENDIX E – SIAS Internal Audit Strategy

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

APPENDIX E – SIAS Internal Audit Strategy

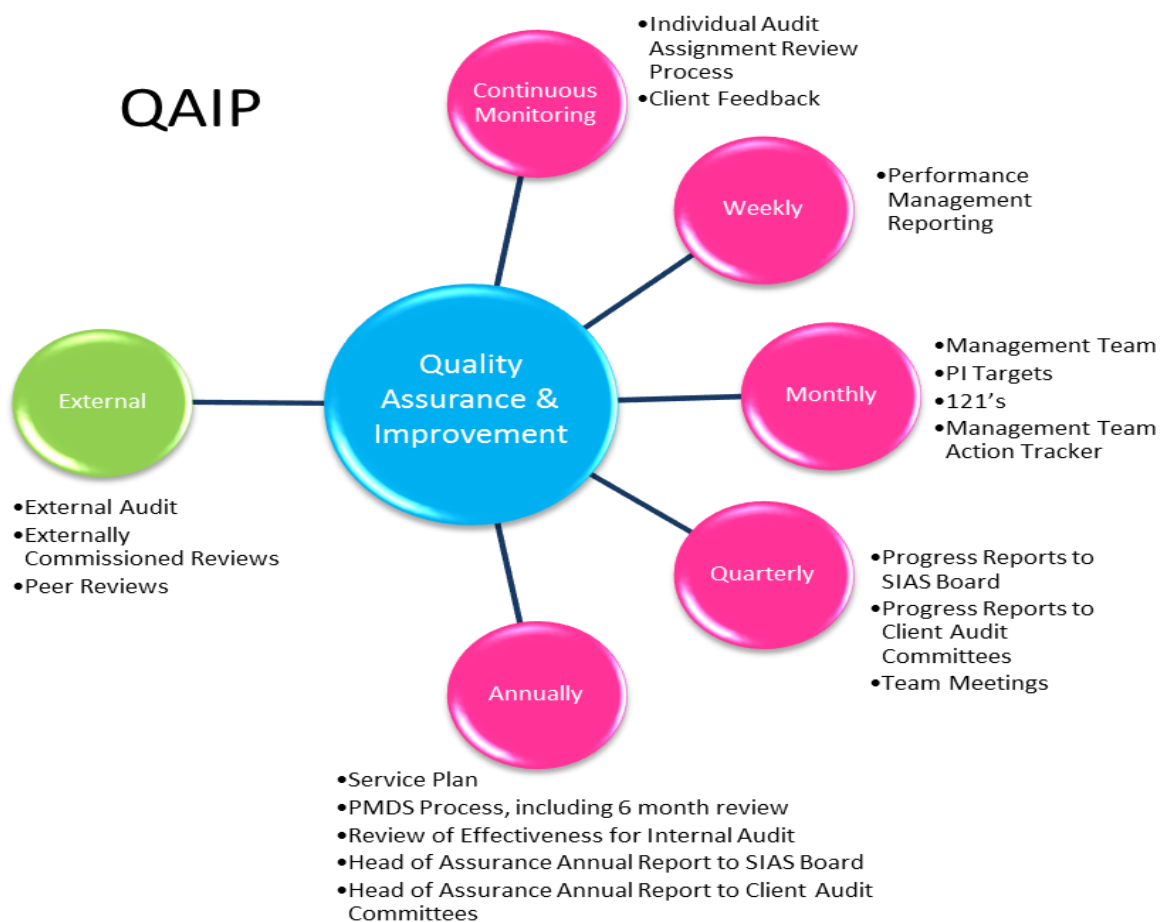
Resources

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

Measuring quality and performance

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

APPENDIX E – SIAS Internal Audit Strategy



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

Performance Indicator	Performance Target / Reporting
Annual Internal Audit Plan Delivery – the percentage of the Annual Internal Audit Plan delivered (excludes contingency)	95%
Project Delivery – the number of projects delivered to draft report stage against projects in the approved Annual Internal Audit Plan	90%
Project Completion – delivery of all planned projects to final report stage prior to the publication of the CAE annual assurance statement and opinion.	100%

APPENDIX E – SIAS Internal Audit Strategy

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

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



Welwyn Hatfield Borough Council

Audit Committee

March 2025

Anti-Fraud Progress Report 2024/2025

Purpose

1. This early report provides details of the work undertaken by the Shared Anti-Fraud Service (SAFS) and Council Officers to protect the Council against the threat of fraud and the delivery of the Council's Anti-Fraud Action Plan for 2024/25.
2. A final report covering the whole year will be provided to this Committee in the summer with detailed activity against the Anti-Fraud Plan.

Recommendations

Members are RECOMMENDED to:

- a) **Note the progress by officers and the Shared Anti-Fraud Service to deliver the Anti-Fraud Plan for the Council.**

Delivery of the Anti-Fraud Plan

3. The 2024/2025 Anti-Fraud Plan was approved by this Committee at its March 2024 meeting ([Public Pack](#))[Agenda Document for Audit Committee, 18/03/2024 19:30 \(welhat.gov.uk\)](#). This Plan covers all areas recommended by CIPFA and the *Fighting Fraud and Corruption Locally Strategy for the 2020s*. The Plan also provides assurance that the council continues to benefit from a positive return on its investment in the SAFS Partnership.

2024/2025 Anti-Fraud Activity

4. The Council has in place Anti-Fraud, Bribery & Corruption Policies and these are kept under constant review to ensure compliance with current best practice and the impact of any changes required by legislation.
5. SAFS provided alerts on new and emerging fraud trends through its Board members and directly with officers working in our Partners. These alerts come from a variety of sources including the National Anti-Fraud Network (NAFN), Credit Industry Fraud Avoidance Service (CIFAS), National Fraud Intelligence Bureau (NFIB) at the City of London Police, and others.
6. Between April and December 2024 SAFS issued 35 Urgent Fraud Alerts including impersonation/ push payments/ payment diversion/ false identified used in various application frauds. SAFS also provide regular Fraud Threat Reports that summarise new and emerging risks and provide officers with the latest guidance to assist with identification and prevention. SAFS has issued four of these reports this year focused on Multiple Employment fraud, ID fraud, 'Overpayment' linked to money laundering, and MS account take-over.
7. A training plan to build on staff awareness and fraud reporting, along with publicity campaigns to inform the public and encourage fraud reporting has been developed with officers in HR and Comms teams. Ten training events had been delivered to the end of December 2024 including ID fraud, 'Blue Badge' abuse general fraud awareness for staff and contract/bid-rigging provided by the Competitions and

Markets Authority. SAFS also delivered two town-hall SAFS/fraud awareness sessions for all staff.

8. Across of our partners SAFS provides Executive Reports (ER) to senior management and internal audit where investigations identify that fraud or attempted fraud occurred due to system/process weaknesses, SAFS also provides recommendations for management to consider the removal/reduction/mitigation of any ongoing fraud risk. We issued one generic ER for all SAFS Partners focused on the risk of Council bank details being hi-jacked for use by criminals.

Reactive Work

9. Between April and December 2024 98 allegations of fraud had been received affecting service areas such as housing, council tax, procurement, and Blue Badge misuse. SAFS currently have 53 cases under investigation, or at referral stage (19), with estimated losses of £1.4m recorded in this caseload.
10. SAFS have closed 10 investigations with fraud identified on 5 occasions. Fraud losses of £57k have been reported with savings, through prevention, amounting to £527k. SAFS have also conducted compliance reviews of 23 low value frauds identifying £23k of additional revenue in council tax. There is a further £28k of loss in HB/CTRS yet to be recorded due to issues with the DWP not responding to enquires submitted by the Council.
11. Three cases have been referred to the Councils legal team to consider prosecution. These are both significant cases with high losses for the Council and will take some time to resolve through the court process. The Council makes use of other sanctions as alternatives to prosecutions where these are appropriate.
12. SAFS continues to work closely across the Council Housing services, working with officers to assist in the recovery of council properties that are being sub-let or misused, preventing fraudulent right to buy applications and identifying fraudulent housing applications. So far this year four properties have been secured and re-let to local residents from the Councils housing register and one housing applicant was removed from the housing register. A number of cases are pending recovery at present.
13. As well as working with the Councils housing services SAFS continues to work with registered housing providers to investigate allegations of 'tenancy-fraud' committed against the social housing stock within the Councils boundaries.

Proactive Work

14. SAFS officers have reviewed 138 'right to buy' (RTB) applications to ensure that there was no fraud or money laundering concerns with these. To the end of December 6 of these applications required further investigation with 3 applications withdrawn. The volume of RTB applications received by the Council increased following announcements in the Autumn Budget making the scheme much less attractive financially for social housing tenants.

15. The Councils Housing Team and SAFS planned a Key-Amnesty for January 2025, with tenants encouraged to surrender their tenancy if they no longer required it or where they may have been sub-letting the property illegally. We also used this opportunity to raise awareness through tenants' newsletters/communications of the impact of fraud on the Council.
16. SAFS and Council officers ensured that all data required for submission as part of the Cabinet Office 'National Fraud Initiative' (NFI) was uploaded on time and meeting the correct specification. The output from this two-yearly national exercise produced 1,353 general matches (further creditors and council tax reports will be released in Q4), officers from SAFS and the Council are reviewing all matches at present with the intention to clear this work by the end of Q4.
17. The Council is signed up the Herts Fraudhub for the current year. The FraudHub works in a similar fashion to the main NFI exercise with data being submitted along with the other SAFS partners to help identify fraud through data-analysis/matching. In Q1- Q3 all agreed datasets were successfully uploaded. So far the FraudHub has identified in excess of 2,700 records for review, SAFS and Council officers are reviewing these at present with small number identifying fraud and error already.
18. As part of the FraudHub activity planned for the current year SAFS worked with the Cabinet Office to develop a national pilot to assist in the identification of potential tenancy fraud using various third-party datasets. This pilot has had very limited success so far, but we are continuing to work with the Cabinet Office, and their software developer, to enhance this pilot in the second half year along with the use of additional data from the private sector.
19. SAFS KPIs were agreed in the Anti-Fraud Pan, progress is reported below.

SAFS KPI Progress - 2024/ 2025

KPI	Measure	Objectives	Performance to December 2024
1	Return on investment from SAFS Partnership.	<p>A. Meetings to take place with the Executive Director (Finance and Transformation), quarterly. And reports on all SAFS Activity to Portfolio Leads for Finance and Housing.</p> <p>B. Executive Director (Finance and Transformation) or deputy will be invited to attend SAFS Board meetings quarterly.</p> <p>C. Regular meetings to take place with Directors/Service Leads to agree and update local work plans.</p> <p>D. 3 Reports to Audit Committee in 2024/25.</p>	<p>A. Meetings take place with the Executive Director (Finance and Transformation) and other senior leaders to discuss delivery of the AF Plan and anything else relevant. The Agenda is agreed by Council Officers</p> <p>B. Executive Director (Finance and Transformation) is a member of the SAFS Board and attends its quarterly meetings.</p> <p>C. SAFS meet with other service leads across the Council as and when required with a focus on the highest risk areas.</p> <p>D. Three reports will have been delivered in 2024/25 - June/September/March AC meetings.</p>
2	Provide an investigation service.	<p>A. Deliver between 90% and 110% of the 344 Days of counter fraud work including proactive and reactive</p>	<p>A. To the end of December 2024 SAFS had provided 321 days (93%) of those planned for the year.</p>

		investigation activity, data-analytics, training and fraud risk management.	
3	Action on reported fraud.	A. SAFS response to 95% of referrals received within 2 Days.	A. In Q1-Q3 SAFS responded to 100% of referrals within 24 hours on average.
4	Anti-Fraud Training	A. Deliver 10 anti-fraud/corruption training events for staff/Members in year. (To be agreed with Directors/Service leads and HR)	A. 10 Sessions delivered. In addition SAFS presented at the Councils Staff Briefing events in Q1 with all staff invited.
5	Allegations of fraud. & And outcomes from cases investigated.	A. 100% All reported fraud (referrals) received by the Council will be logged and reported by type & source on SAFS CMS. Outcomes of all referrals/cases will be recorded and reported. B. 6-12 Social homes secured from unlawful use or sub-letting or other unlawful activity. C. 100% Review of all Right to Buy and 'Succession' applications to prevent fraud and money laundering. D. SAFS to provide all Fraud Data for 2023/24 as required by the Transparency Code 2015.	A. Fraud reporting options available for staff and residents on the Council's webpage and intranet- This is linked to SAFS reporting tools. All cases with reports/values/outcomes recorded on SAFS CMS. B. 4 properties recovered with a number pending recovery at the time of reporting. C. 100% review of all RTBs completed, no Succession applications have been submitted to SAFS yet. D. Transparency Data provided in SAFS report to AC in June 2024.
6	Making better use of data to prevent/identify fraud.	A. Support the output from NFI 2024/25 Council services. B. Membership and VFM from the Herts FraudHub in 2024/25.	A. The NFI data-upload was completed in compliance with legislation and officers are now reviewing reports/matches with SAFS support. B. The Council has a contract in place for the FHub and data is being uploaded and output under review with Council officers.

Further Reading

20. List of Background Papers - Local Government Act 1972, Section 100D

(a) Councillors Workbook on Bribery & Fraud Prevention (LGA 2017)

(b) Fighting Fraud and Corruption Locally- A Strategy for the 2020's (CIPFA/CIFAS/LGA 2020)

(c) Tackling Fraud in the Public Sector (CIPFA 2020)

(d) Lost Homes Lost Hope (Fraud Advisory Panel 2023)

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Welwyn Hatfield Borough Council

Audit Committee

Anti-Fraud Plan 2025/26

Purpose

- 1 This report provides members with an introduction to the Councils Anti-Fraud Plan for 2025/26.

Recommendations

- 2 **The Committee is RECOMMENDED to:**
 - I. **Review and approve the Anti-Fraud Plan 2025/26.**

Background

- 3 The Cabinet Office, Department for Levelling Up Housing and Communities (DLUHC), NAO, CIPFA and others have issued advice, and best practice, to support local councils in the fight to reduce the risk of fraud and prevent loss to the public purse. This advice includes the need for vigilance in recognising fraud risks and the investment of sufficient resources in counter fraud activities.:

Fighting Fraud and Corruption Locally a Strategy for the 2020's. The strategy focuses on the governance and 'ownership' of anti-fraud and corruption arrangements. The Strategy also identifies areas of best practice and includes a 'Checklist' to compare against actions taken by the Council to deter/prevent/investigate fraud. The checklist is maintained and reviewed by SAFS and officers.

The impact of Fraud and Error on Public Funds 2023-24 (National Audit Office). "Fraud and error cost the taxpayer billions of pounds each year – but most of the potential loss goes undetected. Based on the Public Sector Fraud Authority's (PSFA) methodology, we estimate that fraud and error cost the taxpayer £55 billion to £81 billion in 2023-24. Only a fraction of this is detected and known about".

The ***Annual Fraud Indicator 2023***, published in 2024 by Crowe, Peters and Peters and Portsmouth University states that fraud in local government exceeded £8.8bn in 2021/22 and that excluded front line service areas such as housing benefit, council tax, care services and education.

CIFAS Annual Fraudscape Report 2024 . "The impact of fraud on individuals, businesses, and the public sector has hit unprecedented levels. This is paired with a growing concern over AI generated fraud, which enables complex phishing scams and synthetic identities".

Cross Government Counter Fraud Functional Strategy 2024-2027 states that "Prevention is the most effective way to address fraud and corruption - preventing fraud through effective counter fraud practices reduces loss and reputational damage".

4. It is essential that the Council has in place a robust framework to prevent and deter fraud, including effective strategies and policies, as well as plans to deal with the investigation and prosecution of identified fraud.
5. Members of this committee have received reports about how this service works closely with the Shared Internal Audit Service (SIAS) dealing with all aspects of fraud from prevention and deterrence to investigation and prosecution, working with services and Council staff at all levels.

Report

Anti-Fraud Plan 2025/26

6. The reports and papers mentioned at section 3 above and guidance from the NAO, CIPFA, MHCLG and the Local Government Association (LGA) recommend that organisations have effective and robust counter fraud and corruption measures. These measures require the acknowledgement of fraud as a tangible risk, policies, and procedures to deter and prevent fraud occurring and the provision of sufficient resources to investigate and recover losses caused by fraud. Above all an organisation should have a plan to protect itself against fraud.
7. Council officers and SAFS management develop and agree an **Anti-Fraud Plan** each year and the proposed plan for 2025/26 is presented at **Appendix A**

The Plan and Fighting Fraud and Corruption Locally

8. The Anti-Fraud Plan has been developed over several years to meet the recommendations of the [Fighting Fraud Corruption Locally Strategy 2020s | Cifas](#) (FFCL) adopting the 'pillars' of Protect, Govern, Acknowledge, Prevent and Pursue.
9. The Plan identifies officers/members who will have a role in delivering it, and SAFS will work with all concerned to ensure they understand their role both in delivering the Plan and supporting the FFCL strategy.
10. Members will note that this Committee has a role in ensuring key elements in the Plan are implemented and in continual monitoring the Councils anti-fraud work.

Counter Fraud Funding and Resources 2025/26

11. The proposed Anti-Fraud Plan can be found at **Appendix A**.
12. The Plan includes reference to the SAFS KPIs and Standards of Service. All SAFS staff are appropriately trained and accredited and the service has access to the resources of the Public Sector Fraud Authority and Government Counter Fraud Profession.
13. SAFS will maintain its relationship with specialist third party providers and national networks to keep the Council informed of new and emerging fraud threats or changes to best practice that assist in deterring/preventing fraud and corruption.

- 14 SAFS will continue to work closely with Council officers working in those services mentioned in the Plan.
- 15 Regular reports will be provided to senior management and this Committee on progress delivering the Plan for 2025/26.

Appendices

Appendix A - Welwyn Hatfield Borough Council - Anti-Fraud Plan 2025/26.

List of Background Papers - Local Government Act 1972, Section 100D

- (a) ***Councillors Workbook on Bribery & Fraud Prevention (LGA 2017)***
- (b) ***Fighting Fraud and Corruption Locally- A Strategy for the 2020's (CIPFA/CIFAS/LGA 2020)***
- (c) ***Tackling Fraud in the Public Sector (CIPFA 2020)***
- (d) ***Code of Practice - Managing the Risk of Fraud and Corruption (CIPFA 2014)***
- (e) ***Lost Homes, Lost Hope. (Fraud Advisory Panel 2023)***

Welwyn Hatfield Borough Council

Anti-Fraud Plan 2025-2026

In partnership with

The Hertfordshire Shared Anti-Fraud Service



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Introduction

This plan supports the Councils [Anti-fraud and corruption policy – Welwyn Hatfield Borough Council](#) by ensuring that Welwyn and Hatfield Council, working in partnership with the Hertfordshire Shared Anti-Fraud Service and others, has in place effective resources and controls to prevent and deter fraud as well as investigate and pursue fraud when it occurs.

The Councils published Anti-Fraud and Corruption Policy states;

2.1 The Council will not tolerate fraudulent or corrupt acts and will take firm action against those who defraud the authority, who are corrupt or engage in financial malpractice.

2.2 The Council will fulfil the responsibility to reduce fraud and protect our resources by a strategic approach consistent with that outlined in the Fighting Fraud and Corruption Locally Strategy 2020 and CIPFA's Managing the Risk of Fraud and Corruption.

2.3 The Council's employees and Members have a key role in maintaining this culture. The Council has implemented effective whistleblowing arrangements and employees and Members are encouraged to raise any serious concerns about the Council's work, including any reasonable belief that fraud or corruption is occurring.

2.4 The desired culture is reinforced through the Council's behavioural competencies which are embedded in policies and procedures, where values of openness and honesty are specifically mentioned.

2.5 The Council aims to learn from any incidences of fraud or corruption and where there have been breakdowns in systems, procedures or governance arrangements, these will be reviewed and will be controls put in place to prevent a reoccurrence.

2.6 We will Work with our partners and other investigative bodies to strengthen and continuously improve our arrangements to prevent fraud and corruption.

This plan includes objectives and key performance indicators that support the Councils Policy and follows the latest best practice/guidance/directives from the Ministry for Housing and Local Government (MHCLG), National Audit Office (NAO), Public Sector Fraud Authority (PSFA) and the Chartered Institute for Public Finance and Accountancy (CIPFA).

National Context.

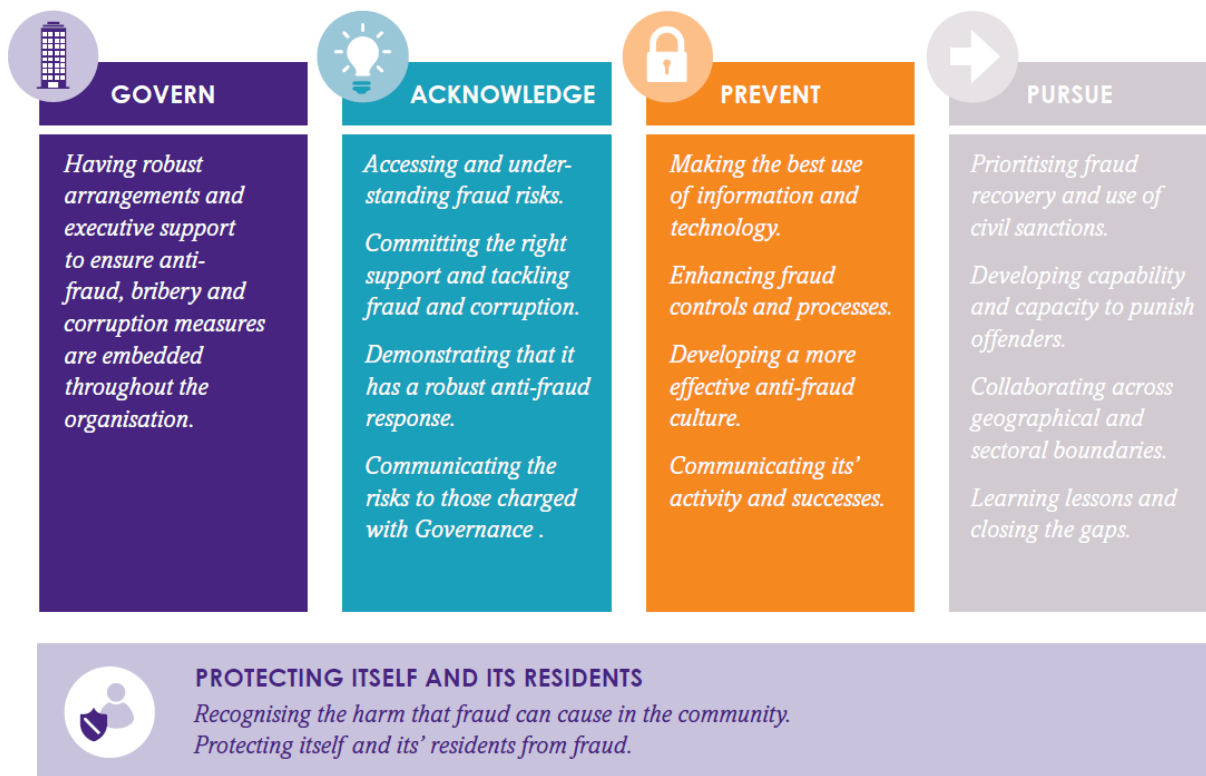
In 2013 the National Fraud Authority stated that the scale of fraud against local government “is large, but difficult to quantify with precision”. Since 2013 a number of reports have been published including by CIPFA, NAO and Fraud Advisory Panel indicating that the threat of fraud against local government is both real, causing substantial impact (including reputational, service as well as financial) and should be prevented wherever possible.

In November 2024, the National Audit Office (NAO) published its report to the new Government **The impact of fraud and error on public funds 2023-24**. The report states “Fraud and error cost the taxpayer billions of pounds each year – but most of the potential loss goes undetected. Based on the Public Sector Fraud Authority’s (PSFA) methodology, we estimate that fraud and error cost the taxpayer £55 billion to £81 billion in 2023-24. Only a fraction of this is detected and known about”. There are no accurate statistics for fraud loss/prevention in local government since CIPFA ceased its Counter Fraud Tracker in 2019/20, but it safe to say that fraud is still there and based on our own experience the risk is significant

The *Fighting Fraud and Corruption Locally, A Strategy for the 2020’s*, published in March 2020 and supported by CIPFA, the LGA, SOLCACE and External Auditors provides a framework for the Council to adopt in developing its counter fraud activity and this Anti-Fraud Plan follows the guidance and recommendations of the *Strategy*. A copy of the *Strategy* can be found at <https://www.cipfa.org/services/cipfa-solutions/fraud-and-corruption/fighting-fraud-and-corruption-locally>

The *Strategy* compliments work undertaken in 2019 by CIPFA, NAO and Cabinet Office as well as the *Code of practice on managing the risk of fraud and corruption* CIPFA 2015 including the four ‘Pillars’ of **Govern, Acknowledge, Prevent, Pursue** with an overarching aim of **Protect**:

For the Council this includes protecting public funds it administers and protecting the Council and its residents against fraud and cybercrime.



Anti-Fraud Plan 2025-2026

The Councils Anti-Fraud Plan will be managed by the Hertfordshire Shared Anti-Fraud Service (SAFS), but officers at all levels across the Council will have responsibility for ensuring that the plan is delivered and the Council protected against acts of fraud and corruption.

The Anti-Fraud Plan highlights specific areas of work to protect the Council against fraud and corruption. The Council also has a duty to protect the public and it does this through its work across all services and in particular by sharing information and knowledge. The Council has frameworks and procedures in place to prevent fraud and encourage staff and the public to report suspicions of fraud.

The Anti-Fraud Plan follows the guidelines and checklists contained in the *Fighting Fraud and Corruption Locally Strategy* and progress against this will be reported to senior management and the Councils Audit and Governance Committee. A break-down of work included in the Plan can be found at **Appendix A** along with the officers with responsibility for ensuring the plan is delivered.

Anti-Fraud Arrangements

The Council joined the 'Hertfordshire Shared Anti-Fraud Service' (SAFS) in 2023 and this service has provided the majority of the anti-fraud arrangements for the Council since then. The SAFS Partnership was formed in 2015 and also includes Stevenage Borough Council, Broxbourne Borough Council, Hertsmere Borough Council, Hertfordshire County Council, Luton Borough Council, North Herts Council and East Herts Council, SAFS also provides services to other public sector bodies across Hertfordshire and Bedfordshire.

SAFS Core Service is made up of 22.5 FTE staff for 2025/26. All staff are trained and accredited, specialising in fraud prevention, fraud investigation, fraud awareness, fraud risk assessment as well as proceeds of crime, anti-bribery and anti-money laundering. All staff are required to members of the Government Counter Fraud Profession (GCFP)- or working toward this via professional qualification or apprenticeships.

The SAFS Team has been nominated for and/or won awards for the services it provides including the **Tackling Economic Crime Awards** (TECAS), the **Institute of Revenue Rating and Valuation Awards** (IRRV), the **Public Finance Awards** (PFA), and **Public Sector Counter Fraud Awards**.

In 2023/2024 SAFS underwent an external Peer Review with a final report provided to the SAFS Board in March 2024. This report highly commended the service provided to the SAFS Partners and the work of the SAFS Team. A number of recommendations included in the final report, to further enhance the service offering, were adopted by SAFS Management and implemented in 2024/25.

SAFS is a Partnership with each organisation paying an annual fee for Hertfordshire County Council for a contracted service for all Partners. SAFS, as a service, has a number of key objectives developed by its Management Board (the Board) and every Partner has a seat on that Board. For Welwyn Hatfield Council the **Executive Director (Finance and Transformation)** is the Board representative with the **Assistant Director (Finance)** acting as their deputy.

Although SAFS will provide much of the Councils operational counter fraud work Council officers are responsible for ensuring the policies, procedures, training and appropriate resources are in place to protect the Council from fraud, corruption and bribery.

Budget

In October 2024 the SAFS Board agreed fees for all Partners from April 2025. The Board also received assurance from financial modelling that the service would be sustainable, in its current form, for the next three years.

Fees for Welwyn Hatfield Borough Council for 2025-2026 have been agreed at £134,492+ VAT- this is an increase of 4% from 2024-2025.

The fee will not include the Councils fees for the Cabinet Office NFI and FraudHub services that will be charged directly by the Cabinet Office.

The Councils legal service, including litigation for both civil and criminal matters, all internal recharges and external fees for these services will be met by the Councils respective service areas/directorates when required.

Staffing

The full complement for SAFS Core Service in 2025-2026 is planned to be 22.5 FTE.

The Council will have access to 409 days of counter fraud work (an increase on the 344 days in 2024/25), access to intelligence functions of the service, all data-matching services being offered through the SAFS Data-Hub and Herts *FraudHub* (hosted by Cabinet Office) and can call on SAFS management for liaison meetings, management meetings and three reports per annum to the Audit and Standards Committee. An Accredited Financial Investigator is available to assist in money laundering or proceeds of crime investigations.

SAFS has access to specialist IT forensics, covert surveillance and national counter fraud intelligence services provided via third parties and criminal litigation services to support the Councils legal team.

SAFS will provide fraud alerts/updates (local and national) to Council officers and senior management of all new and emerging fraud risks through its membership of anti-fraud forums and specialist providers including the Fighting Fraud and Corruption Locally Board (FFCLB) the Credit Industry Fraud Avoidance Service (CIFAS), Certified Institute of Public Finance and Accountancy (CIPFA) Finance, National Fraud Intelligence Bureau (NFIB), Fraud Advisory Panel (FAP), National Anti-Fraud Network (NAFN) and the Public Sector Fraud Authority (PSFA).

Workplans & Projects 2025-2026

As well as an agreed programme of work (see **Appendix A**) SAFS will work in the following areas delivering specific activity agreed with service managers. Progress with this work will be reported to the relevant head of service/managers on a quarterly basis.

Service Area	Agreed Projects
Corporate Support	<p>General Support. Three Reports to Audit and Governance Committee. SAFS attendance at Corporate Governance Groups and management meetings to keep fraud risks on the Council's agenda. Assisting with the development and review of the Councils existing anti-fraud policies. Money Laundering Reporting Officer (MLRO) role. Assist with NFI 25/26 Output and FraudHub. Assisting with Payroll fraud matters including disciplinary investigations. Identify new fraud risks and fraud alerts. Membership of various antifraud network forums including NAFN/FFCL/CIFAS/LBFIG/FAP/GCFP/PSFA A review of the ECCTA 2023 and 'Failure to Prevent Fraud' and its implications for the Council.</p> <p>Training. Ten fraud training/awareness events for staff/members in year delivered face to face/virtually/hybrid. Review the Councils I-Learn training package on fraud/bribery/money laundering. Making the on-line training mandatory with alternative options for staff without access to the Councils intranet.</p> <p>Procurement. Work with SIAS and procurement to develop a bespoke risk assessment for fraud in procurement/contract.</p>
Revenues and Benefits	<p>Proactive training and awareness for senior leadership and front-line staff within the Shared R&B Service. Reactive investigations for HB/CTRS, incl JW with DWP/FES. Support for SPD review for the Council via third party providers as part of the county-wide Council Tax Framework. NFI/FraudHub output- how this can be managed in 2025/26 between SAFS and R&B Mgt.</p>
Housing Services	<p>Proactive training and awareness for senior leadership and front-line staff. Training and awareness to be agreed. Maintain and monitor the SLA in place between Housing Services and SAFS. Reactive investigations for housing applications, tenancy fraud in the housing stock and support for RTB process- to include preparation of file for decisions and civil/criminal court hearings on a case-by-case basis. Targets include:</p> <ul style="list-style-type: none"> • 6-12 social homes secured from sub-letting or other unlawful tenancy breaches. • 100% review of RTB application. (SAFS to review all applications once eligibility confirmed). • 100% review of Succession applications. <p>Review housing register and current housing stock using NFI and Fraud-Hub capacity to identify fraud/error including the use of local data. SAFS to provide capacity for NFI 2025/26 and Fraudhub output and work with Housing Officers to resolve discrepancies.</p>
Parking Enforcement	<p>Proactive training and awareness for senior leadership and front-line staff. Investigation into alleged misuse of BB. Responding to allegations of misuse from the public. BB Action Days- proactive work with CEOs in hot-spot areas agreed with LBC.</p>

SAFS KPIs & Standards of Service.

SAFS will work to a set of KPIs agreed with senior officers and these targets will assist in delivering the Councils Anti-Fraud Plan. The KPI's can be found at **Appendix B** and will be reported to senior officers and Audit Committee throughout the year.

SAFS - Standards of Service.

SAFS will provide the Council with the following anti-fraud services.

1. 24/7 Access to a fraud hotline, email, and online solution for public reporting.
2. Process for Council staff to report suspected fraud to SAFS via email/phone/weblinks.
3. Training in: Fraud Awareness (management/staff/members), Fraud Prevention, Identity Fraud and Money Laundering.
4. A Money Laundering Reporting Officer service as laid out in the relevant Council policies.
5. Assistance in the design/review of Council policies, processes, and documents to deter/prevent fraud.
6. SAFS will review all anti-fraud strategies and policies or templates used by the Council.
7. SAFS will continue to develop a data-matching solution (NFI- Herts *FraudHub*) to assist in the identification of fraud.
 - The FraudHub will be funded by the Council.
 - The FraudHub will be secure and accessible only by nominated SAFS and Council officers.
 - Data will be collected and loaded in a secure manner.
 - SAFS will design and maintain a data-sharing protocol for all SAFS Partners to review and agree annually.
 - SAFS will work with Council officers to identify datasets (and frequency) of the upload of these.
8. All SAFS Staff will be qualified, trained and/or accredited to undertake their duties lawfully.
9. All SAFS investigations will comply with legislation including DPA, GDPR, PACE, CPIA, HRA, RIPA* and relevant Council policies and processes.
10. Reactive fraud investigations.
 - Any high profile, high value, high risk cases or matters reported by senior managers will receive a response from SAFS Mgt and be added to the Management Tracker so they are prioritised appropriately.
 - All cases reported to SAFS will be reviewed within 2 days of receipt and decision made on immediate action including selection of cases for further review, no action, investigation, or referral to 3rd parties including police, DWP, Action Fraud.
 - The Council will be informed of all reported fraud affecting its services.
 - SAFS will allocate an officer to each case.
 - SAFS officers will liaise with nominated Council officers to access data/systems to undertake investigations.
 - SAFS officers will provide updates on cases and a summary of facts and supporting evidence on conclusion of the investigation for Council officers to review and make any decisions.
 - Where criminal offences are identified SAFS will draft a report for Council officers to decide on any further sanctions/prosecutions.
11. Where sanctions, penalties or prosecutions are sought SAFS will work with the Council to determine the appropriate disposal in line with the Council's policies.
12. Where any investigation or review identifies any system/process weakness SAFS will provide a confidential report to the relevant head of service of director with recommendations on management/mitigation.
13. SAFS will provide Alerts to the Council, of suspected fraud trends or reports/guidance from government and public organisations that are relevant to fraud.
14. SAFS will provide reports to senior management on the progress with delivery of this Plan and any other relevant activity planned or otherwise.
15. SAFS will provide reports through the SAFS Board and to the Council's Audit Committee as agreed in the SAFS Partnership Contract.

**Data Protection Act, General Data Protection Regulation, Police and Criminal Evidence Act, Criminal Procedures and Investigations Act, Human Rights Act, Regulation of Investigatory Powers Act, Investigatory Powers Act.*

Appendix A.

WHBC / SAFS Action Plan 2025/2026			
FFCL Pillars	Objectives	Activities	Responsible Officer
Governance	Having robust arrangements and executive support to ensure anti fraud, bribery and corruption measures are embedded throughout the Council.	The Council has in place an Anti-Fraud and Corruption Strategy & Fraud Response Plan and associated policies to deter, prevent, investigate acts of fraud or corruption.	Executive Director (Finance and Transformation)
		The Councils Audit Committee will receive reports during the year about the arrangements in place to protect the Council against fraud.	Executive Director (Finance and Transformation) /Head of SAFS
		The Audit Committee Chairman, along with the senior management team, will ensure compliance with the latest best practice in the Councils anti-fraud arrangements.	AC Chairman/ Executive Director (Finance and Transformation) / Monitoring Officer
		Weaknesses revealed by instances of proven fraud will be fed back to departments with recommendations to 'fraud-proof' systems, and inform future internal audit planning.	Head of SAFS/ Head of SIAS
		The Council will publish its Fraud Data in compliance with the Transparency Code.	Head of SAFS
ACKNOWLEDGE	Accessing and under-standing fraud risks. Committing the right support Demonstrating a robust anti-fraud response. Communicating risks	Inclusion of Fraud Risks and actions to manage/mitigate/reduce this in its Annual Governance Statement.	Executive Director (Finance and Transformation)
		The Council will publicise anti-fraud campaigns and provide internal communications to staff on fraud awareness/prevention.	Head of SAFS/ Assistant Director (Customer and Transformation)
		The Council will provide fraud awareness & specific anti-fraud training across all Council services and implement E-Learning modules available for staff that is mandatory for all.	Human Resources and Organisational Development Manager / Head of SAFS
		The Council is a member of the Hertfordshire Shared Anti-Fraud Service (SAFS).	Executive Director (Finance and Transformation)
		The Shared Internal Audit Service (SIAS) will take account of known or emerging fraud risks when audit activity is being planned. SIAS will also report any suspected fraud to senior management and SAFS to review.	Head of SIAS
PREVENT	Making the best use of information and technology. Enhancing fraud controls and processes. Developing an effective anti-fraud culture. Communicating activity and successes.	SAFS will provide fraud alerts and new/emerging fraud threats to be disseminated to appropriate officers/staff/services.	Head of SAFS
		SAFS will work with all Council services to make best use of 3rd party providers such as NAFN, PNLD, CIPFA, CIFAS.	Head of SAFS
		Maintain and improve the Councils use of the Herts <i>FraudHub</i> and support Council officers with the output from NFI 2024/25 Exercise	Head of SAFS/ Executive Director (Finance and Transformation)
		The Council will work with other organisations, including private sector, to improve access to data and data-services that will assist in the detection or prevention of fraud.	Head of SAFS/ Executive Director (Finance and Transformation)
		SAFS will provide reports to the SAFS Board quarterly on anti-fraud activity across the Partnership and any learning to be shared across all Partners.	Head of SAFS
		The Council will review data sharing agreements/protocols to ensure compliance with DEA & GDPR/DPA to maximise the benefits of sharing data with others to help prevent/identify fraud.	Monitoring Officer and the Data Protection Officer
		SAFS will work with the LGA and Cabinet Office to support the work of the Public Sector Fraud Authority.	Head of SAFS
PURSUE	Prioritising recovery and use of sanctions. Developing capability and capacity. Collaborating across boundaries. Learning lessons, closing the gaps.	All fraud reported to the Council will be via SAFS fraud reporting tools (web/phone/email) for staff, public and elected Members. SAFS will work with officers to promote the reporting of suspected fraud.	Head of SAFS
		All investigations will comply with relevant legislation and Council policies. Investigations will include civil, criminal and disciplinary outcomes.	Head of SAFS
		SAFS will use its case management system to record and report on all fraud referred, investigated and identified.	Head of SAFS
		Legal services, HR and debt recovery teams will seek to 'prosecute' offenders, apply sanctions and recover financial losses- supported by relevant policies.	Monitoring Officer/ Human Resources and Organisational Development Manager/ Executive
		SAFS and the Councils Shared R&B Service will work with DWP to deliver joint investigations where fraud affects both HB and CTax.	Head of SAFS/ Revenues and Benefits Client Manager
		All SAFS staff will be fully trained and accredited. SAFS will continue to work with the Cabinet Office to support the Counter-Fraud Profession.	Head of SAFS
		SAFS will use its in-house expertise as well as external partners when considering the use of POCA, Surveillance or IT Forensics.	Head of SAFS
PROTECT	Recognising the harm that fraud can cause in the community. Protecting the Council and its residents from fraud.	SAFS will provide reports and data to Fraud Champions on all anti-fraud activity as required.	Head of SAFS
		Reports for Audit Committee on all Counter Fraud activity at the Council 3 times in 2025-2026	Head of SAFS / Executive Director (Finance and Transformation)
		The Council has in place measures to protect itself against cyber crime, malware and other pontental attacks aimed at its IT infrastructure, with training for staff and elected members	Assistant Director (ICT and Digital)
		SAFS will work with bodies including MHCLG/LGA/CIPFA/FFLB to develop anti-fraud strategies at a national level that support fraud prevention in local government	Head of SAFS

Appendix B.

SAFS KPIs - 2025/ 2026 (WHBC)

KPI	Measure	Objectives	Reason for KPI
1	Return on investment from SAFS Partnership.	Demonstrate that the Council is receiving a financial return on investment from membership of SAFS and that this equates to its financial contribution. A. Meetings to take place with the Councils S.151, quarterly. B. S.151 or deputy will attend the quarterly meeting of the SAFS Board.	Transparent evidence to Senior Management that the Council is receiving a service matching its contribution.
2	Provide an investigation service.	A. Target to deliver at least 95% of the funded 409 Days of counter fraud activity including proactive and reactive investigations, data-analytics, staff training and fraud risk management. (Supported by SAFS Intel/Management). B. 3 Reports to Audit & Governance Committee.	Ensure ongoing effectiveness and resilience of the Councils anti-fraud arrangements.
3	Action on reported fraud.	A. All referrals into SAFS to be reviewed within 2 working days .	Ensure that all cases of reported fraud are triaged within agreed timescales.
4	Added value of SAFS membership.	A. Membership of NAFN & PNLD B. Membership of CIFAS/LBFIG/FAP/FFCL C. NAFN Access/Training for relevant Council Staff D. 10 Training events for staff/Members in year.	Deliver additional services that will assist in the Council in preventing fraud across all services and in the recovery of fraud losses.
5	Allegations of fraud received. & Success rates for cases investigated.	A. All reported fraud (referrals) will be logged and reported to officers by type & source. B. All cases investigated will be recorded and the financial value, including loss/recovery/ savings of each will be reported to Council officers. C. 6-12 Social homes secured from unlawful use or sub-letting. D. 100% Review of all Right to Buy and 'Succession' applications.	This target will measure the effectiveness of the service in promoting the reporting of fraud & measure the effectiveness in identifying cases worthy of investigation.
6	Making better use of data to prevent/identify fraud.	A. Support the output from NFI 2025/26 Council services. B. Maintain use of the Herts FraudHub	Build a data hub that will allow the Council to access and share data to assist in the prevention/detection of fraud.

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