Annual Governance Statement 2025-26

Draft Report for Public Deposit
30th June 2026

Leeds
CITY COUNCIL

Contents

Executive Summary

This Annual Governance Statement (AGS) provides a transparent, evidence-based assessment of the Council's governance arrangements for the year ending 31st March 2026.

During the year, the Council successfully achieved a balanced budget and met the requirements of the government backstop for external audit, demonstrating strong financial stewardship and accountability, albeit this has impacted the reserves position. Internal Audit provided a satisfactory overall opinion[1], operating in accordance with the Global Internal Audit Standards (GIAS) and reported regularly to the Corporate Governance and Audit Committee.

The Council's External Auditors, Grant Thornton, issued an "except for" qualified opinion, limited solely to the equal pay considerations within the 2024-25 financial statements. Three recommendations from the previous year's external audit report have been carried forward as part of the Council's ongoing improvement programme.

The Council continues to work towards a sustainable financial position, with the Medium-Term Financial Strategy (MTFS) setting a target of £51.25m for General Reserves by 2031 and £286.7 in earmarked reserves. This is supported by a clear set of Council Plan programmes all geared towards building reserves. However, financial pressures remain, including a Dedicated Schools Grant (DSG) deficit of £34.8m which is being actively managed.

Key strengths identified in the Annual Governance Statement include:

- Clear governance structures and accountability through Corporate Leadership Team and committee arrangements.
- A mature and effective internal audit function with robust follow-up of actions
- Strong financial management and budgetary control
- Council plan programmes geared towards building long term sustainability

Areas for further improvement include:

- Formalising and embedding the Council's risk appetite
- Strengthening the visibility and consistency of second-line assurance
- Enhancing stakeholder engagement and consultation.

Scope of Responsibility and Governance Framework

Leeds City Council is responsible for ensuring its business is conducted in accordance with the law and with proper standards, that public funds are safeguarded, and that the Council delivers value for money through the economical, efficient and effective use of resources.

The Council's governance arrangements are set out in the Local Code of Corporate Governance [2]("Local Code") framed around the seven CIPFA/SOLACE principles:

1. Behaving with Integrity
2. Ensuring openness and engagement
3. Defining Outcomes
4. Determining effective interventions
5. Managing risk and performance
6. Developing capacity
7. Demonstrating accountability.

[1] Internal Audit Annual Report and Opinion 2024-25
[2] Leeds City Council Local Code of Corporate Governance

The Local Code has been updated to reflect the requirements of the 2025 Addendum. It is also informed by the Leeds Ambitions (launched Autumn 2025), which provide the strategic foundation for the city, underpinned by the Council Plan and Budget and Policy Framework setting out the approach to governance, decision-making and performance for 2025/26 and beyond.

The governance framework includes:

- The Constitution and decision-making framework
- Corporate performance risk, finance and audit arrangements
- Management assurance frameworks, including the three-lines model.
- Policies, codes of conduct, values and ethical governance expectations
- Transparent reporting and openness through published information, scrutiny and audit.

Assessment of Effectiveness (Annual Review)

In line with statutory requirements and CIPFA/SOLACE guidance, the Council undertakes an annual review of its governance arrangements. The 2025 Addendum requires clearer articulation of the evidence base and conclusion of that review.

This review was informed by a wide range of assurance sources across the organisation:

Operational Assurance	Specialist Assurance	Independent Assurance
• Risk Registers • Policies and Guidance • Staff Survey • Performance Monitoring • Statement of Internal Control	• Corporate Functions: • Financial Management • Legal (Monitoring Officer) • Human Resources • Information Management and Governance • Procurement and Commercial Services • Risk Mangement • Specialist Officer Questionnaire • Assurance reporting provided to Corporate Leadership Team and Corporate Governance and Audit Committee	• Internal Audit (Annual Opinion and Individual Reviews) • External Audit Findings • Peer Reviews and Inspections • Ombudsman Findings

Assurance alignment with the Seven Principles of Corporate Governance.

The following narrative will provide a high-level summary of how Leeds City Council satisfies the seven principles of Corporate Governance (CIPFA). Appendix A to this report will provide a detailed overview of assurances discussed.

	A: Behaving with integrity, demonstrating strong commitment to ethical values
The Council promotes a culture of integrity through established values, codes of conduct for members and officers, supported by training, declarations of interest, and policies covering gifts and hospitality. Mechanisms are in place for reporting and investigating concerns, including whistleblowing arrangements.	

Assurance is provided through:

- Standards Committee reporting
- Monitoring Officer oversight and report
- Staff Survey
- Internal Audit reviews
- Feedback from peer reviews and staff engagement.

B: Ensuring openness and comprehensive stakeholder engagement

The Council is committed to transparency and engagement with residents, partners and stakeholders. This includes publication of decisions, open committee meetings, and public consultation on key strategies and policies.

Assurance is derived from:

- Complaints and Freedom of Information data
- Consultation and Engagement outcomes
- External feedback and peer review.

External inspections have recognised strong engagement, including:

- OFSTED (Children and Families) feedback highlighting effective early help,
- CQC (Adults Health and Social Care) recognition of strong partnership working.

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

The Council's strategic direction is defined through the Leeds Ambitions, launched in Autumn 2025, replacing the previous Best City Ambitions. This provides a clear articulation of long-term economic, social, and environmental priorities and reinforces a shared vision for the city.
The Leeds Ambitions are supported by the Council Plan and underpins the Medium-Term Financial Strategy, ensuring that resources are aligned to strategic priorities and outcomes. This integrated approach comes together through the designated organisational effectiveness workstream and strengthens the Council's ability to deliver value for money whilst maintaining a focus on improving outcomes for residents.

Assurance is provided through:

- Performance Management frameworks
- Budget monitoring and reporting
- Value for money assessments

The Council has achieved a balanced budget at year end, demonstrating alignment between resources and priorities, albeit this has further called on available reserves balances in doing so. This underlines the importance of the focus on medium term financial planning to boost sustainability

D: Determining the interventions necessary to optimise outcomes.

The Council implements policies, programmes and transformation initiatives to deliver strategic objectives, including those arising from the Leeds Ambitions. This includes the transformation initiatives linked to the four workstreams, organisational effectiveness, prevention, revenue growth and locality working. These are monitored through performance indicators and evaluated for effectiveness.

Assurance is provided from:

- Programme and project governance
- Performance dashboards

- Directorate management oversight.
- Corporate Leadership Team Assurance meetings

Further work is planned to strengthen the evaluation of interventions and demonstrate impact more consistently.

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

The Council invests in workforce development, training and wellbeing. Workforce planning supports the identification of skills gaps and succession planning to ensure the organisation has the capacity to deliver its strategic ambitions.

Assurance is derived from:

- Human Resources reporting
- Freedom to Speak Up Guardian
- Staff Networks
- Staff Engagement Surveys and action planning
- Training and Development data
- External accreditation (e.g.: Disability Confident Leader, Stonewall).
- Established Trade Union engagement

Capacity pressures remain in some areas and are being addressed through ongoing workforce planning.

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

The Council maintains a corporate risk management framework, including a regularly reviewed corporate risk register, which supports the delivery of the Leeds Ambitions.
Financial management is aligned to the CIPFA Financial Management Code, with strong budget monitoring and reporting arrangements.

Key points include:

- Achievement of a balanced budget for 2025-26
- DSG deficit of £34.8m.
- CIPFA Strategic Review of Financial Resilience

The CIPFA review has concluded and recommended actions, which largely support existing workstreams, are being worked through. Internal Audit has provided a satisfactory opinion for 2024-25, and External Audit has made three recommendations which are being addressed. A formal risk appetite statement is in development.
The council has identified revenue growth as a priority area to underpin financial sustainability through strong financial management.

G: Implementing good practices in transparency, reporting and audit.

The Council ensures accountability through regular reporting to:

- Corporate Governance and Audit Committee
- Full Council
- Executive Board
- Scrutiny Boards
- Other committees where applicable
- Corporate Leadership Team

External scrutiny is welcomed and acted upon.

Assurance is provided through:

- Annual reports and published information
- Committee oversight
- Ombudsman findings
- External Audit conclusions
- Internal Audit Recommendation Tracking
- Corporate Leadership Team Assurance meetings
- ICO audit outcomes (satisfactory with minor recommendations)

Internal Audit Annual Opinion and GIAS Conformance.

The Internal Audit service provides regular update reports in relation to Internal Audit activities to the Corporate Governance and Audit Committee. These reports provide assurances as to the services compliance with Global Internal Audit Standards (GIAS) supplemented by the Customer Satisfaction Questionnaires completed by audit clients to gain feedback following the conclusion of audit work.

In addition, these reports update the Committee with some assurance of the Council's control environment by providing oversight of work undertaken in line with the risk-based audit plan. The reports provide information on the implementation of action agreed through the audit process. Agreed actions and recommendations are tracked and reported through Directorate Leadership Teams throughout the year as a means of promoting the timely completion of actions. Corporate Leadership Team (CLT) periodically review outstanding internal audit recommendations to ensure there is a robust culture of follow-up and lesson learned.

Conformance with the Global Internal Audit Standards (GIAS)

Introduced in April 2025, the Global Internal Audit Standards in the UK Public Sector (the Standards) presented a globally recognised framework for the evaluation and elevation of the quality of an Internal Audit function. Consisting of five domains, and broken down into 15 principles, each have their own standards containing information relating to requirements of the Standard, considerations for implementation, and examples of evidence of conformance.

The detailed self-assessment is currently in progress, the conclusion of conformance will be included within the Internal Audit Annual Report and Opinion scheduled to be presented to Corporate Governance and Audit Committee in July 2026.

Chief Audit Executive's Annual Report and Opinion

In accordance with the Global Internal Audit Standards, as the Council's designated Chief Audit Executive, the Senior Head of Audit, Corporate Governance and Insurance delivered their annual report and opinion for 2024-25 to the Corporate Governance and Audit Committee in July 2025.

The Chief Audit Executive's Report and Opinion for 2024-25 stated, regarding the adequacy of arrangements at Leeds City Council were:

The Council has an effective framework for governance, risk management and internal control. Reasonable assurance can be given that the framework supports the achievement of objectives. Improvement actions are required in specific areas, but none undermine the overall adequacy of governance arrangements.

Counter Fraud and Corruption.

The work completed by the Counter Fraud and Corruption service is reported the Council's Corporate Governance and Audit Committee on a bi-annual basis. The reports received by Committee ensure that Members receive appropriate levels of assurance that controls are operating as intended across the organisation.

During the 2025-26 municipal year, the Committee received an updated corporate Whistleblowing Policy for endorsement. The Committee will continue to receive updated policy documentation relating to Counter Fraud and Corruption for information and endorsement.

The Internal Audit section has a key role in overseeing and directing the investigation of suspected instances of fraud and corruption. This enables the team to take an independent view of the effectiveness of the control environment in the context of real time risks. The combination of the work undertaken in these areas, together with the insights drawn from ongoing matters, supports the assertion that there is no evidence of significant gaps or weaknesses in the council's governance framework. The role of Internal Audit provides credible and independent assurance that management are actively engaged in activities to bolster existing internal control arrangements where opportunities have been identified.

External Audit

Grant Thornton is appointed as the Council's external auditors and is represented at each of the Corporate Governance and Audit Committee meetings throughout the 2025-26 municipal year. The external auditors have quarterly meetings with the Assistant Chief Executive – Finance, Traded and Resources in their roles of the Council's Chief Finance and Section 151 Officer, and bi-annual meetings with the Leader of Council, Chief Executive and the Deputy Chief Executive. Additional meetings are arranged throughout the year as and when these are required.

Grant Thornton presented their Audit Report (ISA260) [3]for 2024-25 at the December 2025 meeting of the Corporate Governance and Audit Committee where they determined that the Council continues to demonstrate robust financial management arrangements and strong budget monitoring processes, evidenced by regular reporting to Executive Board and Scrutiny, supported by detailed directorate-level analysis.

Delivery of savings plans remained a key feature of the control environment, with 62.8% of planned savings achieved in-year, and ongoing monitoring of Budget Action Plans across all directorates.

It was also noted that the Council had also implemented enhanced financial controls, including:

- Strengthened approval processes for expenditure
- Recruitment and non-essential spend controls
- Cross-council panel reviewing procurement and spend decisions.

It was determined that these arrangements demonstrated a proactive and embedded approach to financial governance and cost controls.

At the February 2026 meeting of the Corporate Governance and Audit Committee, Grant Thronton provided a further update on the status of the 2024-25 accounts. During this meeting they confirmed that, while progress had been made, an outstanding and complex position remained relating to equal pay which has required the auditors to issue an "except for" qualified opinion to meet the statutory deadline for the accounts.

[3] Grant Thornton Audit Findings (ISA260) Report for LCC

External Inspections and Accreditation.

Leeds City Council welcomes external inspections and reviews as a valuable source of assurance, below is a summary of external inspections and reviews that were undertaken at Leeds City Council during 2025-26.

OFSTED (Office for Standards in Education, Children's Services and Skills)[4]

OFSTED carried out an ILACS (Inspecting Local Authority's Children's Services) inspection in June 2025 and published their report on 12th August 2025. The inspection outcome was overall effectiveness: Outstanding**.** The detailed report stated that Leeds continues to provide effective services for children, with strengths in leadership, children in care and care leavers while identifying two areas to improve.

CIPFA (Chartered Institute of Public Finance Accountancy) Strategic Review of Financial Resilience

During quarter 4, the council invited CIPFA to conduct a Strategic Financial Resilience Review. The review recognises that the Council has already taken important steps to strengthen financial management, increase financial awareness, improve budgetary discipline and develop an ambitious whole-council transformation approach. While significant financial resilience challenges remain, the report highlights a clear organisational commitment to improvement and a strong platform from which further action can be taken.

CQC (Care Quality Commission)[5]

The CQC published a local authority assessment for Leeds City Council on 15th October 2025. The overall rating was Good**.** The summary highlighted strengths in person-centred assessment, partnership working, culturally aware support and governance.

Planning Advisory Service (PAS) Peer Review

The Planning Advisory Service (PAS) were invited to the service to conduct a Peer Review Challenge of the Development Management and Enforcement Service in June 2025. The review aimed to assess and identify potential enhancements and improvements to the planning and enforcement processes. The PAS report observed that "the City Council's Development Management and Enforcement services are professionally led, with experienced staff committed to delivering a customer-first approach". Within the final PAS report are 12 priority recommendations and a service of action to consider and work through. Both the Corporate Governance and Audit Committee, the Executive Board and Corporate Leadership Team have been updated on the outcome of the PAS review and work being undertaken against the subsequent action plan.

Local Area Special Educational Needs and Disabilities and Alternative Provision (SEND & AP) Inspection

The Local Area Partnership has been the subject of an inspection carried out by the Office for Standards in Education, Children's Services and Skills (OfSTED) and the Quality Care Commission (CQC). Whilst the inspection itself took place in 2026/27, it recognises issues already referenced elsewhere within this Annual Governance Statement. The report has now been received is being

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[4] Leeds City Council OFSTED ILACS 2025

[5] Leeds City Council: local authority assessment - Care Quality Commission

shared with the council's Executive Board setting out the next steps. A lessons learned review is to commence that will support the wider implementation of the Priority Action Plan. This forms part of the actions to be taken forward over the course of the coming year as referenced below.

Significant Governance Issues 2025/26.

The CIPFA 2025 Addendum requires significant issues to include cause, consequence, actions, responsible officers, milestones and Strategic Risk Register (SRR) links.

Significant governance issues are matters identified through the annual review of governance arrangements which require specific disclosure because of their scale, impact, complexity or level of risk. In making this judgement, the Council has considered whether issues involve statutory or regulatory non-compliance, material financial pressure, significant impact on residents or service users, repeated or systemic control weaknesses, external audit or inspection findings, Ombudsman or Monitoring Officer escalation, or links to the Strategic Risk Register.

The issues reported below do not indicate fundamental weaknesses in the Council's overall governance framework but require enhanced oversight, targeted improvement action and continued monitoring through established governance arrangements.

Social Care – Savings Delivery and Financial Sustainability.

Issue	Ongoing difficulty delivering savings in Social Care (52% achieved in 2025/26) resulting in additional financial pressure.
Cause	Demand volatility; structural budget pressure
Consequence	Overspend risk; pressure on statutory services; Pressure on reserves balances
Actions	Refresh savings plan; strengthen monthly transparency; escalation for variances; targeted support
Responsible Officer(s)	Interim Director of Children and Families Director of Adult Health and Social Care Corporate Finance Business Partners
Monitoring	Financial Performance Group; Corporate Leadership Team; Executive Board.
SRR Link	In-Year Budget; Medium-term Financial Strategy

Reserves and Dedicated Schools Grant (DSG)

Issue	DSG deficit and reserves resilience require formalised gateway and monitoring approach
Cause	Rising DSG pressures; long-term planning risks
Consequence	Reduced financial resilience; impact on statutory education duties; Pressure on reserves balances.
Actions	Publish DSG Management Plan; set gateway points; quarterly updates
Responsible Officer(s)	Head of Finance (Technical) Interim Director of Children and Families Assistant Chief Executive (Finance, Resource and Traded) / S151 Officer
Monitoring	Corporate Leadership Team; Strategy and Resources Scrutiny Board; Executive Board
SRR Link	In-Year Budget; Medium-term Financial Strategy

Risk Appetite and Three Lines Model Refresh

Issue	Updated risk appetite and assurance model must be embedded across the Council
Cause	Need for clearer risk tolerance and improved assurance alignment
Consequence	Inconsistent decision-making; governance maturity risk
Actions	Draft & approved updated risk appetite; integrate into templates; training; refresh assurance map.
Responsible Officer(s)	Senior Risk Officer (SRO) Intelligence and Policy Manager Risk Task and Finish Group
Monitoring	Corporate Leadership Team; Strategy and Resources Scrutiny Board; Corporate Governance and Audit Committee.

Digital, Information and AI Governance

Issue	Growing AI, information and cyber risks require strengthened governance and assurance
Cause	Rapid adoption of digital/AI technologies; emerging regulation
Consequence	Data, compliance, security and ethical risks
Actions	The need for consistent oversight of AI use cases across the Council; assurance over data protection, records management, and information security controls; cyber resilience and ICT failure links; reporting routes to IDS governance, SIRO, CLT and CGAC.
Responsible Officer(s)	Interim Chief Digital and Information Officer Senior Information Risk Owner (SIRO) Head of Information Governance and Management
Monitoring	IA Steering Group, Strategy and Resources Scrutiny Board; Corporate Governance and Audit Committee.
SRR Link	Major Cyber Incident; Major ICT failure

Special Educational Needs and Disabilities (SEND) and Education and Health Care Plans (EHCPs)

Issue	Failure to meet statutory timescales for the issue of EHCPs
Cause	Rapid and sustained growth in demand; workforce and recruitment instability; capacity constraints; significant backlog compounding performance
Consequence	Breach of law (statutory duty); legal compliance risk; maladministration causing injustice; systemic service failure identified by Ombudsman / Inspection; Monitoring Officer issuing a Section 5 (Local Government and Housing Act 1989) Report to Members
Actions	Receipt of Local Area Special Educational Needs and Disabilities and Alternative Provision (SEND & AP) Inspection Report and associated lessons learned review; SEND Improvement Plan and EHCP Assessment Plan
Responsible Officer(s)	Chief Officer - Education Interim Director of Children and Families Monitoring Officer
Monitoring	Children and Families Scrutiny Board; Executive Member oversight; Executive Board; Corporate Leadership Team
SRR Link	SEND/EHCP pressures

Forward Look (2026 and beyond)

The Council's governance arrangements will continue to evolve to support the Leeds Ambitions, organisational resilience and transformation. Key areas for development include:

- **Risk Appetite Framework** – embedding risk tolerances into decision, business cases and performance.
- **Business Continuity** – refreshed arrangements, updated scenario testing, stronger links to emergency planning.
- **Digital, AI and Information Governance** – maturing oversight, strengthening AI guardrails, improving assurance through IDS.
- **Procurement Reform -** embedding the Procurement Act and amended Contract Procedure Rules.
- **Programme Assurance** – enhancing oversight of major transformation programmes

Together these developments position the Council to build stronger governance maturity, transparency, and accountability.

Overall Conclusion

Based on the annual review of governance arrangements and the evidence from across the Council's assurance framework, including internal and external audit, performance monitoring and oversight by Corporate Leadership Team and the Corporate Governance and Audit Committee, it is concluded that:

- The Council's governance arrangements are operating effectively and are fit for purpose for 2025/26
- There are no fundamental weaknesses in the system of internal control
- Inspections are welcomed and respected in areas of challenge
- Identified improvement areas are understood and are being actively addressed.

The Council is committed to continuous improvement and will implement and monitor delivery of all actions through established governance and performance arrangements.

Signed on behalf of:

Richard Ellis

Richard Ellis
Deputy Chief Finance Officer – Strategic & Technical
30th June 2026

Mariana Pexton
Deputy Chief Executive

Annual Governance Statement 2023-24 - Action Plan Update

Actions highlighted in the 2024-25 Annual Governance Statement and the progress that has been made against those actions.

Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values. *(Doing the right thing in the right way)*	
2024-25 action	**2025-26 action update**
• Responding to the introduction of the new Global Internal Audit Standards in the UK Public Sector on 1st April 2025, work will continue to embed our updated Internal Audit Strategy, Audit Charter and other local policies and templates to ensure compliance. • Continue to monitor the impact that new decision-making procedure rules introduced in May 2024 have had on the Council's decision-making arrangements and review and refresh if required.	• An in-depth self-assessment is currently being undertaken to determine the Internal Audit's compliance with the GIAS. The outcome of this will be reported to the Corporate Governance and Audit Committee in the Chief Audit Executive's Annual Report. • Decision Making under the updated arrangements continue to be monitored and have been reported to Corporate Governance and Audit Committee via the Appendix C of the Internal Audit Update reports.
Principle 2: Ensuring openness and comprehensive stakeholder engagement. *(Sharing information and inviting participation)*	
2024-25 action	**2025-26 action update**
• To focus on sharing and improving best practice through the strengthening of links to other networks where consultation and engagement take place. • Following changes to resources within Corporate Governance, to strengthen collaboration with the Internal Audit team to obtain independent assurances for key areas of internal control to support the Annual Governance Statement.	• The Council approved a 3 ½ year Customer Transformation programme in June 2025. A strategic partner has been onboarded to support this work, and the programme is mobilised and in delivery. The focus of the programme is to deliver more digital services, so customers can "self-serve", automate customer journeys and deliver greater resolutions at the first point of contact. • The Corporate Governance Manager holds regular meetings with the Internal Audit Senior Leadership Team to discuss the outcomes from the assurances reviewed as part of the Annual Governance Statement process and be informed around governance issues that may arise from Internal Audit work.

Principle 3: Defining Outcomes in terms of sustainable, economic, social and environmental benefits. *(Having realistic priorities for what we can and should achieve)*

2024-25 action	2025-26 action update
• The introduction of Microsoft Dynamics in June 2025 is supported by an extensive training offer that will aim to strengthen budget accountability. • To continue to provide quarterly updates relating to contract management to Financial Challenge. • To monitor the impact of the new Customer Strategy, introduced in November 2024 to improve customer contact and access to services.	• During and following the implementation of Dynamics a detailed training package was developed and provided to all users of Dynamics. This is held on BuBo for everyone to access. • The Council approved a £12m, 3.5-year Customer Transformation programme in June 2025. A strategic partner has been onboarded to support this work, and the programme is mobilised and in delivery. The focus of the programme is to deliver more digital services so customers can self-serve, automate customer journeys and deliver greater resolution at the first point of contact. • Council Plan and associated workstreams introduced to underpin sustainability.

Principle 4: Determining the interventions necessary to optimise outcomes. *(Considering the options and taking informed decisions)*

2024-25 action	2025-26 action update
• To implement a pilot project to improve compliance with GDPR legislation and records management within Microsoft 365 using Purview. This pilot will be concluded in February 2026. The pilot will be evaluated before next steps are determined. • To continue with local asset rationalisation to develop multi-functional public offices, with Community hubs and Libraries at the heart.	• We have successfully built the information request power app and are going live with it, we have procured a better redaction tool and are going live with it. gradual go live and will be fully working by the end of May, with full benefits expected by the end of the summer. • work is ongoing around the locality asset rationalisation, and 2 libraries have been moved into local community centres this year, which broadens the customer offer at those sites, whilst releasing 2 assets for sale. Work is also ongoing to ensure our Community Hubs and Libraries are integral to the development of Neighbourhood Health Hubs in the city with a focus on extending further the 'cradle to grave' service delivery ethos of the city's Community Hub and Library network.

Principle 5: Managing risks and performance through robust internal control and strong public financial management. *(Ensuring that we can implement our plans)*	
2024-25 action	**2025-26 action update**
• There will be a continuation of Business Continuity service reviews to ensure all plans are robust and allow services to effectively respond to circumstances that may impact the efficiency of service delivery. • A review of corporate wide risk assurance will be undertaken by the end of the 2025-26 financial year. • Work will be undertaken to review and develop risk appetite statements for our corporate risks. • A review will be undertaken to ensure that the Council's risk management policy and strategy is up to date. • Work will continue to embed the tracking of actions and recommendations arising from Internal Audit and investigatory work.	• A considerable amount of work was completed in relation to developing risk assurance statements for all our corporate risks. As some new risks were recently approved for the corporate risk register, we will work with the respective key contacts in services to produce assurance statements for them. We also need to progress the risk appetite work - although some corporate risk has details appetite statements, many simply have a "stance" and high-level supporting comments. We intend to review the risks on a rolling basis to develop the level and depth of appetite information required. Risk appetite will then need to be reflected in report writing guidance.

Principle 6: Developing the entity's capacity, including the capability of its leadership and individuals. *(Getting the best out of our resources and our people)*	
2024-25 action	**2025-26 action update**
• To review the resource structure within Cyber Security with consideration made to the introduction of apprenticeships to develop talent within the service. • To review our employee relations consultation and engagement framework which covers consultation relating to employee policies and wider consultation and engagement on other workforce related matters.	• Progress has been made in strengthening cyber security governance, assurance and awareness arrangements. The Cyber Security risk on the Corporate Risk Register continues to be reviewed at least quarterly, with controls structured around people, policies and processes, technology and compliance and assurance. A formal Cyber Security Risk Appetite statement has been provided by IDS senior leadership and remains fit for purpose. • Continued focus on leadership development through the Be Your Best programme.

	Principle 7: Implementing good practices in transparency, reporting and audit. *(Ensuring our processes are clear, robust, and open to review)*
2024-25 action	**2025-26 action update**
• Our Contract Procedure Rules (CPRs) and related documentations will be reviewed and embedded in line with the recent implementations of The Procurement Act in February 2025. • To review the Council’s Procurement Strategy to consider recent changes to procurement legislation, changes to national policy and focus on contract management best practice within the Council.	• The Council has undertaken a comprehensive review of its Contract Procedure Rules (CPRs), with amendments approved in March 2025 to ensure compliance with the Procurement Act 2023 and to simplify and clarify requirements, including updated thresholds, clearer roles and responsibilities, and strengthened links to proportionate contract management arrangements. These changes are supported by trainings, update guidance, and system improvements, with evidence from the 2024 Survey of Internal Control indicating that CPRs are well embedded across the Council and compliance levels remain high. In parallel, a review of the Council’s Procurement Strategy is underway to reflect new legislative requirements and the National Procurement Policy Statement, with a strengthened emphasis on contract management best practice, supplier engagement, and continuous improvement.