



Cambridge City Council  
**Civic Affairs and Audit Committee**

**Date:** Tuesday, 19 May 2026

**Time:** 5.30 pm

**Venue:** Council Chamber, The Guildhall, Market Square, Cambridge, CB2 3QJ [access the building via Peashill entrance]

**Contact:** [democratic.services@cambridge.gov.uk](mailto:democratic.services@cambridge.gov.uk), tel:01223 457000

**Agenda**

- 1 Apologies
- 2 Declarations of Interest
- 3 Minutes (Pages 3 - 18)
- 4 Public Questions
- 5 Constitutional Updates - Revised Member - Officer Protocol (Pages 19 - 48)
- 6 Committee Appointments for Annual Council (Pages 49 - 56)
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- 8 Auditor's Annual Report (Pages 63 - 104)

**Civic Affairs and Audit Committee Members:** McPherson (Chair), Gawthrop Wood (Vice-Chair), Bennett, Bick, Dalzell and Sheil

**Alternates:** Clough, Davey and Young

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Further information on public speaking will be supplied once registration and the written question / statement has been received.

**CIVIC AFFAIRS AND AUDIT COMMITTEE**

23 February 2026

5.30 - 7.15 pm

**Present:** Councillors McPherson (Chair), Gawthrop Wood (Vice-Chair), Bennett, Dalzell, Robertson and Sheil

Also present: Councillor Ashton.

**Officers:**

Chief Finance Officer: Jody Etherington

Chief Operating Officer: Jane Wilson

Chief Audit Executive: Jonathan Tully

Head of Finance: Matthew Fernandez-Graham

Democratic Services Manager: Dan Kalley

Democratic Services Officer: Sarah Michael

Meeting Producer: James Goddard

**Others Present:**

EY Audit Partner: Mark Hodgson

EY Audit Manager: Claire Sulam

**FOR THE INFORMATION OF THE COUNCIL****26/1/Civ Apologies**

Apologies were received from Cllr Bick.

**26/2/Civ Declarations of Interest**

Item	Councillor	Interest
26/7/Civ	Cllr McPherson	Personal: A member of the 104 Squadron SAF Air Cadets Management Team  Discretion unfettered

**26/3/Civ Minutes**

The minutes of the meeting held on 17 November 2025 were approved as a correct record and signed by the Chair.

#### **26/4/Civ Public Questions**

There were no public questions.

#### **26/5/Civ Annual Governance Statement 2024/25**

The Committee received a report presenting the Annual Governance Statement (AGS) for 2024/2025, and the Local Code of Corporate Governance, for consideration by the Committee. The report detailed the annual review of effectiveness, provided updates on the progress from the previous year, communicated any new governance issues, and provided an update of the Local Code of Corporate Governance.

In response to members' questions, the Chief Audit Executive said:

- i. The proposed Development Corporation could be reflected in the next version of the AGS.
- ii. With regard to delays in the timing of the Statement of Accounts, backstop arrangements had been put in place to help all councils recover.
- iii. The AGS was published as draft in June 2025 and is continuously updated until final approval.
- iv. Recognised the importance of training on governance for new and existing staff members. Training was regularly promoted and officers could suggest items for inclusion in the Council's learning and development programme. Training budgets did cover external courses.
- v. There had been challenges in compiling the document with regard to the change in governance arrangements at the Council during the year. The document reflected what was in place during the year and the change to a Cabinet model had not been included in the Role and Responsibilities section. The change is included later as a significant event, as it was also captured in the Review of Effectiveness section.
- vi. The Chief Audit Executive would get back to members with specific dates of the Engagement Survey referenced in the document, but confirmed it was within 2024/25. He would also engage with the People Team for any available data on survey completions.
- vii. Updates since June 2025 were included as tracked changes in the report for members. A final version without the tracking would be uploaded to the Council's website.

- viii. There was an opportunity in the lead up to the next AGS to review how the effectiveness of partnerships with Cambridge Investment Partnership and The Cambridge City Housing Company is best captured in the document.
- ix. Clarified that Cambridge Live was included as it was dormant in the last set of accounts but had now been fully dissolved.

**Resolved** (unanimously) to:

- i. Approve the Annual Governance Statement (AGS) in advance of the Statement of Accounts.
- ii. Note the arrangements for compiling, reporting on and approving the AGS; and the review of effectiveness.
- iii. Note the amendments to the updated Local Code of Corporate Governance.

## **26/6/Civ Statement of Accounts 2024/25**

The committee received a report from the Head of Finance regarding the external audit conclusions and approval of the statement of accounts.

In response to members' questions the Chief Finance Officer, Head of Finance and a Director from EY said the following:

- i. The National Audit Office (NAO) indicative target date for an Unqualified Opinion was 2026/27, however this may extend to 2028/29. The NAO timetable was based on a Council whose assurance buildback began in 2023/24, but audit work actually began a year later, so the Council had always been a year behind. The Council was committed to do everything possible in working with auditors to achieve the unqualified opinion in 2027/28.
- ii. Addressing concerns about the impact of Local Government Reorganisation (LGR) on the team's workload, the Chief Finance Officer confirmed that £2.5million had been allocated to LGR costs in the draft budget which would be taken to Full Council on 26 February 2026 and that a proportion of this would be used to bring in resource to focus on LGR or to backfill for permanent staff.
- iii. Controls were in place over the journals to allow the accounts to be produced, but it had been difficult to submit evidence on sample transactions in the format required by the auditors within the required timeframes.

- iv. Statutory recommendations under Schedule 7 had been considered, but the Council was on a journey of improvement and the increasing strength of the finance team could lead to the removal of consideration of recommendations in future.
- v. The Head of Finance would investigate a query regarding the number of houses listed on page 100 of the report and would get back to members.
- vi. Information relating to the buying out of leaseholders would be shown within the narrative report under the relevant portfolio holder.
- vii. With regard to comparisons with other authorities, EY plan to produce a report once analysis of sets of audits had taken place, however delays did start around Covid-19 and they exist on both sides of the audit spectrum. Cambridge City Council was not alone in this journey.
- viii. Officers confirmed sector-wide issues around audit backlog and that EY had rated preparation of accounts and quality of accounts as green, however acknowledged that some of the audit readiness was not where officers would like it to be.
- ix. The WGA assurance statement would be submitted to the NAO; however the NAO could request additional procedures to be performed on the consolidation schedule, which is why the audit could not be formally closed.
- x. The 'right of use' assets related to situations where the Council had leased assets over a period of more than 12 months, therefore a valuation of the assets must be included on the balance sheet. This was the first year of inclusion of this accounting standard.
- xi. The report is considered by Civic Affairs and Audit Committee before Cabinet as it is the responsible committee for governance of the audit process. Acknowledged tight timeframes to get this report to Committee in time to meet backstop date. In future, officers could provide more regular updates throughout the year and keep the Committee informed on the process.
- xii. Officers acknowledged that it would be preferable for all authorities to achieve Unqualified Opinion status in advance of local government reorganisation and confirmed that a Finance workstream exists as part of the LGR process.

**Resolved (unanimously) to:**

- i. Note the contents of the EY Audit Results Report 2024/25.
- ii. Approve the Statement of Accounts for the year ended 31 March 2025, subject to any remaining amendments per recommendation.

- iii. Delegate authority to the Chief Finance Officer to approve any amendments to the Statement of Accounts arising from the remaining audit procedures, provided that these do not have a material impact on the Council's usable reserves or result in any changes to the auditor's opinion.
- iv. Authorise the Chair of the meeting to sign the Letter of Representation and the Statement of Accounts for the financial year ended 31 March 2025 on behalf of the Council.

## **26/7/Civ Civic Protocols and Updates**

The committee received a report from the Democratic Services Manager regarding civic functions at Cambridge City Council.

Councillors made the following comments in response to the report:

- i. Noted the importance of digitising civic information that currently exists only in printed format prior to Local Government Reorganisation (LGR).
- ii. Holding the Office of Mayor was a privilege that would be difficult without a Mayoress, therefore the role of Mayoress/Consort should be officially recognised. A suggestion was made that a lapel pin be given to any Mayoress or Consort at the end of their term.
- iii. Suggested that the term 'City' should be included in the name of any future local authority for Cambridge.
- iv. There had been a strong link between the Council and No.104 (City of Cambridge) Squadron Royal Air Force Air Cadets for many years and now would be the opportune time to formally recognise this link.
- v. Would it be possible to request civic visits in future from members of the royal family and some celebrities?

The Democratic Services Manager said the following in response to Members' questions:

- i. Acknowledged member comments on the importance of recognising the contribution of the Mayoress or Mayor's Consort and agreed to bring a proposal back to committee on this, which would include clarification on backdating the recognition.
- ii. Acknowledged the uncertainty around LGR and the name of any future authority.
- iii. Confirmed that under proposal B, which the Council had submitted to government, the structural change orders would include the Mayoralty and Civic Regalia.

- iv. Explained that royal visits are the protocol of the Lord Lieutenant's Office and are tabled years in advance.
- v. Agreed that requests for special guests could be taken on a case-by-case basis, taking into account relevance to Cambridge City.

Councillor Bennett proposed an amendment to the recommendations to include that the Committee should re-affirm the Council's desire that the Mayoralty continue to exist in a new authority following LGR.

This amendment was **carried unanimously**.

**Resolved** (unanimously) to:

- i. Comment on the Civic functions of Cambridge City Council and provide feedback to support their current development.
- ii. Note the current flag flying protocol and provide any comment to officers.
- iii. Note that further reports on the Council's Civic functions, particularly in light of Local Government Reorganisation, will be presented to the committee at an appropriate time.
- iv. Recommend to Full Council that the City's Coat of Arms can be used by No.104 (City of Cambridge) Squadron Royal Air Force Air Cadets.
- v. Support the honouring of the Mayoress or Consort moving forward for their work in supporting the Mayor during their year in office.
- vi. Re-affirm the Council's desire that the Mayoralty continue to exist in a new authority following local government reorganisation.

## **26/8/Civ    Work Programme**

The Committee reviewed the work plan and suggested that ongoing work around statutory accounts should be added for future meetings.

The meeting ended at 7.15 pm

**CHAIR**

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**CIVIC AFFAIRS AND AUDIT COMMITTEE**

9 March 2026  
5.30 - 7.30 pm

**Present:** Councillors McPherson (Chair), Gawthrop Wood (Vice-Chair), Bennett, Bick, Dalzell, Robertson and Sheil

Also present: Councillor Wade

**Officers:**

Chief Executive: Robert Pollock

Chief Financial Officer: Jody Etherington

Head of Legal Practice and Monitoring Officer: Tom Lewis

Communities Director: Sam Scharf

Chief Audit Executive: Jonathan Tully

Democratic Services Manager (Deputy Monitoring Officer): Dan Kalley

Democratic Services Officer: Sarah Michael

Meeting Producer: Matthew Hussey

**FOR THE INFORMATION OF THE COUNCIL**

**26/9/Civ Apologies**

There were no apologies from Councillors.

**26/10/Civ Declarations of Interest**

No interests were declared.

**26/11/Civ Minutes**

The minutes of the meeting on 23rd February would be submitted to the next meeting for approval.

**26/12/Civ Public Questions**

There were no public questions.

**26/13/Civ Review of Council Constitutional Arrangements**

The Committee received a report from the Head of Legal Practice and Monitoring Officer on the review of the Council constitution after nine months of operating with the revised Leader/Cabinet arrangements. The Deputy Leader of the Council also presented a report on the revised terms of reference for the Equalities Panel (Inclusion and Equity Panel).

The Committee made the following comments in response to the report:

#### Move to new governance model

- i. Any recommendation to move to a single Overview and Scrutiny Committee should be taken after seeking views from the Chairs and Members of current committees.
- ii. Nine months was not sufficient time to draw conclusions from the new scrutiny process.
- iii. The report compared Cambridge to other councils with just one scrutiny committee, but some councils have as many as four. There could be grounds for having more than two.
- iv. With Local Government Reorganisation (LGR) approximately two years away, further constitutional changes should only be made if they were operationally compelling.
- v. A dedicated Scrutiny Officer had recently been appointed. The current structure ought to continue to give the officer time to familiarise themselves with it.
- vi. The committees had not yet carried out the full spectrum of responsibilities, for example there had been no deep dives. There was still much to do to properly assess the effectiveness of the current system.
- vii. Would be keen to see the governance model reviewed annually.
- viii. The Committee should look at the terms of reference of the Housing Advisory Board. Could it become a scrutiny committee?
- ix. A single scrutiny committee may put an excessive workload on members.
- x. Two Committees provided more focus on specific issues.
- xi. The new governance structure could leave minority groups and independent councillors without an effective voice inside Council.
- xii. Political groups should be given the opportunity to review the proposals.

#### Protocol on Member / Officer Relations

- xiii. The new version did not highlight sufficiently the importance of political impartiality for officers working closely with the cabinet.
- xiv. Concerned that the new protocol could discourage Members from approaching officers directly.

- xv. The call centre suggestion may not effectively support the democratic role of a councillor in carrying out casework.
- xvi. The new member induction should include training on how to work with officers, which should also be offered to existing Members.
- xvii. Where officers are required to deal with difficult situations at public events, they should be encouraged to rely on Members for support.
- xviii. Welcomed the emphasis on communications with ward councillors. Officers should reach out to ward councillors for input when devising communications with residents and groups in wards. Better joint working should be promoted.
- xix. Section 3.2 of the existing protocol should be included in the new version.
- xx. Any 'who does what' document should include more than just Directors.
- xxi. The Member role on a regulatory committee should to be made clearer in relation to the ways that Members can deal with planning or licensing matters.

#### Supplementary Estimates Process

- xxii. Could the supplementary estimates be indexed?
- xxiii. The capital project definition should include the total projected cost of a project, not just the element coming forward as a supplementary estimate.
- xxiv. Could officers highlight occasions on which it had been a problem not to have the supplementary estimates in place in the last year?
- xxv. Should supplementary estimate decisions be brought into the forward plan?
- xxvi. Could the terminology be changed to something more easily understandable than supplementary estimates?

#### Equalities Panel

- xxvii. It should be clear in the new Equity and Inclusion Panel terms of reference that the changes are intended to remove barriers.
- xxviii. The change to an Equity and Inclusion Panel was a logical progression.
- xxix. The process for selection of members to the Panel was unclear in the current document – it implies that the Leader of the Council would select all members.
- xxx. The Green Group would like the ability to be flexible with regard to who attends the Equity and Inclusion Panel, to be able to send the most appropriate person for the agenda items.

Officers said the following in response to Members' questions:

### Protocol on Member / Officer Relations

- i. The intention was to provide officers with guidance on when to engage and when to inform ward councillors.
- ii. The current code of conduct was written pre-social media and the new version addresses that.
- iii. The section around familiarity could be rewritten.
- iv. The intention of the guidance is to determine whether an issue could be dealt with via email and whether the information was already available online. Most cases that couldn't be dealt with via such channels would be complex and require guidance from a senior officer on how to respond, therefore ensuring junior officers were not put under undue pressure.
- v. The intention was not to undermine the casework process, however requests for service would be most effectively addressed through the relevant pre-existing channels.
- vi. Complaints should be logged directly into the complaints system and complex cases should be tracked.
- vii. Permission to act on behalf of a resident should be collected.
- viii. Could look to change the response time from 7 days to 5.
- ix. Officers agreed to provide a revised version to members.

### Supplementary Estimates Process

- x. With regard to uprating, the intention was to include clear, round numbers in the constitution.
- xi. Raising the limit of the supplementary estimate would go through the usual constitutional change process.
- xii. Guardrails would be in place to ensure any related proposals were made clear.
- xiii. There would be a requirement for the Section 151 Officer to sign off the process.
- xiv. Specific examples of occasions where a supplementary estimate would have been required in the past were difficult to obtain as the Council had found ways to manage without this process. However, work could be delayed if it had to go to Full Council as a budget bid.
- xv. The supplementary estimate process would make the Council more agile, while maintaining openness and transparency.
- xvi. This would not be a process for taking key decisions but would be subject to the usual Cabinet publication requirements.

### Equalities Panel

- xvii. Confirmed that Group Leaders would be able to select Members.

Civic Affairs and Audit Committee **RESOLVED** (unanimously) to **RECOMMEND** to the Annual General Meeting of the Council that:

1. The revised Terms of Reference for the Equalities Panel (to be renamed the Inclusion and Equity Panel) be approved and incorporated into the Council Constitution.

Civic Affairs and Audit Committee **RESOLVED** (unanimously):

2. That the draft Member/Officer Protocol be revised in parts and circulated to all Members for comment by the end of March, with a further report to be brought back to the Committee before any recommendation for approval is made to the Annual General Meeting.
3. That the provisions relating to the limited authority for Cabinet to approve supplementary estimates, specifically additional revenue and capital expenditure up to a defined threshold, be reviewed and circulated to Members for comment by the end of March, with a further report to be presented to the Committee before any recommendation is made to the Annual General Meeting.
4. To note that the Council's Constitution will continue to be kept under regular review, and that any further proposed amendments will be reported to the Committee in due course.
5. To note the draft meeting calendar and provide any comments in advance of the calendar being presented to the Annual General Meeting for formal approval.
6. To request that Full Council approve a full review of the Terms of Reference for the Housing Advisory Board be undertaken, with any proposed changes to be brought forward for approval by the Council at a future meeting when appropriate.

## **26/14/Civ Risk Management Strategy and Framework Update**

Cllr Bick left the meeting during this item and returned at the start of the following item, therefore was ineligible to vote on this item.

The Committee received a report from the Chief Audit Executive on the updated Risk Management Strategy and Framework.

The Committee made the following comments in response to the report:

- i. Welcomed the glossary.
- ii. Had a risk summary been produced and could officers provide a risk SWOT analysis?
- iii. Were there a lot of key risks? How often did these change?
- iv. Could there be a mechanism for informing Committee members of minor changes approved under the scheme of delegation?
- v. Officers should be trained on how to manage the potential problems arising from the framework.

The Chief Audit Executive said the following in response to Members' questions:

- i. The Council was a dynamic organisation and risks are reviewed regularly. The key overarching strategic risks tended to be consistent, with more change at the lower operational levels of the risk framework.
- ii. There are quarterly risk checkpoint and reviews, with key risks reported quarterly to Cabinet through the performance management framework.
- iii. Minor changes to the framework could be captured within the quarterly Governance Risk and Control updates to the Committee.
- iv. Officers were trained on how to use the system and how to score risks. Emerging risk trends are communicated internally through risk briefings. Risks added by managers were monitored to assess the bigger picture and internal trends.

The Committee **RESOLVED** (unanimously) to **RECOMMEND** to Cabinet:

1. The revised Risk Management Framework and Strategy.

Delegation of authority to approve minor changes and amendments to the Chief Operating Officer.

## **26/15/Civ Internal Audit Update**

The Committee received a report from the Chief Audit Executive which provided an update on internal audit activity, assurance outcomes and strategic developments.

The Committee made the following comments in response to the report:

- i. Welcomed the progress on establishing an audit apprenticeship.

- ii. Welcomed the full, modern termly audit.
- iii. What had been the outcome of the review into Home Upgrade Grant 2? Did the work cover anything the Council could have done differently?
- iv. Was the root cause analysis an additional piece of software or a way to make adaptations to how the audit process worked?
- v. Proposed inclusion of Local Government Reorganisation (LGR) and ICT into the risk analysis framework.
- vi. Could the apprenticeship also contain work on business analysis?

The Chief Audit Executive said the following in response to Members' questions:

- i. The role of internal audit in relation to the Home Upgrade Grant 2 was to review the grant certification.
- ii. The root cause analysis was a process of focussing on key items and establishing the cause, how it could be rectified and prevented from happening again. It is a process of identifying patterns and sharing information to provide managers and the committee with insight.
- iii. LGR would be looked at in terms of preparedness for change and also maintaining the basic key controls to provide assurances to stakeholders. The team was already learning from other authorities who had been through the process.
- iv. With regard to the apprenticeship, the team could additionally look into leveraging skills from other complimentary areas, for example business or data analysis, to supplement the audit work.

The Committee **RESOLVED** (unanimously) to:

1. Note the report.

## **26/16/Civ Annual Civic Affairs and Audit Committee Report**

The Committee received a report from the Chief Audit Executive and the Democratic Services Manager (Deputy Monitoring Officer) on the work of the Civic Affairs and Audit Committee since its inception in May 2025.

The Committee made the following comments in response to the report:

- i. The Committee's role was explained clearly and in a useful way.
- ii. The Committee reviewed and considered partnerships and collaborations – could examples be included?
- iii. Welcomed the inclusion of civic functions within the report.
- iv. Could the Civic Affairs and Audit Committee review the early voting pilot scheme?

The Committee **RESOLVED** (unanimously) to:

1. Approve the draft Annual Civic Affairs and Audit Committee report for submission to Council and the Annual Meeting.
2. Delegate authority to the Chair, in consultation with the Committee, to agree any minor changes to the report before submission to Council.

The meeting ended at 7.30 pm

**CHAIR**

## **REPORT TITLE: Constitutional Updates revised Member/Officer Protocol**

**To:** Civic Affairs & Audit Committee (9 March 2026)

**Report by:**

Tom Lewis, Head of Legal Practice and Monitoring Officer

Email: [tom.lewis@3csharedservices.org](mailto:tom.lewis@3csharedservices.org)

**Wards affected:**

None

Director Approval: Director Robert Pollock confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to the Committee for consideration.

### **1. Recommendations**

1.1 That the Civic Affairs and Audit Committee recommend to the Annual General Meeting (AGM) the following changes to the Constitution following the last meeting on 9 March 2026:

- The updated member/officer protocol
- The limited power for Cabinet to make supplementary estimates – additional revenue and capital expenditure up to a threshold.

To note:

- that the Committee already agreed to recommend minor revisions to the terms of reference for the Equalities Panel to be renamed the Inclusion and Equity Panel.

### **2. Purpose and reason for the report**

2.1 Following the initial report being presented to the committee in March the member/officer

protocol has been updated and amended based on feedback from the Committee. A further briefing note was provided to members of the committee with regards to the supplementary estimates.

All members of the committee have had an opportunity to comment on some of the updates.

Committee are therefore asked to agree the updated protocol for inclusion in the report that is presented to the Annual Council meeting on 21 May 2026.

### **3. Background and key issues**

#### **3.1 Protocol on Member / Officer Relations**

The updated Protocol on Member / Officer Relations is attached at appendix 1. A link to the previous report can be found here, ([Review of Constitutional Arrangements Cover Report.pdf](#)). The previous protocol had not been updated for a number of years. The updated version is based on best practice across the sector. It shares similarities with the member/officer protocol at South Cambridgeshire District Council but retains elements that are unique to the city council.

The updated Protocol provides a clearer, operational framework for constructive and professional working relationships. It retains the core principles of political neutrality, mutual respect and clear separation of roles, and strengthens or provides greater clarity wherever possible.

Adoption of the revised Protocol will support more consistent behaviour standards and clearer day-to-day working practices and should reduce avoidable friction by setting out predictable processes.

#### **3.2 Supplementary Estimates**

Committee members received addition information to clarify the process by which Cabinet can approve relatively small additional amounts of revenue and capital spend outside of the annual budget setting process. No concerns were raised.

#### **4. Corporate plan**

- 4.1 The Constitution underpins the decision making of the Council in order for the Council to carry out its priorities as part of the Corporate Plan

[Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council](#)

#### **5. Consultation, engagement and communication**

- 5.1 Changes to the Constitution are being presented to the committee as part of the consultation and engagement process. Any recommendations from the committee will be presented to Full Council for ratification.

#### **6. Anticipated outcomes, benefits or impact**

- 6.1 If approved at the AGM the changes will be included in the Constitution and will take effect from that date.

#### **7. Implications**

##### **Relevant risks**

- 7.1 There are none.

##### **Financial Implications**

- 7.2 There are none.

##### **Legal Implications**

- 7.3 The Constitution contains the rules by which the Council governs itself. It contains a number of legal provisions that are set out in statute. Part of good governance is to review the Constitution and ensure any legal updates are reflected.

## **Equalities and socio-economic Implications**

7.4 There are none.

## **Net Zero Carbon, Climate Change and Environmental implications**

7.5 There are none.

## **Procurement Implications**

7.6 There are none.

## **Community Safety Implications**

7.7 There are none.

## **8. Background documents**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

8.1 [Report to Council May 2025](#)

## **9. Appendices**

9.1 Appendix 1 – Updated Member Officer Protocol

Appendix 2 – Inclusion and Equity Panel ToR

To inspect the background papers or if you have a query on the report please contact Tom Lewis, Head of Legal Practice and Monitoring Officer, email:

[tom.lewis@3csharedservices.org](mailto:tom.lewis@3csharedservices.org)



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## Updated Protocol on Member / Officer Relations

The Protocol is a ‘code of standards’ for members and officers to work together to benefit residents and support good governance. It describes the ground rules for professional, lawful, and effective working relationships between elected Members and paid officers.

When the constitution was revised in May 2025 the Protocol on Member / Officer Relations was not updated to reflect modern practice and is now somewhat outdated. The proposed updated Protocol and existing Protocol are attached at Annex A.

The update includes recent guidance from the LGA. It retains the core principles of political neutrality, mutual respect and separation of roles, and strengthens or provides greater clarity in several key areas:

- explicit **reciprocal expectations** for Members and officers based on LGA recommended guidance, including Nolan principles.
- greater **clarity on roles**: Members lead on policy, priorities and scrutiny; officers provide impartial advice, deliver decisions and manage day-to-day operations.
- clearer **guidance on ‘familiarity’ and conduct** between all officers and all members, rather than just toward the Cabinet - officers work for all members of the council.
- clearer **protection for officer integrity and impartiality**, including arrangements in relation to political group briefings
- earlier **engagement of ward Members** in matters affecting their wards
- a more **structured route for addressing concerns** or resolving relationship breakdowns, and
- recognition that new governance - **Leader/Cabinet with O&S and committee Chairs** - necessitates particular relationships officers will have with those members.

Following feedback from the Civic Affairs & Audit Committee section 7 (Member Enquiries) has been revised. That section is now clearer about the different routes members can take to have queries addressed, now in 5 working days rather than 7, which is also reflected in the ‘Who Does What?’ guide for Councillors.

Once adopted there would be a short programme of briefings for Members and officers, and updates to Member and officer induction.

## Annex A: [UPDATED] Protocol on Member / Officer Relations

This Protocol forms part of the Constitution of Cambridge City Council and sets out the framework governing relationships between Members and Officers. It reflects the Council's commitment to high standards of governance, mutual respect, professional integrity and lawful decision-making.

### 1. Introduction

1.1 Effective member-officer relations are built on a series of interconnecting basic principles:

- **Ethical conduct:** Members and officers individually act with selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
- **Mutual respect and trust:** Members and officers respect each other, their respective roles and responsibilities.
- **Clear and well understood roles and responsibilities:** The roles and responsibilities of both members and officers, including the boundaries between them, are clearly defined, consistently communicated and understood by all members and officers working with members.
- **Visible leadership:** Senior members and officers actively and visibly model, promote and uphold the authority's standards, setting clear expectations. They are committed to preventing, identifying and resolving conflicts constructively and transparently.

1.2 This Protocol operates alongside other elements of the Council's constitution and statutory legislation:

- The Members' Code of Conduct
- The Officers' Code of Conduct
- The Council's Constitution
- The Scheme of Delegation
- The Access to Information Procedure Rules
- Relevant legislation including the Local Government Act 1972 and Localism Act 2011.

1.3 Members should seek advice from the Monitoring Officer or Deputy Monitoring Officer where necessary. Officers should seek guidance from their Line Manager, Service Lead, Assistant Director, Director, or Chief Executive as appropriate.

1.4 This protocol will be reviewed on a regular basis alongside any review of the Constitution.

## 2. Roles of Members and Officers

2.1 Both members and officers are servants of the public and they are indispensable to one another. Their individual responsibilities are, however, distinct. Members are responsible to the electorate and serve only so long as their term of office lasts. Officers are employees of the Council and their job is to give advice to members and the authority, and to carry out the Council's work under the direction and control of the Council, the Cabinet and relevant committees, panels etc. Officers shall act in the best interests of the Council as a whole and shall not give partisan political advice. Mutual respect between members and officers is essential to good local government.

2.2 Members have three main areas of responsibility:

- (1) determining the policy of the Council and providing political leadership,
- (2) representing the Authority externally, and
- (3) acting as advocates on behalf of their constituents.

It is not the role of members to involve themselves in the day-to-day management of the Council's services. Members should be careful to avoid involvement in internal office management, discipline and other employment related issues, as the actions of a member may be held to be the actions of the Council as an "employer".

2.3 Members of the Cabinet and chairs and vice-chairs of committees and panels have additional responsibilities. Their relationships with officers may be different from, and more complex than, those of members without those responsibilities and this is recognised in the expectations they are entitled to have.

2.4 As individual members of the Council, all members have the same rights and obligations in their relationship with officers and should be treated equally. This principle is particularly important in the context of overview and scrutiny. Where a political group forms an administration, either alone or in partnership with another group or groups, it is recognised that the relationship between officers (particularly those at a senior level in the Council) and the administration will differ from that with

opposition groups. However, members in opposition still have the same rights and obligations in their relationships with officers and should be treated equally.

2.5 The Head of Paid Service (Chief Executive), Monitoring Officer and Section 151 Officer (Chief Finance Officer) hold statutory responsibilities which must be respected at all times. The role of officers is to give advice and information to members and to implement the policies determined by the Council.

### 3. Expectations

3.1 Members can expect from officers:

- (a) a commitment to the Authority as a whole, and not to any political group;
- (b) a working partnership;
- (c) an understanding of, and support for, respective roles, workloads and pressures;
- (d) a timely response to enquiries and complaints;
- (e) professional advice, not influenced by political views or preference, which does not compromise the political neutrality of employees;
- (f) regular up-to-date information on matters that can reasonably be considered appropriate and relevant to their needs, having regard to any individual responsibilities that they have and positions that they hold;
- (g) awareness of, and sensitivity to, the political environment;
- (h) respect, dignity and courtesy;
- (i) training and development in order to carry out their role effectively;
- (j) integrity, mutual support and appropriate confidentiality;
- (k) not to have personal issues raised with them by employees outside the agreed procedures;
- (l) that employees shall not use their relationship with members to advance their personal interests or to influence decisions improperly;
- (m) that employees shall at all times comply with the Officers' Code of Conduct.

### 3.2 Officers can expect from members:

- (a) a working partnership;
- (b) an understanding of, and support for, respective roles, workloads and pressures;
- (c) political leadership and direction;
- (d) respect, dignity and courtesy;
- (e) integrity, mutual support and appropriate confidentiality;
- (f) not to be subject to bullying or to be put under undue pressure. Members should have regard to the seniority of officers in determining what are reasonable requests, having regard to the power relationship between members and officers, and the potential vulnerability of officers, particularly at junior levels;
- (g) that members shall not use their relationship with officers to advance their personal interests or those of others or to influence decisions improperly;
- (h) that members shall at all times comply with the local Code of Conduct.

## 4. Working Relationships and Conduct

4.1 It is clearly important that there should be close working relationships between all officers and members. However, such relationships should never be allowed to become so close or appear so close as to bring into question the individual's ability to deal impartially with others. Close personal familiarity between individual members and officers can damage professional relationships and can prove embarrassing to other members and officers. Situations should be avoided, therefore, that could give rise to suspicion and / or appearance of improper conduct or behaviour. Provided these guidelines are observed, there is no reason why there should not be an informal atmosphere between members and officers outside formal meetings and events.

4.2 Any dealings between members and officers should be conducted with mutual trust, respect and courtesy and neither party should seek to take unfair advantage of their position. An employee who is one of their constituents may ask a member for advice and support. Employees are entitled to seek such assistance in the same way as any other member of the public. However, members should be careful not to prejudice the Council's position in relation to disciplinary procedures or employment matters in respect of any employee. A member approached for help in such circumstances should first seek advice from the Monitoring Officer.

4.3 Members shall not pressurise any officer to change their professional opinion on any Council business matter or do anything that compromises, or which is likely to compromise, the impartiality of officers or those who work for, or on behalf of, the Council.

### **Constructive Criticism**

4.4 It is an absolute requirement that councillors do not criticise officers personally or use, as councillors, inappropriate language or conduct in public about reports or actions taken by officers. Officers are similarly constrained by their own code, by their employment provisions and by their requirement to maintain professional integrity. It is important that there should be mutual respect and courtesy between councillors and officers and that no councillor or officer should seek to take unfair advantage of their position.

4.5 Councillors have the right to criticise reports or the actions taken by officers but they should always avoid personal attacks on officers and ensure that criticism is constructive, well-founded and likely to lead to improved performance in future, and does not seek to apportion blame.

## **5. Accountability of Members / Officers under Scrutiny Arrangements**

An Overview and Scrutiny Committee may scrutinise and review decisions made by the Cabinet or actions taken by or on behalf of the Cabinet. As well as reviewing documentation, in fulfilling the scrutiny role, these committee's may require the Leader, lead cabinet member or Chief Officer or service lead to attend before it as provided in the Overview and Scrutiny Procedure Rules.

## **6. Local Members (Ward Councillors)**

6.1 Local members have an important role to play in representing the Council in electoral Wards, responding to the concerns of their constituents, in meetings with partners and serving on external bodies and organisations.

6.2 It is essential for the proper running of the Council that there should be full and appropriate engagement with local Ward members before new decisions are taken which affect their electoral Wards. It is the duty of each Chief Officer or service manager to ensure that all relevant staff are aware of the requirements engage and to keep local members informed and that the timing of such information allows members to contribute to those discussions.

- 6.3. Issues may affect a single electoral Ward but others may have a wider impact in which case numerous members will need to be involved and kept informed. In such instances and engagement should be proportionate and coordinated.
- 6.4 Officers must ensure Ward Councillors are consulted or advised of the exercise of delegated powers relevant to their area where appropriate.
- 6.4 Wherever a public meeting (i.e. a meeting open to the public to attend) is organised by the Council to consider a local issue, all members representing the electoral Ward(s) affected should, as a matter of course, be invited to attend. Similarly, whenever the Council undertakes a formal consultative exercise, the local member(s) shall be notified at the outset of the exercise.
- 6.5 If a local member is not sure how to handle a problem that has arisen in their Ward they may, if appropriate, seek guidance from their Group Leader or member colleagues before seeking advice from Chief Officers or service managers.

## 7. Members' Enquiries

- 7.1 The relationship between members and officers should be characterised by partnership, empowerment and trust. In order to ensure delivery of the Council's priorities and provision of high-quality public services it is essential that members and officers work in a collaborative and mutually supportive manner. Officers should recognise the need for members to receive information in a timely manner in order to carry out their constituency roles. Members should likewise be appreciative of the competing demands on officer time and the variety of routes available to them to resolve enquiries.
- 7.2 There now exists a significant amount of information about council services on the council's public website. This includes digital routes to report issues or request services, which are then logged and monitored to ensure they are addressed appropriately and expediently. Members should, whenever possible, first check the City Council website to resolve general queries, or to report issues or request services
1. Members should advise residents to do the same.
- 7.3 Members frequently get involved in resident matters if there is a potential unresolved failure of service or to advocate on behalf of residents. If it is necessary to contact an officer to resolve such an enquiry, Members should refer to 'Who Does What' to identify the appropriate service manager to contact. If that is not clear, Members can

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<sup>1</sup> On-line options are the quickest, easiest, and most efficient way to report issues or receive a service.  
[Report it - Cambridge City Council.](#)

Speak to the contact centre in order to be referred to the appropriate officer or service. Try to avoid contacting Chief Officers about issues that should be dealt with by a service manager.

- 7.4 Members' enquiries which fall within the remit of residents' complaints, which should not generally include a request for service, shall be handled under the Council's Complaints Procedure<sup>2</sup>. The Council aims to respond to all complaints within 10 working days. If more time is required residents will be informed of the reasons why. Residents are also informed of who is dealing with their complaint. All complaints are logged and monitored, and complaint performance is reported quarterly.
- 7.5 Service managers and Chief Officers are responsible for ensuring that members' enquiries are dealt with promptly and satisfactorily within their service areas. There should however be no expectation among members that member queries will always be given priority over an officer's other work commitments, which also includes providing services to residents.
- 7.6 Officers shall aim to provide a substantive response to members' enquiries within 5 working days of receipt. If a substantive response cannot be provided within that timescale, officers shall contact the member to explain the reason why and liaise with them regarding the timescale within which the full response shall be sent.
- 7.7 An officer shall raise with their service manager or Chief Officer any enquiry which would impose a disproportionate burden on their work and, if necessary, further discussion shall then take place with the member concerned with a view to agreement of the approach to managing the response to the enquiry.
- 7.8 The process outlined above supplements members' statutory and common law rights to information as detailed in paragraph 10.

## 8. Political Groups

- 8.1 Political group meetings, whilst they form an important part in the preliminaries to Council decision-making, are not formal decision-making bodies of the Council and, as such, are not empowered to make decisions on behalf of the Council. Conclusions reached at such meetings do not, therefore, rank as Council decisions and it is essential that members and officers understand and interpret them accordingly.
- 8.2 Officer support to political groups shall not extend beyond providing information and advice in relation to Council business (not party-political business). It may be

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<sup>2</sup> [Compliments, complaints and suggestions - Cambridge City Council](#)

appropriate for officers to participate in discussions within political group meetings in relation to the professional advice they give. However, it is good practice for party political discussions and debates to take place and conclusions to be reached in the absence of officers, in order to avoid suspicion of impropriety or misunderstanding.

8.3 Officers shall respect the confidentiality of any political group discussions. Any breach of this part of the protocol shall be brought to the attention of the Monitoring Officer for consideration. For the avoidance of doubt, it shall be recognised by all that, in discharging their duties, officers serve the Council as a whole and not exclusively any political group, combination of groups or any individual members. Members shall, at all times, respect the political impartiality of officers and shall not expect or encourage officers to give a political view on any matter.

8.4 When an officer is requested to attend a political group meeting:

(a) the request to attend shall be made through, and approved by, the appropriate Chief Officer or Chief Executive;

(b) such a request shall only be made in relation to Council business; and officers shall:

(i) provide relevant factual advice and assistance;

(ii) leave during the deliberations of the political group on the issues;

(iii) respect the confidentiality of any party group decisions at which they are present;

(iv) not champion, defend, action a request or spend any resources of the Council, or be held responsible for actioning in any way whatsoever the decisions of the political group(s), unless and until such decisions have become the formal decisions of the Council; and

(v) inform the other political groups, offering them the right of the same information.

## **9. Access to Information and Documentation**

9.1 Access to Information Procedure Rules set out the rights of access for members.

9.2 Any member may request a private and confidential briefing from a senior officer on matters of policy, which have already been or may be discussed by the Council within its decision-making or advisory process. All such requests shall be made to the appropriate Chief Officer or service lead and shall be subject to the constraints and demands of the service. Briefings shall remain strictly confidential and are not to be

shared with other members of the Council unless so permitted by the relevant member and officer.

9.3 Individual members may request any Chief Officer (or another senior officer) to provide them with factual information, which is necessary in pursuance of the proper performance of their duties. Such requests shall be reasonable and shall also recognise the need for officers to maintain the distinction between the cabinet and scrutiny processes.

9.4 As regards the legal rights of members to inspect Council documents, these are partly covered by statute and partly by common law. This is commonly known as the “need to know principle”.

9.5 Sometimes a member’s “need to know” will be presumed. For example, a member is unlikely to be refused an opportunity to inspect documents relating to the functions or activities of a member body on which they serve. At other times, for example when documents contain confidential information or personal information about a third party, the member shall be required to satisfy the relevant Chief Officer or service lead about their “need to know”.

9.6 If a Chief Officer or service manager considers the cost of providing the information requested, or the nature of the request to be unreasonable they should seek guidance from the Monitoring Officer as to whether the information should be provided. Where necessary, the Monitoring Officer shall determine whether the information should be provided.

9.7 Confidential information relating to casework shall not normally be sought. If in exceptional circumstances members wish to discuss confidential aspects of an individual case then they shall first seek advice from the appropriate Chief Officer or service lead and may also need to seek permission from the constituent.

9.8 Council information provided to a member shall only be used by the member for the purpose for which it was provided (i.e. in connection with the proper performance of the member’s duties as a member of the Council). Where confidential, personal or otherwise sensitive information is obtained by a member, they shall deal with that information in accordance with the Members’ Code of Conduct.

## 10. Correspondence

10.1 E-mail relating to the Council shall be treated in the same way as formal business correspondence and its distribution considered accordingly. Members should restrict the distribution of e-mail correspondence to the intended recipients and refrain from

using multi address distribution lists (for example e-mail replies copied to all members) unless there is good reason so to do. It should be noted that e-mail can be used for documentary evidence in matters such as disciplinary proceedings and libel cases even after it has been deleted.

10.2 Official correspondence on behalf of the Council shall normally be sent in the name of the appropriate officer, rather than in the name of a member. However, there are circumstances in which it is appropriate for correspondence to appear in the name of a member. For example, a local member may deal with correspondence with a local constituent in relation to a local matter in their name. Similarly, the Leader of the Council or a lead cabinet member may deal with correspondence concerning their area of responsibility in their name.

10.3 Any member who receives correspondence should consider whether it is appropriate in the circumstances for it to be passed to an officer for a reply, or for them to reply in their name. Any such correspondence should always have regard to the Council's policies, practices and procedures and any mechanisms, if appropriate, for changing them. A member is advised to seek advice, as necessary, from officers before sending any correspondence in their own name.

10.4 Correspondence which creates legal obligations or gives instructions on behalf of the Council should never be sent out in the name of a member. Correspondence includes any communication by letter, e-mail, texts, social media posts or other electronic means.

## **11. Publicity and Media**

### **Publicity**

11.1 The Council wishes to encourage regular, open and two-way dialogue with its communities to ensure that the public are aware of the Council's activities, are informed about how to access services and are aware of opportunities for public participation in the democratic process.

11.2 The way information is publicised has changed significantly over time with online and social media being more prominent and instant. Messaging in publicity should be well considered as it is essential to ensure that local authority decisions on publicity are made in accordance with clear principles of good practice.

11.3 Officers and members of the Council shall, therefore, in making decisions on publicity, take account of the provisions of the national Code of Recommended

Practice on Local Authority Publicity 2011. The Council's communications team can help to ensure publicity is timely, correct and targeted appropriately.

- 11.4 Particular care should be taken with Council publicity in the run-up to an election. Additional guidance is issued at these times to help members and officers. The MO or Chief Executive can provide advice where necessary about the guidance during periods of heightened sensitivity.

## Media

- 11.5 Members wishing to publicise themselves or their political parties shall do so in an independent capacity without using Council resources. This applies to other support service Members receive to carry out their official duties, which may only be used on Council business, and may not be used for party political work.
- 11.6 When using Council email, or writing on behalf of the authority, correspondence should not include political comments or criticise Council policy adopted by Full Council. If members wish to make political statements in correspondence, they shall not use Council communications channels or, give the impression their views are those of the Council on any communications channels, including social media.
- 11.7 The Council's Communications Team provides a press office function on behalf of the Council. Media enquiries requesting information or a response on behalf of the Council should be referred to the Communications Team and all proactive communications on behalf of the Council's work should be coordinated through the Communications Team

## 12. When Things Go Wrong

- 12.1 This protocol is designed to provide the framework within which members and officers work effectively together. However, the following process should be followed in the event of any difficulties arising.

### Procedure for officers to follow when experiencing difficulties with members

- 12.2 From time to time the relationship between members and officers may break down or become strained. It will always be preferable to resolve matters informally, through conciliation by an appropriate senior manager or member, for example an informal meeting arranged between the relevant member and officer, the member's group leader and the Chief Executive. Officers also have recourse to a procedure whereby the complaint or grievance can be referred to the Council's Monitoring Officer.

## **Procedure for members to follow when experiencing difficulties with officers**

- 12.3 A member should not raise matters relating to the conduct, behaviour or capability of an officer in a manner that is incompatible with the objectives of this protocol. An officer has no means of responding to such criticism in public. If any member feels that they have not been treated with proper mutual trust, respect or courtesy or have any concern about the conduct or capability of an officer, they should raise the matter, in private, with the relevant Service Manager, Assistant Director or Director.
- 12.4 Any concerns with regard to a senior officer or Chief Officer should be discussed in private with the Chief Executive. Where the officer concerned is the Chief Executive, the matter should be raised with the Leader of the Council or Monitoring Officer, as appropriate to the circumstances. If the matter cannot be resolved informally it may be necessary to invoke the Council's Disciplinary Procedure.

## **13. Whistleblowing**

Where an officer or councillor is concerned about potential unlawful conduct of an officer or councillor, the Council's whistle-blowing policy may also be relevant.

## **14. Interpretation**

Questions of interpretation of this protocol shall be determined by the Monitoring Officer or Chief Executive.

## **15. Unresolved issues and amendments to this Protocol**

- 15.1 If there are any issues of concern which are not dealt with by this Protocol, then the relevant Member or officer may discuss the matter with the Chief Executive, Monitoring Officer or Deputy Monitoring Officer with a view to advice being provided.
- 15.2 Should any Member or officer wish to suggest an amendment to this protocol, they are encouraged to contact either the Chief Executive, Monitoring Officer or Deputy Monitoring Officer.

Adopted by Cambridge City Council: \_\_\_\_\_

## Introduction

- 1.1 The purpose of this Protocol is to guide councillors, officers and other individuals who are members of Council bodies in their relations with one another. The Codes of Conduct for both members and officers have been referred to in the development of this Protocol and should be considered in addition to it when appropriate.
- 1.2 Given the variety and complexity of such relations, this Protocol does not seek to be either prescriptive or comprehensive. It seeks simply to offer guidance on some of the issues that most commonly arise. It is hoped, however, that the approach that it adopts to these issues will serve as a guide to dealing with other issues.
- 1.3 This Protocol is to a large extent no more than a written statement of current practice and convention. In some respects, however, it seeks to promote greater clarity and certainty.
- 1.4 This Protocol also seeks to reflect the principles underlying the respective rules of conduct which apply to members and officers. The purpose of the rules and this Protocol is to enhance and maintain the integrity (real and perceived) of local government by demanding very high standards of personal conduct.

## Roles of Members and officers

- 2.1 The elected members are responsible for:
  - the initiation and direction of policy;
  - democratic accountability to the electorate for policies and for service delivery;
  - the scrutiny of Council services;
  - community leadership;
  - the promotion of partnership working; and
  - the presentation of Council policy.

2.2 The officers are responsible for:

- providing the professional advice that members must have before them when formulating policy and when taking decisions. The functions and areas of responsibility of the Council's Chief Officers are described in Article 11 of the Constitution (pages 23-26);
- implementing members' decisions;
- running the Council's services and day-to-day administration;
- taking managerial and operational decisions in accordance with the Council's schemes of delegation; and
- the provision of information regarding Council services and approved Council policies including via the media.

## Working relationships

3.1 The Council has determined that there should be no formal separation of officer support between the executive and scrutiny functions. The Chief Executive has overall responsibility for ensuring that staffing support is sufficient. To assist this, the Chief Executive will be responsible for ensuring that proper officer support is provided for overview and scrutiny.

3.2 The working relationship between senior officers and the Executive will be particularly close. This relationship, however, must not:

- compromise officers' duties to all Members of the Council;
- be so close as to give the appearance of partiality on the part of the officer;
- undermine the confidentiality of any discussions within the Corporate Management Team or between senior officers and other Members;
- compromise officers' professional responsibility to advise Members that a particular course of action should not be pursued;
- abrogate officer responsibility for action taken under Delegated Powers.

- 3.3 Officers will also provide advice and assistance to individual Members in respect of Council business, including issues raised by constituents. They must not be requested to advise upon private matters.
- 3.4 Paragraph 2 of the Officer Code of Conduct (Pages 295-299) emphasises that officers are employed by, and serve, the whole Council. They are politically neutral and must avoid being identified with any political party. Members must respect this.
- 3.5 Directors/Assistant Directors (but not normally any other officer below second tier) may, in exceptional circumstances, be invited to attend political group meetings to explain or advise on policies and/or issues provided that this facility is available to all political groups represented on the Council. The Chief Executive should be informed by an employee that he/she is to attend such a meeting.
- 3.6 Paragraph 3.5 does not apply to invitations to officers to attend group meetings in their capacity as trade union representatives, which shall be permitted.
- 3.7 Political group meetings fall outside the Council's decision-making process. Conclusions reached at such meetings are not Council decisions and so should not be relied upon as such.
- 3.8 The Chief Executive and Directors may attend collectively to brief meetings of those members making up the Executive and the Chairs of Scrutiny & Regulatory Committees, on forthcoming issues.
- 3.9 Scrutiny committees have the power to require Executive Councillors and officers to appear before them and answer questions. So far as Executive Councillors are concerned, scrutiny committees should, wherever possible, require attendance only at meetings that appear in the Council diary. So far as officers are concerned, the statutory guidance states that "local authorities may wish to adopt conventions that overview and scrutiny committees would normally only require officers above a certain grade to attend to ensure that more junior officers are not put under undue pressure". Accordingly, the Council's scrutiny committees will only be able to require

the attendance of Chief Officers and Directors/Assistant Directors. However, to facilitate proper conduct of business, they may arrange, as necessary, for other officers to attend meetings to assist.

## Familiarity

- 4.1 Close personal familiarity between individual members and officers can damage the principle of mutual respect. It could also, intentionally or accidentally, lead to the passing of confidential information or information which should not properly be passed between them, such as personal details.
- 4.2 Such familiarity could also cause embarrassment to other members and/or other officers and even give rise to suspicions of favouritism.
- 4.3 As a result care should be taken by individual members and officers in their relationship with each other.

## Undue Pressure

- 5.1 It is important that in any dealings between members and officers neither should seek to take unfair advantage of their position.
- 5.2 In their dealings with both Directors and officers (especially junior employees), members need to be aware that it is easy for officers to be overawed and feel at a disadvantage. Such feelings can be intensified where members hold official and/or political office.
- 5.3 A member should not apply any pressure on an officer to do work outside of normal duties. A member should also not normally require an officer to do work outside of reasonable working hours but if deemed essential then this should be negotiated. Neither should pressure be put on an officer to do anything that he or she is not empowered to do.

- 5.4 Similarly, an officer must not lobby or use influence on an individual member to make a decision in his or her personal favour. They should not raise personal matters to do with their job, nor make claims or allegations about other officers, nor make negative comments on the competency of another officer as the Council has formal procedures for this.
- 5.5 Members should recognise that officers' workloads frequently require extended periods of concentration or involve tight deadlines. Members should respect officers' working time and should, where possible, arrange appointments and avoid frequent unscheduled interruptions.

## Constructive criticism & redress

- 6.1 It is important that there should be mutual courtesy between Members and officers. It is important that there are reasonable standards of courtesy and no member or officer should seek to take unfair advantage of their position.
- 6.2 Members have the right to criticise reports or the actions taken by officers but they should:
- always avoid personal attacks on officers;
  - ensure that criticism is constructive and well-founded.
- 6.3 If a member considers that he or she has not been treated with proper respect or courtesy, he or she may raise it with the officer's line manager or Director without delay if it is not possible to resolve it through direct discussion. If the issue still remains unresolved appropriate action may be taken by the Director in accordance with the Council's normal procedures. Feedback should be given to the member on the outcome.
- 6.4 If an officer considers that he or she has not been treated with proper respect or courtesy, and a direct discussion is impractical or fails to resolve the matter, he or she should raise the matter with the line manager or Director without delay. In such circumstances, the Director will take such action as is appropriate either by

approaching the individual and/or Party Group Leader. The Director will inform the Chief Executive if the Party Group Leader becomes involved, or in any other case where it is appropriate. Feedback should be given to the officer on the outcome.

- 6.5 The Council operates a confidential whistle-blowing policy overseen by the Standards Committee. The Council is committed to the highest possible standards of operation, integrity, openness and accountability. It is expected that where an officer or member is concerned about potential unlawful conduct of an officer or member, they voice those concerns so that they can be dealt with effectively. Nb. The Code of Conduct for Members (Part 5a of the Constitution pages 287-294) refers to those matters where a member is aware that another member has failed to comply with the Code.

### Officers' advice on declarations of interest

- 7.1 The Council's Head of Legal Practice will provide advice and information to Members on declarations of interest of a personal nature and whether or not such an interest might amount to a prejudicial interest. However, Members will know the nature and extent of any interest they may have. It is the Member's responsibility, therefore, to decide whether any interest should be declared.

### Officers' reports and advice

- 8.1 The Director/Assistant Director in whose name a report to the Council (or any part of its formal decision-making structure) will always be fully responsible for the contents of it.
- 8.2 A report will only be amended where the suggested amendment also reflects the professional judgement of the author of the report. Any remaining disagreement between the Executive Councillor/Chair and the author of the report should be referred to the Chief Officer, or, if the author of the report is a Chief Officer, to the Chief Executive for resolution after consultation with the Leader.

- 8.3 On occasions, officers will need to express a professional view on a matter which may not support the view of the Executive and/or the relevant Chief Officers of the Council. They must be allowed to do so without interference from, or victimisation by, members or officers.

## Officer decisions taken under delegated powers

- 9.1 When making a decision under powers delegated to them, it must be recognised that it is the officer, and not any member, who takes the action and it is the officer who is accountable for it.

## Dealing with the Media

- 10.1 Officers and members should be aware of the Convention on dealing with the Media in Appendix F of the Council Procedure Rules in Part 4a of the Constitution (pages 138-140). This is also listed on the Council's Intranet under 'Publicity and Media'.

## Involvement of ward councillors

- 11.1 Whenever a public meeting is organised by the Council to consider a local issue, all the councillors representing the Ward or Wards affected should, as a matter or course, be invited to attend the meeting with the maximum possible notice being given. Similarly whenever the Council undertakes any form of consultative exercise on a local issue, the Ward Councillors should be consulted at the outset of the exercise.
- 11.2 Ward Councillors should be notified in advance about any issues likely to affect them. This would include press releases relating to a particular Ward or significant matters likely to affect a Ward.
- 11.3 Officers are reminded of the protocol for consulting Ward Councillors before exercising delegated powers (Part 3 – Discharge of Council Functions pages 83-84).

## Correspondence

- 12.1 Unless a member or officer requests confidentiality, it is to be assumed that correspondence between a Member and an officer is not confidential and may be shown to others (an obvious exception is where an issue relates to an individual constituent and would normally be treated in confidence). If, in an officer's view, correspondence between an individual member and an officer is of interest to other members, to keep them fully informed, it should be made clear to the original member that copies have been sent to other members.
- 12.2 Where issues are raised by, or with, individual members relating to a matter of general interest in a ward, (as it is in the best interests of the Council to ensure that all members are properly informed of general issues in their Ward), copies of correspondence will normally be sent to all members for the Ward and the appropriate Executive Councillor. However, a member may specifically request that correspondence is not copied to other members and/or there may be a political, or other reason, why it is not appropriate to do so.
- 12.3 Where an officer sends information on his/her own initiative to an Executive Councillor, copies will be provided to the relevant minority spokesperson(s) and Chair of Scrutiny.
- 12.4 Official letters sent on behalf of the Council should normally be in the name of the appropriate officer, rather than in the name of a member. It may be appropriate in certain circumstances (e.g. representations to a Government Minister) for a letter to be signed by a member, but this should be the exception rather than the norm.

## Member support services

- 13.1 The Council provides a range of support services, including stationery, typing and postage to enable Members to carry out their duties. These may only be used on Council business. They may not be used for party political work of any kind except for the administration of party group meetings (but not attending or minuting such meetings).

## Unresolved issues and amendments to this Protocol

- 14.1 If there are any issues of concern which are not dealt with by this Protocol, then the relevant Member or officer may discuss the matter with the Chief Executive with a view to advice being provided.
- 14.2 Should any Member or officer wish to suggest an amendment to this protocol, he/she is asked to contact either the Chief Executive or Director of Customer & Democratic Services.
- 14.3 Any amendments require approval of Council on the recommendation of the Civic Affairs Committee. The Standards Committee and any other relevant body may be consulted on issues raised by the Protocol and on proposed amendments when appropriate.

## Inclusion and Equity Panel

Appointed by: Leader

### Terms of Reference:

To promote equity and inclusion in order that all communities in Cambridge achieve better outcomes; thrive and succeed, with access and removing barriers to opportunity, networks, resources, and support with an emphasis on valuing the lived experiences of individual and communities and identifying best practice locally and nationally.

It delivers this purpose by:

- Ensuring Panel recommendations are informed by those with lived experience of inequality
- Aligning the Panel's agenda to the Forward Plan, prioritising items with the greatest equalities impact
- Developing a work plan that enables Panel members to request specific items come to the Panel for its consideration

The IEP will focus on equity for people with characteristics protected by the Equality Act 2010 as well as:

- People with care experience (an umbrella term used to describe individuals who are, or who have at any time been, in the care of a local authority)
- People with experience of being on a low-income or in poverty
- Travelling community members, including those without the protected characteristic of 'race' under the Equality Act 2010
- Non-binary and gender fluid people
- Veterans Objectives
- Drive service improvements in respect of equity within Council and influence practice more widely in the City.
- Share their expertise and make recommendations that promote equity and inclusion, and celebrate diversity, based on their lived experience and/or professional knowledge.
- Influence the council's approach to equity for our communities and staff by making recommendations on strategy, policies and plans (and equality impact assessments as they relate to these), helping to inform Cabinet decisions and scrutiny.
- Monitor and report on the Council's compliance with equity related legislation, including the Equality Act 2010.

## Membership

The IEP membership will consist of:

- The nominated Cabinet Member (or a nominated substitute in their absence)

Membership from each of the following:

- Councillors who will be appointed by Cabinet with an expectation that one per Political Group and Lead Cabinet Member. Each Political Group will nominate their own members of the Panel who will represent their Group.

Delegation to the Director of Communities to facilitate Membership of:

- Cambridge City Council staff
- Public Members and members of the Voluntary, Community, Social Enterprise and Faith sector working with diverse communities that experience discrimination, marginalisation and inequality.

The IEP will invite independent people from different equality groups to speak on issues that are important to them based on their lived experiences, helping to guide the Panel's discussions. Moreover, the Political Groups can nominate councillors who are not members of the Panel to attend meetings to speak to particular items as agreed by the Chair of the Panel.

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## **REPORT TITLE: Committee Appointments for Annual Council**

**To:** Civic Affairs Committee (19 May 2026)

**Report by:** Dan Kalley, Democratic Services Manager  
Tel: 01223 457011 Email: dan.kalley@cambridge.gov.uk

**Wards affected:**

None

### **1. Recommendations**

1.1 It is recommended that Civic Affairs Committee recommend to Council:

1. The city council committees and the nominations to the joint and partner bodies (as updated on 19 May).
2. The nominations for Chairs and Vice Chairs (as updated on 19 May).

### **2. Purpose and reason for the report**

- 2.1 The report details the issues to consider following the elections on 7 May 2026 and makes recommendations to the Annual Meeting of the Council on 21 May 2026.
- 2.2 This report is being published on 13 May 2026. There will be updated information published on 19 May 2026, before the committee meeting. This enables further information following the meeting of groups and nominations are known.

### **3. Alternative options considered**

- 3.1 Appointments to Committees are a legal function of Full Council and no alternative options are applicable.

## **4. Background and key issues**

### **4.1 Appointing Committees**

The rules on political balance set out in the Local Government and Housing Act 1989 apply to both scrutiny and regulatory committee composition so that, once the size of committees has been determined, the division of seats among the political groups on the Council will be automatic and the Council must appoint those members which each political group puts forward for its seats.

In considering the allocation of committee places to political groups, the Council is legally required to take into account the following principles:

- i) That the controlling group should have a majority of seats on each committee.
- ii) That the total number of committee places allocated to each political group must be in proportion to the number of members of that group on the Council.
- iii) That on each committee the number of places allocated to each political group must be in proportion to the number of members of that group on the Council.

The order of precedence of these principles is the order in which they are given - i.e. (i) takes highest priority, then (ii) then (iii).

If you choose to depart from proportionality, Full Council must not only agree, but no single Member must dissent.

### **Named Substitute Members of Committees**

The Council (or committees in respect of sub-committees) will appoint named substitute members in respect of each political group represented on that committee or sub-committee. Two named substitute members can be appointed for groups with more than one committee member (although a Group may choose to appoint just one). The named substitute will sit in for any member of the same political group who is unable to attend a meeting.

The proportionality for both the Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee and the Audit and Governance Committee is set by the Combined Authority and the Council will be notified if it changes following elections on 7 May 2026.

### **Committee allocations prior to 7<sup>th</sup> May 2026 local elections**

<b>Performance, Assets &amp; Strategy Overview &amp; Scrutiny Committee</b>
---

Current Numbers - 8 (5 Labour + 2 Lib Dem+1 Green)
--

<b>Services, Communities &amp; Climate Overview &amp; Scrutiny Committee</b>
--

Current Numbers – 9 (5 Labour + 3 Lib Dem + 1 Green)
--

<b>Civic Affairs &amp; Audit Committee</b>
--

Current Numbers - 7 (4 Labour + 2 Lib Dem + 1 Green)
--

<b>Licensing Act 2003 &amp; Gambling Act 2005 Committee (Statutory Committee) &amp; General Purposes &amp; Licensing Committee (note two committees with same membership)</b>
---

Current Numbers - 10 (7 Labour + 2 Lib Dem + 1 Green)
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<b>Planning Committee</b>
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Current Numbers - 8 (5 Labour + 2 Lib Dem +1 Green)
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<b>Employment Committee</b>
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Current Numbers - 7 (4 Labour + 2 Lib Dem + 1 Green)
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**Cambridge Joint Area Committee – Joint with Cambridgeshire County Council**

Current Numbers – 6 (4 Labour + 1 Lib Dem + 1 Green)

**Joint Planning Advisory Group – Joint with South Cambridgeshire**

Numbers as per current proportionality – 5 (3 Labour + 1 Lib Dem + 1 Green)

**Cambridgeshire and Peterborough Combined Authority**

Current Numbers - 1 (Leader of the Council) + 1 substitute (Deputy Leader)

**Cambridgeshire and Peterborough Combined Authority Overview and Scrutiny Committee (proportionality set by the Combined Authority may change after elections)**

Current Numbers - 1 Labour + 1 Labour substitute & 1 Green + 1 Green substitute

**Cambridgeshire and Peterborough Audit and Governance Committee (proportionality set by the Combined Authority may change after elections)**

Current Numbers 1 Labour + 1 Labour substitute

**Greater Cambridge Partnership Joint Assembly**

Current Numbers- 3 (2 Labour + 1 Lib Dem)

**Joint Development Management Committee**

Current Numbers- 6 (4 Labour + 2 Lib Dem + substitutes)

## **Chairs and Vice Chairs**

The Civic Affairs Committee is requested to make nominations for Chairs and Vice-Chairs to the committees listed. A paper with any nominations will be circulated on 12 May:

- Performance, Assets & Strategy Overview & Scrutiny
- Services, Communities & Climate Overview & Scrutiny
- Civic Affairs & Audit
- Employment
- Licensing Act 2003 & Gambling Act 2005 (Statutory Committee) & General Purposes & Licensing Committee
- Planning
- Joint Planning Advisory Group (Chair/Vice Chair to be agreed at first meeting, then alternate each year)
- Joint Development Management Committee (Cambridge City is due to be Chair for 2026/27)

## **Appointments to outside bodies and working groups**

A report on appointments to outside bodies and working groups will be presented to the Annual Council meeting on 21 May 2026.

### **5. Corporate plan**

- 5.1 Appointments to committee's are essential to decision making affecting the Council's Corporate Plan.

### **6. Consultation, engagement and communication**

- 6.1 The Civic Affairs Committee are the body who makes recommendations to Council on appointments to the formal committee's of the Council.

### **7. Anticipated outcomes, benefits or impact**

7.1 Recommendations are made to the Annual meeting for appointments to committee places.

## **8. Implications**

### **8.1 Relevant risks**

There are none.

### **Financial Implications**

8.2 There are none.

### **Legal Implications**

8.3 There are none.

### **Equalities and socio-economic Implications**

8.4 There are none.

### **Net Zero Carbon, Climate Change and Environmental implications**

8.5 There are none.

### **Procurement Implications**

8.6 There are none.

### **Community Safety Implications**

8.7 There are none.

## **9. Background documents**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

9.1 There are none.

To inspect the background papers or if you have a query on the report please contact Dan Kalley, Democratic Services Manager, 01223 457011: email:

[dan.kalley@cambridge.gov.uk](mailto:dan.kalley@cambridge.gov.uk)

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## REPORT TITLE: Nominations for Honorary Councillors

**To:** Civic Affairs Committee (19 May 2026)

**Report by:** Dan Kalley, Democratic Services Manager  
Tel: 01223 457011 Email: dan.kalley@cambridge.gov.uk

**Wards affected:**

None

### 1. Recommendations

1.1 It is recommended that Civic Affairs & Audit Committee recommend to Council, those nominations in section 4.1 to be made Honorary Councillors.

### 2. Purpose and reason for the report

2.1 The report details those that have served on the City Council for the requisite period of time to be considered being made an Honorary Councillor.

### 3. Alternative options considered

3.1 None, the committee will make recommendations for Council to consider.

### 4. Background and key issues

4.1 Honorary Councillors are those that have been nominated by members to the committee and who have served 10 years as a Councillors, or 8 years if they have been Mayor. The Council needs to vote 2/3 in favour of any nomination made. A briefing note is attached at Appendix 1.

Those who are eligible for Honorary Councillor are:

- **Richard Robertson**
- **Baiju Thittala**
- **Anna Smith**

## **5. Corporate plan**

5.1 Appointments to this position is part of the history of the Council.

## **6. Consultation, engagement and communication**

6.1 The Civic Affairs & Audit Committee are the body who makes recommendations to Council on appointments to the position of Honorary Councillor.

## **7. Anticipated outcomes, benefits or impact**

7.1 Recommendations are made to the Annual meeting for appointments to the position of Honorary Councillor.

## **8. Implications**

### **8.1 Relevant risks**

There are none.

### **Financial Implications**

8.2 There are none.

### **Legal Implications**

8.3 There are none.

### **Equalities and socio-economic Implications**

8.4 There are none.

### **Net Zero Carbon, Climate Change and Environmental implications**

8.5 There are none.

### **Procurement Implications**

8.6 There are none.

### **Community Safety Implications**

8.7 There are none.

## **9. Background documents**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

9.1 There are none.

## **10. Appendices**

Appendix 1 – Honorary Councillor briefing note.

To inspect the background papers or if you have a query on the report please contact Dan Kalley, Democratic Services Manager, 01223 457011: email: [dan.kalley@cambridge.gov.uk](mailto:dan.kalley@cambridge.gov.uk)

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## **Nomination for Honorary Councillors**

The Committee will consider any nominations if put.

The requirements to be satisfied are set out below:

- 1) No person shall be eligible normally for election as an Honorary Councillor unless s/he has served as a Councillor at least 10 years (or a person who has been Mayor, for 8 years) whether continuously or not.
- 2) Application for election as an Honorary Councillor shall be made either by the applicant him/herself or by some member of the Council on his/her behalf. Such application shall be submitted to the Chief Executive for consideration by the Civic Affairs Committee of the Council. It shall be in the discretion of the Civic Affairs Committee to make or withhold a recommendation to the Council. The names of those applicants who are not recommended by the Civic Affairs Committee shall not be recorded in the report of that Committee to the Council.
- 3) Election to the position of Honorary Councillor shall be by a resolution of the Council passed on the recommendation of the Civic Affairs Committee by not less than two-thirds of the members present and voting thereon at a meeting of the Council, the summons to which contains special notice that included in the business to be transacted is the election of an Honorary Councillor.
- 4) An Honorary Councillor shall be entitled to the following rights and privileges –
  - a) In civic processions, Honorary Councillors shall take precedence immediately after serving Councillors and shall have precedence amongst themselves according to the number of years service on the Council.
  - b) On request to receive a copy of the Council summons, together with Council and Committee minutes.
  - c) At each meeting of the Council to have a seat in a block reserved for the use of Honorary Councillors.
  - d) The use, in common with members of the Council, of the Members' Rooms in the Guildhall.
  - e) To be invited, where circumstances permit, to those civic functions to which all members of the Council are invited.
  - f) On death, to have a flag flown above the Guildhall at half-mast.

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**REPORT TITLE: Auditor's Annual Report 2024/25**

**To:**

Civic Affairs and Audit Committee 19 May 2026

**Report by:**

Jody Etherington, Chief Finance Officer

Tel: 01223 458130 Email: jody.etherington@cambridge.gov.uk

**Wards affected:**

All

Director Approval: Chief Finance Officer Jody Etherington confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to the Committee.

<b>1.</b>	<b>Recommendations</b>
1.1	<p>It is recommended that the Committee:</p> <p>1. Note the EY Auditor's Annual Report for the year ended 31 March 2025.</p>
<b>2.</b>	<b>Purpose and reason for the report</b>
2.1	<p>The Auditor's Annual Report summarises the year's external audit work, including Value for Money commentary and confirmation of the financial statement opinion. In line with the NAO Code of Audit Practice 2024, the report provides an overview to the council and the public, detailing current recommendations and a review of prior years' actions, including the external auditor's assessment of whether they have been satisfactorily implemented.</p>
2.2	<p>The main conclusions of the report in respect of the 2024/25 financial statements and Value for Money opinion were also set out in the Audit Results Report which was received by the Committee at its meeting on 23 February 2026.</p>

3.	<b>Alternative options considered</b>
3.1	The presentation of the Auditor's Annual Report is a requirement of the NAO Code of Audit Practice. No decision is required by the Committee.
4.	<b>Background and key issues</b>
4.1	Over recent years, a significant backlog in the publication and audit of financial statements has developed across the local government sector. The issues peaked in 2022/23, when only 1% of English councils published audited accounts on time.
4.2	In response, in 2024 the government announced a programme of 'reset and recovery' across the sector. This included putting into place a series of 'backstop dates' by which final accounts had to be published, whether the audits had been completed or not.
4.3	Under these backstop arrangements, EY have issued a 'disclaimed' opinion on the council's Statement of Accounts 2024/25, as it did in 2023/24.
4.4	The auditor's Financial Statement reporting assessment is set out on page 14 of their report. They have rated the timeliness, quality and completeness of the draft financial statements as 'effective'. However, there remains a need for improvement in other areas of the process, most notable the timely delivery of quality working papers to support the audit process. These issues came about primarily of a result of resourcing challenges within the Finance team – however additional resource has been brought in and steps taken to secure improvement in these areas for the 2025/26 audit.
4.5	The auditor's Value for Money commentary is set out from page 17 onwards. They have identified one new significant weakness in relation to the capacity and capability within the Finance Team to support the audit process, as set out above and explained in more detail (with the council's management response) on page 31. The significant weaknesses reported in 2023/24 in relation to timely financial reporting and a breach of the Rent Standard have now been addressed, as set out on page 36.

<b>5.</b>	<b>Corporate plan</b>
5.1	<p>The external audit process is a key source of assurance for members and the public in respect of the way the council secures best value in the delivery of all of its corporate priorities.</p> <p><a href="#">Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council</a></p>
<b>6.</b>	<b>Consultation, engagement and communication</b>
6.1	<p>The auditors have communicated with the Civic Affairs and Audit Committee throughout the audit process, including their Audit Results Report which was received by the Committee at its meeting on 23 February 2026, and culminating with this report.</p>
<b>7.</b>	<b>Anticipated outcomes, benefits or impact</b>
7.1	<p>As set out in the management responses on pages 31 to 35, steps have been taken to address the weaknesses and recommendations raised by the auditor in advance of the following year's audit.</p>
<b>8.</b>	<b>Implications</b>
	<b>Relevant risks</b>
8.1	<p>Not applicable – the report is for noting only.</p>
	<b>Financial Implications</b>
8.2	<p>The auditors will be seeking a fee variation in respect of additional work related to the issues identified, and we await independent assessment of this from Public Sector Audit Appointments (PSAA).</p>
	<b>Legal Implications</b>

8.3	Under the NAO Code of Audit Practice, the Committee is required to receive the Auditor's Annual Report each year.
	<b>Equalities and socio-economic Implications</b>
8.4	None
	<b>Net Zero Carbon, Climate Change and Environmental implications</b>
8.5	None
	<b>Procurement Implications</b>
8.6	None
	<b>Community Safety Implications</b>
8.7	None
<b>9.</b>	<b>Background documents</b> Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
9.1	Audit Results Report 2024/25
<b>10.</b>	<b>Appendices</b>
10.1	Appendix A – Auditor's Annual Report Year ended 31 March 2025
	To inspect the background papers or if you have a query on the report please contact Jody Etherington, Chief Finance Officer, tel: 01233 458130, email: <a href="mailto:jody.etherington@cambridge.gov.uk">jody.etherington@cambridge.gov.uk</a>

# Cambridge City Council

Auditor's Annual Report  
Year ended 31 March 2025

9 March 2026



The better the question. The better the answer. The better the world works.



Shape the future  
with confidence



Civic Affairs and Audit Committee  
Cambridge City Council  
The Guildhall  
Peas Hill  
Cambridge  
CB2 3QJ

9 March 2026

Dear Civic Affairs and Audit Committee

### 2024/25 Auditor's Annual Report

We are pleased to attach our Auditor's Annual Report including the commentary on the Value for Money (VFM) arrangements for Cambridge City Council. This report and commentary explains the work we have undertaken during the year and highlights any significant weaknesses identified along with recommendations for improvement. The commentary covers our findings for audit year 2024/25.

This report is intended to draw to the attention of the Cambridge City Council to any relevant issues arising from our work up to the date of issuing the report. It is not intended for, and should not be used for, any other purpose.

We welcome the opportunity to discuss the contents of this report with you at the Civic Affairs and Audit Committee meeting on 22 June 2026.

The [EY UK 2025 Transparency Report | EY – UK](#) for EY UK provides details regarding the firm's system of quality management, including EY UK's system of quality management annual evaluation conclusion as of 30 June 2025.

Yours faithfully

Mark Hodgson

Partner, For and on behalf of Ernst & Young LLP

Enc

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**01** Executive Summary

**02** Audit of financial statements

**03** Value for Money Commentary

**04** Appendices

Public Sector Audit Appointments Ltd (PSAA) issued the "Statement of responsibilities of auditors and audited bodies". It is available from the PSAA website (<https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits>)

The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The "Terms of Appointment and further guidance (updated July 2021)" issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code), and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Civic Affairs and Audit Committee and Management of Cambridge City Council in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Civic Affairs and Audit Committee and Management of Cambridge City Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Civic Affairs and Audit Committee and Management of Cambridge City Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



# 01 Executive Summary

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# Executive Summary

## Purpose

The Auditor's Annual Report summarises the year's audit work, including Value for Money commentary and confirmation of the financial statement opinion. It also references any use by the auditor of their additional powers and duties under the Local Audit and Accountability Act 2014. In line with the NAO Code of Audit Practice 2024 ("the 2024 Code") and Auditor Guidance Note 03 (AGN 03), this report provides an overview to Cambridge City Council and the public, detailing current recommendations and a review of prior years' actions, including our assessment of whether they have been satisfactorily implemented.

Auditors must issue their draft Auditor's Annual Report to those charged with governance by 30 November each year, reflecting the audit position and Value for Money assessment at that time, even if the 2024/25 audit is ongoing. We issued our draft Auditor's Annual Report as required on the 17 November 2025.

## Responsibilities of the appointed auditor

We completed our 2024/25 audit work in accordance with the Audit Plan that we issued on 28 April 2025. We have complied with the 2024 Code, other guidance issued by the NAO and International Standards on Auditing (UK).

As auditors we are responsible for:

Expressing an opinion on:

- whether the financial statements give a true and fair view of the financial position of the Council and its expenditure and income for the year; and
- have been prepared properly in accordance with the relevant accounting and reporting framework.

Reporting by exception:

- if the Annual Governance Statement does not comply with relevant guidance or is not consistent with our understanding of the Cambridge City Council;
- the use of additional powers and duties, for example making written recommendations under Section 24 and Schedule 7 of the Act or making a report in the public interest; and
- if we identify a significant weakness in the Cambridge City Council's arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

## Responsibilities of the Council

The Council is responsible for the preparation of the financial statement, including the narrative statement and governance statement, in accordance with the CIPFA Code and for having internal controls in place to ensure these financial statements are free from material error. It is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

# Executive Summary (cont'd)

## 2024/25 conclusions

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<p><b>Financial statements</b></p>	<p>As reported in our 2023/24 Audit Completion Report, issued on 01 May 2025, we issued a disclaimer of opinion on the Council's 2023/24 financial statements under the arrangements to reset and recover local government audit.</p> <p>In 2024/25, we continued to audit the closing Balance Sheet and in-year transactions. Although the level of assurance gained has increased from 2023/24, we were not able to obtain sufficient evidence to have reasonable assurance over all in-year movements and closing balances.</p> <p>As a result of the disclaimer of opinion on the 2023/24 financial statements, we did not have assurance over brought forward balances from 2023/24 (the opening balances). This means we did not have assurance over all 2024/25 in-year movements and the comparative prior year movements. We also did not have assurance over all the 2023/24 comparative balances disclosed in the 2024/25 financial statements.</p> <p>Taken together with the requirement to conclude our work by the 2024/25 back stop date, the lack of evidence over these movements and balances mean we were unable to conclude that the 2024/25 financial statements were free from material and pervasive misstatement of the financial statements.</p> <p>We therefore issued a disclaimer of opinion on the 2024/25 financial statements on the 24 February 2026.</p>
<p><b>Going concern</b></p>	<p>Where a disclaimer of opinion is issued on the financial statements, we do not conclude on whether the use of the going concern basis of accounting is appropriate.</p>
<p><b>Consistency of the other information published with the financial statements</b></p>	<p>Financial information in the narrative statement and published with the financial statements was consistent with the audited accounts.</p>

# Executive Summary (cont'd)

## 2024/25 conclusions (cont'd)

Value For Money (VFM)	We identified a significant weakness that impacted on one VFM criteria and therefore reported by exception on the Council's VFM arrangements. We reported this as an 'Other matters' within our Audit Report issued on the 24 February 2026. We have included our VFM commentary in Section 03.
Consistency of the Annual Governance Statement	We were satisfied that the Annual Governance Statement was consistent with our understanding of the Council.
Public interest report and other auditor powers	We confirm that we have not used our auditor powers in respect of the 2024/25 financial year.
Whole of Government Accounts	<p>We submitted the Auditor Assurance statement to the NAO at the time we issued our Audit Opinion.</p> <p>We have not yet concluded the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts submission, as the NAO have not yet confirmed the final reporting position and whether any questions will be raised on individual returns.</p> <p>We cannot issue our Audit Certificate until these procedures are complete.</p>
Certificate	We will issue our Audit Certificate either as part of our audit report or, if later, upon receipt of confirmation from the NAO that no further procedures will be requested in relation to the Council's Whole of Government Accounts submission.

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# Executive Summary (cont'd)

## Value For Money scope

Under the 2024 Code, we are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the Council a commentary against specified reporting criteria (see below) on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

We do not issue a 'conclusion' or 'opinion', but where significant weaknesses are identified we will report by exception in the auditor's report on the financial statements.

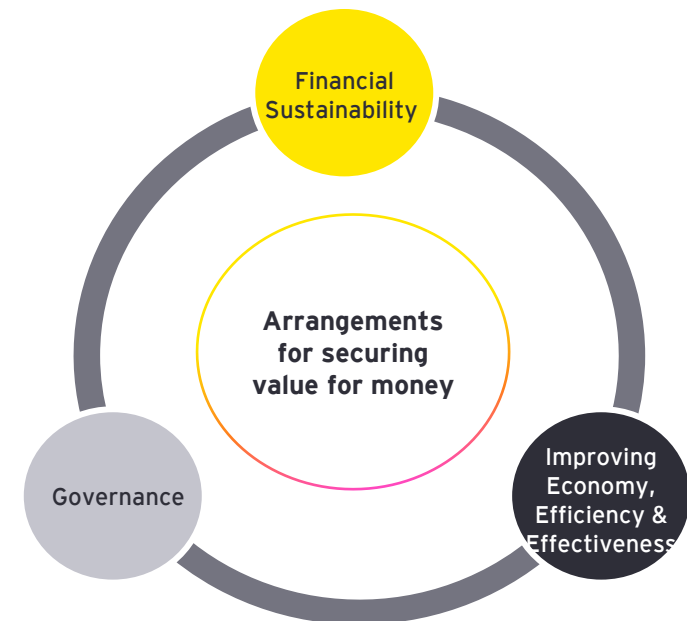
The specified reporting criteria are:

- Financial sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services.
- Governance - How the Council ensures that it makes informed decisions and properly manages its risks.
- Improving economy, efficiency and effectiveness - How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

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In undertaking our procedures to understand the body's arrangements against the specified reporting criteria, we identify whether there are risks of significant weakness which require us to complete additional risk-based procedures. AGN 03 sets out considerations for auditors in completing and documenting their work and includes consideration of:

- our cumulative audit knowledge and experience as your auditor;
- reports from internal audit which may provide an indication of arrangements that are not operating effectively;
- our review of Council committee reports;
- meetings with the key finance officers;
- information from external sources; and
- evaluation of associated documentation through our regular engagement with Council management and the finance team.



# Executive Summary (cont'd)

## Reporting

Our commentary for 2024/25 is presented in Section 03. This section provides a summary of our understanding of the arrangements at the Council, as determined from our evaluation of the evidence obtained in relation to the three reporting criteria (see table below) throughout 2024/25 and up to the date of issuing this Auditor's Annual Report. The recommendations we have agreed upon with the Council in the previous year, together with progress to date, are included in Appendices B.

In compliance with the 2024 Code, we are required to provide commentary against the three specified reporting criteria. The table below outlines these criteria, indicates whether a significant risk of weakness was identified during our planning procedures, and details our current conclusions regarding any significant weaknesses within your arrangements.

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Reporting criteria	Risks of significant weaknesses in arrangements identified?	Actual significant weaknesses in arrangements identified?
<b>Financial sustainability:</b> How the Council plans and manages its resources to ensure it can continue to deliver its services	No significant risks identified.	No significant weakness identified
<b>Governance:</b> How the Council ensures that it makes informed decisions and properly manages its risks	Three significant risks of weaknesses identified: 1. Council's arrangements to publish its 2024/25 Statement of Accounts by the target dates required by the Accounts and Audit Regulations 2015 2. Council's failure to deliver outcomes of Rent Standards and breach of the Welfare Reform and Work Act 2016 (the Act) 3. Capacity and capability within the Finance Team to support the audit process	1. No significant weakness identified 2. No significant weakness identified 3. Significant weakness identified
<b>Improving economy, efficiency and effectiveness:</b> How the Council uses information about its costs and performance to improve the way it manages and delivers its services	No significant risks identified	No significant weakness identified

# Executive Summary (cont'd)

## Independence

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the Council, and its members and senior management and its affiliates, including all services provided by us and our network to the Council, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on the our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1 April 2024 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

## EY Transparency Report 2025

Ernst & Young (EY) has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained.

Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the year end 30 June 2025:

[EY UK 2025 Transparency Report | EY – UK](#)



# 02

# Audit of financial statements

# Audit of financial statements

## Key findings

The financial statements is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health.

On 11 February 2026 we issued our Audit Results Report. We reported our findings in our Audit Results Report to Civic Affairs & Audit Committee on the 23 February 2026.

We reported 06 internal control recommendations and areas for improvement in the control environment in our Audit Results Report.

We issued our Audit Opinion on the 24 February 2026.

We outline below the key issues identified as part of our audit.

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## Financial statement risks

### Significant risk

### Conclusion

Misstatements due to fraud or error - Management override of controls

We were unable to complete our planned procedures in relation to testing of journal entries as Management was unable to provide evidence to support any of the selected sampled journal transactions. We have raised recommendations on this matter in Appendix A. As a result, we were unable to conclude our work.

Misstatements due to fraud or error - Inappropriate capitalisation of revenue expenditure and revenue expenditure funded from capital under statute (REFCUS)

We have completed our testing of REFCUS transactions and had no matters to report.

We were unable to complete our testing of Property, Plant, and Equipment (PPE) additions as the Council was unable to provide corroborating evidence to support 20% of the sampled transactions. As a result, we were unable to conclude our work.

We have raised recommendations on this matter in Appendix A.

Pension Valuation

We have completed our work on this area and had no matters to report.

# Audit of financial statements (cont'd)

## Financial statement risks

### Significant risk

#### Investment Property Valuations

### Conclusion

Our work identified discrepancies between the rent data provided by the Council and the information used by the valuer in their valuation calculations. For three samples, the Council was unable to provide lease agreements to corroborate the rent data used. We have raised recommendations on this matter in Appendix A.

In addition, our review identified that the fair value of one asset revalued in 2024/25 was not updated in the Fixed Asset Register. This resulted to an understatement of Investment Property balance by £0.395 million.

EY Real Estate's review of the valuation of one Investment Property identified that the Valuer used an incorrect combined income figure in their calculation, resulting in an overstatement of the asset's value by £0.190 million.

We were unable to complete our planned procedures for testing of Investment Property valuations as the Council could not provide corroborating evidence and responded to our queries to support the sampled assets within the agreed timeframe. As a result, we were unable to conclude our work.

## Financial Statement reporting assessment

Management, and the Civic Affairs and Audit Committee, as the Council's body charged with governance, have an essential role in supporting the delivery of an efficient and effective audit. Our ability to complete the audit is dependent on the timely formulation of appropriately supported accounting judgements, provision of accurate and relevant supporting evidence, access to the finance team and Management's responsiveness to issues identified during the audit. The table over-page sets out our views on the effectiveness of the Council's arrangements to support external financial across a range of relevant measures.

In addition, the illustrative timescale for the process of re-building assurance set out in the NAO's Local Audit Reset and Recovery Implementation Guidance (LARRIG) 01, together with our view of the Council's actual progress against that timescale, the reasons for that and what still needs to be done to successfully rebuild assurance is set out on the next page. The timetable set out in LARRIG 01 assumes that disclaimers for 2022/23 and all prior open audit years were issued by the statutory backstop date of 13 December 2024.

# Audit of financial statements (cont'd)

## Financial Statement reporting assessment

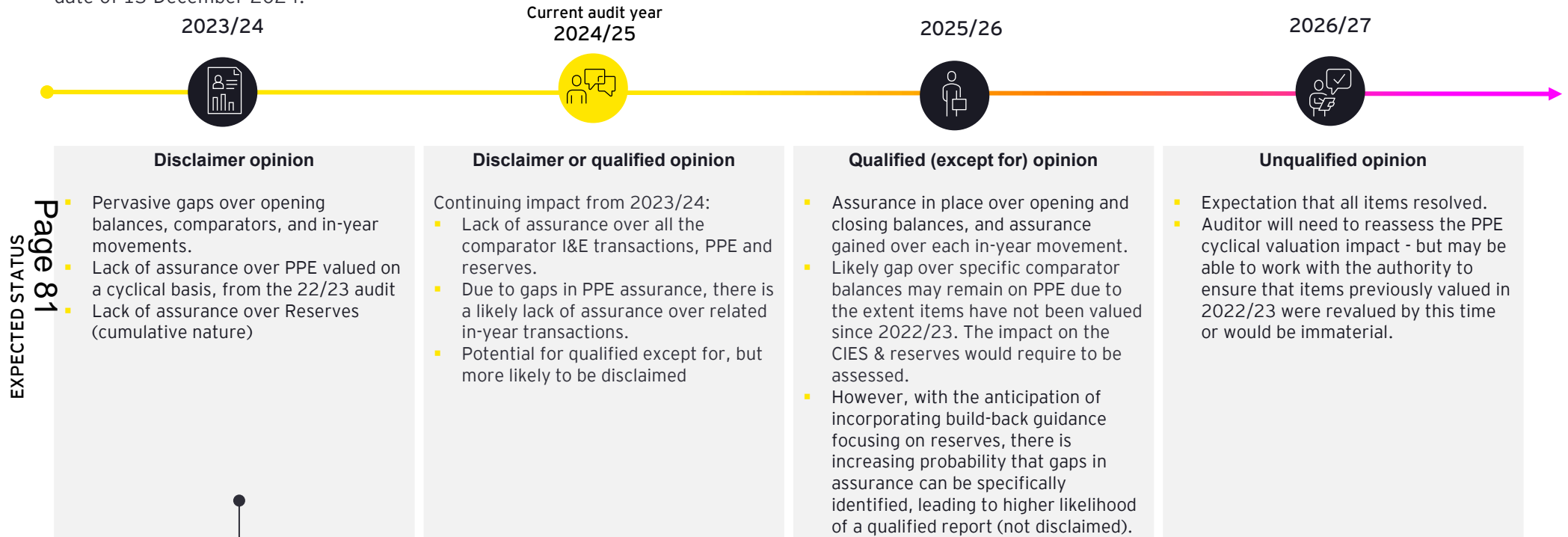
Area	Status			Explanation
	R	A	G	
Timeliness of the draft financial statements	Effective			The financial statements were published by the 30 June 2025 deadline set out in the Accounts and Audit Regulations.
Quality and completeness of the draft financial statements	Effective			There were few non-material internal inconsistencies, typographical and arithmetic errors in the draft financial statements that should have been detected through internal quality review prior to publication.
Delivery of working papers in accordance with agreed client assistance schedule	Ineffective			Working papers and supporting evidence were not provided in line with the agreed timetable.
Quality of working papers and supporting evidence	Ineffective			Working papers and supporting evidence were generally not to the required standard to support the audit.
Timeliness and quality of evidence supporting key accounting estimates	Ineffective			There have been significant delays in receiving the required supporting working papers for the audit from the Council. The documentation was not provided within the agreed timetable.  The absence of timely, supporting working papers, has impacted our ability to perform all of our planned audit procedures. As reported in Appendix B of our Audit Results Report, key audit procedures in a number of areas are incomplete because essential evidence was not made available for review. The timely provision of working papers is a critical component of an effective audit process, ensuring that planned work can be completed efficiently and that any emerging issues can be addressed promptly.
Access to finance team and personnel to support the audit in accordance with agreed project plan	Requires improvement			The primary finance team member responsible for the financial statements has not been available to support the audit process due to long term leave. In addition, we have experienced delays in obtaining responses and evidence from other members of the finance team. As a result, certain areas have been significantly delayed.
Volume and value of identified misstatements	Requires improvement			We have identified a number of material misstatements as a result of our work which have been corrected by Management. We also consider this further in our VFM reporting.
Volume of misstatements in disclosure	Effective			A limited number of misstatements in disclosure were detected in our work.

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# Audit of financial statements (cont'd)

## Progress to full assurance

Set out below is the illustrative timescale for the process of re-building assurance set out in the NAO's Local Audit Reset and Recovery Implementation Guidance (LARRIG) 01, together with our view of the Council's actual progress against that timescale, the reasons for that and what still needs to be done to successfully rebuild assurance. The timetable set out in LARRIG 01 assumes that disclaimers for 2022/23 and all prior open audit years were issued by the statutory backstop date of 13 December 2024.



EXPECTED STATUS  
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### CURRENT AUDIT STATUS OF CAMBRIDGE CITY COUNCIL

- The Council's progress is behind the expected timescales set out in LARRIG 01, given the areas we have not been able to conclude upon in 2024/25.
- This means it is unlikely that audit assurances can be rebuilt to enable an unqualified opinion by 2026/27. We do not expect that an unqualified opinion could be reached until the 2028/29 audit at the earliest.
- Appendix B sets out in more detail the assurance we have gained by accounts area.



# 03

# Value for Money commentary

# Value for Money

## The Council's responsibilities for value for money




The Council is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

As part of the material published with the financial statements, the Council is required to bring together commentary on the governance framework and how this has operated during the period in a governance statement. In preparing the Annual Governance Statement, the Council tailors the content to reflect its own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes a requirement to provide commentary on arrangements for securing value for money from the use of resources.

## Our responsibilities

Under the revised NAO Code we are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the Council a commentary against specified reporting criteria on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period. Our summary is below:

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	Significant risk identified	Significant weakness identified
 <p><b>Financial sustainability</b> How the Council plans and manages its resources to ensure it can continue to deliver its services.</p>	<ul style="list-style-type: none"> <li>No significant risk identified</li> </ul>	<ul style="list-style-type: none"> <li>No significant weakness identified</li> </ul>
 <p><b>Governance</b> How the Council ensures that it makes informed decisions and properly manages its risks.</p>	<p>Three significant risks of weaknesses identified:</p> <ol style="list-style-type: none"> <li>Council's arrangements to publish its 2024/25 Statement of Accounts by the target dates required by the Accounts and Audit Regulations 2015</li> <li>Council's failure to deliver outcomes of Rent Standards and breach of the Welfare Reform and Work Act 2016 (the Act)</li> <li>Capacity and capability within the finance team to support the audit process</li> </ol>	<ol style="list-style-type: none"> <li>No significant weakness identified</li> <li>No significant weakness identified</li> <li>Significant weakness identified</li> </ol>
 <p><b>Improving economy, efficiency and effectiveness</b> How the Council uses information about its costs and performance to improve the way it manages and delivers its services.</p>	<ul style="list-style-type: none"> <li>No significant risk identified</li> </ul>	<ul style="list-style-type: none"> <li>No significant weakness identified</li> </ul>



# VFM commentary: Financial Sustainability

## Financial sustainability: Our audit procedures

Our audit procedures obtained assurance over the arrangements in place for the Financial Sustainability sub-criteria set out in AGN03:

- How the body ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- How the body plans to bridge its funding gaps and identifies achievable savings;
- How the body plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- How the body ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system; and
- How the body identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.

## Significant risks identified during planning procedures

We did not identify any risks of a significant weakness in the Council's arrangements for financial sustainability. In the prior year, no significant weaknesses were identified and there are no outstanding recommendations from that period. The Council's underlying arrangements in relation to financial sustainability are not significantly different in 2024/25.

## Overview of our conclusions

Based on the work performed, the Council had proper arrangements in place in 2024/25 to plan and manage its resources to ensure it can continue to deliver its services.



# Financial Sustainability considerations

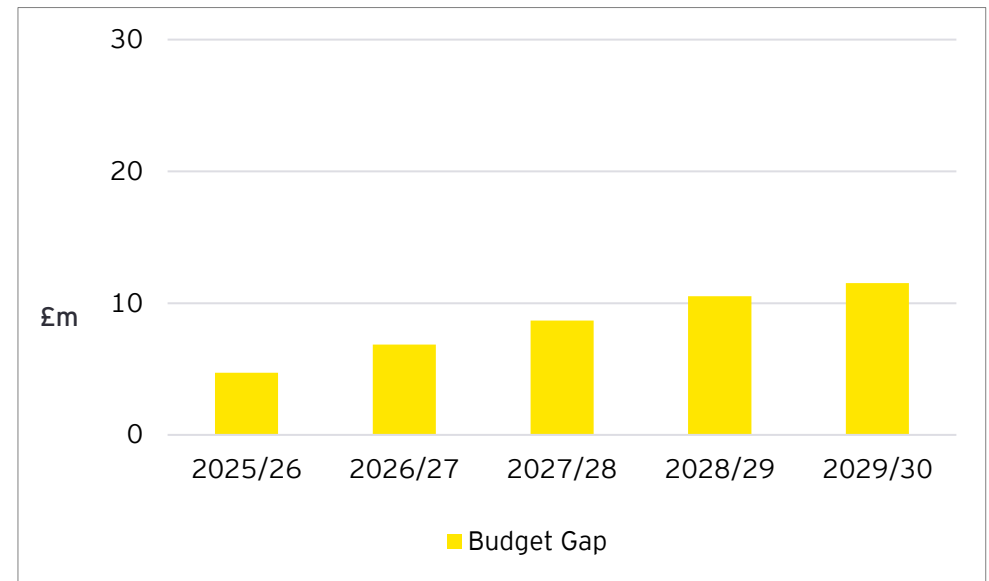
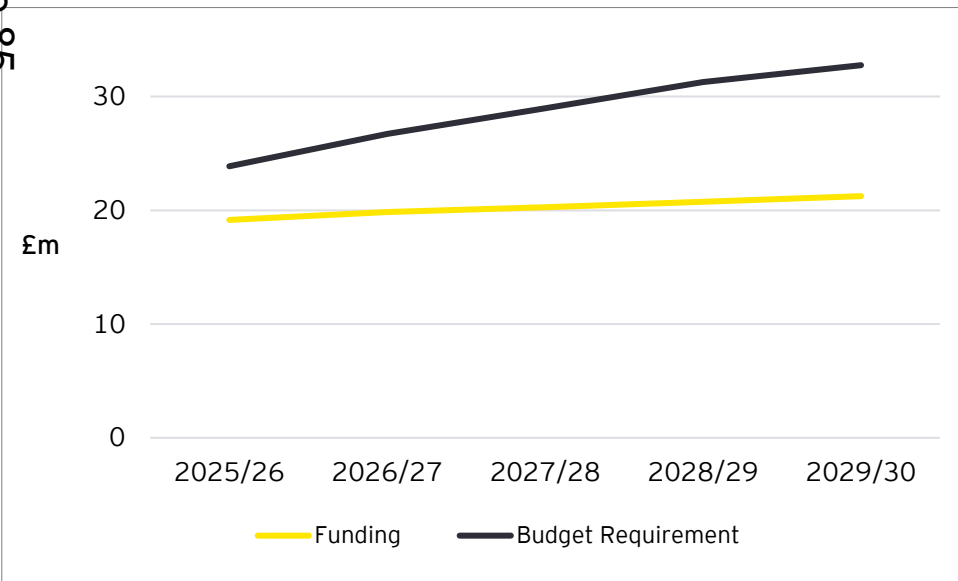
## Medium Term Financial Strategy (MTFS)

The Council's MTFS sets out the overarching strategy through which the Council will ensure its medium-term financial sustainability. This includes the Council's approaches to addressing forecast budgets gaps and using its reserves to mitigate financial risk. The MTFS is updated annually and is presented to the Strategy and Resources Scrutiny Committee before final approval by Full Council.

The 2025/26 to 2029/30 MTFS forecasted a total budget gap of £11.51 million driven primarily by changes to local government funding arrangements, inflationary pressures increasing net service expenditure, and expected decline in income from treasury investments as excess cash is invested in capital projects. Where possible, the Council seeks to maximise savings which do not impact upon its service users, for example through making Council structures and processes more efficient, challenging existing budget underspends, and reviewing long-term capital plans. The Council sets out a plan to address this starting with delivery of £6 million of recurring savings over the next two years. These savings are to be delivered through both the Our Cambridge transformation and recovery programme, Group Redesign Programme, and other initiatives.

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### Exhibit 01: The Council's MTFS outlines a cumulative gap of £11.51 million by 2029/30





# Financial Sustainability considerations

## Budget Monitoring

Budget holders and Heads of Service are responsible for delivering services within allocated budgets, and Heads of Service review financial and performance monitoring reports. Throughout the year, the Senior Leadership Team receive financial reports which identify and explain significant forecast outturn variances and summarise the impact on the overall financial position. Where concerns are identified, these are actioned to ensure that the final outturn is consistent with the financial sustainability plans set out in the MTFS. The MTFS sets out risks and uncertainties that could impact the Council's financial position.

Every year the MTFS is updated to incorporate the new challenges and pressures. Additional sensitivity analysis provided in the budget setting report to assess the impact of changes under various scenarios (e.g. Council tax, Developer contributions, Housing benefits) and to set out a guide to the effect of changes to the major cost elements and funding streams. Budget Setting Report includes "Performance against savings target" details with the reasons to explain the changes.

## Savings plans

The MTFS identified a five-year savings requirement of £11.51 million. The Council's savings strategy, designed to address the budget gap and establish a sustainable savings target, includes the following:

- Delivery of recurring savings through the 'Our Cambridge' transformation and recovery programme, which involves redesigning services for greater efficiency and effectiveness. The programme achieved a number of key successes, since its launch in January 2022, including delivery of over £4 million of savings and additional income to the Council.
- Launch of Group Redesign Programme in July 2024, focusing on organizational structure with key principles to challenge the status quo and redesign service delivery. Changes will be implemented from 1 April 2025. The programme is estimated to deliver savings of £6 million.

The 2025/26 Budget Setting Report (BSR) includes measures which will reduce this requirement by around half (£5.8 million). The savings arise from a combination of efficiencies, changes to services, increases to fees and charges, and a review of the council's 10-year capital forecasts. The savings requirement has also been impacted by changes to assumptions around local government funding and future business rates. The BSR sets out the council's significant progress in meeting the ambitious savings targets it has set. In particular, the £6.0 million net savings target for 2026/27 has been closed to £1.1 million, meaning that the council achieved 81% of its two-year target in the first year.

The Council should continue its scenario assessment of the savings requirement and continue to identify relevant schemes to achieve the annual savings requirements to minimise the use of reserves where possible.

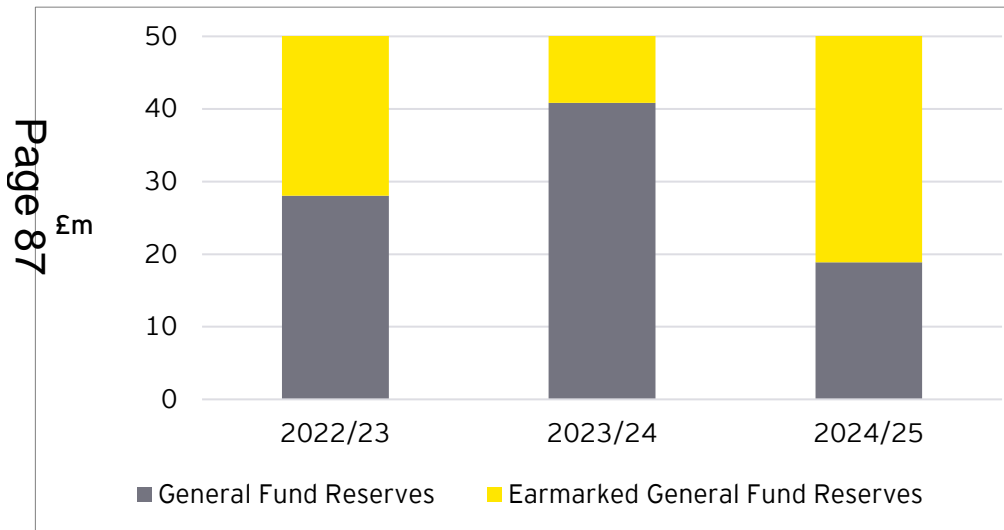


# Financial Sustainability considerations

## Reserves position

The Council's Reserves Strategy outlines that the minimum reserves to be held as uncommitted general funds as £6.54 million. As at 31 March 2025, the Council held a General Fund Reserve balance of £18.86 million and had further Earmarked General Fund Reserves of £52.29 million. This provides the Council with strong level of resources, in the short to medium term, if future saving requirements are not identified or achieved as planned in the Medium-Term Financial Strategy, allowing the Council to continue to deliver services. However, without achievement of the identified level of savings in each of the financial years, the financial sustainability of the Council would begin to weaken.

## Exhibit 02: The Council's General Fund Reserves position from 2022/23 to 2024/25



## Outturn position

The final outturn on General Fund services for the 2024/25 year was an underspend of £2.42 million. The net underspend spreads across a number of individual services and is due to varying reasons, such as increase in interest earned as a result of sustained higher interest rates and higher than anticipated cash balances to invest, increased revenue on parking services directly linked to usage, and effective IT procurement.



# VFM commentary: Governance

## Governance: Our audit procedures

Our audit procedures obtained assurance over the arrangements in place for the Governance sub-criteria set out in AGN03:

- How the body monitors and assesses risk and how the body gains assurance over the effective operations of internal controls, including arrangements to prevent and detect fraud;
- How the body approaches and carries out its annual budget setting process;
- How the body ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed, including in relation to significant partnerships;
- How the body ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee; and
- How the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer and member behaviour (such as gifts and hospitality or declarations/conflicts of interests), and for example where it procures or commissions services.

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## Significant risks identified during planning procedures

We identified two risks of a significant weaknesses in the Council's governance arrangements. In the prior year, we made two recommendations in relation to the governance arrangements. We summarise our consideration of the Council's progress against the recommendation in Appendix B.

Having completed our VFM work, we identified an additional risk of significant weakness in relation to the capacity and capabilities within the finance team to support the delivery of the 2024/25 audit.

The Council's underlying arrangements in relation to governance are not significantly different in 2024/25.

## Overview of our conclusions

Based on the work performed, we have identified a significant weakness in the arrangements that we will be reporting by exception in relation to the capacity and capability within the Finance Team to support the audit process.

We recommend that the Council should strengthen its approach to preparing financial statements and supporting the audit process. The Finance Team must:

- ensure a thorough understanding of the Local Government accounting framework and the CIPFA Code of Practice;
- deepen its knowledge and understanding of the Council's financial operations to support accurate reporting;
- maintain sufficient capacity of skilled professionals with appropriate training to produce high-quality audit-ready working papers; and
- provide timely and effective support throughout the external audit cycle.



# Governance considerations

## Annual Governance Statement

The Annual Governance Statement (AGS) sets out the core governance arrangements for the year, including an Action Plan to address significant identified matters, where relevant. It also demonstrates how the Council's Code of Governance reflects the seven principles of good governance. We reviewed the framework for the preparation of the AGS. The process, as designed, is adequate to enable the Council to report on the design and operation of arrangements that ensure sound governance, effective resource and risk management, and robust internal controls.

## Risk Management

The Council maintains risk registers covering corporate, service, shared service and project risks. These are reviewed by Senior Management, the Shared Services Board and programme and project boards as appropriate. The Chief Financial Officer is responsible for the development and maintenance of an anti-fraud and anti-corruption policy. Internal Audit undertakes a programme of annual risk-based reviews and provides assurance to the Civic Affairs and Audit Committee. The Civic Affairs and Audit Committee also receives an Annual Report on the anti-fraud work of Internal Audit and the fraud team within the Revenues and Benefits Service.

## Internal Audit arrangements

The Council have appropriate Internal Audit arrangements in place through Greater Cambridge Shared Audit, which operates under a shared service provision model with South Cambridgeshire District Council. Internal Audit present regularly to the Civic Affairs and Audit Committee throughout the year regarding their progress against the plan and the outcome of their audits, culminating in the Head of Internal Audit (HoIA) Opinion for the financial year, which is clearly set out in the AGS and was one of 'Reasonable' assurance. The Internal Audit Opinion was presented at the Civic Affairs and Audit Committee on 30 June 2025.

The HoIA issued three 'limited assurance' opinions as part of the delivery of the Audit Plan. Whilst actions for follow up were raised on areas such as Housing Revenue Accounts - Electrical Safety, Housing Revenue Accounts - Fire Safety, and Homes for Ukraine, no significant improvements were deemed necessary.



# Governance considerations

## Informed decision making and Member challenge

The Council adopts a decision-making process based on a committee system. Council meetings are open to the public and Councillors decide overall policies and set the budget each year. Decision-making processes and delegations are set out within the Constitution and Financial Regulations for all Committees, as well as decision making that is delegated to Council Officers. Where formal decisions are required they are pre-scrutinised by the appropriate scrutiny committee in advance of presentation to Full Council. This ensures that the necessary information is provided and that recommendations can be challenged before decisions are made.

## Local Government Reorganisation

Local Government Reorganisation is expected to pose challenges for local authorities over the next year. During this period of change, the Council must maintain essential services and fulfil statutory duties. According to the Ministry of Housing, Communities, and Local Government (MHCLG) guidance issued in July 2025, decisions made by the Council prior to reorganisation regarding ongoing service delivery and the medium-term financial strategy should focus on providing value for money for taxpayers and avoid limiting future decisions or sustainability of new councils.

The Government has stated that it will issue directions under section 24 of the 2007 Act after Structural Changes Orders are made, specifying a person authorised to give consent on relevant matters and outlining how this authority should be exercised. MHCLG has noted these directions will follow previous precedents, requiring written consent from the successor council for land disposals and contracts exceeding a specified value.

To comply with MHCLG guidance and forthcoming directions, councillors and statutory officers need to be aware of their responsibilities and ensure that appropriate accounting and governance systems are maintained.

Preparations for local government reorganisation will also result in additional work for the Council's finance team. In previous year, we have reported concerns regarding the capacity of the finance team to prepare good quality accounts on a timely basis and support an effective audit. With the increasing demands linked to local government reorganisation, it is critical that the Council ensures that it has sufficient skills and capacity to support both of these business-critical activities.



# Governance considerations

## Compliance to statutory financial reporting and regulatory requirements

In our commentary on Council's arrangements for 2023/24, we reported significant weaknesses in relation to the Council's ability to prepare and publish draft financial statements in line with their statutory reporting obligations, and the Council's non-compliance to Rent Standards. These were identified as risks of significant weaknesses for 2024/25 within our Audit Plan. We consider these risks below:

### Financial reporting

The Council published their draft 2024/25 financial statements for audit on 30 June 2025, in line with the 2015 Audit and Accounts regulations, and advertised and held an inspection period for members of the public in line with these regulations.

Having updated and completed the planned procedures for VFM, we concluded that neither of the above risks of weakness are a significant weakness in the Council's arrangements.

### Compliance to Rent Standards

Following increased oversight by the Regulator of Social Housing (RSH), the Council reviewed its housing regulated activities and identified two historic breaches of rent regulations:

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- Affordable Rents - the Council failed to reduce affordable rents by 1% as required by the Government from 2016 to 2020 in line with the Welfare Reform and Work Act 2016; and
- Social Rents - the Council incorrectly de-pooled service charges for Gas Maintenance and Electrical and Mechanical Maintenance from the housing rent element.

The Council sought legal advice (including a second opinion from Counsel) to assess the implications of the non-compliance to the identified areas. The Council self-referred to RSH in December 2023 citing issues relating to its historic rent setting to its housing tenants. RSH commenced responsive engagement with the Council which focused on understanding the nature of the errors made in setting the rent and the actions the Council is taking to address the issue. In July 2024, RSH published a regulatory judgement concluding that there have been 'serious failings' in how the Council has delivered the outcomes of the Rent Standards and that they do not have assurance that the Council was compliant with the Welfare Reform and Work Act 2016 (the Act).

To address the issue on error in rent charges, the Council set up a project team to ensure that:

- all rents charged in error to Tenants are corrected, and
- to calculate historical rent overcharged to Tenants as a result of the breach of Rent Standards.

All Council Tenants received a rent notification letter in February 2024 confirming their new, corrected rents, which have been in place since April 2024. The Council included a provision of £4.37 million in the 2024/25 financial statements to account for the estimated rent overpayments that were refundable to Tenants.

A process to enable Tenants to claim back an overpayment was put in place, along with production of a 'Rent Regulation Error Refund and Remediation Policy' detailing Council's approach to refunding rents which met the criteria for the non-compliance.



# Governance considerations

## Compliance to statutory financial reporting and regulatory requirements

Progress updates on the Council's action plan to return to compliance were presented to Housing Scrutiny Committee. The Council continued proactive engagement with RSH, which included having bi-monthly meeting with RSH to ensure the Council's delivery of its plan. Internal Audit reviewed the rent refund process, including rent refund data used in calculation of the rent refunds, and provided a 'full assurance' opinion with no recommendations in this area.

In October 2025, the RSH removed the regulatory judgement on the Council's compliance with Rent Standards. RSH acknowledged the responsive engagement of the Council and commented that the Council have strengthened its approach to rent setting, actively acted on the legal advice it had obtained, as well as undertaking an Internal Audit review of the rent refund process.

Throughout 2024/25 the Council demonstrated significant progress in establishing arrangements which have led to the removal of the regulatory judgement. Our review of the progress reports and calculation of rent refunds and the appropriateness of the provision within the financial statements is in progress.

Therefore, we are satisfied with the underlying arrangements in place which led to the removal of the regulatory judgement on the Council's compliance with Rent Standards.

Having updated and completed the planned procedures for VFM, we concluded that neither of the above risks of weakness are a significant weakness in the Council's arrangements.

## Capacity and capability within the Finance Team

For the course of the audit, the key members of the Finance Team involved in the preparation of the 2024/25 accounts were not available. The Deputy S151 Officer left the Council in June 2025, and the Chief Accountant was on long term leave from October 2025. As a result, newly appointed officers have assumed responsibility for supporting the latter part of the audit process.

These staffing changes have contributed to delays in the Council's ability to provide timely and complete responses to audit queries. In several instances, the newly appointed officers required additional time to familiarise themselves with the underlying transactions and processes. This led to extended back-and-forth discussions as they sought to understand and address the audit requests and queries on issues identified.

Furthermore, they informed us that, for a number of queries, they were required to consult other members of the Finance Team to obtain supporting evidence or explanations. However, those individuals also had limited capacity to provide assistance promptly, which further contributed to delays in resolving audit enquiries. Overall, the combination of staff turnover, temporary absences, and the limited capacity of members of the Finance Team has had a significant impact on our ability to obtain audit evidence on a timely basis and complete the audit as scheduled. This resulted in areas of the audit that we were unable to conclude and therefore we are unable to provide assurance over which have contributed to our consideration of disclaiming the audit opinion.



# Governance considerations

## Capacity and capability within the Finance team (cont'd)

The Council lacked the necessary expertise and capacity within its Finance Team to appropriately support the external audit process, specifically in its ability to produce supporting working papers and evidence required for the audit.

We concluded that the issue above is evidence of weaknesses in proper arrangements for governance, specifically ensuring the Council has effective processes and systems in place to support its statutory financial reporting requirements. We reported the issue by exception as an 'Other Matter' within our Audit Opinion issued on the 24 February 2026.

We recommend that the Council should strengthen its approach to preparing financial statements and supporting the audit process. The Finance Team must:

- ensure a thorough understanding of the Local Government accounting framework and the CIPFA Code of Practice;
- deepen its knowledge and understanding of the Council's financial operations to support accurate reporting;
- maintain sufficient capacity of skilled professionals with appropriate training to produce high-quality audit-ready working papers; and
- provide timely and effective support throughout the external audit cycle.



# VFM commentary: Improving economy, efficiency and effectiveness

## Improving economy, efficiency and effectiveness: Our audit procedures

Our audit procedures include:

- How financial and performance information has been used to assess performance to identify areas for improvement;
- How the body evaluates the service it provides to assess performance and identify areas for improvement;
- How the body ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess where it is meeting its objectives; and
- Where the body commissions or procures services, how it assesses whether it is realising the expected benefits.

## Significant risks identified during planning procedures

We did not identify any risks of a significant weakness in the Council's arrangements for improving economy, efficiency and effectiveness.

In the prior year, no significant weaknesses were identified and there are no outstanding recommendations from that period. The Council's underlying arrangements in relation to improving economy, efficiency and effectiveness are not significantly different in 2024/25.

## Overview of our conclusions

Based on the work performed, the Council had proper arrangements in place in 2024/25 in how it uses information about its costs and performance to improve the way it manages and delivers its services.



# Improving economy, efficiency and effectiveness considerations

## Financial and performance information

The Council's Corporate Plan 2022-2027, approved in February 2022, sets out four key priorities to address these challenges and deliver the Council's vision of 'One Cambridge, Fair for All'. It describes what success will look like and includes performance indicators to measure progress. Regular reporting of performance and financial is undertaken. As part of this, the Council consider the delivery of services and the Council priorities and previous performance. The Council, Executive & Scrutiny Committees receive a variety of performance-based reports throughout the year to continuously monitor performance. The Annual Report sets out the performance against the Council's priorities and Annual Governance Statement set out the review of performance for the year.

The Corporate Plan sets out key performance indicators for the Council's objectives, and provision of services are assessed against these objectives. The Annual Report sets out the performance against the Council's priorities and Annual Governance Statement set out the review of performance for the year. The nature of monitoring therefore is dependent on the nature of the service provided and the key performance indicators monitored. The Narrative Report sets out a review of achievements against the corporate plan.

## Procurement and Contract Management

The Council has a procurement team which provides advice and support to officers undertaking procurement activities. The team also maintain procurement guidance and templates, the contract register and a separate procurement system. Internal Audit also review procurement as part of their Internal Audit plan. In accordance with the Constitution, significant procurements must be approved by the Executive Councillor following scrutiny at the relevant committee. The Monitoring Officer has overall responsibility for ensuring the Council complies with relevant laws and regulations.

Each Director and Head of Service is responsible for ensuring that their department complies with Contract Procedure Rules, the Financial Regulations and all applicable legislation. They must ensure that procurement requirements are appropriately planned, reported, monitored and awarded. They may delegate the practical elements of the processes to competent personnel within their departments, who are then equally responsible for ensuring these Rules are adhered to.

## Partnership working

The Council ensures that it is represented on partnership bodies by relevant senior managers or members, as required. Regular reports are brought to the relevant Scrutiny Committee for review, for example on shared services and work with the Combined Authority. Other key partnerships include the Greater Cambridge Partnership, where the Council have a nominated member who sits on the Executive Board for key decision making at the partnership.

The Council's Section 151 Officer oversees effective controls to prevent resource waste, maintains a contract register, performs risk assessments before agreements, ensures proper accounting for partnerships, and considers governance and legal issues in external contracts. Directors/Assistant Directors must secure approvals prior to finalizing negotiations with external parties.



# 04 Appendices

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# Appendix A – Recommendations from current year

## Recommendations from 2024/25 - Value For Money

The table below sets out the recommendations arising from the Value For Money work for the year 2024/25.

All recommendations have been agreed by Management.

Issue	Recommendation	Management response
<p>Governance - 'How the body ensures effective processes and systems are in place to support its statutory financial reporting requirements; and ensures corrective action is taken where needed.'</p>	<p>We recommend that the Council should strengthen its approach to preparing financial statements and supporting the audit process. The Finance Team must:</p> <ul style="list-style-type: none"> <li>• ensure a thorough understanding of the Local Government accounting framework and the CIPFA Code of Practice;</li> <li>• deepen its knowledge and understanding of the Council's financial operations to support accurate reporting;</li> <li>• maintain sufficient capacity of skilled professionals with appropriate training to produce high-quality audit-ready working papers; and</li> <li>• provide timely and effective support throughout the external audit cycle.</li> </ul>	<p>Draft financial statements were published on time, and we note that EY have rated the timeliness, quality and completeness of these statements as 'effective'. We believe this demonstrates that we have a sufficient understanding of the accounting framework and the council's financial operations to support accurate reporting.</p> <p>We acknowledge that there were delays and difficulties in providing high quality audit-ready working papers as a result of key staff absences which were unavoidable.</p> <p>Going forwards, additional resource has been brought in for 2025/26 to avoid a repeat of these issues.</p>

# Appendix A – Recommendations from current year

## Recommendations from 2024/25 - Financial statements audit

The table below sets out the recommendations arising from the financial statements audit for the year 2024/25. All recommendations have been agreed by Management.

Issue	Recommendation	Management response
<p><b>Delays in receiving key working papers</b></p> <p>There were delays in receiving key working papers and responses to queries throughout the audit, many of which were not provided in line with the agreed timescales. In several cases, the working papers provided were incomplete, required further clarification, or did not meet the format and evidential standards necessary to enable us to perform our planned procedures efficiently. These delays created substantial disruption to the audit timetable, increased the amount of rework required, and limited our ability to progress audit testing in accordance with the project plan. The cumulative impact of these issues has materially affected our ability to obtain audit evidence on a timely basis and complete the audit as scheduled.</p>	<p>We recommend that the Council strengthens its year-end closedown and audit preparation processes to ensure that all required working papers are prepared to the expected standard and provided in line with the agreed timescales. Management should implement clear internal ownership for each working paper, introduce quality checks prior to submission, and embed realistic internal deadlines to ensure that documentation is complete, accurate, and ready for audit review. Improving the timeliness and quality of working papers will support a more efficient audit, reduce the need for repeated requests and rework, and help ensure the audit can progress in accordance with the planned timetable.</p>	<p>Management acknowledges that delays occurred in responding to certain audit requests. In several cases, the format of the request contributed to response times, particularly where proof of payment was sought for individual items embedded within very large BACS files. Clarification was required to determine the appropriate method of evidencing these transactions, including whether to provide disaggregated extracts, controlled read-only access to the finance system, or guided system walkthroughs. Despite this, the majority of evidence was supplied, with only a small proportion delayed due to staff turnover and operational pressures. We will work with EY in advance of next year's audit to ensure early understanding of their working paper requirements and put in place an action plan to ensure delivery of these.</p>

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# Appendix A – Recommendations from current year

## Recommendations from 2024/25 - Financial statements audit (cont'd)

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Issue	Recommendation	Management response
<p><b>Property, Plant &amp; Equipment (PPE) valuation agreement to Fixed Asset Register (FAR)</b></p> <p>Agreement of the PPE valuation schedules to the FAR identified several instances where assets land values had not been updated in FAR which resulted to asset valuation of £nil as at 31 March 2025. The carrying values of these assets was recorded as downward revaluation movement.</p>	<p>A comprehensive review of the Council's fixed-asset accounting routines should be undertaken to ensure that appropriate rigour is consistently applied and that the accounting treatment for all asset transactions is accurate and compliant.</p>	<p>Management acknowledges the audit finding that several land asset values were not updated in the Fixed Asset Register (FAR), resulting in incorrect valuations and associated revaluation movements at 31 March 2025. This issue arose from system limitations and historic manual update processes. The affected assets have now been reviewed and corrected. Processes have been strengthened to ensure valuation updates are captured promptly and consistently, supported by additional review checks to confirm accuracy before year-end. Management is committed to ensuring the FAR reliably reflects all valuation movements and to preventing recurrence in future years. A second review checkpoint has been introduced to ensure valuation movements—particularly for land—are verified and reflected in both systems before final accounts preparation.</p>
<p><b>Agreement of Fixed Asset Register (FAR) to Property, Plant and Equipment (PPE) Note within the financial statements</b></p> <p>We obtained the FAR for PPE and reconciled the closing balances to the financial statements. However, we have not been able to agree the in-year movements in any of the asset categories to the figures reported in the PPE note within the financial statements. The Council have not responded to our queries in relation to the variances identified and therefore we have not been unable to conclude our work on this area.</p>	<p>We recommend that the Council have robust review process in place to ensure that all in-year movements are fully reconciled to the figures reported in the financial statements.</p>	<p>Management acknowledges the audit finding. This issue arose from system limitations and historic manual update processes. Processes have been strengthened to ensure valuation updates are captured promptly and consistently, supported by additional review checks to confirm accuracy before year-end.</p> <p>Management is committed to ensuring the FAR reliably reflects all valuation movements and to preventing recurrence in future years. A second review checkpoint has been introduced to ensure valuation movements—particularly for land—are verified and reflected in both systems before final accounts preparation.</p>

# Appendix A – Recommendations from current year

## Recommendations from 2024/25 - Financial statements audit (cont'd)

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Issue	Recommendation	Management response
<p><b>Debtors and Creditors listing</b></p> <p>The Council's 31 March 2025 debtors listing (amounting to £17.22 million) and creditors listing (amounting to £43.28 million) contained opening balances, which Management were unable to cleanse for audit purposes. As a result, we were unable to complete our planned procedures for these areas.</p>	<p>We recommend that the Council performs a review of all creditor and debtor balances to ensure that opening balances are understood and cleansed so that the balance only contains year-end amounts.</p>	<p>Management acknowledges the audit finding regarding the inclusion of opening balances within the debtors (£17.22m) and creditors (£43.28m) listings as at 31 March 2025. These balances reflected historic items that could not be fully cleansed within the audit timeframe due to the scale of the listings, the age of certain entries, and the level of manual review required. While efforts were made to validate and clear older balances, some items required further investigation or historic supporting information that was not readily accessible, particularly where staff turnover had impacted knowledge of legacy transactions. Management did, however, provide explanations and supporting detail for current-year balances and for the majority of material items. Finance team will undertake a comprehensive review and cleansing of all historic debtors and creditors entries, prioritising aged balances and legacy items and improving system reporting to meet the audit requirements and standards.</p>
<p><b>Valuation of Investment Properties and Right of Use Assets</b></p> <p>We have been unable to obtain a clear explanation or corroborating evidence from either the Council or the Valuer regarding certain assumptions used in the valuation of Investment Properties and Right of Use Assets. In addition, we identified discrepancies between the rent data provided by the Council and the information used by the Valuer in their valuation calculations.</p>	<p>We recommend that the Council and the property valuer work together to address the findings from our audit. The Council should ensure that valuation assumptions are supported by accurate and verifiable data. A clear process should be in place to review and validate information provided and used by the Valuer.</p>	<p>Management acknowledges the audit finding concerning the lack of clear explanation and corroborating evidence for certain assumptions used by the Valuer, as well as the discrepancies noted between the rent schedules provided by the Council and the rental information used within the Valuer's calculations. Certain valuation assumptions (including yield assumptions, discount rates, lease terms, and market rent estimates) were not fully documented or supported in a manner sufficient for audit evidence. A more robust review process is being introduced, requiring Finance and Property Services to jointly verify the inputs and outputs of the valuation models and to challenge assumptions where necessary.</p>

# Appendix A – Recommendations from current year

## Recommendations from 2024/25 - Financial statements audit (cont'd)

Issue	Recommendation	Management response
<p><b>Bank reconciliation</b></p> <p>Our review of the Council’s bank reconciliation identified a reconciling item, amounting to £2.8 million, which the Council was unable to provide any evidence and explanation to support it. We cannot therefore conclude on its appropriateness as a reconciling item in the bank reconciliation.</p> <p>The issue has arisen due to the individual responsible for preparing bank reconciliation as part of the year-end closing process has since left the Council, resulting in difficulties in obtaining the necessary documentation and clarification.</p>	<p>We recommend that the Council ensure that all key reconciliations have proper documentation and corroborating evidence to support the process. This should be kept centrally and remain accessible regardless of staff turnover.</p>	<p>Management acknowledges the audit findings and the concerns raised in relation to the lack of supporting documentation for the £2.8m reconciling item. Upon notification, the Finance Team commenced a detailed internal review to reconstruct the reconciliation and identify the underlying transactions associated with this balance. This work included a review of all available bank statements, general ledger postings, and associated schedules for the relevant period, alongside engagement with service areas to investigate potential matches. However, the findings in the investigations were not conclusive to evidence the appropriateness of the original accounting treatment. Monthly reconciliation procedures have been strengthened, with improvements to quality checks, supervision, and escalation arrangements, meaning that all reconciling items in the monthly bank reconciliations during 2025/26 have supporting documentation.</p>

# Appendix B – Recommendations from previous years

## Recommendations brought forward from previous years

The table below sets out the recommendations arising from the value for money work in the prior year, 2023/24, and progress made in the current year. All recommendations have been agreed by Management.

Issue	Recommendation	Progress made in 2024/25
Governance - 'How the body ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed.'	We recommend that the Council continues to re-assess roles, responsibilities and resource requirement for financial reporting, including an assessment of the support required from other functions within the organisation for the financial reporting function to meet its objectives and the requirements of the Audit and Accounts Regulations.	The Council published its draft 2024/25 financial statements on 30 June 2025 in line with statutory requirements and held the required public inspection period.
Governance - 'How the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards are met.'	We recommend that Council continues to work with the Regulator of Social Housing to deliver the improvement plan to ensure that sufficient change and improvements are being made.	Progress on the Council's compliance action plan was reported to the Housing Scrutiny Committee, and bi-monthly meetings with the Regulator of Social Housing (RSH) were held.  Internal Audit reviewed the rent refund process and gave 'full assurance' with no recommendations.  In October 2025, RSH removed its regulatory judgement, acknowledging the Council's strengthened rent-setting approach, legal compliance, and the Internal Audit review.  Throughout 2024/25, the Council made significant progress leading to the removal of the regulatory judgement.

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UKC-038566 (UK) 03/25. Creative UK.  
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