

Agenda

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Audit and Governance Committee

This meeting will be held on:

Date: **Thursday 9 April 2026**

Time: **6.00 pm**

Place: **Long Room - Oxford Town Hall**

For further information please contact:

Hannah Carmody-Brown, Committee & Member Services Officer,
Committee Services Officer

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Committee Membership

Councillors: Membership 7: Quorum 3: substitutes are permitted.

Councillor James Fry (Chair)

Councillor Roz Smith (Vice-Chair)

Councillor Judith Harley

Councillor Simon Ottino

Councillor Tiago Corais

Councillor Theodore Jupp

Councillor Dr Dianne Regisford

Apologies and notification of substitutes received before the publication are shown under *Apologies for absence* in the agenda. Those sent after publication will be reported at the meeting. Substitutes for the Chair and Vice-chair do not take on these roles.

Agenda

	Pages
1 Apologies for absence	
2 Declarations of Interest	
3 Minutes of the previous meeting	9 - 22
To approve the minutes of the meeting held on 28 January 2026 as a true and accurate record.	
4 Addresses by members of the public	
Public addresses relating to matters of business for this agenda, up to five minutes is available for each public address.	
The request to speak accompanied by the full text of the address must be received by the Director of Law, Governance and Strategy by 5.00 pm on Wednesday 1 April 2026.	
5 Councillor addresses on any item for discussion	
Councillor addresses relating to matters of business for this agenda, up to five minutes is available for each address.	
The request should be received by the Director of Law, Governance and Strategy by 5.00 pm on Wednesday 1 April 2026.	
6 Risk Management Update	23 - 106
Report of: The Interim Group Finance Director	
Purpose of the report: To update the Audit and Governance Committee on corporate and service risks as of 28 February 2026.	
Recommendation(s): That the Committee resolves to:	
1. Review the Risk Management report and note its contents.	

7	Internal Audit Progress Report	107 - 142
	Report of: The Internal Auditor, BDO	
	Purpose of report: To update the Audit and Governance Committee.	
	Recommendation(s): That the Committee resolves to:	
	1. Note and discuss the report.	
8	Internal Audit Follow up of Recommendations	143 - 158
	Report of: The Internal Auditor, BDO	
	Purpose of report: To update the Audit and Governance Committee.	
	Recommendation(s): That the Committee resolves to:	
	1. Note and discuss the report.	
9	Internal Audit Plan for 2026-27	159 - 200
	Report of: The Internal Auditor, BDO	
	Purpose of report: To update the Audit and Governance Committee.	
	Recommendation(s): That the Committee resolves to:	
	1. Note and discuss the report.	
10	External Audit Annual Report 2024/2025	201 - 238
	Report of: The External Auditor, Ernst & Young	
	Purpose of report: To update the Audit and Governance Committee.	
	Recommendation(s): That the Committee resolves to:	

	1. Note and discuss the report.	
11	External Audit Results 2024/2025	239 - 298
	Report of: The External Auditor, Ernst & Young	
	Purpose of report: To update the Audit and Governance Committee.	
	Recommendation(s): That the Committee resolves to:	
	1. Note and discuss the report.	
12	Exempt Matters and Confidential Session	
	If the Committee wishes to exclude the press and the public from the meeting during consideration of any aspects of the preceding agenda items it will be necessary for the Committee to pass a resolution in accordance with the provisions of Section 100A(4) of the Local Government Act 1972 specifying the grounds on which their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Part 1 of Schedule 12A of the Act if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.	
	The Access to Information Procedure Rules – Section 15 of the Council’s Constitution – sets out the conditions under which the public can be excluded from meetings of the Council.	
13	Cyber Incident – Post Incident Review	299 - 332
	Report of: Deputy Chief Executive - City and Citizens' Services	
	Purpose of report: To update the Audit and Governance Committee.	
	Recommendation(s): That the Committee resolves to:	
	1. Note the report.	
14	Dates of future meetings	
	The next meeting will take place on 7 July 2026 and 6.00pm.	

Information for those attending

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General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your* employment; sponsorship (ie payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest. If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member "must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself" and that "you must not place yourself in situations where your honesty and integrity may be questioned". The matter of interests must be viewed within the context of the Code as a whole and regard should continue to be paid to the perception of the public.

*Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

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Minutes of a meeting of the Audit and Governance Committee on Wednesday 28 January 2026

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Committee members present:

Councillor Fry (Chair)

Councillor Roz Smith (Vice-Chair)

Councillor Ottino

Councillor Corais

Councillor Jupp

Officers present for all or part of the meeting:

Hannah Carmody-Brown, Committee and Member Services Officer

Nigel Kennedy, Group Finance Director

Bill Lewis, Financial Accounting Manager

Laura Bessell, Local Tax & Benefit Service Delivery Manager

Emma Jackman, Director of Law, Governance and Strategy

Phil McGaskill, Revenues Service Delivery Manager

Ryan Taylor, Technical Accountant

Grace Wigham, Senior Information Governance Officer

Roger Martin, Insurance, Risk Management and Business Continuity Officer

Andrew Brittain, External Auditor (Ernst & Young)

Gurpreet Dulay, Internal Auditor (BDO)

Joe Taylor, Internal Auditor (BDO)

68. Declarations of Interest

Councillor Regisford sent apologies.

Councillor Harley sent apologies and attended online.

69. Minutes of the previous meeting

Councillor Smith noted that at the last meeting of the Committee, a report on fire risk assessments had been requested and was expected at this meeting. The Internal Auditor (GD) explained that the Fire Risk Safety Review has been issued to managers, and a response is awaited; once completed, the report will be issued to the Committee.

The Committee resolved to **approve** the minutes of the meeting held on 21 October 2025 as a true and accurate record.

70. Addresses by members of the public

There were no addresses.

71. Councillor addresses on any item for discussion

There were no addresses.

72. Housing Benefit Audit Report 2024/2025

The Group Finance Director had submitted a report to present the outcome of the 2024/2025 KPMG external review of Housing Benefit Expenditure. The Local Tax & Benefit Service Delivery Manager was present to respond to questions.

The Local Tax & Benefit Service Delivery Manager informed the Committee of the progress made on housing benefits service expenditure following the previous audit, including a £36m spend. Members heard that there had been no subsidy loss to the council in terms of claims, and the council also fell under the threshold for LA error. The success of the previous year was emphasised and the sustained progress this year was noted as part of an improvement across the whole service.

In response to a query from the Chair, the Local Tax & Benefit Service Delivery Manager explained that the Department for Work and Pensions had updated their approach; a summary of the new process for identifying errors was provided.

Councillor Ottino asked what could be done to encourage landlords to become registered providers, noting the financial burden which can be placed on the Council when this does not occur. The Local Tax & Benefit Service Delivery Manager explained that a financial burden presents when the Council is required to pay the full subsidy allowance to charities, but the government does not provide 100% of this amount to

the Council. To encourage more landlords to become registered providers, the Committee heard that commissioning sites are actively encouraged, however the difficulties faced by housing associations when becoming landlords were also acknowledged.

Councillor Smith noted the loss due to supported accommodation claims in the city, which needs to be addressed, and the positive results within the audit, including the embedding of staff training and improved morale. The Local Tax & Benefit Service Delivery Manager agreed, noted the high rents in Oxford, and emphasised the need to work with partners such as the NHS and the Home Office who have obligations to ensure people are housed and supported; this would ensure that the entire cost does not fall on the Council.

Councillor Smith suggested that the Committee could have been provided sight of the KPMG report when it was first received in November to allow more time for review.

The Chair thanked the Local Tax & Benefit Service Delivery Manager and praised the improvements made within the service.

The Committee reviewed and **noted** the report.

73. Setting of the Council Tax Base 2026-27

The Group Finance Director had submitted a report to set the “Council Tax Base” for 2026-27 as required by section 33 of The Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. The Technical Accountant was present to respond to questions.

The Technical Accountant provided a comprehensive summary of the report, noting that the increases based on the previous year were due to the embedding of the second home premium and the long-term empty premiums.

Councillor Smith noted that the number of long-term empty properties is increasing substantially and asked how classification of ‘uninhabitable’ is determined and assessed by the Council. The Technical Accountant explained that assessment of whether a property is habitable or not occurs through a revenues inspection and declarations from owners. The Local Tax & Benefit Service Delivery Manager confirmed that this can involve a physical visit to confirm reporting from residents.

In response to queries from Councillor Ottino, it was also explained that the Local Tax and Benefit Service Delivery Team conduct the visits and the Committee learned that in August 2025, a review of all long-term empties and second home premiums was

conducted to ensure that the Council understood the status of each address and whether it complied with the necessary legislation for various council tax discounts. The Local Tax & Benefit Service Delivery Manager provided comprehensive detail on recent analysis conducted on the matter and noted issues with engagement of owners.

Councillor Ottino requested that information regarding second homes and empty properties be shared with ward councillors, to which the Local Tax & Benefit Service Delivery Manager committed to circulating addresses, but not details of the owners. The Committee also heard of ongoing efforts, including leafleting, to encourage rental of empty properties in Oxford.

The Chair queried the nature and number of council tax exemptions relating to charities and the universities in Oxford. The Local Tax & Benefit Service Delivery Manager provided a comprehensive explanation of the exemptions from paying long-term empty premiums, and consideration of business rates. The Committee were also informed of difficulties the Council experiences when seeking to communicate with the universities and the blocks they place on the Council's use of empty student accommodation. The Local Tax & Benefit Service Delivery Manager emphasised that exemptions cost the Council £35m across business rates and council tax charitable relief.

In response to Councillor Smith, it was confirmed that university enterprises, such as Oxford University Press, also qualify for the exemptions as they are a trading arm of the university.

The Revenues Service Delivery Manager informed the Committee that currently 5750 of around 60,000 in Oxford qualify as exempt from at least one form of council tax payment.

In relation to page 42 of the report, Councillor Smith queried whether the addition of 339 properties into the council tax base was a significant rise. The Local Tax & Benefit Service Delivery Manager confirmed that it is, and provided a comprehensive explanation of relevant context, including the lack of land for development in Oxford which encourages larger properties to be split into HMOs.

The Committee and the Local Tax & Benefit Service Delivery Manager also discussed the occurrence of residences within one unit being merged to reduce council tax payments, and the common denial of these requests via planning applications. The Committee understood that any alterations to council tax in relation to this is at the decision of the Valuations Office; this is out of the Council's control. The Local Tax & Benefit Service Delivery Manager provided a summary of refund issues and delays the Valuation Office often cause for the Council.

Councillor Ottino queried what the Council can do to support people who query whether their property is valued at a higher rate of council tax in comparison to near identical

properties in the same area. The Local Tax & Benefit Service Delivery Manager explained that this is a matter for the Valuations Office and provided a summary of possible reasons for the variance in council tax rates.

The Chair suggested that Members be offered a briefing session on council tax valuations, the banding system, and exemptions.

The Chair proposed, and Councillor Smith seconded, all three recommendations.

The Committee resolved to:

1. **Agree** that the 2026/27 Council Tax Base for the City Council's area as a whole is set at **48,724.9** (as shown in Appendix 1)
2. **Agree** that the projected level of collection is set at **98%**.
3. **Agree** that the tax bases for the Parishes, and for the Unparished Area of the City (as shown in Appendix 2) be set as follows:

Unparished Area of the City	40,729.2
Littlemore Parish	2,138.8
Old Marston Parish	1,319.8
Risinghurst & Sandhills Parish	1,604.0
Blackbird Leys Parish	2,933.4
City Council Total	48,725.2

The Local Tax & Benefit Service Delivery Manager left during this item and did not return.

74. Risk Management Reporting at 31st December 2025

The Group Finance Director had submitted a report to update the Audit and Governance Committee on corporate and service risks as of 31 December 2025. The Insurance, Risk Management, and Business Continuity Officer was present to respond to questions.

The Insurance, Risk Management, and Business Continuity Officer introduced the report and provided a comprehensive summary of the process undertaken by all departments for updating the registers. The Committee were informed of a correction in relation to table 9 within the report whereby a note of four new risks should read as three. Details surrounding some specific risk examples were also outlined.

The Chair, in relation to corporate risk 99, titled utilities infrastructure, queried what control the Council has over this, and if none, why it remains on the risk register. The Insurance, Risk Management, and Business Continuity Officer explained that although the Council has little control over this risk, they can exert influence by bringing pressure where required, for example, when working with local planning authorities and lobbying.

The Chair also queried service risk 55, titled income target, and asked whether this had not been achieved due to lack of capacity. The Director of Law, Governance and Strategy explained that the department's budget is income-driven and therefore control is limited as this income derives from section 106 agreements and prosecutions which can be unpredictable and intermittent.

Councillor Ottino queried why the climate change red risk remains on the register when the Council has little to no control over this. The Risk Management, and Business Continuity Officer explained that such risks must remain on the register to account for the significant impact they may have should they occur, and to ensure that the Council remains cognisant of this. The Committee were assured that relevant discussions are ongoing at CLT in line with the corporate priorities regarding similar risks in order to inform readiness for any locally related catastrophes; a water outage was referenced as an example. The Group Finance Director also supported the risks remaining on the register as means for the Council to remain responsive to the potential outcomes of risks.

Councillor Corais joined the meeting during this item.

Councillor Smith asked several questions:

- On page 70, in relation to risks relating to workforce and people, it was asked which team(s) the six new apprentices had been assigned to.
- On page 71, in relation to the urgent need to review and enforce sign-off processes within the Law, Governance and Strategy directorate, it was asked what progress has been made with this.
- A comment on the need for a corporate approach to project management across all directorates, as opposed to a service-by-service approach, was requested.
- It was recommended that cross-party working groups be used for making major decisions within the Council, as mentioned in the report.
- In reference to page 75, plans to increase tree capacity were praised.
- On page 87, in relation to property assets, it was noted that the required skills and capacity are not available to deliver necessary work processes, which is a risk. It was therefore asked how this would be improved; a management comment was requested.
- On page 92, in relation to communities and systems budget and income, it was noted that the event hire budget target had not been met; a management comment was requested.

The Insurance, Risk Management, and Business Continuity Officer explained that directorate-specific responses would need to be collected from relevant managers and reported back to the Committee.

The Director of Law, Governance and Strategy informed the Committee that some new apprentices had been placed within the Planning team. In response to queries regarding lack of capacity within the Law, Governance and Strategy directorate, The Director of Law, Governance and Strategy also explained that unplanned approaches to projects can have bearing on capacity, and in relation to project management, it was explained that improvement work has been ongoing with regard to tracking reporting and clearance responsibilities; the results of this should be apparent soon.

Councillor Ottino queried whether risk targets are set and how the Council seeks to manage the number of risks on the registers. The Insurance, Risk Management, and Business Continuity Officer confirmed that risk targets are set and reminded the Committee that these were previously included within the reports, however, were removed at the request of Members to make the reports visually clearer.

Councillor Smith queried the risk on page 99 relating to lack of capacity to deliver services within the People Team and asked whether there is still an ongoing issue with the ASM system. Councillor Smith also queried, in relation to data protection and non-compliance, the lack of progress with clearing records.

The Committee suggested that responsible officers draft a response to these questions, and the Committee and Member Services Officer circulate a document to Members via email following this Committee meeting.

The Committee reviewed and **noted** the report.

The Insurance, Risk Management, and Business Continuity Officer left the meeting and did not return.

75. Internal Audit Progress Report

The Internal Auditors had submitted a report to update the Audit and Governance Committee. The Internal Auditor (GD) and the Internal Auditor (JT) were present to respond to questions.

The Internal Auditor (JT) summarised the report and highlighted the progress made against the audit plan. The Committee heard that the draft Fire Safety Follow-Up Report was awaiting management comments and progress is ongoing in relation to the fieldwork for audits of the medium-term financial strategy, leisure contracts, and data analytics. The Internal Auditor (JT) also informed the Committee that work is ongoing to plan the remaining two audits relating to cyber security and ODS client and

commissioning. Finally, Members understood that the audit plan for 2026/27 is being developed in conversation with the Group Finance Director.

The Committee considered items 75 and 76 together.

The Chair commented on the outstanding record of incomplete reports in relation to income generation and GDPR, which had been overdue since the 23/24 audit.

The Revenues Service Delivery Manager updated the Committee on progress made on the overdue recommendations relating to the use of Council payment cards. Members heard that only £615.17 remains outstanding as unapproved spend which relates to only two officers who are currently on long-term sick leave; efforts to find alternative ways to approve these transactions is ongoing. Furthermore, the average spend per month is now averaging around £3700. Regarding monitoring and security of payment card usage, the Revenues Service Delivery Manager explained that action is being taken based on the Internal Auditor's recommendations and that a list of agreed restricted spend is being consolidated; this will be reported at the next Committee. In relation to securing accommodation, the Committee were informed that a process is now in place whereby management accountants pay hotels and accommodation suppliers through invoicing and PO processes, rather than via the use of payment cards. As this is a recent change, evidence will be delivered at the next Committee meeting.

The Group Finance Director noted his confidence in the Revenues Service Delivery Manager's actions and ability to act in line with the auditor's recommendations. In relation to the overdue income generation recommendation, the Committee heard a summary of longstanding issues relating to the procurement of a new asset management system; assurance was provided that this will be actioned urgently and Members understood that a retender is in progress. The Group Finance Director suggested that relevant service managers be present at the next Committee meeting to respond to recommendations relating to property, recruitment, and retention.

The Internal Auditor (JT) explained that correspondence had been provided by the relevant managers since the publication of the agenda to confirm that recommendations are now completed in relation to recruitment and retention and selective licensing; evidence of this would be presented at the next Committee meeting.

The Chair requested that the Head of People attend the next meeting of the Committee.

The Director of Law, Governance and Strategy provided a response in relation to GDPR recommendations, noting that the retention schedule is now complete and is due to be published shortly. The record of processing activity (ROPA) and data sharing lists are also complete. The Committee were informed that outstanding work lies with the IT department. Finally, the Director of Law, Governance and Strategy explained that

the new corporate system is being procured to support training and should be live in March; this will include data protection training and an FOI specific module. The Senior Information Governance Officer clarified that the ROPA and data sharing lists would only be published internally.

In relation to the recommendation to combine the data sharing lists and the retention schedule, the Director of Law, Governance and Strategy explained that this is not currently possible due to the mismatched means by which data is captured. The Senior Information Governance Officer corroborated this and outlined the difficulties in achieving the recommendation given the variable private and public data contained.

The Revenues Service Delivery Manager, in response to the recommendation regarding data analytics, informed the Committee of delays and committed to providing an update at the next Committee meeting in March.

Councillor Ottino emphasised that responsible officers should be present to respond to the Committee's questions regarding outstanding and overdue recommendations. Councillor Smith agreed and suggested that the relevant Cabinet Members also be invited.

The Committee reviewed and **noted** the report.

76. Internal Audit Follow Up of Recommendations

The Internal Auditors had submitted a report to update the Audit and Governance Committee. The Internal Auditor (GD) and the Internal Auditor (JT) were present to respond to questions.

The content of this report was considered within the previous item.

The Committee reviewed and **noted** the report.

The Chair informed the Committee that consideration of items 11 and 12 on the agenda would be swapped.

77. Annual Governance Statement 2024/2025

The Director of Law, Governance and Strategy had submitted a report to present the 2024/2025 Annual Governance Statement for approval and to present the refreshed Code of Corporate Governance for approval. The Director of Law, Governance and Strategy was present to respond to questions.

The Director of Law, Governance and Strategy provided a comprehensive summary of the report, noting that it builds on work within the previous year and the refreshed Code of Corporate Governance. The Committee were reminded that the Annual Governance Statement looks back on the previous year and that this report considers significant recent events, including the cyber incident in 2025. The Committee were provided a summary of all the topics considered within the statement, including the future action plan.

Councillor Smith queried when the Committee could expect to appoint independent members. The Director of Law, Governance and Strategy committed to discussing this with the new section 151 officer and outlined the recruitment processes which have already been completed for independent members on the Standards Committee and Remuneration Panels.

The Chair asked what governance changes had resulted from the LGA peer review mentioned within the report. The Director of Law, Governance and Strategy clarified that the peer review did not focus on governance as it was not set as a parameter of the review.

The Chair proposed, and Councillor Corais seconded, all three recommendations.

The Audit and Governance Committee resolved to:

1. **Approve** the Annual Governance Statement for 2024/2025;
2. **Note** the action plan appended to the Annual Governance Statement and that progress will be reported on in 2026; and;
3. **Delegate** authority to the Director of Law, Governance & Strategy to make any typographical changes to the Annual Governance Statement for 2024/25 that may be required before publication on the Council's website.

78. Statement of Accounts for the Year Ending 31st March 2025

The Group Finance Director had submitted a report to outline the Council's draft Statement of Accounts and Letter of Representations to the Committee and to obtain delegated authority for approval and authorisation. The Financial Accounting Manager was present to respond to questions.

The Financial Accounting Manager provided a comprehensive summary of the report and informed the Committee that the summary of accounts remains subject to change pending the final audit results. The Financial Accounting Manager highlighted several points within the report including changes to the audit requirements resulting in increased capacity needs on both ends, fixed asset suspension, the cyber-attack, and understaffing. The Committee also heard the planned steps which would be taken to move the Council out of a disclaimed position.

The Chair sought to confirm whether a loss of £4.5m had been made following the disposal of fixed assets and specifically queried the nature of these. The Financial Accounting Manager informed the Committee that there had been a net loss in the accounts for the disposal of fixed assets due to the normal receipts being netted down by the incorporation of an accounting adjustment relating to the adoption of a new leasing standard (IFRS 16) for 2024/25 whereby a number of assets were written out of the balance sheet and then recognised as leases.

The Chair also queried the Council's contract with Fusion Leisure and requested an update on the present position. The Group Finance Director confirmed that discussions with Fusion are still ongoing, and they are in the process of paying off their outstanding debt to the Council.

The Chair, in reference to registered housing providers, requested a comment in relation to the lobbying that the Council has committed to and the reception this has received. The Group Director noted that the response has not been favourable and provided a narrative description of the relevant government consultation process and ongoing work with the housing team which is seeking to convert non-registered providers in Oxford. The Committee were heard that this is of concern in the future budgets, however, were also assured that some loss is offset by recovery of overpaid housing benefits.

Councillor Harley, in relation to paragraph 7 on page 177, sought clarification on the timeframe mentioned, and asked what the impacts of Local Government Reorganisation may be on this. The Financial Accounting Manager clarified that the report referred to the previous financial years from 2023 up to the present and noted that the impacts of Local Government Reorganisation could not be speculated on at this stage. It was noted that the process will be determined by national level decisions, and many local authorities will experience the changes.

The Chair proposed, and Councillor Smith seconded, both recommendations.

The Audit and Governance Committee resolved to:

1. **Approve** the latest 2024/25 Statement of Accounts as agreed by the Group Finance Director and **authorise** the Chair of the Committee to sign the Accounts incorporating any further changes arising from the ongoing audit.

2. **Agree** that a Letter of Representations for 2024/25 incorporating any statements required by the external auditor arising from the ongoing audit be signed and issued by the Group Finance Director and the Chair of the Audit & Governance Committee to enable the external auditor's opinion to be issued (paragraphs 14 to 15).

79. External Audit Progress Report (Year ended 31 March 2025)

The External Auditor had submitted a report to update the Audit and Governance Committee. The External Auditor was present to respond to questions.

The External Auditor provided a comprehensive summary of the report, noting that the audit is ongoing and the report presents the status at this point in time. The Committee heard that since July, the assessment of materiality has been updated which now reflects an increased higher gross expenditure, upon which the draft accounts have been based. Since the report's publication, the testing of pensions has progressed, and other audits have concluded, as listed in appendix A. The External Auditor also provided a summary of the new government measures which seek to clear the audit backlog; the Committee understood that the reset and recovery process has installed a series of back-stop dates for audits to be completed by which has placed additional pressure on the Council and the auditors. Finally, the Committee heard a summary of the report findings and recommendations which focused on capacity constraints and the need to better allocation of responsibility within the Council for responding to audit queries. Specific emphasis was placed on the contents of page 477 and 478.

The Group Finance Director responded to the External Auditor's summary and noted that the Council has experienced a period impacted by decreased capacity and depleted resources within the finance team which has directly impacted on efficiencies in closing accounts and producing working papers. The Committee heard that the responsibility is shared across team managers and training is being offered to support cost centre tasks. The Group Finance Director noted that standards have increased in recent months, and close working has taken place with the External Auditors to make the necessary improvements in relation to the disclaimed opinion. The Committee understood that Council officers are now required to submit more samples to the External Auditors, and this has been a big undertaking; additional support from the External Auditors was requested with this endeavour.

The Chair queried the status of vacancies within the finance team at present, to which the Group Finance Director noted that three new officers have been hired, and one vacancy remains. It was noted that temporary resources would be brought in to plug any gaps in the immediate future.

In response to a comment from the Chair regarding page 478, The Financial Accounting Manager noted that improvements must be made in relation to the concentration of information in various areas of the Council, in order to improve general understanding across the workforce. The Committee heard of measures, including

training with management accountants and service manager, which are being taken to support the audit processes.

Councillor Smith thanked all officers for their open and transparent reflections on the audit results and emphasised that the Committee need to be clear about conclusions given by EY and take the situation seriously.

At Councillor Smith’s suggestion, the Committee agreed to highlight the conclusions of the report to the responsible Cabinet Members.

The Senior Information Governance Officer left the meeting and did not return.

The External Auditor committed to providing additional support to the Council for the work required by officers during the audit process and noted the collective interest EY shares with the Council.

The Chair and Councillor Smith emphasised that the Chief Executive must also be made aware of the audit results.

The Committee reviewed and **noted** the report.

80. Dates of future meetings

The Committee noted the date of the next meeting.

The meeting started at 6.00 pm and ended at 8.05 pm

Chair **Date: Thursday 9 April 2026**

When decisions take effect:
Cabinet: after the call-in and review period has expired
Planning Committees: after the call-in and review period has expired and the formal decision notice is issued
All other committees: immediately.
Details are in the Council’s Constitution.

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To: Audit and Governance Committee
Date: 9 April 2026
Report of: The Interim Group Finance Director
Title of Report: Risk Management Reporting at 28th February 2026

Summary and recommendations	
Decision being taken:	To update the Audit and Governance Committee on corporate and service risks as of 28 February 2026.
Key decision:	No
Cabinet Member:	Councillor Ed Turner, Deputy Leader (Statutory) - Finance and Asset Management
Corporate Priority:	A Well-run Council
Policy Framework:	None.

Recommendation(s): That the Audit and Governance Committee resolve to:
1. Review the Risk Management report and note its contents.

Information Exempt from Publication
Not applicable

Appendix No.	Appendix Title	Exempt from Publication
1	Corporate Risk Register – Risks and Controls	No
2	Corporate Risk Register – Risks Only	No
3	Service Risk Register – Risks and Controls	No
4	Service Risk Register – Risks Only	No

Introduction and background

1. The Council undertakes quarterly reviews of risk registers. This report informs the Audit and Governance Committee of the outcome of the review that was completed at the end of February.

Risk Scoring Matrix

2. The Council employs a 'five-by-five' risk scoring matrix, assessing risks based on probability and impact.
3. An identical score can give different results in the matrix. If an event has a high probability but a low impact, it will receive a lower rating. However, the greater the potential impact score, the more likely the event will be categorised as an amber risk on the matrix.
4. The risk prioritisation matrix is below, showing scores for red, amber, and green risks.

Probability

Almost Certain	5	5	10	15	20	25
Likely	4	4	8	12	16	20
Possible	3	3	6	9	12	15
Unlikely	2	2	4	6	8	10
Rare	1	1	2	3	4	5
		1	2	3	4	5
		Insignificant	Minor	Moderate	Major	Severe
		Impact				

Risk Identification

5. **Corporate Risks** – The Corporate Leadership Team reviews the Corporate Risk Register (CRR) quarterly. Any new risks are incorporated into a revised version of the CRR. The Corporate Leadership Team reviewed the CRR on 23 February 2026.
6. **Service Risks** – Service level risks are subject to periodic review by Directors and Service Managers. The Risk Management Group maintains oversight of all service risks and, during its meetings, assesses whether any should be escalated for inclusion in the CRR. On 9 December 2025, the Group reviewed the Information and Technology and Financial Services risk registers. The next meeting of the Risk Management Group is on 26 March 2026.

Corporate Risk Register

7. The Audit and Governance Committee most recently reviewed the CRR on 28 January 2026. The CRR for 2025/26 is attached as Appendix 1, including controls, and Appendix 2 showing risks only.
8. The table below shows the number of corporate risks on 28 February 2026 compared with the previous reported quarter.

Current Risk	Q3 2025/26	Q4 (to 28/2/26) 2025/26
Red	6	6
Amber	8	8
Green	0	0
Total risks	14	14
New risks in the quarter	0	0
Closed	0	0

CRR Red Risks

- **00001 - Financial Stability**

This risk concerns the Council's ability to implement its plans and corporate priorities amid increasing financial pressure. Key contributing factors include fluctuations in income and expenditure, inflation-driven cost escalation affecting materials for capital projects, rising service demands, such as temporary accommodation, and broader economic weaknesses, which may depress income streams such as commercial rents and business rates.

- **00099 – A utilities infrastructure that does not meet the needs of the city**

This risk identifies that without further investment and partnership working, the city's utility infrastructure will come under increasing strain, adversely impacting citizens' wellbeing and the city's prosperity.

- **00100 – Cybersecurity and IT infrastructure resilience**

This risk addresses the failure to prevent and respond to cyber-attacks and ensure that IT infrastructure is fit for purpose and adaptable to future needs.

- **00102 – Addressing the causes and impacts of climate change**

This risk identifies the factors that could prevent the Council from prioritising efforts to tackle the causes of climate change and mitigate its effects. Failure to do so would harm both residents and the environment.

- **00106 – A failure to deliver Temporary Accommodation strategies to meet demand and increases in homelessness**

This risk assesses the potential consequences if the Council fails to implement effective mitigation measures to control temporary accommodation costs or

develop contingency plans to meet the increasing demand for homelessness prevention. It also considers the challenges of securing an adequate housing supply through the private rented sector and the Council's development programme.

- **00107 – A failure to meet Social Housing (Regulation) Act customer/consumer standards**

This risk evaluates the potential impact if the Council, in its capacity as a landlord, fails to fully comply with the Social Housing (Regulation) Act customer standards, particularly the Safety and Quality Consumer Standard. Such a failure could result in a major incident that compromises tenant safety, leading to sanctions, regulatory intervention, and severe reputational damage.

CRR Amber Risks

- **00003 – Workforce stability**

This risk relates to the Council's ability to achieve its future ambitions, which may be undermined by challenges in recruiting and retaining staff in key strategic corporate support areas such as Legal and IT. It highlights the greater challenge of recruiting staff when there is uncertainty about Local Government Reorganisation.

- **00006 – Failure to comply with governance requirements**

This risk addresses the possibility that the Council may fail to comply with the Constitution and governance requirements as set out in law.

- **00009 – Political and partnership landscape – Local and national**

This risk concerns uncertainty about the future political landscape at both a national, regional, and local level, as Local Government Reorganisation and Devolution are progressed.

- **00011 – Increased demand for services**

There is a growing demand for Council services. This is driven by sustained cost-of-living pressures, rising accommodation costs, diminishing disposable income, and increasing levels of personal debt.

- **00097 – Flood**

This risk highlights concerns over the Council's ability to respond effectively to a major flooding incident. An inadequate response could significantly compromise the Council's capacity to manage the situation.

- **00098 – Adverse weather, terrorism, and utility outage**

This addresses the risks of adverse weather, terrorism, and utility outages, highlighting issues that would impact the Council's ability to respond effectively to a major incident.

- **00104 – The workforce and public are healthy and safe**

This risk concerns the Council's ability to manage health and safety effectively. Failure to do so could put both employees and the public at risk, potentially resulting in injury, illness, or loss of life.

- **00105 – A failure to deliver housing priorities and business plans**

This risk relates to the Council's ability to mitigate financial pressures within the Housing Revenue Account. These pressures will intensify if the Council, as the local housing authority, fails to meet its housing prevention priorities for homelessness or deliver its Housing Revenue Account business plan and Asset Strategy priorities.

CRR Green Risks

There are no green risks in the CRR.

Service Risk Register

As part of the service planning process, all service risks are reviewed. Those no longer relevant are deleted, and any new ones are added. The service risk register is attached as Appendix 3, showing risks and controls, and at Appendix 4, showing risks only.

9. The table below shows the number of service risks at 28 February 2026 compared with the previous reported quarters.

Current Risk	Q1 2025/26	Q2 2025/26	Q3 2025/26	Q4 2025/26
Red	10	12	10	10
Amber	52	56	60	58
Green	32	24	25	26
Total Risks	94	92	95	94
New Risks in the Quarter	25	0	3	0
Closed	10	2	0	1

10. Details of the red service risks are as follows:

- **00033 – Property and Assets**

Quality of data and property knowledge – Failure to implement an asset management system capable of storing and analysing data may hinder the Council's ability to effectively plan and schedule work. This could result in delays to property lettings, difficulties in providing timely insurance information, and increased risk of non-compliance.

- **00034 – Law, Governance and Strategy**

Resilience of service – An inability to effectively deliver services required by the Council and to deliver critical projects and support statutory and non-statutory functions will have a direct impact on risk, compliance, expenditure, and income

to the Council. Furthermore, inadequate staffing and the requirement for expertise in response to major incidents may necessitate increased reliance on external support or lead to operational delays.

- **00035 – Planning**

If Government legislation requiring substantial changes in the planning system results in a need for redesigned processes, then there will be a lack of capacity to meet the changes, and the delivery of local policy objectives will be undermined.

- **00055 – Law, Governance and Strategy**

Income target not achieved – If the income target is not achieved, additional pressure will be placed on the overall legal services budget, leading to an overspend.

- **00065 - Law and Governance**

If the Council's departments and suppliers do not safeguard data, there is a risk of a data protection breach and non-compliance.

- **00096 – Property Assets**

If there is a lack of legal support, the Council will be unable to meet income, capital receipt, and project targets. Alternatively, external legal spend will be more costly and will result in an increase in financial pressure.

- **00109 – Housing**

If, because of changes in Government policy, the Council's homeless prevention activities are unable to meet a sustained increase in homelessness, there will be a failure in service delivery and an increase in temporary accommodation costs.

- **00112 – Housing**

A failure in resident involvement activities and compliance with the Social Housing Act consumer standards might result in an increase in complaints, inefficient service delivery and regulator intervention.

- **00113 – Housing**

A failure to evidence the implementation of and adherence to the Social Housing Regulator's consumer standards may result in a loss of reputation to the Council and increased financial pressures as issues are dealt with reactively.

- **00125 – Committees and Citizen Services**

A contract management and partnership approach to the external leisure provision contract will help ensure the stability of financial performance and quality of service.

Alternative Options Considered

11. None

Other implications

12. None

Financial implications

13. There are no financial implications directly associated with the risk registers, although the management of risk is essential to the operation of the Council, the pursuit of its priorities, and its financial integrity.

Legal issues

14. There are no legal implications directly arising from this report, but having proper arrangements to manage risk throughout the organisation is an important component of good corporate governance and good business management. (EJ/81313/19.3.26)

Level of risk

15. There is no further risk associated with this report.

Equalities impact

16. There are no equality impacts arising directly from this report.

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Background Papers:

None.

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Ref	Risk description	Consequence	Owner	Current Probability	Current Impact	Risk Score	Control description	Progress
00001	Financial Services - Financial Stability - Pressure on income and increased demand for services means that the Council may not be able to deliver its plans and corporate priorities. The main causes are: fluctuations in the Council's income and expenditure, increased costs due to inflation impacting the capital programme, increased demand, including for temporary accommodation, pressures on the Oxford Model caused by a more challenging client, inflationary increases incurred by Oxford Direct Services, and a need for OX Place to refresh the business plan for developments once the current plan expires in 2033. These pressures could result in anticipated returns not being delivered. Also, a poorly performing wider economy may result in a reduction in income, including commercial rents and business rates. Insufficient governance leads to overspends and a failure to deliver savings. Progress to Local Government Reorganisation may have a negative impact on the Council's financial position.	Reduction in services, including to vulnerable people with complex needs. Difficult decisions must be taken by Members and senior offices about resource allocation. Fees and charges have to increase. The Council is exposed to a higher risk exposure outside of its risk appetite. Staff morale and the reputation of the Council is reduced. Unresolvable pressures ultimately lead to government intervention.	Nigel Kennedy					
00001				4	4	16	Business Planning process links resources to priorities	The business plan priorities have been reviewed and reduced to better match available resource to priorities in the context of LGR workstreams
00001							Agree a balanced four-year MTFP, with no unidentified savings within	To be agreed at full Council on 23/2/2026
00001							Ensure companies are on schedule to deliver returns to the Council through quarterly monitoring of business plans and by challenging them to deliver annual efficiencies.	Company Business Plans have been updated in December 2025. Work on clienting and commissioning, ODS budget changes, risk profile of schemes within the OX place, HRA 5 year business plan will all impact on the returns the Council has from its companies. Monitoring of the Business Plans is ongoing. National policy changes re waste may impact ODS.
00001							Rigorous review of plans with service directors who are required to confirm that savings proposals are realistic and are being delivered over the life of the MTFS.	Completed
00001							Scrutiny of the revenue budget and the MTFP by the finance team, Directors, the Chief Executive, Executive Members and the Scrutiny Committees financial panel over the life of the MTFS and ensuring savings and increased income are on target.	Completed
00001							Robust scrutiny and monitoring of the capital programme, with the Project Management Office overseeing the management of projects with regular reporting to the Development Board.	Completed
00001							Consider the implications to the Council's budget of the fairer funding announcement in relation to business rates and the revenue support grant. Make any appropriate alterations in the next budget submission to Cabinet and Council in Feb 2026. Completed	Completed
00001							Ensure Senior Officers and Members are aware of the financial position and of their responsibility to contribute to a balanced budget	Completed
00001							Monthly monitoring reports considered by Corporate Leadership Team and service area directors with quarterly updates to Cabinet	Progress continues. Risk and control reviewed with no significant change.
00001							Continue to monitor the implications of LGR. Finance Officers are members of the various workstreams that have been established including one specifically for finance	These groups are meeting
00003	People - Workforce sustainability - Delivery of future ambitions is threatened because of difficulties with the recruitment and retention of staff in key areas such as Legal, ICT and Environmental Health. Causes are affordability challenges, being unable to compete on pay, a skills shortage, capacity limitations, the ability to change, and increased demand/ambition from OCC. The position is exacerbated by increased uncertainty caused by the outcome of Local Government Reorganisation being unknown.	Increased workload putting pressure on capacity, resulting in poor morale, impact on wellbeing, high staff turnover, increased sickness, poorer outcomes and an impact on service delivery, reputation, legal challenge, union disputes, resilience and skills.	Gail Malkin					
00003				3	3	9	Delivery of an agreed local pay deal with Unions	The current OCC and ODS pay deal runs until the end of March 2026. Negotiations took place with Unison and Unite and a deal has been agreed for 2026 and 2027 onwards.

00003					Development and implementation of a pay and grading review to enhance pay in areas where the Council struggles to recruit and where it needs to improve retention.	Implemented new market allowances on 1 May.
00003					Continued implementation of Leadership Development to improve manager capabilities and develop future managers and leaders to support succession planning and retain talent. Timeline = ongoing	Aspiring manager third programme launched in November 2025. Bitesize manager training programme is ongoing. Will be considering development for middle managers in 2025/26. Manager induction training is being piloted in December. Group coaching for managers will be delivered in Housing Services. Planned work with senior leaders to clarify roles and expectations and improve strategic leadership. Currently developing ideas for development to prepare managers for change - LGR.
00003					Continue workshops on People policies and procedures for managers	Plan in place with programme of dates
00003					Digital skills training programme for all staff	AI bitesize training has been rolled out. Service has delivered leadership workshop too.
00003					Continued delivery of occupational health and Employee Assistance Programme provision to support employees and help people back to work, demonstratng our commitment to employee well-being. Timeline = ongoing	Service continues and will be supplemented by interventions to help manage stressfull work demands that are currently being developed and will be trialled in Housing.
00003					Continued delivery of comprehensive internal communications campaign for the People Programme	Completed. this is now business as usual.
00003					Continued development of inclusive recruitment practices to improve the diversity of the workforce to better represent the communities we serve, reaching the target of 16.5% of the workforce from minority ethnic groups by 2028.	The Positive Action policy was agreed at Council on 14 July 2025. The Recruitment policy has been updated to support inclusive recruitment practices. The Council has reached the 16.5% target. EDI audit has been completed by Internal Audit team with positive outcomes and some areas for improvement.
00003					Development of "Grow our Own" apprenticeships	6 apprentices have now started. Career progression schemes also running in Legal and Planning.
00003					Developing an LGR people startegy and plan to support managers and employees through the LGR process and support development and career planning to retain talent, maintain operations and get people ready for new opportunities in new structures.	15%
00003					Establish a new framework of recruitment agencies to better support attraction and the supply of temporary staff to meet resourcing needs by November 2026.	Procurement process is moving forward after some delays.
00006	Law, Governance & Strategy - Failure to comply with the Council's Constitution and governance requirements as set out in law. This may be caused by insufficient resources impacting the Council's ability to ensure correct processes are followed, confusion about roles and responsibilities, poorly implemented policies, and inexperienced staff lacking the knowledge and skills they need. Also the workplace culture may result in insufficient planning taking place, leading to time pressures on delivery and corners being cut. Staff workload might result in mistakes being made. Pressure of timelines imposed by third parties e.g. grant expenditure deadlines, might lead to significantly truncated timelines and competing requirements, meaning governance is sometimes overlooked.	A loss of public trust and confidence in the Council's ability to govern effectively. Negative media attention will harm the Council's reputation and image. Elected Members and senior officers face criticism. The Council's ability to deliver services is undermined as important decisions are made incorrectly. Disputes among Members and staff. Exposure to financial mismanagement and loss of grants and funding. Legal challenge and claims, and procurement challenges. Decisions being found to be invalid. Delays to projects whilst legal challenges and failures to follow governance processes are concluded and addressed.	Emma Jackman			
00006					Clarity about roles and responsibilities for decision making within the constitution	Constitutional changes are made as they occur and there will be a light touch review in the coming municipal year and pending LGR
00006					Correct corporate documentation and guidance in place to ensure that policy is translated to processes; governance around these being there and properly applied	These are in place and available on the intranet however work is also in progress with the procurement team to review forms following development of a flow process chart. There is the intention to introduce property rules and grant rules in due course
00006					Internal and external audit	Both are engaged, the annual assurance letter goes to the external auditors each year flagging issues and there is senior oversight of the audit plan for internal audit.
00006					Appropriate level of resources	There are ongoing issues with the resources in legal department. Subject to funding being approved by Council as part of budget setting a restructure will be consulted on in the coming weeks. Current reliance on locums is leading to a projected overspend for 25/26. Committee Services is staffed appropriately at present, as is Elections and Policy and Strategy - though the impact of LGR on the Policy and Strategy team is significant.
00006					Training of staff as changes are made, on a refresher basis and as part of an induction	The new Human Resources training system has been procured, once live we will ensure the whole organisation retake mandatory training and then new training will be developed for targeted information governance training and also council governance and decision making.
00006					Ensure culture allows for whistleblowing / challenge and that an up to date policy and process are in place for the management of whistleblowing and challenge	Requirement to review the policy in 2026.
00006					Clarity and oversight of companies and specifically ensuring decisions are taken correctly, in a timely manner and by the correct decision making body	Terms of reference for SHJVG have been updated. The new Shareholder agreement and articles for ODS and ODSTL have been approved and adopted. With the new Managing Director and proposals for a Company Secretary, work will then need to be undertaken with OCHL. There is also a need to ensure that decisions required of the shareholder are properly following the pathways and requirements (such as key decisions), and plans are in progress for enabling this.
00006					Ability to disseminate lessons learnt	They are fed back to CLT, reported to Cabinet and Scurtyny have been considering a number of governance issues that have arisen
00006					Ensure that systems are in place to monitor and control compliance and updates	There remains issues with late instructions to Legal Services, leading to delays in addressing complaince and monitoring.

00006					Establish a corporate approach to project management that ensures governance requirements and timelines are factored in and understood from the outset	This will need to be considered at a corporate strategic level but may not be possible in advance of LGR.
00009	Chief Executive - Political and Partnership landscape - Uncertainty about the future political landscape at both a national, regional and local level as Local Government Reorganisation and Devolution are progressed. The new Government devolution agenda, the universal requirement to create Mayoral Strategic Authorities and the introduction of unitary councils may lead to increased uncertainty, significant additional work to shape new governance, a challenge to partnership and relationship management, dilution of budgetary control, and the assumption of significant new service responsibilities.	The potential loss of focus on city-level inclusive growth and community identity. Distraction from BAU work, increased budgetary risk, and negative impact on partnership working.	Caroline Green			
				3	3	9
00009					Agreed governance and joint working with Oxfordshire and West Berkshire councils on LGR workstreams. Ongoing engagement with Government on Thames Valley devolution proposal with continued joint working among the Oxfordshire, Berkshire and Swindon councils.	Governance and joint working on LGR workstreams are now established and a programme is being developed for the Phase 2 period up to the Government decision. Government clarification of the position on devolution options, and publication of the proposed Thames Valley Spatial Development Strategy area should enable Oxfordshire, Berkshire and Swindon councils to progress a devolution proposal.
00009					Use partnerships, stakeholder networks and relationships with Government to build a compelling case for a Greater Oxford Unitary Council, and unitaries to its north and south, each of which would also have a place on a Thames Valley MSA board.	Government consultation on three Oxfordshire LGR proposals is under way, and 3 Councils communications and stakeholder engagement programme is agreed and launched. Significant activities are planned throughout the consultation period to end-March. Preparation is starting for the formal Listening Meeting on the proposal in March involving senior officers. Commitment secured for district council involvement in creation of Thames Valley Spatial Development Strategy - which is linked to future creation of a devolved strategic authority.
00009					Agree protocol on approach to public engagement on LGR and Devolution with other councils to ensue the Gunning Principles are upheld.	Protocol in place and used by all councils to guide public engagement approach
00009					Ensure staff engagement on LGR as required by Statutory Invitation	Staff engaged throughout development of 3 Councils proposal and briefed on responses to the Government consultation
00009					Flexible and robust constitution; processes to facilitate decision making	This will be dealt with as the requirement to formally consult arises
00009					Use cross party working groups for major decisions	Arranged for workstreams and will continue as needed, including use of Group Leaders
00011	Communities & Citizen Services - There is increased demand for services provided by the Council, particularly Customer Services, Council Tax and Benefits. Several factors are driving the growing demand for services, including the persistent high cost of living, high costs of accommodation reducing disposable income and driving debt. This is compounded by rising health inequalities, an ageing population, significant deprivation in certain areas of the city, and the increasing complexity of the challenges residents face. These issues are further exacerbated when the Council fails to fully leverage technology, when residents are unable to access digital services due to digital poverty, and when partner organizations reduce or eliminate preventative services.	The increasing pressure on services and staff, can lead to lower staff morale and a failure to meet statutory obligations. As a result, the Council's reputation may suffer as customer expectations go unmet, and relationships with delivery partners may become strained. Delivering services within budgets and achieving savings targets will become more challenging.	Helen Bishop			
				3	3	9
00011					Launch of phase 1 of OCC new website. This has already been done	complete
00011					Launch phase 2 of OCC website	Phase 2 work ongoing. Working on 'Parking and Travel' section with OCC/ODS colleagues. Continuing to work on inaccessible documents in 'Planning' section. Hiring a Website Content Officer to support the project.
00011					Ensure strong understanding of factors driving demand through the BIU	Locality plans updated using local insight to ensure the need is properly understood. This is being used to ensure locality action plans are focused on the right actions.

[illegible]

00097				Community Resilience Plans.	Community Resilience Plans in place for Osney Island and Duke/Earl Street areas. Developed by the community in partnership with the Council, the plans contain how the community will support themselves and liaise with statutory partners before and during an event. Flood warden training run by the County Council will be offered to these communities.
00097				Oxford Flood Alleviation Scheme provides bunds and a flood plain channel to direct fluvial flood waters away from residential areas.	In May 2025 the Secretary of State confirmed the schemes Compulsory Purchase Order. Construction is due to start late in 2026 and completion will take 5 years
00098	Community Safety - Adverse weather, terrorism and utility outage. The Council's ability to respond to an emergency incident would be jeopardised if there was an inadequate response due to inexperience of leaders, or dependence on individuals who become unavailable, and are a single point of failure. Budgets could mean that there are insufficient resources of people and materials to deal with the needs of the affected residents, including preparing for the event before it happens. Communication failures within the Council and between partner organisations lead to inadequate coordination in the response.	If the Council does not effectively manage the risk of flood, there will be disruption to the lives of residents, damage to homes, damage to business premises, and the loss of trade and profitability. The Council will fail to comply with its Category 1 responder duties as set out in the Civil Contingencies Act 2004. Vulnerable people will be affected, strain will be placed on emergency services and Council services, with greater demands on staff. The reputation of the city as a great place to visit will suffer. There might be political difficulties arising out of disagreements about accountability for the response, including budget and use of resources.	Tom Hook		
00098			4312	Plans in place for adverse weather, utility outage and Publicly Accessible Places, setting out the roles of internal teams and the connections with multi-agency responses.	Publicly Accessible Locations Plan (PALP) revision drafted. Reconfigured to focus on the national strategy of People, Places and Sectors. Weighted towards prevention activities as response will be led by the emergency services. Terrorism (Protection of Premises) Act 2025 requires the Council and other partners to undertake standard and enhanced security measures in Publicly Accessible Locations. For the Council these are the Town Hall and community centre. Hostile Vehicle Mitigation progress with the County Council, lead officer identified. Conversations will be taking place with the universities and other relevant partners with a role in protecting streets and public spaces. Utility Outage Countywide plan in place - Oxford will revert to this plan with it's own Action Card. Adverse Weather Plan completed. The Incident Management Framework has been updated and training for CLT scheduled for March.
00098				Internal Incident Management Framework in place that governs internal decision making and communications.	CLT and Service Directors trained in the Council's Incident Management Framework
00098				Thames Valley Local Resilience Forum Emergency Response Arrangements are in place.	CLT and Service Directors training in Thames Valley Local Resilience Forum (TVLRF) Emergency Response Arrangements relevant for their role: Strategic Coordination Group (SCG) and Tactical Coordination Group (TCG).
00098				Out of hours Teams site.	Out of hours Teams site training has been provided.
00099	Economy, Regeneration & Sustainability - A utilities infrastructure that does not meet the needs of the city. Without further investment and partnership working the city's utility infrastructure will come under increasing strain and have an adverse impact on the wellbeing of citizens and the prosperity of the city.The city's utility infrastructure is struggling because the city's population has been growing, with a corresponding rise in demand for housing and new commercial developments, whilst at the same time there has been historic under investment meaning that aging systems are not designed for today's demand. Lack of capacity of both energy and sewage treatment supply have been identified by developers as risks to growth in both the short and long term.	A lack of utilities infrastructure can lead to restrictive conditions on planning, preventing occupation of residential and commercial properties which will put development at risk, as has been seen with the concerns around the capacity of the sewage treatment works. A lack of energy supply may mean that new developments do not receive the level of supply needed to enable occupation. New housing and commercial developments may not receive planning permission or become stalled or be scaled back. Businesses may be unable to expand and take on new premises resulting in lost employment opportunities and reduced profitability. The green agenda may be harmed as new infrastructure can not be connected. Old sewage systems may not be able to cope with high rainfall events resulting in more flooding. Under pressure aging systems may fail leading to complaints and a reduction in the perception that Oxford is a great place to live and work.	Clive Tritton		
00099			4416	There is a challenge because mitigation is out of the Council's control. However, recent action on the sewage treatment works has shown that the council can reduce the likelihood and impact by bringing pressure to bear, and it needs to continue to do this. Minimum 6 monthly discussions with appropriate utilities providers to understand future modelling and to ensure utilities providers understand the impact of a failure to deliver capacity. Successful discussions with utilities providers across both sewage and energy means that mitigation is in place. These need to be monitored to ensure they stay on track.	On energy - Working with the Distribution Network Organisation, SSEN, to profile future growth. Also, now active with the new National Energy Systems Operator (NESO) to help them profile both future growth and strategic sites held up by lack of capacity. We continue to engage with key developers in the city to get their input into this process. On waste water - Have established quarterly meetings with all the Oxon LPAs within the Oxford Sewage Treatment Work catchment area for Thames Water and the EA to feed back on progress on planned capacity improvement works. Also, a quarterly developer meeting to do the same. The EA and OFWAT are the regulators responsible for ensuring this work and they will report back at these meetings. The EA has confirmed that the Oxford Sewage Treatment Work is one of 20 projects receiving regular oversight at ministerial level.
00099				Direct access to Government through the Oxford Growth Commission	The Oxford Growth Commission has this as a priority and will be engaging on this issue

00100	ICT - Cyber security and IT infrastructure resilience. Failure to prevent and respond to cyber attacks and ensure that the IT infrastructure is fit for purpose and adaptable to future needs. Threats are human error and deliberate targeting, because the Council is a high profile organisation with financial information. Other potential causes are exposure through third-party partners, an inability to invest in security improvements, a lack of skilled staff and recruitment challenges, inadequate funding and prioritisation of IT infrastructure. Complexity of infrastructure and connectivity issues. Readiness and capacity for change.	Inability to provide key public services, financial losses, fines and reputational damage. Staff wellbeing and morale impacted. Reduced productivity and operational inefficiencies. Increased IT inequality, limited service accessibility. Failure to deliver savings and modernisation.	Rocco Labellarte			
				4	4	16
00100					Over 100 cyber security improvements have been identified and ICT are working through these. The challenge remains that of having to deliver BAU services, projects, and the cyber improvements with the same resources. The addition of 2 further interim resources has allowed a degree of acceleration of the improvements, though the competing challenges remain the biggest cause of delays in implementing the security changes. The institutional knowledge of existing staff is needed to implement many of the changes required.	17/02/26 - A total of 150 (increased from the original 100+) remediations have been identified since the cyber incident in June 2025. Of those, a total of 56 tasks have been completed, 51 are in progress, 31 are still to do, and 12 have been superseded or cancelled. Many of those in progress will be completed with the final migration away from the data centre.
00100					Prioritising the Town Hall server room fix to provide infrastructure upgrades	Being progressed as part of the wider Town Hall project.
00100					Enhancing cyber security monitoring to adapt to evolving threats	Upgrades funded in the budget are implemented on-going, with no effective due date as threats continuously evolve.
00100					Security upgrades as a result of the cyber incident in June 2025.	Various immediate improvements actioned in the response to events. Wider project on security enhancements is being worked through.
00100					Cyber security training for all staff	New training offer has been rolled out and is mandatory for all staff. Periodic test emails are used to check the awareness of staff to the threat of phishing attacks. As of December 2025, approximately 75% of staff had completed all modules. Cyber security training will resume in April 2026 with the implementation of Microsoft cyber security training built into the Microsoft platform.
00100					Full security review being undertaken by independent experts in July 2025.	Completed
00100					Lessons learnt report after Cyber Incident in June 2025	Completed
00100					Building redundancy in infrastructure and network teams to reduce single points of failure	Completed
00100					Focusing IT efforts on core resilience measures.	Core resilience measures will complete in the first half of the financial year 26-27, once the council is fully migrated out of the SCC data centre into the cloud as only then can the final core resilience measures be implemented.
00100					Reviewing and reinforcing cloud security controls before full migration	Ongoing as part of migration programme from the SCC Data Centre to cloud-hosted services for ICT business applications, and scheduled to complete once the council is fully migrated out of the data centre at the end of March 2026. 17/02/26: SCC have brought forward the exit date to the first half of March.
00102	Economy, Regeneration & Sustainability - Addressing the causes and impacts of climate change. If the Council does not prioritise addressing the drivers of climate change and reducing its effects, both residents and the environment will suffer detrimental harm. Causes are limited funding that is insufficient to invest in infrastructure, resources and technology, conflicting priorities that divert resources and slow delivery, changes in government policy that can create uncertainty and a staff skills gap to manage projects and work with partners.	Carbon emissions fail to meet the required targets. Detrimental impact on biodiversity. An escalation in heat, flooding and storms resulting in increasing damage to infrastructure, homes and business. Increased energy costs. Increased deaths and reduced health and wellbeing for the population. These consequences have a financial impact and damage the reputation of the Council.	Clive Tritton			
				5	3	15
00102					Retention of Zero Carbon Oxford as a Corporate Priority & inclusion of annual actions in the Business Plan, that target and support delivery of the 2030 (Council) and 2040 (City) Net Zero targets. Retention of £132,000 annual green gas payment and Net Zero Transition Fund reserve to support fund decarbonisation work.	Good progress is being made. A paper laying out actions for the Council to take forward was received by CLT and Leaders at the end of 2025. Two Net Zero working groups have been set up as a result, one focused on property assets and the other on fleet.
00102					Council has set a 2030 Net Zero target.	The working groups, including, ODS and Property are producing a programme and fully costed plans for delivery, to enable the Council to make decisions on level of support and resourcing to achieve targets. Council Net Zero Tracker (created in 2019) still needs to be updated to align with these outputs.
00102					Finance - use of revolving loans and ES reserves (including annual contribution of £132k to Net Zero Transition Fund) - to provide funding for feasibility and focused projects that support council Net Zero targets	Plan for use of reserves and funds established for 25/26 as per Tina Mould

00102					Programme of Carbon Literacy across the Council to increase awareness	First target numbers achieved. Feedback recommends that the course needs to be shortened, updated and relevancy improved to support engagement.
00102					Energy efficiency target for Social Housing (Average 95% EPC-C by 2030) is on target to be achieved.	A survey programme is in place to assess all below EPC-C properties. Following these surveys a full programme of works will be developed using the existing agreed MTFP funding and capital programmes. Depending on measures needed to meet EPC C the 2030 target of Average EPC C in 95% of Council Owned HRA properties should be achievable, provided the changes to EPC assessments in the coming years are not drastic.
00102					City has a 2040 NZ target	The Council continues to host and support the Zero Carbon Oxfordshire Partnership. Which delivers joint projects that support 2040 target. Risk of achieving 2040 target needs to be reviewed in 25/26.
00102					District Heat Network project is being led by Oxford City Council. If viable it will deliver 5% CO2 reduction by 2030. Buildings emissions are the highest and most difficult sector to decarbonise in Oxford.	Decision due July 2026. Connection due 2030
00102					Council has an Electric Vehicle Strategy and Implementation Plan .	Behind. 300 chargers due to be installed across Oxford in the next 2 years. Installation is behind, due to LEVI programme delays. It needs to be continued at pace and be maintained after initial funds.
00102					Protect, manage and enhance Oxford's urban forest	The strategy emphasizes the importance of maintaining, improving and increasing tree canopy cover which will become increasingly important for climate adaption to mitigate flood and heatwaves. The Council does not currently have tree canopy cover targets but subject to the approval process wishes to bring them in.
00102					Develop a delivery plan to determine the resources required to deliver the EPC B rating target in commercial properties let by the Council.	Budget approved in the MTFP for surveys to start from March 26.
00104	Chief Executive - The workforce and public are healthy and safe. If the Council fails to effectively manage health and safety, both employees and the public could be at risk of harm, leading to injury, illness, death, financial loss and regulatory intervention. Causes include insufficient resources and funding that can limit investment in equipment, technology and systems, weak enforcement of policies, a lack of regular and comprehensive training, which leads to a lack of knowledge and skills, and turnover of staff impacting continuity. Other causes are employees and managers not being fully aware of their responsibilities, a workplace culture where there are not shared values and behaviours, and where health and safety is not embedded, with safety being part of every decision and task.	Injury, ill health or death of employees or members of the public. Increased sickness absence of staff . Interrupted service delivery including to vulnerable people. Criminal prosecution of the Council and/or staff by enforcement bodies such as the HSE and the Police. Sanctions including fines, imprisonment and disqualification from office. Responding appropriately to Investigations will take considerable time and resources. Increased budgetary pressures from liability claims and premiums. Increased costs from fines, legal costs and damage to equipment and premises. Media scrutiny and reputational damage.	Caroline Green			
				3	4	12
00104					Ensuring governance is in place to monitor health and safety performance	The Health and Safety Compliance Board meets quarterly during CLT. The Health and Safety Manager attends. The meeting is chaired by the Chief Executive. The People Safety Board meets quarterly and reports to the Health, Safety and Compliance Board within CLT. Each Quarter the People Health and Safety Board send collated information from all the service areas. The board reviews health and safety performance; health and Safety risks within service areas; it monitors audits, and discusses changes to legislation. Any concerns raised will be escalated to the Health, Safety and Compliance Board at CLT when required. The Property Health, Safety Compliance Board provides assurance that risks related to property health, safety and compliance are effectively managed. The Board meets each quarter and is attended by Director of Development (Chair), Head of Property Services, and the Building Safety and Compliance Manager. A summary report including the decisions and actions from the Property Board will be sent to the Health, Safety and Compliance Board at CLT for oversight. The Board will establish and maintain standards of Property health, safety and compliance in the council that aligns with legal requirements and in accordance with the Health and Safety Policy and Standards.
00104					Ensuring compliance with regulatory requirements	Monitor accident and incident reports and review accident investigations. Reporting any accidents, dangerous occurrences or disease that are required to be notified to the Health and Safety Executive under the Reporting of Injuries Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR). Corporate Guidance and Standards are published on the Intranet. Monitoring risk assessments completed for each service area. Monitoring eLearning training for each service area. Personal Safety Audits completed for Communities & Citizens and Housing.
00104					Proper governance of compliance with the Health and Safety Policy	People Board and CLT Board is the method of governance. Currently reviewing the Health and Safety Policy and governance structure.
00104					Promoting a health and safety culture, through training, learning lessons and facilitating whistleblowing	Monitoring health and safety training and development. Providing technical/legal advice and information. Health and Safety staff attending Teams meetings as requested to support Managers. Meeting and working with Managers
00104					Collaborating with the enforcing authorities. Liaising closely with the HSE and other relevant enforcing authorities, such as the Police and Fire and Rescue Authority, and cooperating with their inspections and investigations	As required. The proactive role for meetings with outside bodies is within the remit of the Safety Advisory Group.

00105

Housing - A failure to deliver housing priorities and business plans. If the council, as the local housing authority, fails to deliver its housing prevention priorities for homelessness and fails to deliver its HRA business plan and Asset Strategy priorities, then its ability to rebalance HRA financial pressures will be reduced. Service delivery failure, the cost of living crisis and other external factors (most outside of the Council's control), mean homeless prevention activities become unable to meet a sustained increase in homelessness in Oxford and HRA business/asset management activities cost more than forecast.

Reputational Impact - If the Council fails to meet its homelessness duties and landlord obligations, it could severely impact its preparedness for Social Housing Regulator inspection.
Financial Impact - The Council is unable to effectively manage Temporary Accommodation demand and supply in the General Fund and its ability to secure value for money for the HRA.
Legal Impact - The Council's inability to fulfil its duty to develop and set out its housing homelessness prevention strategy and HRA business plan priorities.
Overall Impact: This risk, if realised, would be a systemic risk to the Council's statutory obligations and would lead to negative financial implications.

Nerys Parry

00105

A suite of Housing strategies are in place with clear priorities and mitigations for effectively arresting the increasing homelessness pressures in the GF. Improved corporate governance arrangements are in place on oversight RSH/HRA improvement plans to ensure progress and viability

Control in place and work is on-going in embedding actions from the strategies.

00106

Housing - A failure to deliver Temporary Accommodation strategies to meet demand/increases in homelessness. The Council does not/cannot effectively meet or implement the mitigation priorities for controlling temporary accommodation costs, nor the contingency measures required to address the growing demand for homelessness prevention. Additionally, it falls short in ensuring the adequate supply of housing through the private rented sector and the Council's housing development programme. This might be caused by service demand and supply failure, the cost of living crisis and other external factors (most outside of the Council's control e.g. changes in Government Policy, increased interest rates, a higher demand for housing etc) mean homeless prevention activities are unable to stop enough households from becoming homeless and requiring temporary accommodation. OCC is unable to move on enough homeless households from Temporary Accommodation to suitable housing, due to not enough new, or existing social housing becoming available and a shortage of affordable private rented sector homes.

Reputational Impact - The Council fails to meet its homelessness housing duties due to its inability to secure sufficient PRS supply and the delayed delivery of its housing supply targets.
Financial Impact - 1) Increasing financial pressures on the General Fund due to increasing placements in temporary accommodation and costs.
2) Government changes to metrics and formulas within the Homelessness Prevention Grant are expected later in the year. This could impact OCC's allocation going forward
Legal Impact - Council's inability to fulfil its legal requirement to ensure accommodation offered to discharge its housing duties is affordable and suitable, and as a result, may see an increase in reviews and legal action being taken against the council.
Overall Impact - Is limited due to the internal control measures that have been adopted. However, an increase in homelessness due to economic or legislative changes could put this service under strain and lead to a heightened risk level than is currently envisaged under the current regulatory and economic circumstances

Nerys Parry

00106

Housing Services have now either delivered or are on track to deliver all original Temporary Accommodation mitigations. The Temporary Accommodation stock has grown from 100, to over 200 now, and on track to reach 300 by Dec 26, through leasing , HRA transfers, RP transfers, and over 55 decants. A new set of mitigations were agreed May 25, andare now funded through the MTFP. This includes 260 further units, 150 to be bought, a new FtF assessment centre, and s new move on mitigations.

Control in place and work is on-going in embedding the range of Temporary Accommodation mitigation actions. The revised Year 3 Actions in the Housing, Homeless and Rough Sleeping support work in this area Corporately.

00107

Housing - Failure to meet Social Housing (Regulation) Act customer/consumer standards. The Council, in its role as a landlord, fails to fully meet the Social Housing (Regulation) Act customer standards, particularly the Safety and Quality Consumer standard. A failure could lead to a major incident jeopardising tenant safety, resulting in sanctions, regulatory intervention, and significant reputational damage. This might be caused by a regulatory compliance failure, with OCC activities and processes failing to comply with consumer standards within the Social Housing (Regulation) Act.

Reputational Impact - Under the Social Housing (Regulation) Act, there are greater powers to "name and shame" underperforming local housing authorities and to issue unlimited fines to landlords, following inspection.
Financial Impact - Increased financial pressures on the HRA as a result of its inability to secure value for money through the commissioning of works and services.
Legal Impact - Council's inability to fulfil its landlord housing duties - in particular those relating to tenant safety, providing tenants with a platform to raise concerns and failing to maintain properties to the required decent home standard.
Overall Impact: This risk would have a knock-on impact on the efficacy of the HRA budget, with impacts on the reliability and standard of services to tenants

Nerys Parry

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3	5	15
4	4	16

00107		Following a recent self-assessment, a refreshed and prioritised action plan is in place overseen by a new Corporate Task Group, along with resident and Member oversight to ensure progress is made across all 4 areas of the Consumer Standards	Control in place and work is underway to embed actions from the strategies. Additional work is underway to certain elements of the consumer standards.

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Ref	Risk description	Consequence	Owner	Current Probability	Current Impact	Risk Score
00001	Financial Services - Financial Stability - Pressure on income and increased demand for services means that the Council may not be able to deliver its plans and corporate priorities. The main causes are: fluctuations in the Council's income and expenditure, increased costs due to inflation impacting the capital programme, increased demand, including for temporary accommodation, pressures on the Oxford Model caused by a more challenging client, inflationary increases incurred by Oxford Direct Services, and a need for OX Place to refresh the business plan for developments once the current plan expires in 2033. These pressures could result in anticipated returns not being delivered. Also, a poorly performing wider economy may result in a reduction in income, including commercial rents and business rates. Insufficient governance leads to overspends and a failure to deliver savings. Progress to Local Government Reorganisation may have a negative impact on the Council's financial position.	Reduction in services, including to vulnerable people with complex needs. Difficult decisions must be taken by Members and senior offices about resource allocation. Fees and charges have to increase. The Council is exposed to a higher risk exposure outside of its risk appetite. Staff morale and the reputation of the Council is reduced. Unresolvable pressures ultimately lead to government intervention.	Nigel Kennedy	4	4	16
00003	People - Workforce sustainability - Delivery of future ambitions is threatened because of difficulties with the recruitment and retention of staff in key areas such as Legal, ICT and Environmental Health. Causes are affordability challenges, being unable to compete on pay, a skills shortage, capacity limitations, the ability to change, and increased demand/ambition from OCC. The position is exacerbated by increased uncertainty caused by the outcome of Local Government Reorganisation being unknown.	Increased workload putting pressure on capacity, resulting in poor morale, impact on wellbeing, high staff turnover, increased sickness, poorer outcomes and an impact on service delivery, reputation, legal challenge, union disputes, resilience and skills.	Gail Malkin	3	3	9

00006	Law, Governance & Strategy - Failure to comply with the Council's Constitution and governance requirements as set out in law. This may be caused by insufficient resources impacting the Council's ability to ensure correct processes are followed, confusion about roles and responsibilities, poorly implemented policies, and inexperienced staff lacking the knowledge and skills they need. Also the workplace culture may result in insufficient planning taking place, leading to time pressures on delivery and corners being cut. Staff workload might result in mistakes being made. Pressure of timelines imposed by third parties e.g. grant expenditure deadlines, might lead to significantly truncated timelines and competing requirements, meaning governance is sometimes overlooked.	A loss of public trust and confidence in the Council's ability to govern effectively. Negative media attention will harm the Council's reputation and image. Elected Members and senior officers face criticism. The Council's ability to deliver services is undermined as important decisions are made incorrectly. Disputes among Members and staff. Exposure to financial mismanagement and loss of grants and funding. Legal challenge and claims, and procurement challenges. Decisions being found to be invalid. Delays to projects whilst legal challenges and failures to follow governance processes are concluded and addressed.	Emma Jackman
00009	Chief Executive - Political and Partnership landscape - Uncertainty about the future political landscape at both a national, regional and local level as Local Government Reorganisation and Devolution are progressed. The new Government devolution agenda, the universal requirement to create Mayoral Strategic Authorities and the introduction of unitary councils may lead to increased uncertainty, significant additional work to shape new governance, a challenge to partnership and relationship management, dilution of budgetary control, and the assumption of significant new service responsibilities.	The potential loss of focus on city-level inclusive growth and community identity. Distraction from BAU work, increased budgetary risk, and negative impact on partnership working.	Caroline Green
00011	Communities & Citizen Services - There is increased demand for services provided by the Council, particularly Customer Services, Council Tax and Benefits. Several factors are driving the growing demand for services, including the persistent high cost of living, high costs of accommodation reducing disposable income and driving debt. This is compounded by rising health inequalities, an ageing population, significant deprivation in certain areas of the city, and the increasing complexity of the challenges residents face. These issues are further exacerbated when the Council fails to fully leverage technology, when residents are unable to access digital services due to digital poverty, and when partner organizations reduce or eliminate preventative services.	The increasing pressure on services and staff, can lead to lower staff morale and a failure to meet statutory obligations. As a result, the Council's reputation may suffer as customer expectations go unmet, and relationships with delivery partners may become strained. Delivering services within budgets and achieving savings targets will become more challenging.	Helen Bishop

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3	3	9	

00097	Community Safety - Flood - The Council's ability to respond to a serious flooding incident would be jeopardised if there was an inadequate response due to the inexperience of leaders, or dependence on individuals who become unavailable, and are a single point of failure. Budgets could mean that there are insufficient resources of people and materials to deal with the needs of the affected people, including preparing for the event before it happens. Communication failures within the Council and between partner organisations lead to inadequate coordination in the response.	If the Council does not effectively manage the risk of flood, there will be disruption to the lives of residents, damage to homes, damage to business premises, and the loss of trade and profitability. The Council will fail to comply with its Category 1 responder duties as set out in the Civil Contingencies Act 2004. Vulnerable people will be affected, strain will be placed on emergency services and Council services, with greater demands on staff. The reputation of the city as a great place to visit will suffer. There might be political difficulties arising out of disagreements about accountability for the response, including budget and use of resources.	Tom Hook
00098	Community Safety - Adverse weather, terrorism and utility outage. The Council's ability to respond to an emergency incident would be jeopardised if there was an inadequate response due to inexperience of leaders, or dependence on individuals who become unavailable, and are a single point of failure. Budgets could mean that there are insufficient resources of people and materials to deal with the needs of the affected residents, including preparing for the event before it happens. Communication failures within the Council and between partner organisations lead to inadequate coordination in the response.	If the Council does not effectively manage the risk of flood, there will be disruption to the lives of residents, damage to homes, damage to business premises, and the loss of trade and profitability. The Council will fail to comply with its Category 1 responder duties as set out in the Civil Contingencies Act 2004. Vulnerable people will be affected, strain will be placed on emergency services and Council services, with greater demands on staff. The reputation of the city as a great place to visit will suffer. There might be political difficulties arising out of disagreements about accountability for the response, including budget and use of resources.	Tom Hook

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00099	Economy, Regeneration & Sustainability - A utilities infrastructure that does not meet the needs of the city. Without further investment and partnership working the city's utility infrastructure will come under increasing strain and have an adverse impact on the wellbeing of citizens and the prosperity of the city. The city's utility infrastructure is struggling because the city's population has been growing, with a corresponding rise in demand for housing and new commercial developments, whilst at the same time there has been historic under investment meaning that aging systems are not designed for today's demand. Lack of capacity of both energy and sewage treatment supply have been identified by developers as risks to growth in both the short and long term.	A lack of utilities infrastructure can lead to restrictive conditions on planning, preventing occupation of residential and commercial properties which will put development at risk, as has been seen with the concerns around the capacity of the sewage treatment works. A lack of energy supply may mean that new developments do not receive the level of supply needed to enable occupation. New housing and commercial developments may not receive planning permission or become stalled or be scaled back. Businesses may be unable to expand and take on new premises resulting in lost employment opportunities and reduced profitability. The green agenda may be harmed as new infrastructure can not be connected. Old sewage systems may not be able to cope with high rainfall events resulting in more flooding. Under pressure aging systems may fail leading to complaints and a reduction in the perception that Oxford is a great place to live and work.	Clive Tritton
00100	ICT - Cyber security and IT infrastructure resilience. Failure to prevent and respond to cyber attacks and ensure that the IT infrastructure is fit for purpose and adaptable to future needs. Threats are human error and deliberate targeting, because the Council is a high profile organisation with financial information. Other potential causes are exposure through third-party partners, an inability to invest in security improvements, a lack of skilled staff and recruitment challenges, inadequate funding and prioritisation of IT infrastructure. Complexity of infrastructure and connectivity issues. Readiness and capacity for change.	Inability to provide key public services, financial losses, fines and reputational damage. Staff wellbeing and morale impacted. Reduced productivity and operational inefficiencies. Increased IT inequality, limited service accessibility. Failure to deliver savings and modernisation.	Rocco Labellarte
00102	Economy, Regeneration & Sustainability - Addressing the causes and impacts of climate change. If the Council does not prioritise addressing the drivers of climate change and reducing its effects, both residents and the environment will suffer detrimental harm. Causes are limited funding that is insufficient to invest in infrastructure, resources and technology, conflicting priorities that divert resources and slow delivery, changes in government policy that can create uncertainty and a staff skills gap to manage projects and work with partners.	Carbon emissions fail to meet the required targets. Detrimental impact on biodiversity. An escalation in heat, flooding and storms resulting in increasing damage to infrastructure, homes and business. Increased energy costs. Increased deaths and reduced health and wellbeing for the population. These consequences have a financial impact and damage the reputation of the Council.	Clive Tritton

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00104	Chief Executive - The workforce and public are healthy and safe. If the Council fails to effectively manage health and safety, both employees and the public could be at risk of harm, leading to injury, illness, death, financial loss and regulatory intervention. Causes include insufficient resources and funding that can limit investment in equipment, technology and systems, weak enforcement of policies, a lack of regular and comprehensive training, which leads to a lack of knowledge and skills, and turnover of staff impacting continuity. Other causes are employees and managers not being fully aware of their responsibilities, a workplace culture where there are not shared values and behaviours, and where health and safety is not embedded, with safety being part of every decision and task.	Injury, ill health or death of employees or members of the public. Increased sickness absence of staff . Interrupted service delivery including to vulnerable people. Criminal prosecution of the Council and/or staff by enforcement bodies such as the HSE and the Police. Sanctions including fines, imprisonment and disqualification from office. Responding appropriately to Investigations will take considerable time and resources. Increased budgetary pressures from liability claims and premiums. Increased costs from fines, legal costs and damage to equipment and premises. Media scrutiny and reputational damage.	Caroline Green
00105	Housing - A failure to deliver housing priorities and business plans. If the council, as the local housing authority, fails to deliver its housing prevention priorities for homelessness and fails to deliver its HRA business plan and Asset Strategy priorities, then its ability to rebalance HRA financial pressures will be reduced. Service delivery failure, the cost of living crisis and other external factors (most outside of the Council's control), mean homeless prevention activities become unable to meet a sustained increase in homelessness in Oxford and HRA business/asset management activities cost more than forecast.	Reputational Impact - If the Council fails to meet its homelessness duties and landlord obligations, it could severely impact its preparedness for Social Housing Regulator inspection. Financial Impact - The Council is unable to effectively manage Temporary Accommodation demand and supply in the General Fund and its ability to secure value for money for the HRA. Legal Impact - The Council's inability to fulfil its duty to develop and set out its housing homelessness prevention strategy and HRA business plan priorities. Overall Impact: This risk, if realised, would be a systemic risk to the Council's statutory obligations and would lead to negative financial implications.	Nerys Parry

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3	4	12	

00106	Housing - A failure to deliver Temporary Accommodation strategies to meet demand/increases in homelessness. The Council does not/cannot effectively meet or implement the mitigation priorities for controlling temporary accommodation costs, nor the contingency measures required to address the growing demand for homelessness prevention. Additionally, it falls short in ensuring the adequate supply of housing through the private rented sector and the Council's housing development programme. This might be caused by service demand and supply failure, the cost of living crisis and other external factors (most outside of the Council's control e.g. changes in Government Policy, increased interest rates, a higher demand for housing etc) mean homeless prevention activities are unable to stop enough households from becoming homeless and requiring temporary accommodation. OCC is unable to move on enough homeless households from Temporary Accommodation to suitable housing, due to not enough new, or existing social housing becoming available and a shortage of affordable private rented sector homes.	Reputational Impact - The Council fails to meet its homelessness housing duties due to its inability to secure sufficient PRS supply and the delayed delivery of its housing supply targets. Financial Impact - 1) Increasing financial pressures on the General Fund due to increasing placements in temporary accommodation and costs. 2) Government changes to metrics and formulas within the Homelessness Prevention Grant are expected later in the year. This could impact OCC's allocation going forward Legal Impact - Council's inability to fulfil its legal requirement to ensure accommodation offered to discharge its housing duties is affordable and suitable, and as a result, may see an increase in reviews and legal action being taken against the council. Overall Impact - Is limited due to the internal control measures that have been adopted. However, an increase in homelessness due to economic or legislative changes could put this service under strain and lead to a heightened risk level than is currently envisaged under the current regulatory and economic circumstances	Nerys Parry

00107	Housing - Failure to meet Social Housing (Regulation) Act customer/consumer standards. The Council, in its role as a landlord, fails to fully meet the Social Housing (Regulation) Act customer standards, particularly the Safety and Quality Consumer standard. A failure could lead to a major incident jeopardising tenant safety, resulting in sanctions, regulatory intervention, and significant reputational damage. This might be caused by a regulatory compliance failure, with OCC activities and processes failing to comply with consumer standards within the Social Housing (Regulation) Act.	Reputational Impact - Under the Social Housing (Regulation) Act, there are greater powers to "name and shame" underperforming local housing authorities and to issue unlimited fines to landlords, following inspection. Financial Impact - Increased financial pressures on the HRA as a result of its inability to secure value for money through the commissioning of works and services. Legal Impact - Council's inability to fulfil its landlord housing duties - in particular those relating to tenant safety, providing tenants with a platform to raise concerns and failing to maintain properties to the required decent home standard. Overall Impact: This risk would have a knock-on impact on the efficacy of the HRA budget, with impacts on the reliability and standard of services to tenants	Nerys Parry

3515

4416

Ref	Risk Description	Consequence	Owner	Current Probability	Current Impact	Risk Score	Control description	Progress
00012	Economy, Regeneration & Sustainability - Increased costs and complexity in the delivery of the Council's domestic collection service and ODS commercial waste operations caused by statutory obligations in the waste and recycling system, funding mechanisms for domestic waste services and competition in commercial waste services.	If higher costs are not sufficiently matched with increased revenues to support the delivery of the new obligations, this may impact on the funding of other service areas, such as domestic waste collections, which are a statutory requirement. If the net income ODS derives from commercial waste operations reduces, this could also impact dividend payments to the Council, which underpin other service delivery.	Clive Tritton	3	4	12		
00012							Lobbying for new funding. The Council has received £1.98M of pEPR funding in 25/26 to focus on improving its residential recycling rates.	A Waste and Environmental Resources Partnership (WESP) working with Cherwell, West Oxfordshire and the County Council has been established. It has identified £Ms of potential savings via joint service provision (under LGR). The Oxfordshire Resources & Waste Partnership is modelling collection changes for all Oxon LAs to meet Simpler Recycling regs. A programme of projects focusing on residential recycling improvements has been set out by Oxford City Council for 2026-2028 utilising the pEPR funding
00014	Chief Executive - Partnership working - The devolution governance debate disrupts partnership working with County and District Councils that are pursuing different options for Unitary Government.	Negative impacts on services and projects delivered in partnership with County and partners.	Mish Tullar	3	3	9		
00014							Collaborative working and data sharing agreements are in place among Oxfordshire Councils - re LGR. Similar agreements also in place with Oxfordshire, Berkshire and Swindon Councils for devolution.	2025 data sharing agreement on LGR is being updated against GDPR requirements
00014							Maintain BAU partnership working within Oxon system alongside LGR process	No negative impacts on partnership working more generally across the Oxfordshire system.
00014							Joint working with Ox-Cam Growth Corridor and Oxford Growth Commission	Oxford Growth Commission, which involves both Council Leader and CEO, is already having a significant positive impact. Positive progress with Cowley Branch Line.
00015	Property Assets - Staff recruitment and retention. An inability to recruit and/or retain staff on proposed terms and conditions in Property Services, especially those with technical and specialist skills.This is because the terms and conditions of employment are not sufficiently attractive to attract permanent staff. Most other Councils are trying to attract similar staff from a small pool of available candidates.	The skills and capacity are not available to deliver the required works and statutory requirements	Malcolm PEEK	3	4	12		
00015							Short term the option is being explored to look at a different way of holding resource with a commissioning model as well as direct delivery by in-house staff. Backfill with temporary staff and contractors where necessary. Use market supplements as necessary. Restructure and recruitment campaign for permanent positions post splitting GF and HRA	70%
00015							Ongoing monitoring of skill needs aligned to changes in legislation. Flexibility in recruitment - use of agency workers and head hunters etc.	Ongoing
00016	Planning & Regulation - Service Failure. A major service failure due to a significant loss of ICT, staff etc.	A reduction in staff or premises availability means a reduced service to customers and or a backlog of work to be cleared.	David Butler	3	3	9		
00016							A single Business Continuity plan is in place. The business plan work is ongoing as part of the service plan. Loss of staff has been managed in a sustainable manner. Uniform system has recently been migrated to the cloud	85%
00017	Planning & Regulation - Regulation of the Private Rented Sector. Opportunity to embed HMO licensing across the City and to regulate the private rented sector. Failure might be caused by systems failure/poor delivery of service; inadequate engagement or non-compliance with regulation/legislation.	Damage to Council reputation and potentially finances; risks to occupiers and neighbours	David Butler	2	2	4		
00017							Ensure that the HMO Business Plan is robust and up to date	100%

00018	Financial Services - Reputation Management. A failure to deliver an efficient and timely year end process for annual Council Tax and NDR bills, rents, garage and leaseholder statements. This might be caused by a lack of resources (staff/finance) Upgrades of software not carried out Single points of failure CTR will be administered through Revenues not Benefits Knowledge of requirements Ability to design templates Legislative requirements not addressed	The biggest risk to the Council is reputational. If the bills and notices are not delivered on time the Council cannot collect income due to it and would suffer reputational damage as a consequence. This risk is low until the process starts again in October	Laura Bessell	144		
00018					Commence the move to the cloud based Cvica OPEN Revenues system in September 2025 and undertake testing for annual billing on the new system. Go live for new system is 6 March 2026. There is a need to ensure that the on premises open revenue system is retained until annual billing is complete.	Migration has commenced and movement of the Civica OPEN Revenues system to Civica Cloud is currently in test phase. We are on target for migration to be concluded by 6 March,
00020	Planning & Regulation - Unplanned workload leading to a reactive response and delay or omission of proactive work. This might be caused by complaints, added to the complexities of existing work, and unplanned corporate or external work demands.	Delay or omission of programmed work, impacts the quality of work if it is rushed or not checked. Reduction in the quality of service to customers	David Butler	236		
00020					Improved communications about role and priorities to temper expectations	85%
00020					Review with line manager over priorities (saying no or re prioritise)	85%
00020					Ensure time allowed for such work in performance agreements. Reviewed through regular 1.2.1 meetings	95%
00021	Financial Services - ICT - There is a risk that OCC is not able to deliver required improvements to ICT systems in a timely and manageable manner and will not deliver ICT Systems that operate in a controlled and robust manner on a timely basis. This might be caused by the ICT workplan not being adhered to and being delayed; ineffectual system implementation, leading to delays and / or poor system design and implementation.	Increased inefficiencies in work flow leading to increased manual working and worsening collection rates; controls around the system not robust leading to an increased level of reconciliation or data control issues Project plans overlapping so that there is excessive work for staff over a shortened time period Non-compliance with contractual agreements and non-compliance with external standards such as PCN and PCI-DSS	Clare Paterson	3412		
00021					Active attendance at project board meetings, planning ahead for projects and being aware of interdependencies	Key systems are being moved to the cloud with regular upgrade cycles: QL migrated in November 2025, Open Revenues will be migrated in March 2026. Re-procured Agresso system under a transfer of licensing arrangement and support services with new supplier from 01/01/26 for a 1+1 year term. Risk and control reviewed with no significant change except extended due date.
00021					Involvement of key staff within Financial Services to identify any issues and feed back to the project team	Key systems are being moved to the cloud with regular upgrade cycles: QL migrated in November 2025, Open Revenues will be migrated in March 2026. Re-procured Agresso system under a transfer of licensing arrangement and support services with new supplier from 01/01/26 for a 1+1 year term. Risk and control reviewed with no significant change except extended due date.
00023	Property Assets - Income Generation - Income generation from the property portfolio is threatened, due to the Covid-19 backlog, which is almost cleared, market forces and cost of living issues. The portfolio is biased towards retail/food and beverage. The market is currently patchy, and there is a backlog of lease events, particularly on the estate shop portfolio.	Reduced rent leading to budget pressure	Emma Gubbins	339		
00023					Better monitoring system in place and AMS will aid profiling . Constant review of portfolio for regeneration opportunities. Estate shop strategy. Respond flexibility to market fluctuations and changes	Currently on target in Q3 but slippage likley at the back end of the MTFP
00024	Planning & Regulation - Project delays (service specific) - due to poor project management of projects such as the Local Plan, a major Development management case, and change projects.	Reduced performance, missed targets, and ultimately delay to the delivery of needed housing.	David Butler	236		
00024					Clarity of role of project manager in project initiation document	100%
00024					Regular reports to Board	100%
00024					Tight project management and good reporting from project manager	100%

00025	Property Assets - Income reduction due to the condition of properties. This can result in an inability / delay in letting or increased incentives being required. This can be caused by stock being returned in poor condition or increased forfeiture. Failure of the landlord repairing liabilities.	Reduced or delayed rent or capital receipts leading to budget pressure	Malcolm PEEK	3	3	9		
00025							Stock condition surveys, AMS, understanding lease obligations, a regular and improved inspection regime, and a Void property process. Interim delay's schedules where appropriate.	Ongoing
00025							Asset management system. Regular vacant unit meetings and regular inspections. Condition surveys and budget. Implementing timely repairs as required.	Ongoing
00026	Financial Services - Failure to recruit and retain key staff. There is an insufficient pool of high-quality applicants to current vacancies, and key staff might leave for better opportunities elsewhere. This might be caused by current pay scales not being attractive, or the reputation of the Council not attracting new recruits; Local Government Reorganisation adds too much uncertainty for potential recruits.	Vacant posts remain vacant, and existing posts become vacant. Further pressure is put onto remaining staff to fulfil extra tasks.	Nigel Kennedy	2	4	8		
00026							Development of staff internally, providing development opportunities to existing staff, and providing suitable training to all	Responding to staff survey.
00026							Ensure Team Leaders and Managers communicate with staff on a regular basis in the current remote working set-up	Ensuring 1:1s take place. Appropriate training. Monitoring by Financial Services Management Team
00026							For recruitment to all vacancies, review the job content, specification and pay, exploring different markets to advertise	80%
00027	Planning & Regulation - External Delays - Delays to Council projects caused by outside agencies such as the County Council, Consultees, national and regional government and other agencies	Reduced performance and missed targets	David Butler	3	3	9		
00027							High level intervention if necessary. Greater collaboration is in place on key projects and a proactive approach to intervention/communications	85%
00027							Monitoring of applications/ processes/programmed projects in hand and delays	85%
00028	Property Assets - Property non-compliance. Assets becoming non-compliant, resulting in Health & Safety failure. (This includes trees, green spaces etc). This might be caused by a lack of monitoring and management.	Risk of hazard to people or property, unable to let properties so reduced income. Risk to the reputation of the council and action against the council and officers. Increased insurance costs.	Malcolm PEEK	2	4	8		
00028							Additional recruitment of team members and development plan in place to review all areas of building related items	Complete team was in place - HRA restructure may dislodge full team
00028							New AMS module - ongoing review of compliance data and processes	AMS in train - check effects of LGR
00028							Monthly reporting and monitoring of compliance. Asset management system and staff recruitment. Contractor management process.	Contractor companies management processes currently being prepared.
00030	Financial Services - Treasury Management - Safety of investments could be threatened by the current economic climate and prolonged volatility in financial markets and banks and other investment institutions not being robust enough to survive future economic changes. Key staff changing at firms causes uncertainty in the market	Loss of principal investments placed	Bill Lewis	2	5	10		
00030							Ensure a robust process of monitoring counterparty changes is carried out	100%
00030							Ensure that the Treasury Management Strategy is robust and reduces the risk of principal investments being put at risk	100%
00030							Financial provision set aside for movement in property fund price	100%
00030							Management information provided to the Group Finance Director on a monthly basis	100%
00030							The investment policy and counterparty list ensures all our investments have a financial limit and have a maximum investment period per counterparty	100%

00031	Communities & Citizen Services - Service standards and quality of provision. The Council service not delivering quality services because of a lack of resources and employee deployment, fragile procedures, processes and delivery mechanisms and because internal and external monitoring and auditing principles might not be robust	Failure to achieve industry recognised accreditation (i.e. Quest, Green Flag, ISO). Increased costs. Corporate and service objectives fail to be delivered. Reputational damage. Reduced ability to draw down external funding	Hagan Lewisman	236		
00031					Monitor through service delivery, quality assurance and stakeholder meetings	Stakeholder meeting in place. The next is planned for February 2026
00031					Timely action through systematic methodology, procedures and internal and external audits	Internal audit delivered in January 2026, awaiting report
00031					Workforce planning and employee development and training regimes	New staff being inducted at East Oxford Community centre
00032	Planning & Regulation - Income Targets - Non achievement of income targets caused by the impact of macro-economic issues leading to a falling number of planning applications, visitor spend etc	Not meet budget estimates, Deficit in corporate budget. Ultimately an impact on resources available to the council to provide services	David Butler	339		
00032					Review of Building Control service over 2018/19	100%
00032					Promoting services, raise fees and charges, secure planning performance agreements to achieve income and meet targets	100%
00033	Property Assets - Lack of an asset management system - No asset management system is in place to store and analyse data.	Unable to plan or programme work in a timely fashion, delays in letting of properties and potential non-compliance. Risk of decreased insurance cover or increased premium costs. Lack of active management of portfolio reduces performance.	Malcolm PEEK	4416		
00033					Implementation of an Asset Management system enabling programming of works arising from Stock condition survey. Enables compliance and works programmes	Team structure and systems improvements
00033					More efficient data management	System procurement in process.
00034	Law, Governance & Strategy - Resilience of service - A lack of resilience results in an inability to effectively deliver services required by the Council for critical projects and to support statutory and non-statutory functions with a direct impact on risk, compliance, expenditure and income to the Council. Inability to react as required in the event of a major incident, leading to more outsourcing or delays. This is caused by an inability to retain and recruit lawyers to permanent posts, leaving the service dependent on locum resources and therefore exceeding salary budget. Capacity and resource issues delaying restructure.	Reputational damage; adverse costs; greater reliance on external services and therefore increased costs. Ability to meet Council's own requirements prejudiced.	Emma Jackman	4416		
00034					Focused recruitment processes, reviewing posts which the Council struggles to recruit to and taking steps to address, and targeted use of locums.	A quicker route to market for locums has been agreed with Human Resources which has assisted in filling vacancies quicker. Salaries were reviewed across the teams in line with the corporate review. This has led to the successful appointment to a planning lawyer post following a recent recruitment however in that time neighbouring authorities have increased their pay offer in line with ours and have been successful in recruiting one of our staff to work for them. A review is being undertaken of legal services with a view to secure a structure that will further enable recruitment and move away from reliance on locums.
00034					Trainee Solicitor apprentice to be recruited to in the new structure once current postholders leave thier post	The current trainees have been succesful in their development and qualification and it is hoped to repeat this in a future recuritment.
00034					Succession plan in place to ensure continuity of service provision given potential retirements amongst senior staff	There is a need to ensure succession planning is undertaken in relation to Electoral Services however LGR will have an impact upon this and what that looks like.
00034					Level of service to be provided to Council companies agreed and monitored; demand managed and workloads monitored	Meetings held concerning the SLAs, with agreement on the princple regarding one of the companies SLA and an extension to allow for the consideration of the other company's SLA.
00034					Continuous professional development legal training programme maintained and team participation encouraged	Free training is utilised as much as possible and training budget used and supplemented by internally delivered training.

00034						Regular service and Directorate briefings. Meetings held. To be reinstated once capacity has been addressed in legal services, with only some occurring at present.	
00034						AEA Forum monitoring by senior colleagues around the country. Replies to queries is swift. AEA consultancy arm accessible.	
00034						Future review of Election Team in line with succession planning	With retirement likely from some key members of staff following the next election cycle, this will need to be picked up depending on developments with Local Government Reorganisation
00034						Undertake a legal structural services review	This is in progress and subject to the Council's overall budget
00034						Electoral Services has good relationships with neighbouring and country wide authorities to whom they could turn for advice. Contacts and numbers are on the board in the elections office and maintained in a central record	Ongoing
00034						Reviewing and monitoring the impact of Local Government Reorganisation work across the Strategy Team	Regular one to ones, on going review of workstreams and cross support in place from other teams in the directorate. There will be a need for additional resources within Legal Services to accommodate the work required and potentially Information Governance.
00034						Written procedures, shadowing and cross-skilling in Committee Services team to ensure that there is cross capacity in the team	Written procedures in progress, cross skilling and shadowing well developed. Catch up processes are in place for staff, very strong progress in ensuring cross working in the team
00035	Planning & Regulation - Government legislation, Democracy and Localism Bill - Substantial changes to the planning system caused by government legislation might require a redesign of processes. Relaxation of Change of Use and the Prior Approval regime being extended might impact the expectations of politicians and the local community, affecting resources and priorities.	Lack of capacity to meet changes coming from the government. Undermining of the delivery of local policy objectives (e.g. protection of key employment sites). Neighbourhood Plans put pressure on resources and/or seek to challenge the City Council	David Butler	4	4	16	
00035						Maintain responsiveness and plan for change. Make robust representations to Government where appropriate. Maintain a dialogue with groups wishing to bring forward Neighbourhood Plans.	100%
00036	Communities & Citizen Services - Insufficient revenue and capital for each proposed development, caused by the current economic climate/comprehensive spending review	Developments do not take place	Hagan Lewisman	2	3	6	
00036						Development board overview	East Oxford Community Centre soft launched on 25 Nov 2025
00036						Solid business case developed for each development	All completed
00036						Project Board overview	All completed
00037	Property Assets - Income Targets / high costs - Non achievement of Town Hall income targets because of the impact of economic circumstances or if delays in building maintenance causes a major disruption to business e.g. fire, major repairs.	Reduction in income and revenue	Malcolm PEEK	1	1	1	
00037						Implement sales & marketing plans including an on-going review of the product offered and quality of the facilities available for this	On target to achieve income targets
00037						Monthly finance review and forecasting, adjust business plan accordingly.	On target to achieve income
00037						Full review of town hall income and expenditure model.	On target to achieve income

00038	Planning & Regulation - Opposition to emerging statutory plans - Opposition to emerging statutory plans, and to planning applications and decisions leads to A) vocal and organised local opposition before decision; B) opposition at examination or committee stage; C) legal challenge after adoption or planning decision caused by the public, groups, organisations or political parties which object to policies in emerging documents and choose to use many and all avenues to express objection, including some outside normal procedures, and all drawing media attention. Opposition to planning applications at, pre- application, after validation. Committee and post-decision stages	Delay, extra costs, reputational risk, possibly amendments to policies.	David Butler	3	3	9		
00038							Raise quality of community engagement as far as possible within available resources to flush out and address community concerns at an early stage in the process	100%
00038							Communication strategy to be developed for all key projects/consultations/communications, particularly the Local Plan. Work collaboratively on objections raised & provide additional evidence.	100%
00040	Communities & Citizen Services - Budget and Income - Trading Income from event hire could be threatened because of changes to Broad Street, COVID-19, the cost of living impacting on the events sector and targeted campaigns against event organisers	Budgeted target not met	Paula Redway	3	2	6		
00040							Proactive advertising of the space and managing stakeholders	30%
00040							Create and communicate Outdoor Venue Guide	100%
00040							Fees & charges amended as part of the budget process	100%
00040							Recruited an Events Officer	90%
00040							Implement Corporate Debt policy	Not needed as the target has already been met. No longer necessary
00042	Communities & Citizen Services - A breach in H&S might lead to an incident/injury/fatality/or closure of a leisure facility and/or service disruption.This could be caused by a failure of health and safety management, and monitoring.	Risk of injury or death to persons. Reputational risk. Financial claims. Risk of facility closure or service disruption	Hagan Lewisman	2	4	8		
00042							Health and Safety procedures and risk assessments are being implemented for East Oxford Community Centre	
00042							Monitoring through both internal and external audits and regular governance meetings	Internal audit delivered in January 2026, awaiting report
00042							Lead Officer with experience, knowledge and understanding of compliance. Monitor through service delivery meetings. Performance and pay mechanisms for the leisure provider. Timely action through systematic methodology and procedures. Review ODS governance.	Regular client audits in place
00045	Communities & Citizen Services - Loss of key staff members - A prolonged absence or badly planned leave may result in the service area not delivering on its objectives because the staffing structure is quite tight, meaning that there can be resource issues	Non delivery of service objectives	Helen Bishop	3	3	9		
00045							Regular governance and team meetings effective attendance management	Quarterly absence management meetings at a case level.
00045							Monitor through service delivery meetings	Programme delivery monitored monthly via Org Change and Communities Board. Regular one to ones and service delivery meetings.
00046	Law, Governance & Strategy - External Legal Resources - The use of the budget is reactive and therefore, as unexpected corporate issues arise, external legal costs increase, which will lead to an overspend on the legal services budget, and potentially pressure on other service area budgets as they may need to fund work. There is unpredictability of costs which may arise. This is due to the increased demand in client departments for legal support. Capacity issues continue, which has an impact on external legal advice requirements. There is an inability to use the usual procurement route of the EM Lawshare Framework, resulting in the need to use higher priced frameworks as an alternative.	Budgetary pressure	Emma Griffiths	4	3	12		

00046					Identification and use of framework arrangement enables more robust budgeting	A framework for the call off of legal services with costs certainty has been identified and is in use.
00046					Close liaison with internal clients to secure appropriate budget for projects requiring external legal services	Capital fees are proposed to be increased in line with costs recovery calculations. There are developments due to the Legal case management system which will enable better analysis of costs of providing support to the Council's revenue and HRA funded work.
00046					Use of external legal advisors limited & controlled (prior approval of Head of Service/Legal Services Manager required); presumption - internal legal team to be relied upon unless no expertise/resource	This has been very tightly controlled within legal services and, in addition, there has been reallocation of spend against budgets such as capital and the HRA where there are specific budgets for the work. This will continue but relies upon staffing in legal being sufficient.
00046					Active management of budget and issues of concern flagged at budget monitoring meetings	At present there are budget pressures in legal services due to inability to recruit and retain staff and insufficient resources to meet demand, resulting in a reliance on locums. To the extent possible this will be addressed in the restrucure. In addition there is no finalised budget for Policy & Strategy following the Senior Manager restructure.
00047	Communities & Citizen Services - Insufficient resource and market demand to deliver the financial plan - A stringent focus is on this work, although the macro environment continues to increase the challenges. There is a risk of there not being enough resource (staff time), and/or market demand to deliver the level required. Not enough staff time/insufficient demand for additional activities	Reduced delivery of efficiencies	Helen Bishop	3	3	9
00047					Regular governance and team meetings effective attendance management	Monthly budget moniotring to ensure on track with budget predictions. Weekly review of KPIs in Customer Contact, monthly programme monitoring and regular service delivery meetings.
00047					Undertake feasibility works and monitor through SPM	90%
00048	Planning & Regulation - Public Health Protection - Threats to public health eg., from food borne communicable disease caused by a failure to adequately control or respond to outbreaks	Uncontrolled spread of diseases; illness and possible deaths; damage to Council reputation.	David Butler	3	3	9
00048					Competent and experienced specialist staff; effective links with Public Health & the UKHSA; protocols for outbreak and control.	90%
00051	Financial Services - Budget Management - Inability to forecast outturn effectively due to limited or incorrect information. There are significant efficiency savings and service reductions as a result of the budget process, and these may be difficult to deliver, or to understand if they will be delivered, in a timely manner.	Increased use of reserve balances or further reductions to be identified	Clare Paterson	2	3	6
00051					Regular capital and revenue forecast updates better enables the Council to stay on track and within budget	Forecast outturn updates are part of the monthly monitoring by service area for capital and revenue.
00051					Robust challenges by Management Accounting Team during the budget monitoring process	Risk and control reviewed with no significant change. Monthly monitoring, reporting and engagement with service areas continues, highlighting variances and actions required to address.
00052	Communities & Citizen Services - Safeguarding - Insufficient safeguarding of vulnerable groups, including children caused by poor training of staff and recognition of safeguarding principals. Poor monitoring and compliance regimes	Risk to Council reputation. Risk of an allegation. Risk to public safety	Hagan Lewisman	2	4	8
00052					Staff training	95%
00052					Business as usual	Standard agenda item on meetings and 1 to 1's
00052					Effective training, induction and team meetings in place	90%
00052					Lead Officer with experience, knowledge and understanding of compliance requirements.	100%
00052					Relevant and timely processing of criminal record checks	100%
00052					Timely action and monitoring through systematic methodology and procedures	100%
00053	Law, Governance & Strategy - ICT - System failure without cloud based systems will significantly impact on the Council being able to meet staturoty obligations and will impact on the delivery of corporate prioroties and decision making. Risks come from unauthorised access from outside actors, ICT issues such as server failure, and failure of third party systems and devices	Failure to meet statutory obligations, inability to take decisions and protect the interests of the Council	Emma Jackman	3	3	9

00053						Electoral Services are developing contingency plans in the event of ICT failures	This worked to a degree during the recent cyber event, however it has become clear that a plan for being cut off from government systems and documented process for reconnecting is needed. In addition there needs to be a more robust data cleansing carried out of data held historically
00053						Committee Services have contingency plans in place for ICT failures	These were tested and worked during the recent cyber issue, one thing that was identified is the need for access to old minutes, with readily accessible templates outside of the system should Mod.gov go down and also should there be no ability to print
00053						Legal Services have contingency plans in place for ICT failure	Iken is cloud based which means it is more robust in terms of access however printing does need to be considered and alternatives to email in the event of a total ICT failure, including access to postage
00053						Strategy & Policy have contingency plans in place for ICT failure	
00053						Moving to cloud based solutions for each of the ICT systems – Elections, legal services and Information Governance are now cloud based. Committee Services will be done in the coming financial year.	All service specific systems are now cloud based.
00053						Encouraging regular attendance at ICT sessions when rolled out such as One Drive, Sharepoint etc	Attended as arise - some of the service is yet to migrate to sharepoint therefore this will be done as they are migrated
00054	Financial Services - Corporate Fraud - Suppliers set up on the payment system or requests to change bank account details, that are not genuine. Third parties attempt to defraud the council.	Payments being misappropriated, loss of public monies	Annette Osborne	2	3	6	
00054						All new suppliers are fully checked and vetted	100%
00054						Bank details are checked by an online checking system	100%
00054						Monthly exception reporting of any changes made	100%
00055	Law, Governance & Strategy - Legal Income - Income target not achieved placing pressure on the overall budget of legal services leading to overspend because of an inability to manage or control the demand for work, which generates income	Budgetary Pressure	Emma Jackman	4	4	16	
00055						Mapping and review of work coming from clients who generate income, for example Planning, Fraud, Regulatory functions and capital projects	Ongoing
00055						Proper time reocrding in the Legal Services team is being implemented, with a full review of the process and system used. This includes a review of capital projects in the corporate list vs those we have in legal to ensure we are capturing all capital. This is monitored and reported upon monthly	In progress
00055						Active management of budget & issues of concern flagged at budget monitoring meetings on a monthly basis	Ongoing
00055						Looking at base budgets and undertaking a review of "under the line" funding vs demand, as budgets are based on capacity and demand approximately 15 years ago	This has been done with regards to HRA property based work, but needs to be undertaken across the board and within the HRA for development based work and litigation. This needs input from finance, which is not possible due to capacity at present
00055						Regular review of the suspense account for unallocated payments	This will be raised with finance and looked at on a monthly / quarterly basis as thier capacity dictates
00055						Keep fees and charges under review to ensure in line with other Councils and cost recovery – annually	Reviewed each year at budget setting
00056	Financial Services - Management effectiveness and employee ability to deliver services - Excessive pressure placed on staff and managers due to increased workloads and increased volumes of emails and online meetings in addition to increasing demands arising from the "day job"	Staff burnout; increased incidence of stress; lack of capacity to deliver work demands	Nigel Kennedy	3	4	12	
00056						Manage corporate expectation of timescales and delivery	Ongoing process
00056						Prioritise and manage performance and workloads to ensure that the work is manageable and identify early problems	Ongoing process
00056						Staff away day sessions and staff interaction	Ongoing
00056						Team meetings and fortnightly one to ones.	Ongoing

00057	Communities & Citizen Services - Complaints Handling - Failure of the corporate complaints process resulting in Ombudsman intervention caused by a reliance on a limited number of officers	Reputational risk. Additional complaints and/or ombudsmen intervention.	Helen Bishop	4	3	12		
00057							Alternative officers identified.	Additional resources identified to support reduction of backlog, approach to clearance agreed and progress is being made. Report to CLT planned for March 2026
00058	Financial Services - Health & Safety - Staff are subject to volatile situations in the course of their duties and possible harm because robust and challenging conversations are held with subjects of investigation during interviews and visits, leading to an escalation of tension and possible physical assault.	Staff subject to harm and subsequent short or long-term sickness, reduced resources.	swarner2@oxford.gov.uk	2	2	4		
00058							All customer-facing staff are trained in conflict resolution and comply with team processes on ensuring personal safety, including use of personal attack alarms, smartphone location app, lone worker devices, providing whereabouts information in advance of visits taking place. Body Worn Video devices are also now being used by officers. Sometimes whatsapp live location is also used. Monthly monitoring at staff meetings.	These controls are in place
00059	Communities & Citizen Services - Community Cohesion Erodes - The risk that social and community cohesion will be negatively affected, detracting from the Council's aims to encourage strong and active communities. This risk has been impacted by Britain's exit from the EU, shifts in national politics, and subsequent shifts in society's perceptions.	1. Uncertainty and instability in the political climate lead to social and political polarisation. This in turn could lead to political fallout/shifts in management and risk of the council developing a bad reputation 2. Political instability means social instability/unrest, leading to higher rates of hate crime. Deepening cleavages in society divide communities, with settled communities feeling neglected by local authorities in favour of new/emerging communities - diversity is seen as a threat for some. 3. Social unrest can have negative effects on health, which carries the risk of widening existing health inequalities across the city.	Helen Bishop	3	3	9		
00059							Encourage dialogue between communities (existing and new / emerging) through development of existing and potential community and health & wellbeing partnerships with clear area priorities. Re-energise and maintain clear communication and community / stakeholder engagement strategies. Consider how strategy matches public perceptions / political agenda and refresh council values to reflect these.	Development of Locality plans using up to date insight to show need. Sharing plans with local members and partners. Working with community groups to support delivery of planning engagement, supporting economic development and giving practical support to residents and communities too through household support fund etc- to alleviate the impact of the cost of living crisis. Supporting local boards, eg Interfaith Forum.
00060	Financial Services - Budget and Income - Failure to deliver profiled trading income caused by the reduced appetites of external clients and partners to spend on counter-fraud services, cost of living crisis, dwindling council finances, politics or competing priorities	Trading income targets not achieved, medium term financial plan compromised, budgetary overspend.	swarner2@oxford.gov.uk	1	2	2		
00060							Mitigated through enhanced business development activity, exhibiting at relevant conferences and delivery of the Oxford Annual Fraud Conference in the Town Hall. Business Plan and Marketing Strategy in place.	These risk controls are in place
00061	Financial Services - Performance - Failure to achieve service plan targets and objectives due to unplanned staff absence or turnover including sickness. Some fixed term contracts in the team increases the risk of staff looking for alternative roles with other organisations.	Targets not achieved, trading income compromised, inability to service external contractual commitments	swarner2@oxford.gov.uk	1	1	1		
00061							Resilience contract in place with Reigate and Banstead Council for assistance when needed. Use of master vend recruitment agency where required.	Risk controls are in place
00062	Law, Governance & Strategy - Budgetary issue - An increase in the cost of postage by Royal Mail causing budget pressures.	Pressure on budgets beyond what is funded	Martin John	3	3	9		
00062							A further price increase from Royal Mail places additional strain on the elections budget in future years. This is 10% and therefore will be monitored this year and if required a budget bid will be submitted.	Completed

00064	Law, Governance & Strategy - FOIA and DPA compliance - Failure to comply with statutory deadlines for information requests and Data Subject Access requests. Failure to properly manage personal data. Failure of other council departments and officers to contribute and approve in timescales required.	Reputation risk, ICO action could result.	Emma Jackman	3	3	9		
00064							The new management system is in place with reports to senior officers once a week on new and outstanding FOIAs. KPIs are reported on monthly.	This will need to be reviewed in 2027 with the retendering of the system
00064							Corporate training (compulsory) to be pushed to ensure that the council has maximum take up	This is contingent on a new corporate training system which is in the process of being procured. In the mean time monitoring of take up of training is not accurate but mandatory training remains in place. CLT are aware of this issue
00064							Undertake departmental audits of data retention and tie in with migration to One Drive and SharePoint	This has been undertaken and work was substantially complete however due to the cyber incident there is a need to revisit it and also the internal audit, which will be considered in July. Once all completed it needs to be reported back to CLT and since the cyber incident there is a need to deep dive in to some areas.
00064							Review of all DPA documentation and registers has been undertaken and new ones will be finalised, for annual review thereafter, in the coming financial year.	This has been done but due to issues identified in the cyber incident it needs to be revisited - there will be a knock on impact on other areas of programmed work in the team. It will in any case be repeated annually and reported to CLT. There is a need to ensure a review is undertaken of some areas. This is a priority subsequent to the recent cyber issue
00065	Law, Governance & Strategy - Data Protection - A data protection breach and non-compliance with data protection law. A failure of the organisation to adhere to data protection law would cause capacity and work implications issues for the team. This could be caused by outside actors having unauthorised access to data and/or a failure of the Council's departments and suppliers to properly safeguard data	Increased workload on a small team. The organisation could suffer reputational damage and/or have fines levied against it by the ICO. Reputational risk for the service and Council. Financial penalties for the Council and employees. Potential litigation against the Council with damages and adverse costs	Emma Jackman	4	5	20		
00065							Review incoming potential changes under the Data (Use and Access) Act 2025 and amend practices and processes as necessary	We will map the progress of its implementation and coming in force following royal assent on 19 June 2025, and report to CLT on any changes required
00065							Embed actions following the internal audit review of data protection in 2025 and review in light of recent cyber issues	Staff training development is in progress and will be implemented with the new e-learning system however all other actions have been completed from the report .
00065							Prepare and regularly review guidance; policies and procedures	In progress
00065							Provide data protection and legal support as required to the organisation	In progress
00065							Ensure that the Legal and Governance service complies with corporate policies and guidelines on data protection and ICT security	Ongoing
00065							Review and set corporate training requirements in line with audit recommendations	This will be done once the HR system has been procured with regular compulsory refresher training
00065							Properly respond to data subject access requests	In progress
00065							Ensure through advising and monitoring on an annual basis that departments are properly and regularly cleansing data within them to assist with compliance with data retention schedules	This will be picked up in regular reviews of the retention and data protection audits conducted this year
00066	Communities & Citizen Services - Sponsorship - Failure to achieve sponsorship income targets due to the business climate	Difficult to sustain city events and cultural activity on an annual basis.	Paula Redway	3	2	6		
00066							Seek additional resource to focus on this	25%
00066						0	Working with cultural partners to bring in more income (e.g. Christmas Light Festival). Proactive marketing of sponsorship opportunities along with stakeholder management, mini-team restructure to increase capacity for this from 1 April 2026	Ongoing
00066							All members of the team engage in sponsorship - £4K has been raised recently for the Festive lighting in Gloucester Green over a 3 year period.	100%
00066							Target met for this year	100%
00066							Following up on leads from recent campaign	In progress
00067	Financial Services - Procurement - If there is a failure to follow best procurement practice, then there is an increased risk of challenge. The reputation of the Council will suffer, and there may be financial loss because of challenges and re-running procurements, as well as delays in delivering priorities.	Reputation of Council. Financial penalty. Poor decision-making and financial loss due to potentially awarding a contract to the wrong supplier. Potential delays in achieving organisational objectives as a result of the challenge, and if the decision is set aside	Annette Osborne	3	4	12		
00067							Clear and unambiguous best practice guidance and templates readily available, providing an advisory service for procurements at all values	100%

00067					Development and monitoring of a forward plan to identify potential high risk areas (early intervention)	100%
00067					Evaluation panels include a cross selection of officers and professional staff, proportionate to the value and risk of the contract being tendered	100%
00067					Providing up to date and relevant training to commissioners	100%
00067					Regular monitoring of spend and contracts that need to be re tendered and are not allowed to be rolled on	100%
00067					Procurement lead on all above threshold procurements	100%
00067					The business partner team is fully staffed following recruitment	Recruitments made in June 2025
00067					Develop succession planning to prepare for gaps created if employee turnover increases and recruitment proves even more challenging because of the uncertainty from LGR. Support employees in preparing for future change and potential selection processes.	Work on succession planning being planned and support for employees to follow in 2026.
00068	People - Corporate Management - Managers are not equipped to meet the changing needs of the organisation. Development of Fit for the Future Programme gives new accountabilities and responsibilities for leaders	If not addressed, service improvements and efficiencies might not be delivered	Gail Malkin	2	2	4
00068					People strategy and plan to support organisational effectiveness.	Ongoing
00068					HR Support and Business Partners review processes to support the organisation and deliver a revised service supported by an SLA	100%
00068					Leadership development programme	100%
00068					Review key policies and deliver relevant training	100%
00069	People - Resources insufficient to meet the growing demands of the service. The work demands over which the team has no control, such as new starters, pension queries, employee turnover and increasing numbers of payroll transactions, is putting additional pressure on the operational work of the team. Additional temporary resource is coming to an end without efficiency savings having been met, partly due to the ASM platform not leading to time savings.	Service quality is dropping, and the team is reporting workload pressures and work-related stress. Will need to cut back on the service offered and extend service standard delivery times.	Gail Malkin	3	3	9
00069					Team has reviewed current people plan and identified some work that can pause or stop. LGR people plan currently being developed and a request for additional resources to support LGR has been submitted.	40%
00069					We have improved resource levels in the operations team and have moved some workflows to iTrent and away from ASM.	10%
00070	People - Loss of key talent - Reliance on individual contributors with no cover, because the team is small. Example - one recruitment consultant. If she left, the team would have a limited and reduced recruitment service until she was replaced	difficulty filling hard-to-recruit roles and longer time to recruit times more generally	Gail Malkin	3	3	9
00070					Looking at new option to split the work across two part time roles.	In progress
00070					Maintain People Team as a "great place to work" where individuals are respected, trusted, have meaningful work and are well supported.	90%. Ongoing team development and support, with positive and inclusive work environment being maintained.

00071	People - Data protection legal compliance - Historical poor administration practices and pressures of work have meant that data has not been managed in line with data retention schedules.	non-compliance with data protection law	Gail Malkin	3	2	6		
00071							Plan in place to tackle data cleansing of records including electronic and paper. Electronic complete. Still working on paper records held in basement and M Drive records. Progress is slow because of the volume and having to fit this in around other commitments.	80%. High work demand impeding progress.
00071							New data retention schedule in place.	Completed
00072	Communities & Citizen Services - Budget pressures in Customer Services, including the Customer Contact and Corporate Support teams has been caused by increased workload and changes not being delivered to improve services and reduce resource requirements. Insufficient funding for workforce.	Service savings not achieved	Helen Bishop	2	2	4		
00072							Tight establishment control in conjunction with Finance	Customer service restructure delivered and CSo savings made to meet budget targets. Other pressures have put pressure on performance. Ensuring swift recruitment following vacancies, staff training and reviewing approach to notice periods when staff successful in securing other roles in OCC.
00072							Corporate governance of CEX programme to include regular monitoring and escalation where appropriate	Oin progress
00074	Economy, Regeneration & Sustainability - Staff Recruitment - Difficulty in recruiting on proposed terms and conditions - often FTC roles in the service. Terms and conditions of employment are not sufficiently attractive to attract and retain staff	Required skills and capacity are not available to deliver required work programmes or staff turnover results in the loss of skills from the team.	Clive Tritton	2	2	4		
00074							Identify project resource requirements at the earliest stage so that recruitment can begin before projects or strategies are formally committed and don't need to be paused whilst resource is secured.	75%
							New priorities emerging from the Oxford Growth Commission are bringing forward new opportunities but these need additional resources and skills sets.	
00075	Economy, Regeneration & Sustainability - Managing staff capacity - There is little capacity in the team to allow cover for other team members if required. Internal and external projects and programmes are running to very similar timescales across economic development, City Centre, Green Transport, Housing Delivery and Regeneration.	Staff resources and work needs to be carefully prioritised to handle demand. Some programmes are outside our control, particularly in Green Transport and Economic Development. Difficultly to provide project cover if the regeneration manager or housing supply officer is off work or leaves at short notice.	Clive Tritton	3	3	9		
00075							Teams to implement team work plans or programme of projects and make sure it is updated and discussed at team meetings so service managers can monitor pressure points	80%
00075							Ensure all staff are using OneDrive or sharepoint for file storage and the file structure agreed for the team	100%
00075							Maintain links with wider services on staffing demand issues, utilise external funds, and recruitment agencies where needed	80%
00075							Business continuity plans to be reviewed. Ensure all project managers are keeping a risk and issues log up to date and these are reported to project boards. Move to sharepoint being used to ensure consistency of filing of key documents should a project need to be handed over.	80%
00077	Economy, Regeneration & Sustainability - Health & Safety - Poor health and safety compliance due to inconsistent levels of experience and training of project managers. Lack of corporate resource and training in health and safety protocols.	Health and safety incidents and non compliance during projects which may cause significant project delays, fines or legal action and more widely causes risk to staff.	Clive Tritton	3	3	9		
00077							Health and Safety Team & CDM team have developed a training standard for project managers and implemented it, with records being maintained.	
00077							Update and implement risk assessments for service teams	50%

00078	Economy, Regeneration & Sustainability - Support Team Capacity - Lack of specialist advice or delays to projects caused by support team capacity. Commitments to projects and resourcing of support services (procurement, legal, finance, communities, planning) have not been considered in tandem and therefore resourcing in support areas cannot meet requirements of capital projects	Project delays and potentially inaccurate information reported through the governance process due to a lack of specialist advice	Clive Tritton	3	3	9		
00078							Raise awareness early with support services on requirements during projects, but also need to build additional time into projects to reflect delays that occur	90%
00078							Ensure support services are liaised with at stage one in the project and that support requirements are discussed and agreed	90%
00079	Economy, Regeneration & Sustainability - Staff Budget - Lack of budget to maintain staffing levels across the service due to a failure to capitalise on the regeneration managers time and a lack of funding to maintain current levels for city centre management and economic development teams. The staff budget relies on capitalising time and external funding sources	Not being able to maintain staffing level of teams which would mean reduced resource to bring forward projects and programmes and loss of good staff that have often been difficult to recruit	Clive Tritton	2	2	4		
00079							Short fixed term contracts result in a risk of losing staff. Where appropriate, contracts are being extended as far in advance as possible to avoid losing staff due to uncertainty.	70%
00079							Proactively review funding opportunities to sustain staff levels	80%
00079							If funding is lost, look at whether other teams in the service, or wider, require the skills of affected staff whilst funding is secured.	80%
00079							Ensure that Project Managers time is built into the Capital budgets on future projects	95%
00080	Economy, Regeneration & Sustainability - Housing supply funding - Reduction in funding available impacting housing delivery targets. Limits to HRA borrowing capacity/change to HRA Business Plan, borrowing cost rises making schemes unviable, lack of Homes England Funding rounds, poor outcome from RSH inspection rates (RP), landlord service not meeting any of the compliance criteria/annual HE Investment Partner compliance return, and loss of awarded funding due to not meeting grant terms	Reduced delivery will further increase the backlog of housing need if we are unable secure additional affordable housing stock. There is also a risk that grant funding, including RRTBRs, may have to be returned with punitive interest	Dave Scholes	3	3	9		
00080							Ensure appropriate resource from across the council is supporting the housing delivery programme (see support services risk)	90%
00080							Prioritise funding across the programme to manage risk based on funding sources	90%
00080							Work closely with finance on the programme budgets to minimise risk of loss of funding	90%
00080							Work closely with Housing on HRA Business Plan review and other factors that may affect ability to secure funding	90%
00080							Maintain regular liaison and relationships with key contacts at Homes England.	90%
00080							Maintain regular liaison with RPs to ensure enabling opportunities are maximised.	80%
00080							DRG, HRG, Senior Housing Management Team and OX Place Clienting meetings are there to ensure programme risks affecting funding are closely monitored and managed.	75%

00081	Economy, Regeneration & Sustainability - Housing project delays - Programme slippage puts housing delivery targets at risk. Issues could be wide ranging for example risks relating to meeting planning policies, SSEN grid capacity to 2028/ 2032; and also water and sewage capacity concerns and site specific issues.	Either the projects are lost from the programme or delivery is delayed, both of which add further cost risk. There is also a risk that funding is lost if the grant terms are not met, with a risk of needing to return Right to Buy receipts if not spent, with punitive interest	Dave Scholes	3	3	9		
00081							Improve processes with OX Place to streamline and give more certainty - Collaboration Agreement (or equivalent - i.e. Joint SOPs)	80%
00081							Each project is to follow established governance processes including those relating to managing risks and issues, with escalation to the responsible sponsor of the project or programme.	90%
00081							Ensure the programme of work of each project is fully scoped and thorough feasibility is conducted	90%
00081							Good project management with all risks managed and mitigated suitably. Ensure good reporting is conducted by project managers, escalating issues to development board	90%
00081							Ensure the programme of work of each project is fully scoped and thorough feasibility is conducted with appropriately qualified professional teams	90%
00081							Ensure financial checks on contractors as part of procurement	100%
00081							Ensure that client requirements re. consultation with the council and external stakeholders is happening on projects including with relevant Members	100%
00081							Internal meetings e.g.OX Place Programme meetings, OX Place Client Meetings, Development Board and its review groups to discuss strategic programme issues and identify actions to unblock engaging with relevant stakeholders where necessary.	90%
00082	Economy, Regeneration & Sustainability - A lack of engagement from partners to deliver the Council's priorities in Economic Development and City Centre. Third party decision making or capacity issues result in a lack of support financially or in kind for key initiatives/projects.	Unable to deliver on strategic actions or priorities or fund associated projects/staff. Creates unplanned financial pressure	Rupert Waters	3	3	9		
00082							Ensure formal established partnership forums e.g. Economic Growth Steering Board and City Centre Delivery Board with key stakeholders established and regular horizon scanning	80%
00082							Regular more informal engagement with key local and national bodies to maintain relationships and horizon scan	80%
00083	Economy, Regeneration & Sustainability - Resource pressure from partners or stakeholders - Key stakeholders or partners' projects and priorities create council resource implications. Third party decision making results in pressure for officer or member support, financially or in kind, for their initiatives/projects	Unable to resource either the partner priority or our own priorities or creates unplanned financial pressure	Rupert Waters	3	3	9		
00083							Ensure formal established partnership forums e.g. Economic Growth Steering Board and City Centre Delivery Board with key stakeholders established and regular horizon scanning	80%
00083							Regular more informal engagement with key local and national bodies to maintain relationships and horizon scan	80%
00084	Property Assets - Investment into stock and existing properties - Under investment or lack of funding to invest into properties to maintain condition, caused by budgets not being sufficient to match property needs	Properties become poor condition to let. Reduction in income and potential non-compliant or dangerous.	Malcolm PEEK	3	3	9		
00084							Robust input into the Council's budget process	
00084							Understanding of stock condition. Develop robust programmes of work to secure budgets that are adequate	
00085	Communities & Citizen Services - Customer Services - Applications Team KPIs may not be able to be met because Taxi licensing is under resourced by the service due to funding not being agreed and an uplift in applications.	Performance affected and KPIs unable to be achieved	Mark Chandler	2	2	4		

00085					Demand has increased by 30% since April 2025 due to the introduction of Uber drivers, therefore resources have been stretched. An additional temporary employee has been agreed to March 2026 to help. Payment restrictions have been switched off, so officers are now able to take payments when the calls come through from drivers. A review of processes is also taking place to see if any improvements can be made	
00085					Currently, a temporary employee is in place, funded by taxi licensing up until the end of September. Discussions are ongoing with Finance and Richard Adams to source this resource permanently	Discussions to take place in February about funding for taxi licensing post 31/3/26
00086	Communities & Citizen Services - Customer Services - Customer behaviour in the Westgate library or larders puts Council staff at risk, either through physical or mental abuse.	Staff are physically or verbally abused	Mark Chandler	2	3	6
00086					Additional mitigations have been added to the risk assessment around sexual harassment	Ongoing
00086					Mobile phones are in place to call library security for assistance as and when required, security guard on site throughout opening times, procedure in place to report and ban customers from the library who are physically or verbally abusive towards our staff, looking to develop training for staff on handling these difficult situations	Good control in this area. We work closely with the library and jointly monitor unacceptable behaviour. The library issues notices to customers with unacceptable behaviour to ban them from coming into the library
00087	Communities & Citizen Services - Customer Services - Wellbeing of staff working from home and being able to access support as and when required. The majority of staff work from home regularly, without face to face contact	Staff feeling isolated, struggling mentally and not getting the support they need	Mark Chandler	2	2	4
00087					Duty Manager available for staff to phone at all times to gain access to support, Teams channels set up to communicate with colleagues, monthly 1-1s held with Managers, bi-monthly face to face team meetings take place	Ongoing
00088	Communities & Citizen Services - Customer Services - Staff not following data protection processes resulting in breaches. Staff not having the appropriate up to date training and awareness of procedures	Data protection breaches resulting in unhappy customers	Mark Chandler	2	2	4
00088					Data protection learning is carried out for all staff and refreshed where required. Breaches are reported and dealt with by the Team Managers, with conversations taking place with individuals	Ongoing
00088					All staff ensuring data protection training is completed as per mandatory requirements. Breaches reported to Managers and plans put in place to take actions to prevent further re-occurrences, including re-taking training where necessary	Ongoing
00089	ICT - Retaining skilled ICT professionals. Uncompetitive salaries in some areas.	Staff leave.	Rocco Labellarte	1	3	3
00089					Review carried out of grades and salaries for key roles.	Completed. Grades have been reviewed and salaries adjusted.
00089					Provide flexibility - output based working versus presenteeism. Review grades and salaries for key roles.	Completed
00089					Staff recognition initiatives implemented in April 2025 were intended to consolidate low probability.	Completed
00090	ICT - Addressing ICT staff skills gaps. Single points of failure, in particular the absence of Business Owners and super-users within the services.	Delays in resolving issues for individuals and services.	Rocco Labellarte	2	2	4
00090					Management action to ensure permanent and interim staff are able to cover for one another.	Most vacancies filled, two remain, one being filled shortly.
00090					Considerable work has gone into work on systems and processes across the Council. This includes work on super users, user support groups and additional training. Waiting times for support have come down significantly year-on-year.	Further work remains to do and the cyber incident has increased demand. 17/02/2026 - The specific risk is now at 2:2
00091	ICT - Resources insufficient to meet the demands of the service caused by competing priorities (BAU, Projects, non-ICT issues passed to ICT).	Demand exceeds capacity, and staff work long hours, struggling mentally (as evidenced by the H&S Survey)	Rocco Labellarte	4	3	12

00091					Management action to ensure permanent and interim staff are able to cover for one another.	Additional interim resources have been brought on board following the cyber incident. Demand has further increased as suppliers provide short notice changes to delivery timelines (exit from SCC data centre and BT telephony service).
00091					Appropriate management action ensuring leave, toil, employee assistant are appropriately utilised.	Leave has been taken over August and a thank you session held by the Chief Executive following the cyber incident. Vacant management post has been filled and process improvements implemented helping to manage workflow. High workloads remain, but new projects come with associated resources which need to be appropriately managed. The cyber incident has meant additional work, dedicated resource is being worked through based on the need identified in the subsequent reports. 17/02/2026 - The specific risk remains at 4:3
00093	Economy, Regeneration & Sustainability - Capital Project Delays - Significant delays to capital projects caused by unforeseen consequences e.g. planning risks, external factors, competing asks on resources, contractor insolvency or supply chain issues	Reduced performance and missed targets on capital projects which affect overall expenditure, MTFP spend or grant stipulations	Clive Tritton	3	3	9
00093					Ensure the programme of work of each project is fully scoped and thorough feasibility is conducted with appropriately qualified professional teams	100%
00093					Good project management with all risks managed and mitigated suitably. Ensure good reporting is conducted by project managers, escalating issues to development board.	100%
00093					Undertake financial checks on contractors as part of procurement.	100%
00093					Internal meetings e.g. project boards and the Development Board, including its review groups, discuss strategic programme issues and identify actions to unblock, engaging with relevant stakeholders where necessary.	100%
00093					Undertake consultation, both internal and external, on projects including with members	100%
00094	Financial Services - Property Insurance - If the Council is unable to provide adequate information about the construction of existing buildings in its ownership and their valuations, its Insurers may continue to provide insurance that does not meet the full needs of the Council and exposes it to uninsured risks and financial loss. The Council has been unable to provide sufficient information to Insurers about the construction of properties and the cost of their reinstatement.	Only one Insurer quoted at the last tender and the insurance cover provided has significant weaknesses. The property valuations that the Council has may be wrong, resulting in properties being under or over insured. The Council's properties are insured on a declared value basis, they might be underinsured because of inflation. Unoccupied properties over £1m are uninsured. The Council is unable to go to tender before it improves the information that it has.	Nigel Kennedy	2	4	8
00094					The Council has secured a commitment from its Insurer that they will offer renewal terms for the 12 month period from 1 July 2025	Completed
00094					The Council has appointed a consultant that specialises in rebuild cost assessment. These will be undertaken over a three year rolling programme.	The consultant has been appointed and started work in February 2026
00094					66% of HRA housing stock has been surveyed.	The progress with gathering the survey information continues
00094					Housing losses, other than named tower blocks, are limited to £5,000,000	This remains the same.
00094					Clarification on the exact requirements that Insurers have is being obtained.	Clarification of the Insurers requirements has been established.
00095	Property Assets - Capital Receipts - Inability to reach capital receipts budget because of market forces and being dependent on the engagement of 3rd parties. Selling from the investment portfolio reduction in income	Reduced capital causes increased borrowing or reduction in capital programme	Emma Gubbins	2	2	4
00095					Constant review of lease re-gear opportunities and special purchasers	Capital receipts in FY 25/26 are ahead of MTFP but there is an ongoing target for capital receipts, albeit lower in future years. Risk and controls will be managed in line with receipt targets.

00096	Property Assets - Lack of legal capacity - If there is a lack of legal support, the Council will be unable to meet income, capital receipt, and project targets. Alternatively, external legal spend will be more costly and will result in an increase in financial pressure. Insufficient base budget in Law and Governance results in insufficient capacity.	Reduced income, reduced capital receipt, risk of legal challenge, reputational damage, increased complaints.	Emma Gubbins	4	4	16		
00096							Increased base budget (finance/legal). Ongoing review of legal requirements. Short term more external support.	In progress
00096							Legal team to have early understanding of workloads and move forward with restructure	Ongoing
00103	Planning & Regulation - Regulatory compliance - Failure to comply with regulations and statutory compliance because of insufficient resources, impacting the ability to ensure compliance. This might be caused by a culture that fails to enforce policies, a lack of knowledge exacerbated by staff turnover, changes in legislation, and increased demand leading to mistakes by staff.	A loss of public trust and confidence in the Council's ability to govern effectively. Negative media attention will harm the Council's reputation. Elected Members and senior officers face criticism. The Council's ability to deliver services is undermined as important decisions are made incorrectly. Disputes among Members and staff. Fines and penalties and loss of grants and funding.	David Butler, Richard Adams	2	4	8		
00103							Clarity about roles and responsibilities.	Building Control job descriptions are in place. Being taken to HR for approval. All other teams job descriptions are appropriate and in place. Training and CPD ongoing.
00103							Correct corporate processes in place to ensure that policy is translated to process	Work procedures and policies are in place.
00103							Internal and external audit conduct audits and reviews of Council processes	LABC internal audit being submitted
00103							Appropriate level of physical, technological (including new base system), and human resources	There is reliance on contractors. Building Control job descriptions are going through Job Evaluation. Current Building Contral role is part of market allowance scheme.
00103							Ongoing training for staff on regulatory frameworks	Regular staff training with training plans
00103							Ensure culture allows whistleblowing/challenge	The Council has a whistle blowing policy.
00103							Ability to disseminate lessons learnt	Sharepoint sites are used as tools to spread information. Staff meetings. Tools are in place. H&S discussed at team meetings. Case reviews in place.
00103							Ensure that systems are in place to monitor and control compliance and updates	Document control is in place for policy and procedures with review dates.
00108	Housing - Failure of homeless prevention activities - A failure to effectively manage the financial burden and demand for temporary accommodation in accordance with the individual needs of clients. A service failure might mean that homeless prevention activities become unable to meet a sustained increase in homelessness in Oxford, leading to increased homeless placements and temporary accommodation costs.	Reputational Impact - Increase in reviews - client's taking legal action/ appealing against their housing decisions, clients approaching media to highlight their case and shame council. Financial Impact - Increase in temporary accommodation costs adding pressure to general fund. Legal Impact - Council's inability to fulfil its duty to provide or secure the provision of advice and information about homelessness and the prevention of homelessness. Overall Impact - If this risk were realised, it would hinder the operation of this service as its financial viability would be called into question, and related issues impacting regulatory compliance would affect OCC.	Nerys Parry	2	4	8		
00108							Enhancing the prevention offer - including sourcing and negotiating the right type of accommodation required that meets the varying client groups	The team continue to focus on Homeless prevention activities and to minimise homeless placements in Temporary Accommodation. .
00108							Maintaining efforts and focus on early intervention and homelessness prevention	The team continue to work closely with residents and partners to prevent homelessness where possible
00108							Regular budget monitoring to scrutinise budget expenditure and taking opportunities to bid for external funding where available	Budgets continue to be closely monitored

00109	Housing - Failure to meet homeless temporary accommodation Demand - Inability to keep up with increasing demand as a result of government changes in eligibility assistance criteria, including those who are eligible as a result of their immigration status, resettlement, or changes in priority. This also includes the wider contextual imbalances within the council's own stock and private housing.	Reputational Impact - Use of social media by clients to amplify their issues - these could also result in loss of trust and support from key stakeholders and wider local government community. Financial Impact - Inability to secure sufficient homelessness grant funding that meets the increasing demand. Legal Impact - The council is not obliged to house everyone who is experiencing or at risk of homelessness. However, it is required to take action depending on the circumstances of each case. It must comply with relevant legislation and have regard to the statutory code of guidance. Overall Impact - Limited impact when variables such as current Government welfare and immigration policy is considered but this is subject to review if there were Government policy changes.	Richard Wood	3	5	15		
00109							Offer of early intervention and prevention that seeks to address the holistic needs of people at risk of losing their home	Homeless prevention work continues to be a prioritised.
00109							Establishment of clear pathways for service users to access so they can get the assistance they need	Work continues to seek the best outcomes for service users.
00109							Offer of on-going housing support to more vulnerable clients focused on clear outcome based plans that foster independence	Work continues to support vulnerable clients and positive outcomes.
00109							Annual Lettings Plan Targets for the Homelessness/Review of the Allocations Scheme	Performance against the Annual Lettings Plan targets continues to be closely monitored to house those in the highest need. A review of the Allocations Scheme has been completed and a consultation is underway with residents/other key stakeholders on the proposals.
00109							Planned temporary accommodation mitigations to increase supply including decants of blocks to be re-developed and more PSL units. Now 260 further units agreed, including 150 purchased.	Work on temporary accommodation mitigations is continuing to progress.
00110	Housing - Delayed new build developments/acquisitions - Supply - A failure to secure a pipeline of affordable supply from the council's housing development programme, sourcing of PRS acquisitions and maximising on supply opportunities including downsizing, securing nomination rights, empty properties and fast void turnarounds. Service failure might be caused by new build completions of social housing being delayed due to developers failing to complete on time, planned acquisitions being slowed down due to a lack of supply of suitable properties in Oxford, changes to the PRS Housing Markets, including the Renters Rights Bill reducing the supply of affordable private rented sector properties and improvements to the Void process failing to reduce Void Re-let Times.	Reputational Impact - Inability to deliver on council housing programme targets will impact on housing waiting list, but will also impact negatively, loss of trust from key stakeholders and funding partners. Financial Impact - Delays or non-delivery of council housing programme will severely impact and add further financial pressures on HRA Business Plan as well as add further pressures on General Fund as families will need to remain in Temporary Accommodation. Legal Impact - It is a legal requirement to ensure that temporary accommodation is suitable and families with children do not spend over 6 weeks in B&B. Households believing they have been offered unsuitable accommodation may take legal action against the council. Overall Impact - Temporary accommodation provision appears on target but this is subject to review in the light of regular and updated data	Dave Scholes, Nerys Parry	2	4	8		
00110							Progress against the housing development programme and targets are regularly monitored and tracked. See also the related risk "Housing Supply Funding" which is also monitored under Economy, Regeneration and Sustainability area.	90%
00110							Building stronger relationships with private sector landlords, keeping under review the offer to PRS landlords to maximise supply.	100%
00110							Maximising funding and supply opportunities - including the LAHF programmes and working with Homes England to bring in more funding for Brownfield sites.	100%

00111	Housing - Implementation of the Landlord Services Re-Organisation - There is a risk of not delivering the re-organisation of Landlord Service in a timely manner, and as a consequence, Landlord Services does not deliver the changes required, including service improvements, culture change and achieve better outcomes for tenants. A failure of the Landlord Services re-organisation to be completed within the expected timelines might be due to delays in new staffing structures and processes being put in place.	Reputational Impact - inability to establish a service structure that is more fit for purpose, responsive to new regulatory requirements and the changing needs of tenants and homes. Financial Impact - Inability to realise reorganisation benefits such as improving efficiency and effectiveness of service delivery and achieving better outcomes for the HRA. Legal Impact - New SHR regulatory requirements mean the council, as a landlord, has a duty to comply and meet required standards; failing to do so, it will breach and face sanctions imposed by the SHR Overall Impact - Limited impact as the initial work for the re-organisation has begun and good progress has been made.	Nerys Parry	2 4 8		
00111					Re-organisation of Landlord services is complete. Transitional arrangements are in place, with final recruitment underway. Significant training and development plan as part of the transformation to deliver compliant service that meet tenant needs.	Update 12/2 Majority of new posts recruited to with new starters undertaking training. Two new Area Housing Managers to start in January 2026. Area Based Working model to be implemented in January 2026 with launch of increase visibility. Broad communication to tenants, members and staff groups has been completed. Significant training and development plan developed to support the on-going transformation of the service to ensure compliance.
00112	Housing - Failure in resident involvement activities/compliance with the Social Housing Act /Consumer Standards - Tenant voice - Failure to improve tenant involvement activities/implement the reset programme to help deliver tenant-led recommendations and priorities, and organisation objectives to comply with the Transparency, Influence and Accountability standard.This would result from service failure, where the tenant Involvement governance arrangements and activities are not fit for purpose and do not allow the tenant's voice to be heard or have meaningful involvement in line with responsibilities under the SHA/Consumer Standards	Reputational Impact - A poor service offer/lack of tenant involvement risks an increase in complaints as it fails to provide tenants with the platform and opportunity to help shape and add value to service improvements (and could also result in Regulator/Ombudsman intervention). Financial Impact – failure to establish efficient routes/platforms for tenants to raise their voice/concerns can be costly and also fails to capture financial efficiencies. Inefficient service delivery can be costly and lead to adding financial pressure on HRA. Legal Impact - New SHR regulatory requirements mean the council, as a landlord, has a duty to comply and meet required standards. Failing to do so will be a breach, and the Council will face sanctions imposed by the SHR. Overall Impact - There are currently no systemic arrangements to consult with tenants, so this is a tangible risk in terms of SHR deciding infringements have taken place. However, to mitigate this risk, evidence can be presented to the SHR that work has begun to address this core issue. In respect of service delivery, involvement with tenants on a systematic basis, as envisaged in the Cabinet report of December 2024 on Tenant Management, would help drive up customer satisfaction levels.	Nerys Parry	5 4 20		
00112					Re-organisation of landlord services complete. Specific reset work is underway to develop a new approach to resident involvement that will lead to a new strategy and structure for involvement.	12/2 Restructure of Landlord Services complete. The majority of posts have been recruited to. Area based working for Tenancy Management to begin in January 2026. Resident Involvement strategy approved by Cabinet in December 2025. Work continues to improve resident involvement and service delivery to residents.
00112					To ensure that data gathered is being used to reflect tenants' changing needs and therefore the service offer.	11/2/26 - Building on the current work to "know our tenant, know their needs" to improve data and information, and ensure information is used to better design services. The new Data Analyst roles are now in place within the Housing Strategy and Performance Team to support improvements across Housing Services for tenants.
00113	Housing - Inspection by the Regulator of Social Housing. Social Housing Regulator inspection readiness - Failure to evidence the implementation/ adherence to Social Housing Regulator's consumer standards across housing, resulting in a [C3] grading following inspection. This might happen if OCC could not demonstrate that it is complying with the Social Housing Act/regulator consumer standards.	Reputational Impact - A low grade will impact negatively on the council's overall reputation and loss of trust from tenants who will perceive they are not getting the services they need, and value for money for their rent Financial Impact - A C3 grading will indicate serious failings that may affect housing services quality, such as delayed repairs or inadequate safety measures - a reactive approach to addressing these issues will add financial pressure on HRA Legal Impact - A low-grade judgment from SHR will impact negatively on the council's reputation, reflecting that it does not meet SHR governance requirements. These would be issues of serious regulatory concern, where urgent action will be required to improve its position. Overall Impact - This is a tangible risk, as while there is a body of work to ensure compliance requirements are met, the full programme is yet to be implemented.	Nerys Parry	4 4 16		

00113					Self - assessment undertaken to ensure clarity on position, with a clear, prioritised improvement plan over seen by Task Force.	Update 15/12/25 - Creation of the new Task Force to oversee the progress of improvement plans to ensure compliance with standards.
00114	Housing - OCC fails to follow the statutory Section 20 consultation with leaseholders and shared owners - OCC fails to deliver a compliant S20 consultation process with leaseholders over major works or services. This might happen if changes to the responsible service are not made and the correct process is not followed.	Reputational Impact - A failure to provide a fair and compliant service to leaseholders will negatively impact the council's reputation and perception that it is not delivering compliant services to leaseholders. Financial Impact – A flawed section 20 process reduces the council's ability to collect service charges and recover works expenditure, and secure funding back to the HRA. Legal Impact - Leaseholders have the right to have information about service charges and be consulted on maintenance and running costs. The inability of the council to comply with these functions can lead to leaseholders challenging service charges through the First-tier Tribunal (Property Chamber). Overall Impact - This is a tangible risk, as while there is a body of work to ensure compliance requirements are met, the full programme of work is yet to be implemented.	Nerys Parry	212		Housing Board continues to track a number of workstreams focused on delivery of strategies and alignment with the consumer standards. Further work is underway to assess progress.
00114					The Homeownership Manager has taken on a revised job role to ensure that the Section 20 process happens	Home Ownership Manager is in place
00114					Make sure that Property Department are aware of all that needs to be done to comply with Section 20. Any work carried out must go through the Home Ownership Manager to ensure compliance.	Home Ownership Manager is in place
00115	Housing - Implementation of the Development plans for HRA Asset Management - A risk of not changing policies, processes and procedures for HRA property service functions in a timely manner and as a consequence it does not deliver the changes desired including a fit for purpose client team to effectively commission and oversee delivery of works and services, establish the service improvements required including around repairs, safety and compliance. This might happen if the HRA Asset Management re-organisation is not completed within the expected timelines due to delays in new staffing structures and processes being put in place.	Reputational Impact - inability to establish an HRA service structure that is more fit for purpose, responsive to new regulatory requirements and changing needs of tenants and homes. Financial Impact - Inability to realise reorganisation benefits such as improving efficiency and effectiveness of service delivery and achieving better outcomes for the HRA Legal Impact - Inability to establish a service structure that is responsive to meeting new regulatory regime - social housing regulator consumer standards Overall Impact - This risk would, if realised, have a significant impact on the operation and viability of HRA services	Nerys Parry	3412		
00115					Review service offer to ensure there is sufficient capacity and capability to commission and client all HRA asset work	Consultancy work delivered and being considered. Interim capacity in place to support current delivery.
00116	Housing - HRA investment and management controls fail to comply with the Social Housing Act/Consumer Standards - 5 year investment programme - The Council as a landlord must set out the strategic direction for OCC's HRA capital management and investment plans, which must also form part of the medium to long-term financial and service planning and budget setting process. It also risks complying with Social Housing Regulator expectations in relation to the council having the investment management and controls in place. There would be service failure if the OCC current/planned investment activities fail to comply with the Social Housing Act /Regulator consumer standards.	Reputational Impact - Failure to plan and develop short/medium/long-term investment will make it difficult to evidence compliance and satisfy Social Housing Regulator regulatory requirements relating to effectively planning maintenance and delivering good outcomes and value for money to the HRA. Financial Impact - Risk of not being able to adopt investment planning, risks the council continuing to commission works in a reactive manner, which can be costly and add further financial pressure to the HRA. It also risks the Social Housing Regulator highlighting this as a failure for delivering good outcomes to tenants and effective management and governance of the HRA. Legal Impact - Risk of council as a landlord not meeting SHR Consumer standards - in particular the Safety and Quality Homes standard, where efficient knowledge, planning of assets and maintenance must be evidenced. Overall Impact - It would be significant if this risk were realised in meeting social housing targets in terms of overall delivery of the programme.	Nerys Parry	339		
00116					Whilst a 5 year capital programme is established, there is an ongoing risk due to further stock condition work being needed. Work procured and underway. Transitional arrangements are taking place with the supply chain.	Transitional first year is underway, with work progressing well for the development of the next year of the 5 year rolling programme. Interim support in place to ensure work stays on track and is robust and delivered on time to the supply chain.

00116					Consultancy and interim support have been applied to assist, and to ensure the council's first 5Y programme is developed and agreed	Work is ongoing
00117	Housing - HRA Asset Management Safety and Compliance - Inability to comply with legislation and on-going changes relating to safety which form part of the new regulatory regime that bring increased scrutiny of council's approach to meeting all applicable fire, health and safety obligations to ensure the safety of all tenants. Service failure may happen if OCC's current/safety and compliance activities fail to comply with the Social Housing Act/regulator consumer standards.	Reputational Impact - Failure to evidence and satisfy the Social Housing Regulator that OCC is complying with its Safety requirements will bring the council into disrepute, result in a loss of confidence and concerns from tenants about their safety Financial Impact - Failure to meet safety and compliance requirements will raise questions about the council's role as a landlord and its ability to effectively govern and have efficient management of its HRA and maintenance plans, as well as its requirements to meet decent home standards Legal Impact - Bringing the council into disrepute and a lack of confidence in the council's ability to meet its landlord legislative obligations, and intervention from the Social Housing Regulator. Overall Impact - This is a tangible risk, as while there is a body of work to ensure compliance requirements are met, the full programme of work is yet to be implemented. There are yet to be fully approved technical policies, such as in damp and mould or asbestos, to take just two examples, which ensure there are standard compliance practices to meet safety standards. A mitigating factor is the institutional memory within OCC on such matters but if there was a staff turnover, this risk may be accentuated accordingly.	Nerys Parry	3	4	12
00117					Development of an audit programme to ensure data accuracy	Resource in place to commence the audit imminently.
00118	Housing - Repairs Maintenance - The inability of the council as a landlord to comply with Social Housing Regulator consumer standard (Safety and Quality) to provide an effective, efficient and timely repairs, maintenance and planned improvements service for the homes and communal areas for which the council is responsible. This might happen if OCC's current/planned activities on property maintenance and repairs take longer than expected/fail an inspection by the Regulator of Social Housing.	Reputational Impact - OCC's inability to effectively manage repairs can lead to an increase in complaints and escalating costs, loss of rent and spending on HRA. This, in turn, will bring Ombudsman / Social Housing Regulator involvement and bring the council into disrepute. Financial Impact - OCC's inability to demonstrate effective governance and management of its HRA finances. Inability to manage repair expenditure. Legal Impact - bringing the council into disrepute and a lack of confidence in the council's ability to meet its landlord legislative obligations, and intervention from the Social Housing Regulator. Overall Impact - while this risk, if realised, would be significant, steps have been made to mitigate it. The decision of the Cabinet to approve the HRA Business Plan, Asset Management and 5-Year Investment Programme and the Tenancy Management and Involvement programme has led to governance structures being introduced and a work programme being developed to include the issue of repairs	Nerys Parry	2	4	8
00118					Following a review completed by external consultants commissioned by OCC to help deliver improvements in the end to end repairs process to ensure efficiency and effectiveness, a range of recommendations are being taken forward, including a new repairs tracker.	The decision of the Cabinet to approve the HRA Business Plan, Asset Management and 5-Year Investment Programme and the Tenancy Management and Involvement report has led to governance structures being introduced and a work programme being developed including for voids. A void task and finish group is in place to deliver the improvements in this area.

00119	Housing - Voids - The inability of the council as a landlord to comply with the Social Housing Regulator consumer standard (Safety and Quality) to provide an effective, efficient and timely voids service procedure for the homes which the council is responsible for. This might happen if OCC void works take longer than expected/fail an inspection by the Regulator of Social Housing.	Reputational Impact - OCC's inability to effectively manage voids could lead to an increase in complaints and escalating costs, loss of rent and spend on HRA. This, in turn, will bring Ombudsman / Social Housing Regulator involvement and bring the council into disrepute. Financial Impact - OCC's inability to demonstrate effective governance and management of its HRA finances. Inability to manage void expenditure and rent loss as a result of long-term void turnarounds can impact the income to HRA. Legal Impact - bringing the council into disrepute and a lack of confidence in the council's ability to meet its landlord legislative obligations, and intervention from SHR. Overall Impact - while this risk, if realised, would be significant - steps have been made to mitigate this risk. The decision of the Cabinet to approve the HRA Business Plan, Asset Management and 5-Year Investment Programme and the Tenancy Management and Involvement programme has led to governance structures being introduced and a work programme being developed to include the issue of voids	Nerys Parry	2	4	8		
00119							Following a review completed by external consultants commissioned by OCC to improve the end-to-end voids process as soon as possible, a range of recommendations is being taken forward, overseen by a Voids Task and Finish group.	Void Task and Finish group taking forward consultant report recommendations
00120	Housing - Workforce, skills and capacity for service delivery - There are risks and challenges across a range of service areas within the housing service, including recruitment, retention of staff, and a skilled workforce. This is caused by experienced staff leaving OCC, moving to new posts and/or existing and new staff requiring training on existing/new processes, best practice and changes in legislation including the Social Housing Act, Renters Rights Act and Awaabs Law.	Reputational Impact - Inability to have the right, skilled resources can impact on service delivery as well as affect the well-being of employees. In addition, restructuring may require employees to adapt to new roles, learn new skills, and cope with job loss or job hunting. Financial Impact - Inability to have the right workforce in place could lead to substantial financial burdens being added to the HRA and reduce the resilience of services. This can heighten the over-reliance on an interim workforce, which can be disruptive to service due to the instability of service, loss of skills/knowledge. Legal Impact - The council, as the local housing authority, has the regulatory requirement to provide free housing advice and support, ensuring that services are adequately resourced and skilled Overall Impact - Significant impact on the operation of the HRA and wider social housing programme	Nerys Parry	3	3	9		
00120							Work underway to review the new structure required.	Re-organisation delivered, now embedding the new structure, training and development plan scoped. This will apply to all staff working across landlord services
00120							Training, development and upskilling will form part of ensuring staff have the tools and support to carry out roles.	Work on this is ongoing
00121	Housing - Housing IT and Systems - The ineffectiveness and transition of new and legacy systems can significantly impact the efficiency and effectiveness of service delivery across housing and ultimately tenant customer satisfaction. Housing IT systems fail to support the business needs of the service and this impacts on service delivery times and customer satisfaction levels	Reputational Impact - Inefficient systems, software, and hardware can slow down daily tasks, leading to a decrease in staff productivity and an impact on service delivery overall to tenants Financial Impact - Increased Costs as a result of inefficient systems that do not talk to each other, consequently leading to higher operational costs. Maintaining outdated systems often requires more resources and specialised support, which can be expensive and add financial pressures to HRA Legal Impact - Council, as a landlord, has the obligation to ensure the integrity and security of the systems it has in place Overall Impact - delays in service delivery, increased customer complaints and staff dissatisfaction/lower morale	Nerys Parry	3	3	9		
00121							On-going development of the use of the current housing QL system/Versaa forms is continuing to support service delivery. Re-procurement is underway for parts of the housing system relating to Homeless and Allocations to improve functionality available to staff/customers in this area.	Progress towards procurement will commence ahead of the contract end date for the existing Housing & Asset Management systems in February 2028. Optimisation of the use of the existing Housing Needs system continues and procurement of a new housing needs system for areas of Homeless and Allocations is underway and moving forward. Procurement of a new Housing Needs System underway.

00122	Housing - Data and performance - Failure to have effective data and performance management systems in place, as these are critical for making informed business decisions, strategically and operationally. This might happen if existing processes and procedures fail to accurately record all data required on tenants (and housing applicants), including protected characteristics, property/building information, including component data, to ensure activities and priorities for compliance, performance management/service improvement/risk management are all data led.	Reputational Impact - As the local housing authority, the council is required and responsible for ensuring the integrity of data, how it uses this for making decisions and reporting on performance to tenants, Regulator - including government returns. Failure to do this will result in loss of confidence and greater scrutiny from the Social Housing Regulator Financial Impact - Poor data and performance management impacts on the council's ability to deliver its HRA Business Plan priorities and reduce pressures on GF. For e.g.; unplanned cost increases, revenue reduction and poor client management functions - including ODS/contractors. This could also impact the council's ability to demonstrate its value for money duty across both HRA and GF Legal Impact - OCC, as a landlord, has the obligation to ensure the integrity and security of the systems it has in place. It has a duty to ensure the integrity of any data returns to the government or the Social Housing Regulator Overall Impact - This is a significant risk, as while the data function exists, the QL system needs to be fully operational. The need for reliable and up-to-the-minute data is critical for all aspects of the HRA programme, and therefore, the need for data to be of consistently high quality remains paramount to the good functioning of the HRA service.	Nerys Parry	3	4	12		
00122							A significant amount of work is being applied to ensure the integrity and efficient management of asset data is in place. Resource deployed to capture outstanding tenant information.	Additional capacity in place to support efficient management and improvement of data. Ongoing stock condition work procured. Resources identified to capture remaining tenant information
00122							Improvement in performance management systems and mechanisms across housing are being reviewed to ensure that resources and financial spend are targeted to address service issues	The new Data Team are now in place to support the further development of performance management systems and mechanisms
00123	Housing - Financial management of the Housing Revenue Account - There is a risk that the council, with responsibility for the efficient and effective management of the HRA, fails to account for and evidence the expenditure and income against the running of its housing stock, which are provided primarily for the benefit of the council's own tenants. This might happen if OCC fails to provide sufficient evidence to the Social Housing Regulator of effective and efficient financial management of the HRA for OCC tenants and compliance with expectations as a social landlord.	Reputational Impact - Failure to sufficiently evidence the efficient and transparent use of HRA can negatively impact the council's reputation and lead to intervention from the regulator. This can also lead to a loss of trust from tenants, and raise concerns/complaints Financial Impact - Failure to evidence and satisfy the SHR regulator inspection criteria "financial resilience" - which covers the extent to which HRA funds generated from tenants' rent collection are invested back into the HRA for asset and service improvements, and secure good tenant outcomes Legal Impact - The HRA is a ring-fenced account within the General Fund, with income and expenditure being prescribed by statute, with no general discretion to breach the ring-fence Overall Impact - This is a significant risk as there is data to suggest cost overruns have occurred that are not in line with budgetary expectations. The risk has been mitigated, to a limited extent, by internal cost control mechanisms.	Nerys Parry	3	4	12		
00123							The Council has a clear understanding of the government's policy that the HRA remains a ring-fenced account within the General Fund; and within this, it should still be primarily a landlord account containing the income and expenditure arising from the council's landlord functions.	Work streams including repairs and voids seek to address elements of this work

00124	Housing - Inadequate controls to manage HRA financial spend - This might result in an overspend, and programme targets not being met and an impact on the ability to deliver services within the HRA. This could result in service failure if controls and clienting arrangements are inadequate to meet service needs.	Reputational Impact - failure to ensure effective joint working between OCC and service suppliers would impair the reliability of the maintenance and upkeep of the housing stock. This could lead to tenants expressing dissatisfaction, which would damage the reputation of the OCC with tenants. If tenants decided to express concern on social media or to specific media outlets, this would damage the reputation of OCC amongst the wider public and with key stakeholder groups, as well as damage the relationship between OCC and the Social Housing Regulator, which could lead to infringement actions taken by the regulator. Financial Impact - is significant as it could lead to unsustainable budget overspends due to, amongst other factors, a lack of a joined-up approach towards budgetary and programme works between OCC and ODS. This could undermine the HRA Budget and add financial pressures to the HRA business plan. The efficiency of effective financial controls would be brought into question as a direct consequence of the realisation of this risk profile. Legal Impact - disruptions in the working relationship between OCC and service suppliers that led to issues with maintenance and issues with budgetary controls would mean that this could lead to systemic failure with customer standards and economic governance that could necessitate Social Housing Regulator action against OCC. Tenants could potentially take legal action via a class action in reference to various housing statutes in such an extreme scenario. Overall Impact - disruptions in the working relationship between OCC and service suppliers that led to issues with maintenance and budgetary controls would mean that this could lead to systemic failure with customer standards and economic governance that could necessitate Social Housing Regulator action against OCC. Tenants could potentially take legal action via a class action in reference to various housing statutes in such an extreme scenario.	Nerys Parry	2	4	8		
00124							New client management arrangements will tighten and add improvements in the commissioning of works - coupled with performance management measures to ensure commissioned works are delivered to timescales and within budget. These should also lead to improving and building good working relationships with clear lines of responsibility and accountability	Arrangements of client management in place.
000125	Communities & Citizen Services - Leisure contract financial performance - Ongoing contract management and partnership approach of the external leisure provision contract, to ensure stability with its financial performance. Threats are external factors such as pandemics, utility pricing or a bid that was unrealistic.	Financial impact to OCC and/or service reduction to cut costs that impact service quality	Hagan Lewisman	4	4	16		
00125							Ensure robust contract in place	In progress
00125							Explore other options for income generation within the contract, such as agency model, fees and charges, and improved commercial options. Regular client and governance meetings.	In progress
00125							Strong, well skilled client team	In progress
00125							Work with Serco leisure to ensure options are presented to reduce/remove any pressure to the Council	80%
00125							Quarterly monitoring	In progress
00125							Open book accounting	60%
00125							Internal officers meeting	85%
00126	Communities & Citizen Services - Financial savings against community centres - Desired savings may not be achieved if savings were developed without the input of the service area.	Financial impact to OCC and or service reduction to cut costs. Service quality would be impacted.	Hagan Lewisman	3	4	12		
00126							Work ongoing to drive up revenue including induction of staff at east Oxford Community Centre	In progress
00126							Community Centres Review Board set up	100%
00126							PID going to Development Board	100%

00126					Plan of action in place for year 1 including business case review, lettings, charges and other areas of revenue	100%
00127	Property Assets - Property Non Compliance - Minimum Energy Efficiency Standards - If a Council commercial property does not achieve an EPC B rating by 2030 the Council may be unable to let the property to a commercial tenant. The current minimum UK legal energy efficiency rating is E, but the UK Government has set a proposed target of B by 2030 in order to achieve net zero carbon emissions by 2050.	A considerable investment in properties is required. If this does not take place the Council will be unable to let properties and income to the Council will be reduced. Businesses must find alternative property causing considerable disruption.	Malcolm PEEK	339		
00127					Audit property portfolio and review EPC ratings.	30%
00127					Plan retrofit strategies. Upgrading of insulation in walls, roofs and floors, replacing lighting with efficient LED systems, smart controls for heating and cooling, improved glazing and low carbon heating systems.	30%
00127					Explore funding options and Government support	Horizon scan continues, no more information on when next funding will be available.
00127					Communicate and collaborate with tenants to raise awareness of Retrofit and encourage take up.	20%
00164	Financial Services - Succession planning - Loss of statutory financial leadership (Section 151 Officer) caused by the retirement of the Group Finance Director (Section 151 Officer)	The retirement of the Group Finance Director creates financial governance and leadership risks including 1) Increased likelihood of delays in closing and signing off the annual accounts, risking breach of statutory duties 2) Reduced capacity to provide a clear financial strategy, and direction for the Council 3) Lower probability of achieving planned savings targets 4) Potential loss of Member confidence in the robustness of the Council's financial management and reporting 5) Diminished scrutiny of major financial decisions	Caroline Green	124		
00164					The appointment of a fully qualified and experienced Section 151 Officer	An appointment has been made and the Interim Group Finance Director joins on 18 March 2026
00164					Knowledge transfer between the current Section 151 Officer and his replacement.	
00164					Second tier empowerment so that they have the authority to ensure that day to day operations continue effectively	The Council has an effective second tier team and an experienced Deputy Section 151 Officer

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Ref	Risk Description	Consequence	Owner	Current Probability	Current Impact	Risk Score
00012	Economy, Regeneration & Sustainability - Increased costs and complexity in the delivery of the Council's domestic collection service and ODS commercial waste operations caused by statutory obligations in the waste and recycling system, funding mechanisms for domestic waste services and competition in commercial waste services.	If higher costs are not sufficiently matched with increased revenues to support the delivery of the new obligations, this may impact on the funding of other service areas, such as domestic waste collections, which are a statutory requirement. If the net income ODS derives from commercial waste operations reduces, this could also impact dividend payments to the Council, which underpin other service delivery.	Clive Tritton	3	4	12
00014	Chief Executive - Partnership working - The devolution governance debate disrupts partnership working with County and District Councils that are pursuing different options for Unitary Government.	Negative impacts on services and projects delivered in partnership with County and partners.	Mish Tullar	3	3	9
00015	Property Assets - Staff recruitment and retention. An inability to recruit and/or retain staff on proposed terms and conditions in Property Services, especially those with technical and specialist skills. This is because the terms and conditions of employment are not sufficiently attractive to attract permanent staff. Most other Councils are trying to attract similar staff from a small pool of available candidates.	The skills and capacity are not available to deliver the required works and statutory requirements	Malcolm PEEK	3	4	12
00016	Planning & Regulation - Service Failure. A major service failure due to a significant loss of ICT, staff etc.	A reduction in staff or premises availability means a reduced service to customers and or a backlog of work to be cleared.	David Butler	3	3	9

00017	Planning & Regulation - Regulation of the Private Rented Sector. Opportunity to embed HMO licensing across the City and to regulate the private rented sector. Failure might be caused by systems failure/poor delivery of service; inadequate engagement or non-compliance with regulation/legislation.	Damage to Council reputation and potentially finances; risks to occupiers and neighbours	David Butler	2	2	4
00018	Financial Services - Reputation Management. A failure to deliver an efficient and timely year end process for annual Council Tax and NDR bills, rents, garage and leaseholder statements. This might be caused by a lack of resources (staff/finance) Upgrades of software not carried out Single points of failure CTR will be administered through Revenues not Benefits Knowledge of requirements Ability to design templates Legislative requirements not addressed	The biggest risk to the Council is reputational. If the bills and notices are not delivered on time the Council cannot collect income due to it and would suffer reputational damage as a consequence. This risk is low until the process starts again in October	Laura Bessell	1	4	4
00020	Planning & Regulation - Unplanned workload leading to a reactive response and delay or omission of proactive work. This might be caused by complaints, added to the complexities of existing work, and unplanned corporate or external work demands.	Delay or omission of programmed work, impacts the quality of work if it is rushed or not checked. Reduction in the quality of service to customers	David Butler	2	3	6

00021	Financial Services - ICT - There is a risk that OCC is not able to deliver required improvements to ICT systems in a timely and manageable manner and will not deliver ICT Systems that operate in a controlled and robust manner on a timely basis. This might be caused by the ICT workplan not being adhered to and being delayed; ineffectual system implementation, leading to delays and / or poor system design and implementation.	Increased inefficiencies in work flow leading to increased manual working and worsening collection rates; controls around the system not robust leading to an increased level of reconciliation or data control issues Project plans overlapping so that there is excessive work for staff over a shortened time period Non-compliance with contractual agreements and non-compliance with external standards such as PCN and PCI-DSS	Clare Paterson	3	4	12
00023	Property Assets - Income Generation - Income generation from the property portfolio is threatened, due to the Covid-19 backlog, which is almost cleared, market forces and cost of living issues. The portfolio is biased towards retail/food and beverage. The market is currently patchy, and there is a backlog of lease events, particularly on the estate shop portfolio.	Reduced rent leading to budget pressure	Emma Gubbins	3	3	9
00024	Planning & Regulation - Project delays (service specific) - due to poor project management of projects such as the Local Plan, a major Development management case, and change projects.	Reduced performance, missed targets, and ultimately delay to the delivery of needed housing.	David Butler	2	3	6
00025	Property Assets - Income reduction due to the condition of properties. This can result in an inability / delay in letting or increased incentives being required. This can be caused by stock being returned in poor condition or increased forfeiture. Failure of the landlord repairing liabilities.	Reduced or delayed rent or capital receipts leading to budget pressure	Malcolm PEEK	3	3	9

00026	Financial Services - Failure to recruit and retain key staff. There is an insufficient pool of high-quality applicants to current vacancies, and key staff might leave for better opportunities elsewhere. This might be caused by current pay scales not being attractive, or the reputation of the Council not attracting new recruits; Local Government Reorganisation adds too much uncertainty for potential recruits.	Vacant posts remain vacant, and existing posts become vacant. Further pressure is put onto remaining staff to fulfil extra tasks.	Nigel Kennedy	2	4	8
00027	Planning & Regulation - External Delays - Delays to Council projects caused by outside agencies such as the County Council, Consultees, national and regional government and other agencies	Reduced performance and missed targets	David Butler	3	3	9
00028	Property Assets - Property non-compliance. Assets becoming non-compliant, resulting in Health & Safety failure. (This includes trees, green spaces etc). This might be caused by a lack of monitoring and management.	Risk of hazard to people or property, unable to let properties so reduced income. Risk to the reputation of the council and action against the council and officers. Increased insurance costs.	Malcolm PEEK	2	4	8
00030	Financial Services - Treasury Management - Safety of investments could be threatened by the current economic climate and prolonged volatility in financial markets and banks and other investment institutions not being robust enough to survive future economic changes. Key staff changing at firms causes uncertainty in the market	Loss of principal investments placed	Bill Lewis	2	5	10
00031	Communities & Citizen Services - Service standards and quality of provision. The Council service not delivering quality services because of a lack of resources and employee deployment, fragile procedures, processes and delivery mechanisms and because internal and external monitoring and auditing principles might not be robust	Failure to achieve industry recognised accreditation (i.e. Quest, Green Flag, ISO). Increased costs. Corporate and service objectives fail to be delivered. Reputational damage. Reduced ability to draw down external funding	Hagan Lewisman	2	3	6

00032	Planning & Regulation - Income Targets - Non achievement of income targets caused by the impact of macro-economic issues leading to a falling number of planning applications, visitor spend etc	Not meet budget estimates, Deficit in corporate budget. Ultimately an impact on resources available to the council to provide services	David Butler	3	3	9
00033	Property Assets - Lack of an asset management system - No asset management system is in place to store and analyse data.	Unable to plan or programme work in a timely fashion, delays in letting of properties and potential non-compliance. Risk of decreased insurance cover or increased premium costs. Lack of active management of portfolio reduces performance.	Malcolm PEEK	4	4	16
00034	Law, Governance & Strategy - Resilience of service - A lack of resilience results in an inability to effectively deliver services required by the Council for critical projects and to support statutory and non-statutory functions with a direct impact on risk, compliance, expenditure and income to the Council. Inability to react as required in the event of a major incident, leading to more outsourcing or delays. This is caused by an inability to retain and recruit lawyers to permanent posts, leaving the service dependent on locum resources and therefore exceeding salary budget. Capacity and resource issues delaying restructure.	Reputational damage; adverse costs; greater reliance on external services and therefore increased costs. Ability to meet Council's own requirements prejudiced.	Emma Jackman	4	4	16
00035	Planning & Regulation - Government legislation, Democracy and Localism Bill - Substantial changes to the planning system caused by government legislation might require a redesign of processes. Relaxation of Change of Use and the Prior Approval regime being extended might impact the expectations of politicians and the local community, affecting resources and priorities.	Lack of capacity to meet changes coming from the government. Undermining of the delivery of local policy objectives (e.g. protection of key employment sites). Neighbourhood Plans put pressure on resources and/or seek to challenge the City Council	David Butler	4	4	16

00036	Communities & Citizen Services - Insufficient revenue and capital for each proposed development, caused by the current economic climate/comprehensive spending review	Developments do not take place	Hagan Lewisman	2	3	6
00037	Property Assets - Income Targets / high costs - Non achievement of Town Hall income targets because of the impact of economic circumstances or if delays in building maintenance causes a major disruption to business e.g. fire, major repairs.	Reduction in income and revenue	Malcolm PEEK	1	1	1
00038	Planning & Regulation - Opposition to emerging statutory plans - Opposition to emerging statutory plans, and to planning applications and decisions leads to A) vocal and organised local opposition before decision; B) opposition at examination or committee stage; C) legal challenge after adoption or planning decision caused by the public, groups, organisations or political parties which object to policies in emerging documents and choose to use many and all avenues to express objection, including some outside normal procedures, and all drawing media attention. Opposition to planning applications at, pre- application, after validation. Committee and post-decision stages	Delay, extra costs, reputational risk, possibly amendments to policies.	David Butler	3	3	9
00040	Communities & Citizen Services - Budget and Income - Trading Income from event hire could be threatened because of changes to Broad Street, COVID-19, the cost of living impacting on the events sector and targeted campaigns against event organisers	Budgeted target not met	Paula Redway	3	2	6

00042	Communities & Citizen Services - A breach in H&S might lead to an incident/injury/fatality/or closure of a leisure facility and/or service disruption.This could be caused by a failure of health and safety management, and monitoring.	Risk of injury or death to persons. Reputational risk. Financial claims. Risk of facility closure or service disruption	Hagan Lewisman	2	4	8
00045	Communities & Citizen Services - Loss of key staff members - A prolonged absence or badly planned leave may result in the service area not delivering on its objectives because the staffing structure is quite tight, meaning that there can be resource issues	Non delivery of service objectives	Helen Bishop	3	3	9
00046	Law, Governance & Strategy - External Legal Resources - The use of the budget is reactive and therefore, as unexpected corporate issues arise, external legal costs increase, which will lead to an overspend on the legal services budget, and potentially pressure on other service area budgets as they may need to fund work. There is unpredictability of costs which may arise. This is due to the increased demand in client departments for legal support. Capacity issues continue, which has an impact on external legal advice requirements. There is an inability to use the usual procurement route of the EM Lawshare Framework, resulting in the need to use higher priced frameworks as an alternative.	Budgetary pressure	Emma Griffiths	4	3	12

00047	Communities & Citizen Services - Insufficient resource and market demand to deliver the financial plan - A stringent focus is on this work, although the macro environment continues to increase the challenges. There is a risk of there not being enough resource (staff time), and/or market demand to deliver the level required. Not enough staff time/insufficient demand for additional activities	Reduced delivery of efficiencies	Helen Bishop	3	3	9
00048	Planning & Regulation - Public Health Protection - Threats to public health eg., from food borne communicable disease caused by a failure to adequately control or respond to outbreaks	Uncontrolled spread of diseases; illness and possible deaths; damage to Council reputation.	David Butler	3	3	9
00051	Financial Services - Budget Management - Inability to forecast outturn effectively due to limited or incorrect information. There are significant efficiency savings and service reductions as a result of the budget process, and these may be difficult to deliver, or to understand if they will be delivered, in a timely manner.	Increased use of reserve balances or further reductions to be identified	Clare Paterson	2	3	6
00052	Communities & Citizen Services - Safeguarding - Insufficient safeguarding of vulnerable groups, including children caused by poor training of staff and recognition of safeguarding principals. Poor monitoring and compliance regimes	Risk to Council reputation. Risk of an allegation. Risk to public safety	Hagan Lewisman	2	4	8

00053	Law, Governance & Strategy - ICT - System failure without cloud based systems will significantly impact on the Council being able to meet statutory obligations and will impact on the delivery of corporate priorities and decision making. Risks come from unauthorised access from outside actors, ICT issues such as server failure, and failure of third party systems and devices	Failure to meet statutory obligations, inability to take decisions and protect the interests of the Council	Emma Jackman
00054	Financial Services - Corporate Fraud - Suppliers set up on the payment system or requests to change bank account details, that are not genuine. Third parties attempt to defraud the council.	Payments being misappropriated, loss of public monies	Annette Osborne
00055	Law, Governance & Strategy - Legal Income - Income target not achieved placing pressure on the overall budget of legal services leading to overspend because of an inability to manage or control the demand for work, which generates income	Budgetary Pressure	Emma Jackman
00056	Financial Services - Management effectiveness and employee ability to deliver services - Excessive pressure placed on staff and managers due to increased workloads and increased volumes of emails and online meetings in addition to increasing demands arising from the "day job"	Staff burnout; increased incidence of stress; lack of capacity to deliver work demands	Nigel Kennedy
00057	Communities & Citizen Services - Complaints Handling - Failure of the corporate complaints process resulting in Ombudsman intervention caused by a reliance on a limited number of officers	Reputational risk. Additional complaints and/or ombudsmen intervention.	Helen Bishop

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3	4	12
4	3	12

00058	Financial Services - Health & Safety - Staff are subject to volatile situations in the course of their duties and possible harm because robust and challenging conversations are held with subjects of investigation during interviews and visits, leading to an escalation of tension and possible physical assault.	Staff subject to harm and subsequent short or long-term sickness, reduced resources.	swarner2@oxford.gov.uk	2	2	4
00059	Communities & Citizen Services - Community Cohesion Erodes - The risk that social and community cohesion will be negatively affected, detracting from the Council's aims to encourage strong and active communities. This risk has been impacted by Britain's exit from the EU, shifts in national politics, and subsequent shifts in society's perceptions.	1. Uncertainty and instability in the political climate lead to social and political polarisation. This in turn could lead to political fallout/shifts in management and risk of the council developing a bad reputation 2. Political instability means social instability/unrest, leading to higher rates of hate crime. Deepening cleavages in society divide communities, with settled communities feeling neglected by local authorities in favour of new/emerging communities - diversity is seen as a threat for some. 3. Social unrest can have negative effects on health, which carries the risk of widening existing health inequalities across the city.	Helen Bishop	3	3	9
00060	Financial Services - Budget and Income - Failure to deliver profiled trading income caused by the reduced appetites of external clients and partners to spend on counter-fraud services, cost of living crisis, dwindling council finances, politics or competing priorities	Trading income targets not achieved, medium term financial plan compromised, budgetary overspend.	swarner2@oxford.gov.uk	1	2	2
00061	Financial Services - Performance - Failure to achieve service plan targets and objectives due to unplanned staff absence or turnover including sickness. Some fixed term contracts in the team increases the risk of staff looking for alternative roles with other organisations.	Targets not achieved, trading income compromised, inability to service external contractual commitments	swarner2@oxford.gov.uk	1	1	1

00062	Law, Governance & Strategy - Budgetary issue - An increase in the cost of postage by Royal Mail causing budget pressures.	Pressure on budgets beyond what is funded	Martin John	3	3	9
00064	Law, Governance & Strategy - FOIA and DPA compliance - Failure to comply with statutory deadlines for information requests and Data Subject Access requests. Failure to properly manage personal data. Failure of other council departments and officers to contribute and approve in timescales required.	Reputation risk, ICO action could result.	Emma Jackman	3	3	9
00065	Law, Governance & Strategy - Data Protection - A data protection breach and non-compliance with data protection law. A failure of the organisation to adhere to data protection law would cause capacity and work implications issues for the team. This could be caused by outside actors having unauthorised access to data and/or a failure of the Council's departments and suppliers to properly safeguard data	Increased workload on a small team. The organisation could suffer reputational damage and/or have fines levied against it by the ICO. Reputational risk for the service and Council. Financial penalties for the Council and employees. Potential litigation against the Council with damages and adverse costs	Emma Jackman	4	5	20
00066	Communities & Citizen Services - Sponsorship - Failure to achieve sponsorship income targets due to the business climate	Difficult to sustain city events and cultural activity on an annual basis.	Paula Redway	3	2	6
00067	Financial Services - Procurement - If there is a failure to follow best procurement practice, then there is an increased risk of challenge. The reputation of the Council will suffer, and there may be financial loss because of challenges and re-running procurements, as well as delays in delivering priorities.	Reputation of Council. Financial penalty. Poor decision-making and financial loss due to potentially awarding a contract to the wrong supplier. Potential delays in achieving organisational objectives as a result of the challenge, and if the decision is set aside	Annette Osborne	3	4	12

00068	People - Corporate Management - Managers are not equipped to meet the changing needs of the organisation. Development of Fit for the Future Programme gives new accountabilities and responsibilities for leaders	If not addressed, service improvements and efficiencies might not be delivered	Gail Malkin	2	2	4
00069	People - Resources insufficient to meet the growing demands of the service. The work demands over which the team has no control, such as new starters, pension queries, employee turnover and increasing numbers of payroll transactions, is putting additional pressure on the operational work of the team. Additional temporary resource is coming to an end without efficiency savings having been met, partly due to the ASM platform not leading to time savings.	Service quality is dropping, and the team is reporting workload pressures and work-related stress. Will need to cut back on the service offered and extend service standard delivery times.	Gail Malkin	3	3	9
00070	People - Loss of key talent - Reliance on individual contributors with no cover, because the team is small. Example - one recruitment consultant. If she left, the team would have a limited and reduced recruitment service until she was replaced	difficulty filling hard-to-recruit roles and longer time to recruit times more generally	Gail Malkin	3	3	9
00071	People - Data protection legal compliance - Historical poor administration practices and pressures of work have meant that data has not been managed in line with data retention schedules.	non-compliance with data protection law	Gail Malkin	3	2	6
00072	Communities & Citizen Services - Budget pressures in Customer Services, including the Customer Contact and Corporate Support teams has been caused by increased workload and changes not being delivered to improve services and reduce resource requirements. Insufficient funding for workforce.	Service savings not achieved	Helen Bishop	2	2	4

00074	Economy, Regeneration & Sustainability - Staff Recruitment - Difficulty in recruiting on proposed terms and conditions - often FTC roles in the service. Terms and conditions of employment are not sufficiently attractive to attract and retain staff	Required skills and capacity are not available to deliver required work programmes or staff turnover results in the loss of skills from the team.	Clive Tritton	2	2	4
00075	Economy, Regeneration & Sustainability - Managing staff capacity - There is little capacity in the team to allow cover for other team members if required. Internal and external projects and programmes are running to very similar timescales across economic development, City Centre, Green Transport, Housing Delivery and Regeneration.	Staff resources and work needs to be carefully prioritised to handle demand. Some programmes are outside our control, particularly in Green Transport and Economic Development. Difficulty to provide project cover if the regeneration manager or housing supply officer is off work or leaves at short notice.	Clive Tritton	3	3	9
00077	Economy, Regeneration & Sustainability - Health & Safety - Poor health and safety compliance due to inconsistent levels of experience and training of project managers. Lack of corporate resource and training in health and safety protocols.	Health and safety incidents and non compliance during projects which may cause significant project delays, fines or legal action and more widely causes risk to staff.	Clive Tritton	3	3	9
00078	Economy, Regeneration & Sustainability - Support Team Capacity - Lack of specialist advice or delays to projects caused by support team capacity. Commitments to projects and resourcing of support services (procurement, legal, finance, communities, planning) have not been considered in tandem and therefore resourcing in support areas cannot meet requirements of capital projects	Project delays and potentially inaccurate information reported through the governance process due to a lack of specialist advice	Clive Tritton	3	3	9

00079	Economy, Regeneration & Sustainability - Staff Budget - Lack of budget to maintain staffing levels across the service due to a failure to capitalise on the regeneration managers time and a lack of funding to maintain current levels for city centre management and economic development teams. The staff budget relies on capitalising time and external funding sources	Not being able to maintain staffing level of teams which would mean reduced resource to bring forward projects and programmes and loss of good staff that have often been difficult to recruit	Clive Tritton	2	2	4
00080	Economy, Regeneration & Sustainability - Housing supply funding - Reduction in funding available impacting housing delivery targets. Limits to HRA borrowing capacity/change to HRA Business Plan, borrowing cost rises making schemes unviable, lack of Homes England Funding rounds, poor outcome from RSH inspection rates (RP), landlord service not meeting any of the compliance criteria/annual HE Investment Partner compliance return, and loss of awarded funding due to not meeting grant terms	Reduced delivery will further increase the backlog of housing need if we are unable secure additional affordable housing stock. There is also a risk that grant funding, including RRTBRs, may have to be returned with punitive interest	Dave Scholes	3	3	9
00081	Economy, Regeneration & Sustainability - Housing project delays - Programme slippage puts housing delivery targets at risk. Issues could be wide ranging for example risks relating to meeting planning policies, SSEN grid capacity to 2028/2032; and also water and sewage capacity concerns and site specific issues.	Either the projects are lost from the programme or delivery is delayed, both of which add further cost risk. There is also a risk that funding is lost if the grant terms are not met, with a risk of needing to return Right to Buy receipts if not spent, with punitive interest	Dave Scholes	3	3	9
00082	Economy, Regeneration & Sustainability - A lack of engagement from partners to deliver the Council's priorities in Economic Development and City Centre. Third party decision making or capacity issues result in a lack of support financially or in kind for key initiatives/projects.	Unable to deliver on strategic actions or priorities or fund associated projects/staff. Creates unplanned financial pressure	Rupert Waters	3	3	9

00083	Economy, Regeneration & Sustainability - Resource pressure from partners or stakeholders - Key stakeholders or partners' projects and priorities create council resource implications. Third party decision making results in pressure for officer or member support, financially or in kind, for their initiatives/projects	Unable to resource either the partner priority or our own priorities or creates unplanned financial pressure	Rupert Waters	3	3	9
00084	Property Assets - Investment into stock and existing properties - Under investment or lack of funding to invest into properties to maintain condition, caused by budgets not being sufficient to match property needs	Properties become poor condition to let. Reduction in income and potential non-compliant or dangerous.	Malcolm PEEK	3	3	9
00085	Communities & Citizen Services - Customer Services - Applications Team KPIs may not be able to be met because Taxi licensing is under resourced by the service due to funding not being agreed and an uplift in applications.	Performance affected and KPIs unable to be achieved	Mark Chandler	2	2	4
00086	Communities & Citizen Services - Customer Services - Customer behaviour in the Westgate library or ladders puts Council staff at risk, either through physical or mental abuse.	Staff are physically or verbally abused	Mark Chandler	2	3	6
00087	Communities & Citizen Services - Customer Services - Wellbeing of staff working from home and being able to access support as and when required. The majority of staff work from home regularly, without face to face contact	Staff feeling isolated, struggling mentally and not getting the support they need	Mark Chandler	2	2	4
00088	Communities & Citizen Services - Customer Services - Staff not following data protection processes resulting in breaches. Staff not having the appropriate up to date training and awareness of procedures	Data protection breaches resulting in unhappy customers	Mark Chandler	2	2	4

00089	ICT - Retaining skilled ICT professionals. Uncompetitive salaries in some areas.	Staff leave.	Rocco Labellarte	1	3	3
00090	ICT - Addressing ICT staff skills gaps. Single points of failure, in particular the absence of Business Owners and super-users within the services.	Delays in resolving issues for individuals and services.	Rocco Labellarte	2	2	4
00091	ICT - Resources insufficient to meet the demands of the service caused by competing priorities (BAU, Projects, non-ICT issues passed to ICT).	Demand exceeds capacity, and staff work long hours, struggling mentally (as evidenced by the H&S Survey)	Rocco Labellarte	4	3	12
00093	Economy, Regeneration & Sustainability - Capital Project Delays - Significant delays to capital projects caused by unforeseen consequences e.g. planning risks, external factors, competing asks on resources, contractor insolvency or supply chain issues	Reduced performance and missed targets on capital projects which affect overall expenditure, MTFP spend or grant stipulations	Clive Tritton	3	3	9
00094	Financial Services - Property Insurance - If the Council is unable to provide adequate information about the construction of existing buildings in its ownership and their valuations, its Insurers may continue to provide insurance that does not meet the full needs of the Council and exposes it to uninsured risks and financial loss. The Council has been unable to provide sufficient information to Insurers about the construction of properties and the cost of their reinstatement.	Only one Insurer quoted at the last tender and the insurance cover provided has significant weaknesses. The property valuations that the Council has may be wrong, resulting in properties being under or over insured. The Council's properties are insured on a declared value basis, they might be underinsured because of inflation. Unoccupied properties over £1m are uninsured. The Council is unable to go to tender before it improves the information that it has.	Nigel Kennedy	2	4	8
00095	Property Assets - Capital Receipts - Inability to reach capital receipts budget because of market forces and being dependent on the engagement of 3rd parties. Selling from the investment portfolio reduction in income	Reduced capital causes increased borrowing or reduction in capital programme	Emma Gubbins	2	2	4

00096	Property Assets - Lack of legal capacity - If there is a lack of legal support, the Council will be unable to meet income, capital receipt, and project targets. Alternatively, external legal spend will be more costly and will result in an increase in financial pressure. Insufficient base budget in Law and Governance results in insufficient capacity.	Reduced income, reduced capital receipt, risk of legal challenge, reputational damage, increased complaints.	Emma Gubbins
00103	Planning & Regulation - Regulatory compliance - Failure to comply with regulations and statutory compliance because of insufficient resources, impacting the ability to ensure compliance. This might be caused by a culture that fails to enforce policies, a lack of knowledge exacerbated by staff turnover, changes in legislation, and increased demand leading to mistakes by staff.	A loss of public trust and confidence in the Council's ability to govern effectively. Negative media attention will harm the Council's reputation. Elected Members and senior officers face criticism. The Council's ability to deliver services is undermined as important decisions are made incorrectly. Disputes among Members and staff. Fines and penalties and loss of grants and funding.	David Butler, Richard Adams
00108	Housing - Failure of homeless prevention activities - A failure to effectively manage the financial burden and demand for temporary accommodation in accordance with the individual needs of clients. A service failure might mean that homeless prevention activities become unable to meet a sustained increase in homelessness in Oxford, leading to increased homeless placements and temporary accommodation costs.	Reputational Impact - Increase in reviews - client's taking legal action/ appealing against their housing decisions, clients approaching media to highlight their case and shame council. Financial Impact - Increase in temporary accommodation costs adding pressure to general fund. Legal Impact - Council's inability to fulfil its duty to provide or secure the provision of advice and information about homelessness and the prevention of homelessness. Overall Impact - If this risk were realised, it would hinder the operation of this service as its financial viability would be called into question, and related issues impacting regulatory compliance would affect OCC.	Nerys Parry

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2	4	8
2	4	8

00109	Housing - Failure to meet homeless temporary accommodation Demand - Inability to keep up with increasing demand as a result of government changes in eligibility assistance criteria, including those who are eligible as a result of their immigration status, resettlement, or changes in priority. This also includes the wider contextual imbalances within the council's own stock and private housing.	Reputational Impact - Use of social media by clients to amplify their issues - these could also result in loss of trust and support from key stakeholders and wider local government community. Financial Impact - Inability to secure sufficient homelessness grant funding that meets the increasing demand. Legal Impact - The council is not obliged to house everyone who is experiencing or at risk of homelessness. However, it is required to take action depending on the circumstances of each case. It must comply with relevant legislation and have regard to the statutory code of guidance. Overall Impact - Limited impact when variables such as current Government welfare and immigration policy is considered but this is subject to review if there were Government policy changes.	Richard Wood	3	5	15

00110	Housing - Delayed new build developments/acquisitions - Supply - A failure to secure a pipeline of affordable supply from the council's housing development programme, sourcing of PRS acquisitions and maximising on supply opportunities including downsizing, securing nomination rights, empty properties and fast void turnarounds. Service failure might be caused by new build completions of social housing being delayed due to developers failing to complete on time, planned acquisitions being slowed down due to a lack of supply of suitable properties in Oxford, changes to the PRS Housing Markets, including the Renters Rights Bill reducing the supply of affordable private rented sector properties and improvements to the Void process failing to reduce Void Re-let Times.	Reputational Impact - Inability to deliver on council housing programme targets will impact on housing waiting list, but will also impact negatively, loss of trust from key stakeholders and funding partners. Financial Impact - Delays or non-delivery of council housing programme will severely impact and add further financial pressures on HRA Business Plan as well as add further pressures on General Fund as families will need to remain in Temporary Accommodation. Legal Impact - It is a legal requirement to ensure that temporary accommodation is suitable and families with children do not spend over 6 weeks in B&B. Households believing they have been offered unsuitable accommodation may take legal action against the council. Overall Impact - Temporary accommodation provision appears on target but this is subject to review in the light of regular and updated data	Dave Scholes, Nerys Parry	2	4	8
00111	Housing - Implementation of the Landlord Services Re-Organisation - There is a risk of not delivering the re-organisation of Landlord Service in a timely manner, and as a consequence, Landlord Services does not deliver the changes required, including service improvements, culture change and achieve better outcomes for tenants. A failure of the Landlord Services re-organisation to be completed within the expected timelines might be due to delays in new staffing structures and processes being put in place.	Reputational Impact - inability to establish a service structure that is more fit for purpose, responsive to new regulatory requirements and the changing needs of tenants and homes. Financial Impact - Inability to realise reorganisation benefits such as improving efficiency and effectiveness of service delivery and achieving better outcomes for the HRA. Legal Impact - New SHR regulatory requirements mean the council, as a landlord, has a duty to comply and meet required standards; failing to do so, it will breach and face sanctions imposed by the SHR Overall Impact - Limited impact as the initial work for the re-organisation has begun and good progress has been made.	Nerys Parry	2	4	8

00112	Housing - Failure in resident involvement activities/compliance with the Social Housing Act /Consumer Standards - Tenant voice - Failure to improve tenant involvement activities/implement the reset programme to help deliver tenant-led recommendations and priorities, and organisation objectives to comply with the Transparency, Influence and Accountability standard. This would result from service failure, where the tenant Involvement governance arrangements and activities are not fit for purpose and do not allow the tenant's voice to be heard or have meaningful involvement in line with responsibilities under the SHA/Consumer Standards	Reputational Impact - A poor service offer/lack of tenant involvement risks an increase in complaints as it fails to provide tenants with the platform and opportunity to help shape and add value to service improvements (and could also result in Regulator/Ombudsman intervention). Financial Impact – failure to establish efficient routes/platforms for tenants to raise their voice/concerns can be costly and also fails to capture financial efficiencies. Inefficient service delivery can be costly and lead to adding financial pressure on HRA. Legal Impact - New SHR regulatory requirements mean the council, as a landlord, has a duty to comply and meet required standards. Failing to do so will be a breach, and the Council will face sanctions imposed by the SHR. Overall Impact - There are currently no systemic arrangements to consult with tenants, so this is a tangible risk in terms of SHR deciding infringements have taken place. However, to mitigate this risk, evidence can be presented to the SHR that work has begun to address this core issue. In respect of service delivery, involvement with tenants on a systematic basis, as envisaged in the Cabinet report of December 2024 on Tenant Management, would help drive up customer satisfaction levels.	Nerys Parry	5	4	20

00113	Housing - Inspection by the Regulator of Social Housing. Social Housing Regulator inspection readiness - Failure to evidence the implementation/adherence to Social Housing Regulator's consumer standards across housing, resulting in a [C3] grading following inspection. This might happen if OCC could not demonstrate that it is complying with the Social Housing Act/regulator consumer standards.	Reputational Impact - A low grade will impact negatively on the council's overall reputation and loss of trust from tenants who will perceive they are not getting the services they need, and value for money for their rent Financial Impact - A C3 grading will indicate serious failings that may affect housing services quality, such as delayed repairs or inadequate safety measures - a reactive approach to addressing these issues will add financial pressure on HRA Legal Impact - A low-grade judgment from SHR will impact negatively on the council's reputation, reflecting that it does not meet SHR governance requirements. These would be issues of serious regulatory concern, where urgent action will be required to improve its position. Overall Impact - This is a tangible risk, as while there is a body of work to ensure compliance requirements are met, the full programme is yet to be implemented.	Nerys Parry	4	4	16

00114	Housing - OCC fails to follow the statutory Section 20 consultation with leaseholders and shared owners - OCC fails to deliver a compliant S20 consultation process with leaseholders over major works or services. This might happen if changes to the responsible service are not made and the correct process is not followed.	Reputational Impact - A failure to provide a fair and compliant service to leaseholders will negatively impact the council's reputation and perception that it is not delivering compliant services to leaseholders. Financial Impact – A flawed section 20 process reduces the council's ability to collect service charges and recover works expenditure, and secure funding back to the HRA. Legal Impact - Leaseholders have the right to have information about service charges and be consulted on maintenance and running costs. The inability of the council to comply with these functions can lead to leaseholders challenging service charges through the First-tier Tribunal (Property Chamber). Overall Impact - This is a tangible risk, as while there is a body of work to ensure compliance requirements are met, the full programme of work is yet to be implemented.	Nerys Parry	2	1	2
00115	Housing - Implementation of the Development plans for HRA Asset Management - A risk of not changing policies, processes and procedures for HRA property service functions in a timely manner and as a consequence it does not deliver the changes desired including a fit for purpose client team to effectively commission and oversee delivery of works and services, establish the service improvements required including around repairs, safety and compliance. This might happen if the HRA Asset Management re-organisation is not completed within the expected timelines due to delays in new staffing structures and processes being put in place.	Reputational Impact - inability to establish an HRA service structure that is more fit for purpose, responsive to new regulatory requirements and changing needs of tenants and homes. Financial Impact - Inability to realise reorganisation benefits such as improving efficiency and effectiveness of service delivery and achieving better outcomes for the HRA Legal Impact - Inability to establish a service structure that is responsive to meeting new regulatory regime - social housing regulator consumer standards Overall Impact - This risk would, if realised, have a significant impact on the operation and viability of HRA services	Nerys Parry	3	4	12

00116	Housing - HRA investment and management controls fail to comply with the Social Housing Act/Consumer Standards - 5 year investment programme - The Council as a landlord must set out the strategic direction for OCC's HRA capital management and investment plans, which must also form part of the medium to long-term financial and service planning and budget setting process. It also risks complying with Social Housing Regulator expectations in relation to the council having the investment management and controls in place. There would be service failure if the OCC current/planned investment activities fail to comply with the Social Housing Act /Regulator consumer standards.	Reputational Impact - Failure to plan and develop short/medium/long-term investment will make it difficult to evidence compliance and satisfy Social Housing Regulator regulatory requirements relating to effectively planning maintenance and delivering good outcomes and value for money to the HRA. Financial Impact - Risk of not being able to adopt investment planning, risks the council continuing to commission works in a reactive manner, which can be costly and add further financial pressure to the HRA. It also risks the Social Housing Regulator highlighting this as a failure for delivering good outcomes to tenants and effective management and governance of the HRA. Legal Impact - Risk of council as a landlord not meeting SHR Consumer standards - in particular the Safety and Quality Homes standard, where efficient knowledge, planning of assets and maintenance must be evidenced. Overall Impact - It would be significant if this risk were realised in meeting social housing targets in terms of overall delivery of the programme.	Nerys Parry	3	3	9

00117	Housing - HRA Asset Management Safety and Compliance - Inability to comply with legislation and on-going changes relating to safety which form part of the new regulatory regime that bring increased scrutiny of council's approach to meeting all applicable fire, health and safety obligations to ensure the safety of all tenants. Service failure may happen if OCC's current/safety and compliance activities fail to comply with the Social Housing Act/regulator consumer standards.	Reputational Impact - Failure to evidence and satisfy the Social Housing Regulator that OCC is complying with its Safety requirements will bring the council into disrepute, result in a loss of confidence and concerns from tenants about their safety Financial Impact - Failure to meet safety and compliance requirements will raise questions about the council's role as a landlord and its ability to effectively govern and have efficient management of its HRA and maintenance plans, as well as its requirements to meet decent home standards Legal Impact - Bringing the council into disrepute and a lack of confidence in the council's ability to meet its landlord legislative obligations, and intervention from the Social Housing Regulator. Overall Impact - This is a tangible risk, as while there is a body of work to ensure compliance requirements are met, the full programme of work is yet to be implemented. There are yet to be fully approved technical policies, such as in damp and mould or asbestos, to take just two examples, which ensure there are standard compliance practices to meet safety standards. A mitigating factor is the institutional memory within OCC on such matters but if there was a staff turnover, this risk may be accentuated accordingly.	Nerys Parry	3	4	12

00118	Housing - Repairs Maintenance - The inability of the council as a landlord to comply with Social Housing Regulator consumer standard (Safety and Quality) to provide an effective, efficient and timely repairs, maintenance and planned improvements service for the homes and communal areas for which the council is responsible. This might happen if OCC's current/planned activities on property maintenance and repairs take longer than expected/fail an inspection by the Regulator of Social Housing.	Reputational Impact - OCC's inability to effectively manage repairs can lead to an increase in complaints and escalating costs, loss of rent and spending on HRA. This, in turn, will bring Ombudsman / Social Housing Regulator involvement and bring the council into disrepute. Financial Impact - OCC's inability to demonstrate effective governance and management of its HRA finances. Inability to manage repair expenditure. Legal Impact - bringing the council into disrepute and a lack of confidence in the council's ability to meet its landlord legislative obligations, and intervention from the Social Housing Regulator. Overall Impact - while this risk, if realised, would be significant, steps have been made to mitigate it. The decision of the Cabinet to approve the HRA Business Plan, Asset Management and 5-Year Investment Programme and the Tenancy Management and Involvement programme has led to governance structures being introduced and a work programme being developed to include the issue of repairs	Nerys Parry

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00119	Housing - Voids - The inability of the council as a landlord to comply with the Social Housing Regulator consumer standard (Safety and Quality) to provide an effective, efficient and timely voids service procedure for the homes which the council is responsible for. This might happen if OCC void works take longer than expected/fail an inspection by the Regulator of Social Housing.	Reputational Impact - OCC's inability to effectively manage voids could lead to an increase in complaints and escalating costs, loss of rent and spend on HRA. This, in turn, will bring Ombudsman / Social Housing Regulator involvement and bring the council into disrepute. Financial Impact - OCC's inability to demonstrate effective governance and management of its HRA finances. Inability to manage void expenditure and rent loss as a result of long-term void turnarounds can impact the income to HRA. Legal Impact - bringing the council into disrepute and a lack of confidence in the council's ability to meet its landlord legislative obligations, and intervention from SHR. Overall Impact - while this risk, if realised, would be significant - steps have been made to mitigate this risk. The decision of the Cabinet to approve the HRA Business Plan, Asset Management and 5-Year Investment Programme and the Tenancy Management and Involvement programme has led to governance structures being introduced and a work programme being developed to include the issue of voids	Nerys Parry	2	4	8

00120	Housing - Workforce, skills and capacity for service delivery - There are risks and challenges across a range of service areas within the housing service, including recruitment, retention of staff, and a skilled workforce. This is caused by experienced staff leaving OCC, moving to new posts and/or existing and new staff requiring training on existing/new processes, best practice and changes in legislation including the Social Housing Act, Renters Rights Act and Awaabs Law.	Reputational Impact - Inability to have the right, skilled resources can impact on service delivery as well as affect the well-being of employees. In addition, restructuring may require employees to adapt to new roles, learn new skills, and cope with job loss or job hunting. Financial Impact - Inability to have the right workforce in place could lead to substantial financial burdens being added to the HRA and reduce the resilience of services. This can heighten the over-reliance on an interim workforce, which can be disruptive to service due to the instability of service, loss of skills/knowledge. Legal Impact - The council, as the local housing authority, has the regulatory requirement to provide free housing advice and support, ensuring that services are adequately resourced and skilled Overall Impact - Significant impact on the operation of the HRA and wider social housing programme	Nerys Parry	3	3	9

00121	Housing - Housing IT and Systems - The ineffectiveness and transition of new and legacy systems can significantly impact the efficiency and effectiveness of service delivery across housing and ultimately tenant customer satisfaction. Housing IT systems fail to support the business needs of the service and this impacts on service delivery times and customer satisfaction levels	Reputational Impact - Inefficient systems, software, and hardware can slow down daily tasks, leading to a decrease in staff productivity and an impact on service delivery overall to tenants Financial Impact - Increased Costs as a result of inefficient systems that do not talk to each other, consequently leading to higher operational costs. Maintaining outdated systems often requires more resources and specialised support, which can be expensive and add financial pressures to HRA Legal Impact - Council, as a landlord, has the obligation to ensure the integrity and security of the systems it has in place Overall Impact - delays in service delivery, increased customer complaints and staff dissatisfaction/lower morale	Nerys Parry

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00122	Housing - Data and performance - Failure to have effective data and performance management systems in place, as these are critical for making informed business decisions, strategically and operationally. This might happen if existing processes and procedures fail to accurately record all data required on tenants (and housing applicants), including protected characteristics, property/building information, including component data, to ensure activities and priorities for compliance, performance management/service improvement/risk management are all data led.	Reputational Impact - As the local housing authority, the council is required and responsible for ensuring the integrity of data, how it uses this for making decisions and reporting on performance to tenants, Regulator - including government returns. Failure to do this will result in loss of confidence and greater scrutiny from the Social Housing Regulator Financial Impact - Poor data and performance management impacts on the council's ability to deliver its HRA Business Plan priorities and reduce pressures on GF. For e.g.; unplanned cost increases, revenue reduction and poor client management functions - including ODS/contractors. This could also impact the council's ability to demonstrate its value for money duty across both HRA and GF Legal Impact - OCC, as a landlord, has the obligation to ensure the integrity and security of the systems it has in place. It has a duty to ensure the integrity of any data returns to the government or the Social Housing Regulator Overall Impact - This is a significant risk, as while the data function exists, the QL system needs to be fully operational. The need for reliable and up-to-the-minute data is critical for all aspects of the HRA programme, and therefore, the need for data to be of consistently high quality remains paramount to the good functioning of the HRA service.	Nerys Parry	3	4	12

00123	Housing - Financial management of the Housing Revenue Account - There is a risk that the council, with responsibility for the efficient and effective management of the HRA, fails to account for and evidence the expenditure and income against the running of its housing stock, which are provided primarily for the benefit of the council's own tenants. This might happen if OCC fails to provide sufficient evidence to the Social Housing Regulator of effective and efficient financial management of the HRA for OCC tenants and compliance with expectations as a social landlord.	Reputational Impact - Failure to sufficiently evidence the efficient and transparent use of HRA can negatively impact the council's reputation and lead to intervention from the regulator. This can also lead to a loss of trust from tenants, and raise concerns/complaints Financial Impact - Failure to evidence and satisfy the SHR regulator inspection criteria "financial resilience" - which covers the extent to which HRA funds generated from tenants' rent collection are invested back into the HRA for asset and service improvements, and secure good tenant outcomes Legal Impact - The HRA is a ring-fenced account within the General Fund, with income and expenditure being prescribed by statute, with no general discretion to breach the ring-fence Overall Impact - This is a significant risk as there is data to suggest cost overruns have occurred that are not in line with budgetary expectations. The risk has been mitigated, to a limited extent, by internal cost control mechanisms.	Nerys Parry	3	4	12

00124	Housing - Inadequate controls to manage HRA financial spend - This might result in an overspend, and programme targets not being met and an impact on the ability to deliver services within the HRA. This could result in service failure if controls and clienting arrangements are inadequate to meet service needs.	Reputational Impact - failure to ensure effective joint working between OCC and service suppliers would impair the reliability of the maintenance and upkeep of the housing stock. This could lead to tenants expressing dissatisfaction, which would damage the reputation of the OCC with tenants. If tenants decided to express concern on social media or to specific media outlets, this would damage the reputation of OCC amongst the wider public and with key stakeholder groups, as well as damage the relationship between OCC and the Social Housing Regulator, which could lead to infringement actions taken by the regulator. Financial Impact - is significant as it could lead to unsustainable budget overspends due to, amongst other factors, a lack of a joined-up approach towards budgetary and programme works between OCC and ODS. This could undermine the HRA Budget and add financial pressures to the HRA business plan. The efficiency of effective financial controls would be brought into question as a direct consequence of the realisation of this risk profile. Legal Impact - disruptions in the working relationship between OCC and service suppliers that led to issues with maintenance and issues with budgetary controls would mean that this could lead to systemic failure with customer standards and economic governance that could necessitate Social Housing Regulator action against OCC. Tenants could potentially take legal action via a class action in reference to various housing statutes in such an extreme scenario. Overall Impact - disruptions in the working relationship between OCC and service suppliers that led to issues with maintenance and budgetary controls would mean that this could lead to systemic	Nerys Parry

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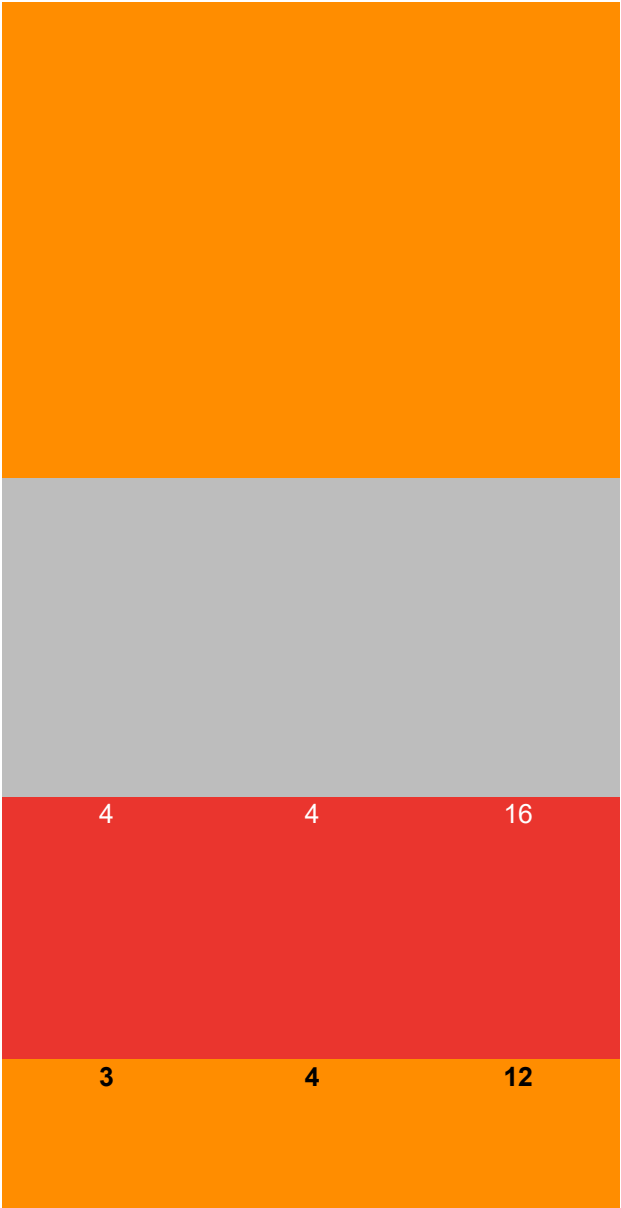
8

controls would mean that this could lead to systemic failure with customer standards and economic governance that could necessitate Social Housing Regulator action against OCC. Tenants could potentially take legal action via a class action in reference to various housing statutes in such an extreme scenario.

00124

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000125	Communities & Citizen Services - Leisure contract financial performance - Ongoing contract management and partnership approach of the external leisure provision contract, to ensure stability with its financial performance. Threats are external factors such as pandemics, utility pricing or a bid that was unrealistic.	Financial impact to OCC and/or service reduction to cut costs that impact service quality	Hagan Lewisman
00126	Communities & Citizen Services - Financial savings against community centres - Desired savings may not be achieved if savings were developed without the input of the service area.	Financial impact to OCC and or service reduction to cut costs. Service quality would be impacted.	Hagan Lewisman



00127	Property Assets - Property Non Compliance - Minimum Energy Efficiency Standards - If a Council commercial property does not achieve an EPC B rating by 2030 the Council may be unable to let the property to a commercial tenant. The current minimum UK legal energy efficiency rating is E, but the UK Government has set a proposed target of B by 2030 in order to achieve net zero carbon emissions by 2050.	A considerable investment in properties is required. If this does not take place the Council will be unable to let properties and income to the Council will be reduced. Businesses must find alternative property causing considerable disruption.	Malcolm PEEK
00164	Financial Services - Succession planning - Loss of statutory financial leadership (Section 151 Officer) caused by the retirement of the Group Finance Director (Section 151 Officer)	The retirement of the Group Finance Director creates financial governance and leadership risks including 1) Increased likelihood of delays in closing and signing off the annual accounts, risking breach of statutory duties 2) Reduced capacity to provide a clear financial strategy, and direction for the Council 3) Lower probability of achieving planned savings targets 4) Potential loss of Member confidence in the robustness of the Council's financial management and reporting 5) Diminished scrutiny of major financial decisions	Caroline Green



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Oxford City Council
Internal Audit Progress Report
April 2026

IDEAS | PEOPLE | TRUST

Summary of work

Internal Audit

This report is intended to inform the Audit and Governance Committee of progress made against the 2025/26 internal audit plans. It summarises the work we have done, together with our assessment of the systems reviewed and the recommendations we have raised. Our work complies with Global Internal Audit Standards in the UK Public Sector. As part of our audit approach, we have agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

Internal audit methodology

Our methodology is based on four assurance levels in respect of our overall conclusion as to the design and operational effectiveness of controls within the system reviewed. The assurance levels are set out in Appendix 1 of this report and are based on us giving either 'substantial', 'moderate', 'limited' or 'no' opinion. The four assurance levels are designed to ensure that the opinion given does not gravitate to a 'satisfactory' or middle band grading. Under any system we are required to make a judgement when making our overall assessment.



Internal audit plan 2025/26

We are pleased to present the following reports to this Audit Committee meeting:

- ▶ Medium Term Financial Plan
- ▶ Fire Safety Follow-Up.

Fieldwork is in progress in respect of the following audits:

- ▶ Leisure Centres which has been issued in draft
- ▶ Client and Commission which has been issued in draft.

We anticipate presenting these reports at future Audit Committee meetings.

Changes to the 2025/26 Internal Audit Plan

It has been agreed with management to defer the cyber audit from 2025-26 and placed into 2026-27. This is because the Council have received external consultant report on this area following a known cyber attack and subsequent management action logs have been developed and progressed. Therefore it was felt that independent assurance was best utilised post the aforementioned steps in the following audit year.

Review of 2025/26 work

AUDIT	EXEC LEAD	AUDIT COMMITTEE	PLANNING	FIELD WORK	REPORTING	DESIGN	EFFECTIVENESS
Audit 1: Medium Term Financial Strategy	Head of Financial Services/ Section 151 Officer	Apr 26	✓	✓	✓	S	S
Audit 2: Fire Safety Follow-Up	Head of Financial Services/ Section 151 Officer	Apr 26	✓	✓	✓	M	M
Audit 3: Leisure Centre Contracts	Director of Communities and Citizens	Jun 26	✓	✓	✓	M Draft	M Draft
Audit 4: Data Analytics	Head of Financial Services/ Section 151 Officer	Apr 26	✓	✓	✓		
Audit 5: Purchase Cards	Head of Financial Services/ Section 151 Officer	Oct 25	✓	✓	✓	L	L
Audit 6: Treasury Management	Head of Financial Services/ Section 151 Officer	Oct 25	✓	✓	✓	S	S
Audit 7: Cyber Security	-	Plan removed and placed into 2026-27 plan					
Audit 8: Equality, Diversity & Inclusion (EDI) Maturity	Head of People	Oct 25	✓	✓	✓	N/A	N/A ¹
Audit 9: ODS Client and Commissioning - Thematic Review	Head of Financial Services/ Section 151 Officer	Jun 26	✓	✓	✓	N/A	N/A

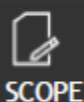
¹ Equality, Diversity & Inclusion (EDI) Maturity - This was an advisory review and does not generate an internal audit opinion.

EXECUTIVE SUMMARY - FIRE SAFETY

Executive summary

CRR REFERENCE: 006 HEALTH & SAFETY AND COMPLIANCE WITH LEGISLATIVE REQUIREMENTS - FAILURE TO COMPLY WITH LEGISLATIVE REQUIREMENTS INCLUDING H&S DATA PROTECTION, LOCAL GOVERNMENT LAW.

Design Opinion	 Moderate	Design Effectiveness	 Moderate
Recommendations	 0	 2	 0



SCOPE

Background

- ▶ In November 2024 we conducted a review of Oxford's housing stock compliance with Fire Safety regulations. The purpose of our work was to evaluate the quality of Fire Risk Assessments (FRAs) conducted by the contractors, including the three alleged 'light-touch' sites. Additionally, we sought to conclude on the classification of Plough House and Bridge Cross to determine if they met the high-rise requirements defined under the Fire Safety (England) Regulations 2022.
- ▶ Oxford City Council (the Council) has identified significant issues with the FRA processes and their associated requirements. Historically, Turner and Townsend (T&T) were responsible for conducting these assessments under a specific contract. However, the compliance reporting by T&T, which indicated 100% compliance, was inaccurately projected over the entire estate rather than the sample of properties they assessed each year per their contract. As a result, FRAs for numerous sites were overlooked and had not been completed for several years.
- ▶ To rectify this situation, the Council appointed six new FRA contractors to undertake a comprehensive refresh across the of the full portfolio of FRAs properties. The newly appointed contractors were Tetra Consulting Limited, Brighthead, Marlow Fire & Security, Fire Plus Security, Frankham, and S3 Environmental.
- ▶ Notably, our review identified the following observations:
 - **Subcontracting by Brighthead:** Brighthead subcontracted 217 Fire Risk Assessments to Guardian Consultancy Services, who further subcontracted to Hawk Fire Safety Services and VM Fire Safety Services. We reviewed four FRAs and found no issues with quality, but there was no appropriate review by a responsible individual (under the Fire Safety Act is a person designated to ensure that fire safety measures are in place and maintained, and that all relevant fire safety regulations are complied with). Brighthead and its subcontractors were not found on relevant fire safety registers, and one inspector falsely claimed Institute of Fire Safety Manager (IFSM) registration.
 - **Requirement to Perform Type 3 Fire Risk Assessments:** The Council has only conducted Type 1 FRAs, which assess common areas. Recent legislation requires more detailed Type 3 assessments for high-risk sites. There is no centralised registered

of FRA results i.e. moderate risk, to quantify the impact of these changes in regulation.

- **Contractor Experience:** Fire Plus Security Ltd and their inspectors were not found on the IFSM, and they lacked the appropriate British Approvals for Fire Equipment (BAFE) SP205 certificate. Tetra and Marlow were not registered with Security Systems and Alarms Inspection Board (SSAIB) but are registered with BAFE.
- **Naming of Fire Risk Assessments:** The SharePoint system used for uploading FRAs lacks a consistent naming convention, making it difficult to locate specific FRAs.
- **Tracking of Fire Risk Assessment Completion and Actions:** Tracking of FRA actions is completed using Excel, leading to discrepancies and incomplete documentation. The utilisation of a dedicated system, such as a property maintenance system, would be more effective and reduce manual errors.

Purpose

- › The purpose of the audit is to complete a detailed follow up of the previous recommendations made in the November 2024 Fire Safety advisory review.

Areas reviewed

As part of this audit, we reviewed the following areas:

- › Assessed whether Brightheat, other contractors and its subcontractors were registered on relevant fire safety registers, and whether actions were taken against the inspector that falsely claimed IFSM registration.
- › We reviewed a sample of twenty FRAs from subcontractors to determine if appropriate approvals had been sought.
- › Determined whether the Council undertook the following:
 - Reviewed the procurement undertaken for the appointment of the new FRA contractor, Maze, to determine what due diligence was performed.
 - Reviewed a sample of twenty FRAs to confirm they have been appropriately reviewed by a competent individual to ensure they have been completed accurately and are complete.
- › Assessed whether the Council have introduced a centralised database to quantify the impact of changes to regulation.
- › Determined whether the Council has undertaken the following:
 - Evaluated the results of the 2024 Fire Risk Assessment programme to determine whether any Type 3 Fire Risk Assessments need to be conducted.
 - Documented how Type 3 assessments will be conducted, by who, and by when; ensuring there is monitoring through to completion with any actions identified added to the Council's action tracker.
- › Assessed whether a consistent naming convention has been implemented and determined whether the Council undertook the following:
 - Introduced a naming convention for FRAs to make them easier to identify and locate. This convention should be documented.
 - The convention should then be implemented by changing the file name of all FRAs.

- The convention should be reviewed to ensure it has been implemented effectively after a period of no more than three months, and this review should be documented.
- Assessed whether a dedicated system has been implemented to track FRA completion and actions this includes the following recommendations:
 - Implement a Fire Risk Assessment tracker, with conclusion of FRAs and date of renewal.
 - Add the BDO observations for sampled properties to action trackers to ensure each are responded to.
 - To complete a full reconciliation of your Excel document to all FRAs (or new system) and document how you have assured yourselves that all actions have been captured and therefore can be followed through.



AREAS OF STRENGTH

We have identified the following areas of good practice:

- The Council have significantly reduced the number of employed contractors and associated subcontractors to assist with the completion of the FRA programme, with the Council no longer working with contractors where previous issues have been identified. Instead, the Council have elected to expand their in-house Fire Safety Team with added expertise.
- It has also been decided that all properties will be subject to at least a type 3 FRA and going-forward these FRAs will be completed in-house by the Council's Fire Safety Team (FST), as opposed to being outsourced to a contractor. While there is no specific legal requirement for risk assessors to hold specific qualifications, practical experience in fire safety and risk assessment is considered crucial. Through review of the team qualifications, accreditations and fire-related training, we confirmed that the team has a depth of experience and relevant qualifications within the fire safety field. (NB: Please see Appendix III for definitions of each type of FRA).
- Following the expansion of the FST, the Council have begun to review all FRAs completed by previous contractors and subcontractors within the 2024 FRA programme. As of December 2025, the Council's Fire Safety Team had reduced the amount of outstanding FRA actions from the 2024 programme to 28 (from circa 3,000 in March 2025). It is expected that these will be fully completed within the first couple of months of 2026. As part of the review, the type and quality of the assessment was considered. Where the team wasn't confident on all aspects of the review, on-site reviews were conducted and, in some instances, an enhanced type 3 FRA was completed (to better align with the elevated risk of the property).
- As part of the FST expansion, the Council have employed three Fire Risk Assessors to carry out FRAs. Each assessor has been assigned responsibility to a third of the Council's jurisdiction (West, Central and East). The Council have also begun compiling schedules of works for the operatives, to ensure a consistent workload all year around. The team of assessors are overseen by a Project Manager, who helps co-ordinate work for the assessors and acts as someone they can report into with any issues. The Project Manager is the main liaison between the FST and ODS Group.

- ▶ Under the Fire Safety Act, Fire Risk Assessments (FRAs) must be reviewed by a responsible individual. This person is typically the one who has control over the premises, such as the owner, employer, or occupier. They are responsible for ensuring that the FRA is up-to-date and reflects any changes in the building or its use. As part of the Council's review exercise, FRAs were signed off by either the Senior Fire Risk Assessor or Corporate Fire Safety Manager as responsible individuals. sample testing on 20 FRAs confirmed that they had all been signed off by a responsible individual, as per the Fire Safety Act 2021.
- ▶ The Council employ ODS Group (a trading subsidiary of the Council) to address remedial FRA actions. The FST and ODS utilise and collaborate through a QL system, where actions are logged and raised as work orders. A series of manual trackers are also maintained, alongside QL, due to limited system functionality (the QL system has a limited interface and does not have the ability to carry files). However, the QL system does however have the functionality to create working schedules, with higher priority actions being alerted within the system, with weekly meetings between the FST and ODS used to monitor and track action completion. A SharePoint is also maintained between the FST and ODS, where FRAs can be accessed and proof of action completion is uploaded.
- ▶ A naming convention for FRAs has been implemented by the FST. As per the FRA Process document, the naming convention is as follows: "UPRN_FRA_Date" (UPRN = Unique Property Reference Number). Via a walk-through of the Council SharePoint, which is used to store all FRAs, we confirmed adherence to the new naming convention.
- ▶ The Council are undertaking a 'rolling clean' exercise to smooth out their FRA programme going forward. Due to the mass amount of FRA reviews being completed in April and May 2025, the Council are trying to prevent a scenario whereby too many FRAs are due to be completed in a short period of time, therefore creating pressure on the FST. The rolling clean programme has divided the property listing equally throughout the year, to make workload more consistent across assessors.



AREAS OF CONCERN

- ▶ **Action trackers - (Finding 1 - Medium)** - Fire action trackers are maintained for the 2024 and 2025 FRA programmes, with all actions being logged and the tracker utilised by to maintain oversight of progression towards completion of actions. On review of the trackers, we have noted the following observations:
 - For some elapsed action due dates, there was a lack of sufficient commentary and supporting notes, making it difficult to confirm progression towards completion. Similarly, where due dates had elapsed, we could not confirm that new target dates had been agreed and assigned.
 - We found that some actions were not assigned to a responsible lead (person) and noted instances where a QL reference had not been recorded by the action. This omission means it is unclear whether the action has been raised in QL, which is necessary for integrating the action into the Team's working schedules.
- ▶ **Procurement of Maze Fire Consulting - (Finding 2 - Medium)** - Maze Fire Consulting the Council's contractor to undertake type 4 FRAs, were not subject to a thorough procurement process in line with Council Policy.



CONCLUSION

- ▶ During this audit, we have considered the progress made by the Council against the actions raised from the Fire Safety Advisory Review conducted in November 2024.
- ▶ Additionally, we have considered the general control framework supporting the delivery of Fire Risk Assessments across the Council's portfolio, alongside the mechanisms in place to log FRAs and their corresponding actions and how remedial works are booked and tracked through to completion.
- ▶ We conclude that the Council has a Moderate design of controls and a Moderate effectiveness of control for Fire Safety.

Control Design

- ▶ The control design is Moderate as there is generally a sound system of internal control designed to achieve system objectives with some noted exceptions.
- ▶ Significant progress has been made in addressing the actions raised during the original November 2024 Fire Safety advisory review. The Council has demonstrated considerable improvement in its fire safety controls since November 2024. This progress is attributed to the allocation of substantial additional resources to implement the recommendations provided.
- ▶ However, we found that the Council are still largely reliant on manual excel spreadsheets to track FRA completion and actions are still currently clearing a backlog of FRA actions from 2024.
- ▶ There were external Fire Door Inspections completed by third party Fire Door Inspection assessors in 2025. The Council are in the process of reviewing all fire doors and communal fire doors to align to the Fire Safety Order 2005. By performing reviews using the inhouse Fire Safety Team, the Corporate Fire Safety Manager has noted that significant cost efficiencies are being made in the cases where third party inspections have raised the need for replacement doors where this is not actually the case and repairs would be sufficient. These reviews are taking place in alignment with the performance of FRAs and the process for reviewing the portfolio of fire doors is aimed to be completed by the end of 2026.

Control Effectiveness

- ▶ The control effectiveness is also Moderate as there was some evidence of non-compliance with some controls, that may put some of the system objectives at risk.
- ▶ In the absence of an all-encompassing system to log and track FRAs and their actions, it is vital that the Council's Fire Safety Team implement robust controls to ensure off-system trackers are kept up to date and contain sufficient information for users to have a comprehensive outlook on action progress. At present, we found that the controls around the maintenance of action trackers are not sufficient in all cases, with the tracker missing information and not recording updates regarding action completion.
- ▶ We also found that the procurement of third-party consultants, Maze Fire Consulting, did not follow the Council's procurement processes. There was a lack of procurement evidence to confirm that Maze had been subject to thorough due diligence and that Council process had been followed.

EXECUTIVE SUMMARY - MEDIUM TERM FINANCIAL STRATEGY

CRR REFERENCE: 001 - FINANCIAL RESPONSIBILITY, 002 - OXFORD MODEL

Design Opinion	 Substantial	Effectiveness Opinion	 Substantial
Recommendations	 0	 0	 3



SCOPE

Background

- ▶ The Medium-Term Financial Strategy (MTFS) is a strategic financial planning document that outlines how a council will manage its finances over a medium-term period, typically three to five years.
- ▶ Each February, Oxford City Council (the Council) formally approves the MTFS for the next four years, including a detailed revenue budget for the coming financial year.
- ▶ The Council's MTFS for 2026-27 to 2028-29 and 2025-26 budget were approved by Cabinet on 5 February 2025, showing a balanced budget for the four-year period.
- ▶ Key areas of financial support include dividends and payments from council-owned companies Oxford Direct Services Limited (ODSL) and Ox Place, car parking income, planning and building control fees, council tax and retained business rates.
- ▶ The strategy is further supported by the receipt of additional funding in the form of grant allocations including Rough Sleepers Prevention and Recovery Grant, Homelessness Prevention Grant, Extended Producer Responsibility Grant, National Insurance compensation and Homelessness, Rough Sleeping and Domestic Abuse Grant.
- ▶ Key areas of financial pressure include employers National Insurance increase at a cost to the group of around £1.2 million pr annum for which the Government has provided a compensation grant of £250k, homelessness £1.4 million per annum additional cost and supported accommodation benefit losses at an additional cost of £1.5 million per annum.
- ▶ The strategy aims to maintain a balanced budget whilst aligning financial resources with the Council's long-term goals and the focus on continued investments in communities, front-line services, new homes and climate challenge. The strategy provides a framework for decision-making, emphasising prudence and strong financial control. It also addresses key risks, including savings from efficiencies and transformation not being achieved and slippage in the capital programme adversely affecting revenue savings and additional income.
- ▶ Over the four-year period of the strategy, the utilisation of reserves amounts to £7.3 million, although usable remaining reserves in the order of £30 million are considered adequate by the Council's Section 151 Officer.
- ▶ There continues to be uncertainty around local government funding and new responsibilities that may arise from the local government devolution initially proposed in December 2024.

Purpose

- ▶ The purpose of this audit is to undertake a review of the adequacy of the end-to-end process for developing the medium-term financial strategy and annual financial planning cycle.

Areas reviewed

The following areas were covered as part of this review:

Governance Arrangements including Management Review and Approval

- ▶ Reviewed the governance arrangements in place for the preparation and approval of the MTFS.
- ▶ Reviewed the minutes available from the Cabinet, Full Council, Scrutiny Committee, Budget Review Group, Labour Group as well which evidenced the approval and consultation of the MTFS.
- ▶ Reviewed the process in place for senior management review and approval of the MTFS. This included a review of what was checked by the reviewer and the evidence required, including full verification of the approval processes in place.

Methodology

- ▶ Conducted a review of the methodology documented to ensure it is consistent with Council's objectives and that the approved methodology is used.
- ▶ Reviewed the completeness of the income and expenditure documentation used in the MTFS to ensure it was clear and assumptions and reasons within the MTFS were documented sufficiently.
- ▶ Reviewed the process in place of engagement with service directors and managers to ensure that there was adequate consideration of their input and assessment as part of budget setting procedures.
- ▶ Reviewed the MTFS to ensure it contains adequate assessment of any contingency and to ensure an appropriate sensitivity analysis had been used.

Risk Assessment Framework

- ▶ We reviewed the process and guidelines in place to identify risks to ensure there was:
 - Robust assessment of risks.
 - The mitigation of the risks ensure best decisions were considered based on the Council's risk appetite for the MTFS.
 - There were risk register records in place which record the risks, and a quarterly review is undertaken to ensure the risks were updated where applicable.

Monitoring

- ▶ Review the monitoring processes in place to ensure the objectives within the strategy were being met and where they were not, identify how this was investigated.
- ▶ Review the reporting systems to ensure comprehensive and accessible information was provided to support decision-making. This included reviewing the monthly monitoring performance reports produced internally for HRA, Corporate Strategy and Community Safety to evaluate the level of scrutiny and monitoring carried out internally.



AREAS OF STRENGTH

- ▶ The Council's governance structure for the MTFS demonstrates strong alignment with best practice standards set by the Chartered Institute of Internal Auditors in the UK and the International Professional Practices Framework (IPPF). Clearly defining each stage of the budget preparation, using multiple levels of review (including senior management, and at a Cabinet level), and seeking stakeholder input in a timely manner all promote transparency and accountability. This mature approach helps mitigate the risk of financial misstatement or oversight and supports the Council's objective of maintaining a balanced budget and protecting essential community services.
- ▶ The Council does not build contingencies into individual service budgets to reduce the risk of service areas from being able to conceal genuine variances by releasing contingencies. By utilising reserves to balance the budget, areas of variance are better identified allowing the Council to better monitor and manage financial performance. This budgeting practice promotes accountability in service areas while ensuring that financial risks are overseen consistently by the Finance Team.
- ▶ The Council has a well-structured approach for ensuring that income and expenditure information used in the budget process is complete and accurate. Service areas are provided with consolidated financial data by the Management Accounting Team, enabling them to validate figures and ensure that all relevant cost and income lines are reflected in their submissions. Budget review meetings between Finance and Heads of Service provide a clear mechanism for refining these submissions and confirming that changes are supported by appropriate narrative explanations.
- ▶ The process for developing assumptions is also defined to ensure consistency and oversight by the Finance Team. Core financial assumptions are determined centrally by Finance, while service specific assumptions are developed collaboratively with managers and subject to appropriate challenge before being incorporated into the wider strategy. This structured and iterative approach supports transparency, consistency and well informed budget planning across the organisation.
- ▶ The MTFS is subject to extensive scrutiny throughout its derivation involving from Senior Officers, the Cabinet, political groups, the Scrutiny Committee and public consultation. Evidence from Corporate Management Team meetings shows sustained and informed engagement with key financial pressures, with political oversight being similarly robust. The Labour Group scrutinised major assumptions around savings requirements, reserves deployment, capital affordability and HRA investment priorities, while the Budget Review Group provided detailed recommendations across high-risk areas such as Temporary Accommodation, ICT costs and cost recovery practices. Collectively, these activities demonstrate that the MTFS is subject to thorough, multi layered review and verification before approval, with meaningful challenge applied at both officer and Member level.
- ▶ The Council has an established and comprehensive approach to identifying, assessing and managing financial risks throughout the MTFS development cycle. Risk assessment is embedded at each stage of budget construction, with savings proposals and income assumptions subject to ongoing evaluation, supported by clear narrative justification and

scenario analysis to test both optimistic and pessimistic outcomes. Officers routinely review supporting documentation to identify areas where deliverability may be uncertain, and risks are refreshed each time the MTFS is updated to ensure emerging pressures and new information are reflected. The process is reinforced by strong internal challenge across the organisation, with budget review meetings demonstrating clear scrutiny of non delivery risks and associated mitigation plans. In addition, the Council maintains a dedicated Budget Risk Register overseen by the Section 151 Officer, accompanying the Corporate Risk Register and ensuring structured escalation and transparency through regular reporting to Cabinet and relevant committees.

- ▶ The Council's outturn and in year budget reporting processes are subject to clear, well documented and active Member scrutiny. Cabinet's consideration of the 2024/25 outturn demonstrates informed challenge, with Members interrogating the drivers behind major pressures and seeking assurance on the robustness of mitigations and the lessons to be applied to the forthcoming budget cycle. Similar levels of engagement were evident in the review of Q1 2025/26, where Cabinet closely examined the emerging £1.31m General Fund variance, tested the sustainability of income and expenditure assumptions, and emphasised the importance of reflecting structural pressures in future forecasts. Members also contextualised local financial challenges within national trends, demonstrating a mature understanding of external risk factors. This sustained engagement indicates that financial reporting effectively supports informed decision making and that Member oversight is active, robust and evidence driven.



AREAS OF CONCERN

- ▶ **Alignment between the MTFS and Council Objectives - (Finding 1 - Low)** - The budget documentation sent to and received from service areas do not explicitly signpost how individual budget proposals such as savings, growth bids, and capital investments contribute to the delivery of the five corporate priority areas. While alignment does occur in practice with an emphasis on value for money, this is not clearly evidenced within the Budget Guidance or final budget documents.
- ▶ **Differences in the documentation of meetings held between service areas - (Finding 2 - Low)** - While budget review meetings with service directors and managers are routinely held and provide opportunities for challenge and discussion, the documentation of these sessions is inconsistent. The meeting notes reviewed varied in structure, detail and clarity, with some using a clear agenda and defined action points, while others were recorded in an unstructured narrative format.
- ▶ **Varying formats to the internal budget monitoring reports - (Finding 3 - Low)** - We identified inconsistency in the presentation of financial monitoring information across service areas, with different developed reporting formats resulting in variations in layout, narrative and the level of detail provided. We also found that monthly monitoring meetings have not consistently taken place due to capacity constraints within the Finance Team, leading to some reviews occurring on a quarterly or bi-monthly basis instead. This reduces opportunities for timely discussion of emerging variances, operational risks and required corrective actions.



CONCLUSION

We conclude that the Council has a Substantial level of control design and effectiveness over the development and operation of its Medium-Term Financial Strategy (MTFS).

Control Design

- ▶ We have provided Substantial assurance over the control design of the MTFS, reflecting a well structured and comprehensive framework that supports the achievement of strategic and financial objectives.
- ▶ Governance arrangements are clearly defined, with multiple levels of review, scrutiny, and challenge embedded throughout the MTFS development process.
- ▶ The methodology used for income, expenditure, and assumption setting is robust, consistently applied, and informed by engagement with service directors and managers.
- ▶ The Council's approach to financial risk assessment is similarly strong, incorporating scenario analysis, clear risk ownership, and regular updating through both the Budget Risk Register and corporate risk processes.
- ▶ While opportunities exist to further enhance transparency such as more explicit mapping of budget proposals to corporate priorities the overall control design is sound, coherent, and provides an appropriate foundation for sustainable financial planning.

Control Effectiveness

- ▶ We have provided Substantial Assurance over the effectiveness of the MTFS controls. The MTFS processes are being applied consistently and are operating as intended.

- ▶ Robust review and challenge occur at all key stages including Cabinet, Scrutiny Committee, political groups, and senior management forums demonstrating active and informed oversight.
- ▶ Financial monitoring arrangements are well-established, with comprehensive reporting that provides clear visibility of variances and emerging pressures. Member scrutiny of both outturn and in-year performance is strong, timely, and forward-looking.
- ▶ A small number of improvement opportunities were identified, such as inconsistent documentation of budget review meetings, variation in service-level monitoring report formats, and occasional delays to monthly monitoring cycles.
- ▶ However, these minor issues do not detract from the overall strength of the control environment. With three low recommendations raised, we conclude that the controls in place are effective, well-embedded, and support the delivery of a resilient and credible MTFS.

Key performance indicators

QUALITY ASSURANCE	KPI	RAG RATING
The auditor attends the necessary, meetings as agreed between the parties at the start of the contract	All meetings attended including Audit and Governance Committee meetings, pre-meetings, individual audit meetings and contract reviews have been attended by either the Partner or Audit Assistant Manager.	
Positive result from any external review	Following an External Quality Assessment by the Institute of Internal Auditors in May 2021, BDO was found to 'generally conform' (the highest rating) to the International Professional Practice Framework and Public Sector Internal Audit Standards.	
Information is presented in the format requested by the customer.	No requests to change the BDO format.	
Customer satisfaction reports - overall score at average at least 3.5 / 5 for surveys issued at the end of each audit.	This KPI will be updated once customer satisfaction responses are received for 2024-25 and 2025-26.	
REPORTING ARRANGEMENTS	KPI	RAG RATING
Draft report to be produced 3 weeks after the end of the fieldwork. We have issued draft reports within 3 weeks of fieldwork 'closing' meeting and finalised internal audit reports within 1 week after receiving management responses.	We issued the draft copy of the Fire Safety Follow-Up report within three weeks (considering the Christmas break) of fieldwork 'closing' meeting.	
Management to respond to internal audit reports within 2 weeks	We cannot comment on this KPI as two weeks have not yet elapsed for responses of management to the Fire Safety Follow-Up report.	
Final report to be produced 1 week after management responses	We cannot comment on this KPI as we have not received management responses for the Fire Safety Follow-Up report.	
90% recommendations to be accepted by management	All our recommendations made were accepted by management and we worked with the Auditees to present information in the format requested.	
DELIVERY	KPI	RAG RATING
Annual Audit Plan delivered in line with timetable and Actual days are in accordance with Annual Audit Plan	We are currently on track to deliver the Annual Audit Plan in line with timetable and Actual days are in accordance with Annual Audit Plan	

Appendix 1

OPINION SIGNIFICANCE DEFINITION

LEVEL OF ASSURANCE	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION	FINDINGS FROM REVIEW
Substantial 	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate 	In the main, there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally, a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non-compliance with some controls, that may put some of the system objectives at risk.
Limited 	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non-compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE DEFINITION

RECOMMENDATION SIGNIFICANCE	
High 	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
Medium 	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
Low 	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.

FOR MORE INFORMATION:

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Oxford City Council

Internal Audit Report - Final

Fire Safety Follow Up

FEBRUARY 2026

Design Opinion



Moderate

Design Effectiveness



Moderate

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DISTRIBUTION

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Nerys Parry	Director of Housing Services
Toni Henderson	Corporate Fire Safety Manager
Malcolm Peek	Property Services Manager

BDO LLP APPRECIATES THE TIME PROVIDED BY ALL THE INDIVIDUALS INVOLVED IN THIS REVIEW AND WOULD LIKE TO THANK THEM FOR THEIR ASSISTANCE AND COOPERATION.

REPORT STATUS

Auditors:	Gurpreet Dulay - Partner Joe Taylor - Assistant Manager Nathaniel Hall - Audit Semi-Senior
Dates work performed:	10 November - 19 December 2025
Draft report issued:	15 January 2026
Final report issued:	19 February 2026

Executive summary

CRR REFERENCE: 006 HEALTH & SAFETY AND COMPLIANCE WITH LEGISLATIVE REQUIREMENTS - FAILURE TO COMPLY WITH LEGISLATIVE REQUIREMENTS INCLUDING H&S DATA PROTECTION, LOCAL GOVERNMENT LAW.

Design Opinion	 Moderate	Design Effectiveness	 Moderate
Recommendations	 0	 2	 0

 SCOPE	Background ▶ In November 2024 we conducted a review of Oxford’s housing stock compliance with Fire Safety regulations. The purpose of our work was to evaluate the quality of Fire Risk Assessments (FRAs) conducted by the contractors, including the three alleged 'light-touch' sites. Additionally, we sought to conclude on the classification of Plough House and Bridge Cross to determine if they met the high-rise requirements defined under the Fire Safety (England) Regulations 2022. ▶ Oxford City Council (the Council) has identified significant issues with the FRA processes and their associated requirements. Historically, Turner and Townsend (T&T) were responsible for conducting these assessments under a specific contract. However, the compliance reporting by T&T, which indicated 100% compliance, was inaccurately projected over the entire estate rather than the sample of properties they assessed each year per their contract. As a result, FRAs for numerous sites were overlooked and had not been completed for several years. ▶ To rectify this situation, the Council appointed six new FRA contractors to undertake a comprehensive refresh across the of the full portfolio of FRAs properties. The newly appointed contractors were Tetra Consulting Limited, Brighthead, Marlow Fire & Security, Fire Plus Security, Frankham, and S3 Environmental. ▶ Notably, our review identified the following observations: • Subcontracting by Brighthead: Brighthead subcontracted 217 Fire Risk Assessments to Guardian Consultancy Services, who further subcontracted to Hawk Fire Safety Services and VM Fire Safety Services. We reviewed four FRAs and found no issues with quality, but there was no appropriate review by a responsible individual (under the Fire Safety Act is a person designated to ensure that fire safety measures are in place and maintained, and that all relevant fire safety regulations are complied with). Brighthead and its subcontractors were not found on relevant fire safety registers, and one inspector falsely claimed Institute of Fire Safety Manager (IFSM) registration. • Requirement to Perform Type 3 Fire Risk Assessments: The Council has only conducted Type 1 FRAs, which assess common areas. Recent legislation requires more detailed Type 3 assessments for high-risk sites. There is no centralised registered

of FRA results i.e. moderate risk, to quantify the impact of these changes in regulation.

- **Contractor Experience:** Fire Plus Security Ltd and their inspectors were not found on the IFSM, and they lacked the appropriate British Approvals for Fire Equipment (BAFE) SP205 certificate. Tetra and Marlow were not registered with Security Systems and Alarms Inspection Board (SSAIB) but are registered with BAFE.
- **Naming of Fire Risk Assessments:** The SharePoint system used for uploading FRAs lacks a consistent naming convention, making it difficult to locate specific FRAs.
- **Tracking of Fire Risk Assessment Completion and Actions:** Tracking of FRA actions is completed using Excel, leading to discrepancies and incomplete documentation. The utilisation of a dedicated system, such as a property maintenance system, would be more effective and reduce manual errors.

Purpose

- › The purpose of the audit is to complete a detailed follow up of the previous recommendations made in the November 2024 Fire Safety advisory review.

Areas reviewed

As part of this audit, we reviewed the following areas:

- › Assessed whether Brighthead, other contractors and its subcontractors were registered on relevant fire safety registers, and whether actions were taken against the inspector that falsely claimed IFSM registration.
- › We reviewed a sample of twenty FRAs from subcontractors to determine if appropriate approvals had been sought.
- › Determined whether the Council undertook the following:
 - Reviewed the procurement undertaken for the appointment of the new FRA contractor, Maze, to determine what due diligence was performed.
 - Reviewed a sample of twenty FRAs to confirm they have been appropriately reviewed by a competent individual to ensure they have been completed accurately and are complete.
- › Assessed whether the Council have introduced a centralised database to quantify the impact of changes to regulation.
- › Determined whether the Council has undertaken the following:
 - Evaluated the results of the 2024 Fire Risk Assessment programme to determine whether any Type 3 Fire Risk Assessments need to be conducted.
 - Documented how Type 3 assessments will be conducted, by who, and by when; ensuring there is monitoring through to completion with any actions identified added to the Council's action tracker.
- › Assessed whether a consistent naming convention has been implemented and determined whether the Council undertook the following:
 - Introduced a naming convention for FRAs to make them easier to identify and locate. This convention should be documented.
 - The convention should then be implemented by changing the file name of all FRAs.

- The convention should be reviewed to ensure it has been implemented effectively after a period of no more than three months, and this review should be documented.
- ▶ Assessed whether a dedicated system has been implemented to track FRA completion and actions this includes the following recommendations:
 - Implement a Fire Risk Assessment tracker, with conclusion of FRAs and date of renewal.
 - Add the BDO observations for sampled properties to action trackers to ensure each are responded to.
 - To complete a full reconciliation of your Excel document to all FRAs (or new system) and document how you have assured yourselves that all actions have been captured and therefore can be followed through.



AREAS OF STRENGTH

We have identified the following areas of good practice:

- ▶ The Council have significantly reduced the number of employed contractors and associated subcontractors to assist with the completion of the FRA programme, with the Council no longer working with contractors where previous issues have been identified. Instead, the Council have elected to expand their in-house Fire Safety Team with added expertise.
- ▶ It has also been decided that all properties will be subject to at least a type 3 FRA and going-forward these FRAs will be completed in-house by the Council's Fire Safety Team (FST), as opposed to being outsourced to a contractor. While there is no specific legal requirement for risk assessors to hold specific qualifications, practical experience in fire safety and risk assessment is considered crucial. Through review of the team qualifications, accreditations and fire-related training, we confirmed that the team has a depth of experience and relevant qualifications within the fire safety field. (NB: Please see Appendix III for definitions of each type of FRA).
- ▶ Following the expansion of the FST, the Council have begun to review all FRAs completed by previous contractors and subcontractors within the 2024 FRA programme. As of December 2025, the Council's Fire Safety Team had reduced the amount of outstanding FRA actions from the 2024 programme to 28 (from circa 3,000 in March 2025). It is expected that these will be fully completed within the first couple of months of 2026. As part of the review, the type and quality of the assessment was considered. Where the team wasn't confident on all aspects of the review, on-site reviews were conducted and, in some instances, an enhanced type 3 FRA was completed (to better align with the elevated risk of the property).
- ▶ As part of the FST expansion, the Council have employed three Fire Risk Assessors to carry out FRAs. Each assessor has been assigned responsibility to a third of the Council's jurisdiction (West, Central and East). The Council have also begun compiling schedules of works for the operatives, to ensure a consistent workload all year around. The team of assessors are overseen by a Project Manager, who helps co-ordinate work for the assessors and acts as someone they can report into with any issues. The Project Manager is the main liaison between the FST and ODS Group.

- ▶ Under the Fire Safety Act, Fire Risk Assessments (FRAs) must be reviewed by a responsible individual. This person is typically the one who has control over the premises, such as the owner, employer, or occupier. They are responsible for ensuring that the FRA is up-to-date and reflects any changes in the building or its use. As part of the Council's review exercise, FRAs were signed off by either the Senior Fire Risk Assessor or Corporate Fire Safety Manager as responsible individuals. sample testing on 20 FRAs confirmed that they had all been signed off by a responsible individual, as per the Fire Safety Act 2021.
- ▶ The Council employ ODS Group (a trading subsidiary of the Council) to address remedial FRA actions. The FST and ODS utilise and collaborate through a QL system, where actions are logged and raised as work orders. A series of manual trackers are also maintained, alongside QL, due to limited system functionality (the QL system has a limited interface and does not have the ability to carry files). However, the QL system does however have the functionality to create working schedules, with higher priority actions being alerted within the system, with weekly meetings between the FST and ODS used to monitor and track action completion. A SharePoint is also maintained between the FST and ODS, where FRAs can be accessed and proof of action completion is uploaded.
- ▶ A naming convention for FRAs has been implemented by the FST. As per the FRA Process document, the naming convention is as follows: "UPRN_FRA_Date" (UPRN = Unique Property Reference Number). Via a walk-through of the Council SharePoint, which is used to store all FRAs, we confirmed adherence to the new naming convention.
- ▶ The Council are undertaking a 'rolling clean' exercise to smooth out their FRA programme going forward. Due to the mass amount of FRA reviews being completed in April and May 2025, the Council are trying to prevent a scenario whereby too many FRAs are due to be completed in a short period of time, therefore creating pressure on the FST. The rolling clean programme has divided the property listing equally throughout the year, to make workload more consistent across assessors.



AREAS OF CONCERN

- ▶ **Action trackers - (Finding 1 - Medium)** - Fire action trackers are maintained for the 2024 and 2025 FRA programmes, with all actions being logged and the tracker utilised by to maintain oversight of progression towards completion of actions. On review of the trackers, we have noted the following observations:
 - For some elapsed action due dates, there was a lack of sufficient commentary and supporting notes, making it difficult to confirm progression towards completion. Similarly, where due dates had elapsed, we could not confirm that new target dates had been agreed and assigned.
 - We found that some actions were not assigned to a responsible lead (person) and noted instances where a QL reference had not been recorded by the action. This omission means it is unclear whether the action has been raised in QL, which is necessary for integrating the action into the Team's working schedules.
- ▶ **Procurement of Maze Fire Consulting - (Finding 2 - Medium)** - Maze Fire Consulting the Council's contractor to undertake type 4 FRAs, were not subject to a thorough procurement process in line with Council Policy.



CONCLUSION

- ▶ During this audit, we have considered the progress made by the Council against the actions raised from the Fire Safety Advisory Review conducted in November 2024.
- ▶ Additionally, we have considered the general control framework supporting the delivery of Fire Risk Assessments across the Council's portfolio, alongside the mechanisms in place to log FRAs and their corresponding actions and how remedial works are booked and tracked through to completion.
- ▶ We conclude that the Council has a Moderate design of controls and a Moderate effectiveness of control for Fire Safety.

Control Design

- ▶ The control design is Moderate as there is generally a sound system of internal control designed to achieve system objectives with some noted exceptions.
- ▶ Significant progress has been made in addressing the actions raised during the original November 2024 Fire Safety advisory review. The Council has demonstrated considerable improvement in its fire safety controls since November 2024. This progress is attributed to the allocation of substantial additional resources to implement the recommendations provided.
- ▶ However, we found that the Council are still largely reliant on manual excel spreadsheets to track FRA completion and actions are still currently clearing a backlog of FRA actions from 2024.
- ▶ There were external Fire Door Inspections completed by third party Fire Door Inspection assessors in 2025. The Council are in the process of reviewing all fire doors and communal fire doors to align to the Fire Safety Order 2005. By performing reviews using the inhouse Fire Safety Team, the Corporate Fire Safety Manager has noted that significant cost efficiencies are being made in the cases where third party inspections have raised the need for replacement doors where this is not actually the case and repairs would be sufficient. These reviews are taking place in alignment with the performance of FRAs and the process for reviewing the portfolio of fire doors is aimed to be completed by the end of 2026.

Control Effectiveness

- ▶ The control effectiveness is also Moderate as there was some evidence of non-compliance with some controls, that may put some of the system objectives at risk.
- ▶ In the absence of an all-encompassing system to log and track FRAs and their actions, it is vital that the Council's Fire Safety Team implement robust controls to ensure off-system trackers are kept up to date and contain sufficient information for users to have a comprehensive outlook on action progress. At present, we found that the controls around the maintenance of action trackers are not sufficient in all cases, with the tracker missing information and not recording updates regarding action completion.
- ▶ We also found that the procurement of third-party consultants, Maze Fire Consulting, did not follow the Council's procurement processes. There was a lack of procurement evidence to confirm that Maze had been subject to thorough due diligence and that Council process had been followed.

Detailed findings

1. Incompleteness of action trackers to maintain effective oversight over completion of actions	
TOR Risk:	There has not been appropriate and sufficient progress made against the recommendations made in the November 2024 Fire Safety Review. - Assess whether a dedicated system has been implemented to track FRA completion and actions this includes the following recommendations: - Implement a Fire Risk Assessment tracker, with conclusion of FRA and date of renewal.
Significance	Medium

 **FINDING**

Once an FRA has been completed, the actions from the assessment are put onto an excel action tracker to be assessed and raised as a work job on QL, the Council's social housing management system.

To maintain effective oversight of actions arising from FRAs, the Council have adopted a two-pronged approach. Actions arising are logged in the QL system, as well as being logged within an excel spreadsheet. Due to limited functionality within QL, manual spreadsheets are maintained to act as the main tool or retaining oversight of actions.

Review of the "Actions from 2025 FRAs" excel tracker identified that the tracker contained the following key information, but is not limited to: Address, FRA Ref.No, Action Details, FRA (Link to the FRA on SharePoint), Assessment Date, Risk Rating, Due Date, Status, QL Reference, Assigned To, Lead Person and Comments / Further Notes.

A separate action tracker is maintained by the Council for the outstanding actions arising from the 2024 FRA programme, with actions from the 2025 FRA programme being kept separately.

From review of the trackers, we made the following observations, but is not limited to:

- Insufficient Commentary** - For some elapsed action due dates, we could not confirm what progress was being made to complete the action, due to insufficient commentary/supporting notes. In some instances, the tracker had not been updated to confirm whether steps towards the action had been completed. I.e. cell reference O32 in the 2025 tracker states the following "Fire rated loft hatch on order 4-08-25". However, no further comment or update had been logged to confirm whether the loft hatch had been received and when it was due to be fitted.
- Lack of New Target Dates** - Similarly, where due dates had elapsed, we could not confirm that new target dates had been agreed and assigned.
- Unassigned Actions** - We also noted instances where the action was not assigned to a lead individual, meaning nobody was documented as accountable for progress against completion.
- Missing QL References** - For some completed actions, we noted that there was not a QL reference attached and no supporting justification as to why.

In summary, while the Council's dual approach to managing FRA actions is a step in the right direction, there are areas for improvement in documentation, accountability, and tracking to ensure effective oversight and timely completion of actions.

Root Cause

We discussed the exceptions with the Corporate Fire Safety Manager, who noted the following “The tracker comments and updates haven’t been consistent as they have been accessed by many operatives from both the Council and ODS fire safety teams; along with several changes in staff and changes to processes for tracking the actions.” The Corporate Fire Safety Manager informed us that the Fire Safety Team now hold weekly meetings with ODS for updates on works and that only a selection of people, such as the Fire Safety Project Managers, can now edit the spreadsheet, and this is done during the meeting when updates are provided. Going forward, more mitigations will be added which include blocking and protecting cells from modification and clarifying ownership of actions to aide accountability.

Implication

Where the mechanism to track actions is not kept up to date and reflective of the status/progress towards the action being completed, there is a risk that effective oversight over progress is lost. Additionally, it is important to assign specific individuals to actions to help aide accountability against progress. Furthermore, where actions are not comprehensive and easy to follow, there is a risk that work is hard to pick up, in the absence of the staff member overseeing its completion.

Having an effective and reliable mechanism, that is the single source of truth, encapsulating all progress, can help assist in maintaining an effective grasp over action completion. Without such a mechanism in place, there is an increased risk that actions ultimately remain incomplete, or take longer to complete, resulting in tenants being exposed to risk for longer periods of time.



RECOMMENDATION

The FST should ensure that if the excel trackers are to be used moving forwards, that the following should be implemented:

- 1a. Where actions falls overdue, the reasons for the failure should be assessed and the action log should be updated to record this.
- 1b. The overdue actions should then be reassessed and an achievable target date for completion should be assigned and logged on the action tracker, to help aide accountability.
- 1c. Similarly, all actions should be assigned to a member of the FST team, who should be held responsible for ensuring the completion of the action.
- 1d. Regular updates, for example weekly, should be logged in the tracker to confirm progress against the action.
- 1e. As part of weekly FST meetings, the action logs should be reviewed, and checks should be undertaken to ensure there are updates against each of the overdue actions.



MANAGEMENT RESPONSE

1a. We will organise a stringent system whereby the Senior Fire Risk Assessor will review all outstanding actions weekly during the ODS meeting, ensure the action log is updated each week, and apply pressure on ODS to confirm firm timescales for completion. These include investigating any actions which fall overdue, making them the highest priorities.

We have identified a company that can fully support the flow of Fire Risk Assessments and Fire Door Inspections without the need for spreadsheets. We are currently negotiating costs, which are very reasonable—particularly when compared to the limitations of our current

spreadsheet-based process, where the closure of FRA actions cannot be visibly integrated into the assessment itself.

The proposed software will allow updates to be recorded directly within the body of each Fire Risk Assessment, including photographic evidence of completed actions. This will not only remove the significant administrative burden that is slowing down the Fire Safety Team, but will also provide clear, transparent evidence to auditors that all fire risk actions are being properly tracked and managed. Final Fire Risk Assessments will show the full journey to completion for every action within the original document.

In addition, the system will allow residents to access the FRA for their building through a QR code. The product we are exploring is called Aurora Software. We hope to have it up and running as soon as possible.

1b. The overdue actions will be fully reassessed, and a realistic and achievable target completion date will be assigned for each action. These updated dates will be recorded in the action tracker to strengthen accountability and ensure progress is monitored consistently.

Furthermore, a weekly review process has now been implemented, whereby the Senior Fire Risk Assessor examines all outstanding and overdue actions during the ODS meeting. This ensures that updates are captured promptly, barriers to completion are identified early, and ODS is held accountable for providing firm timescales for resolution as we progress.

1c. All actions raised by the in-house Fire Safety Team will be the ultimate responsibility of the Fire Risk Assessor who completed the Fire Risk Assessment. Accountability for each action will automatically lie with the assessor who identified and raised it, ensuring clear ownership and responsibility throughout the completion process.

1d. We hold regular weekly meetings with ODS, during which the Senior Fire Risk Assessor is responsible for holding ODS or OCC to account for the progress of each action. These meetings allow us to review and understand any delays, confirm revised timescales where necessary, and ensure that progress is accurately recorded in the tracker. In addition, the Fire Risk Assessor who raised the action is held accountable for monitoring and updating the status of their actions, ensuring clear ownership and continuous oversight.

1e. As part of our weekly Fire Safety Team (FST) meetings, the action logs are reviewed in full, with specific checks undertaken to ensure that every overdue action has a current and accurate progress update. This process enables the team to verify that delays are understood that responsible parties are providing updated timescales, and that all information is consistently recorded to support ongoing accountability and oversight.

Responsible Officer:	Toni Henderson, Corporate Fire Safety Manager
Implementation Date:	1 st July 2026 of the Aurora System, (although 1a,1b,1c,1d & 1e will be and have already been implemented).

2. Maze Fire Consulting were not subject to the Council's procurement processes

TOR Risk:	There has not been appropriate and sufficient progress made against the recommendations made in the November 2024 Fire Safety Review. Review the procurement undertaken for the appointment of the FRA contractors, determine what due diligence was performed and consider if this needs to be reformed to ensure contractors are appropriately qualified in the future.
Significance	 Medium



FINDING

Despite being informed that Maze Fire Consulting were already part of the Council in-house approved supplier listing, we could not confirm this via review of the approved supplier listing.

We discussed this with the Corporate Fire Safety Manager who informed us that in-house checks had been undertaken, and it was confirmed that Maze is not listed under any framework the Council could locate, including Fusion21, as previously suggested. The Council's Procurement Team had advised that if Maze has completed work for the Council in the past, they may have been appointed through an external framework or via a tender or quotation process. Following the discovery, the Fire Safety Team are now working with their Procurement department to establish an in-house Fire Safety framework. This approach will ensure greater transparency, compliance, and efficiency in future procurement activities, while providing a robust mechanism for engaging qualified suppliers in line with the Council's strategic objectives.

The Corporate Fire Safety Manager also confirmed that the Council Fire Safety Team are now actively seeking to get Maze added to the Council's approved Supplier Framework.

Root Cause

When we discussed the issue with the Corporate Fire Safety Manager, we were informed that the engaging of Maze, as a contractor, pre-dated their employment at the Council. From the agreement, we were able to confirm that the Building Safety Manager was the one to sign off the agreement with Maze. We were also informed by the Corporate Fire Safety Manager that the Council's Procurement Team was unable to determine how Maze had been procured, but the Council is now in the process of ensuring Maze is on the approved supplier framework.

Implication

Given the issues previously experienced by the Council when working with FRA contractors, it is important that sufficient due diligence is conducted on new contractors. Ensuring that the contractor has the necessary skills, experience, and qualifications to deliver high-quality work is essential. This helps reduce the risk of substandard work that could lead to costly repairs or replacements.

More broadly, it is also important that the Council is seen to conducting thorough and comprehensive procurement exercises to ensure that they are complying with public money legislation, such as the Procurement Act 2023, and are seen to be getting the best value for money. Procurement exercises ensure that purchases comply with legal and regulatory requirements, reducing the risk of legal issues and penalties.



RECOMMENDATION

2a. Where new suppliers are being engaged/procured to assist with Health and Safety at the Council, the Council need to ensure that due process is followed in accordance with internal policy, as well as external regulatory and legislative requirements. During the procurement process, it is important that the Council can demonstrate that they are getting value for money from the new supplier and that the supplier has been subject to thorough and comprehensive due diligence processes.



MANAGEMENT RESPONSE

2a. We were informed by the previous Building Safety Manager that Maze had been procured through the Fusion 21 framework, and at the time we had no reason to question this information. The documentation to engage Maze for the Type 4 Fire Risk Assessments for the HRBs was already in draft, which reinforced our understanding that the correct procurement route had been followed.

It was only during this audit that we undertook a further review and identified that Maze had not, in fact, been procured through the expected framework. Following this discovery, the Fire Safety Team has been working closely with the Procurement Team to establish a dedicated Fire Safety framework to ensure that all future engagements fully comply with internal procurement policies and external regulatory requirements. This will prevent recurrence and strengthen governance, assurance, and value-for-money processes going forward.

Responsible Officer:

Toni Henderson, Corporate Fire Safety Manager

Implementation Date:

1st July 2026

OBSERVATIONS

DATE AND TIME OF FRA REVIEW

From our sample testing on 20 FRAs, despite being able to confirm that each FRA had been subject to review and sign off, we did note that these had not been date stamped. To improve the robustness of the control, the Council should look to include date stamps to e-signatures, to confirm the time and date of the review from the responsible individual.

The Corporate Fire Safety Manager has noted that the implementation of the Aurora Fire Risk Assessment Software system will not allow a Fire Risk Assessment to be signed off without a verifiable time and date stamp. This system has been designed to incorporate all required elements of a Fire Risk Assessment and Fire Door Inspection Report, including documentation of required actions through a structured workflow.

The Aurora system will also allow for updates, action progress, photographic evidence, and final closures to be embedded directly within the live assessment document, something that our current spreadsheets and PDF-based processes are unable to provide, improving transparency, traceability, and the overall robustness of controls.



Appendix I - Definitions

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF CONTROLS	
	FINDINGS FROM REVIEW	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION
Substantial	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Limited	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE

High	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
Medium	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
Low	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.

Appendix II - Terms of Reference



KEY RISKS

Based upon the risk assessment undertaken during the development of the internal audit operational plan, through discussions with management, and our collective audit knowledge and understanding the potential key risks associated with the area under review are:

- ▶ There has not been appropriate and sufficient progress made against the recommendations made in the November 2024 Fire Safety Review (Risk 1).



SCOPE & APPROACH

The following areas will be covered as part of this review:

- ▶ Assess whether Brighthouse, other contractors and its subcontractors are registered on relevant fire safety registers, and whether actions were taken against the inspector that falsely claimed IFSM registration
- ▶ Review a sample of FRAs from subcontractors to determine if appropriate approvals have been sought.
- ▶ Determine whether the Council undertook the following:
 - Review the procurement undertaken for the appointment of the FRA contractors, determine what due diligence was performed and consider if this needs to be reformed to ensure contractors are appropriately qualified in the future.
 - Review the Brighthouse structure and consider if they should be removed as a supplier in the future.
 - Ensure the FRAs are appropriately reviewed by a competent individual to ensure they have been completed accurately and are complete, in the first instance this should be completed by the supplier. 4 Assess whether the Council have introduced a centralised database to quantify the impact of changes to regulation.
- ▶ Determine whether the Council undertook the following:
 - Evaluate the results of the Fire Risk Assessment to determine whether any Type 3 Fire Risk Assessments need to be conducted - this will determine the level of exposure.
 - Once the exposure is quantified, to document how Type 3 assessments will be conducted, by who, and by when; ensuring this is monitored through to completion with any actions identified added to the Council's action tracker.
 - Review the contract with Brighthouse to determine whether exterior assessments should have been performed and take subsequent action as appropriate.
- ▶ Assess whether a consistent naming convention has been implemented in doing so we will determine whether the Council undertook the following:
 - Introduce a naming convention for FRAs to make them easier to identify and locate. This convention should be documented.
 - The convention should then be implemented by changing the file name of all FRAs.
 - The convention should be reviewed to ensure it has been implemented effectively after a period of no more than three months, and this review should be documented.
- ▶ Assess whether a dedicated system has been implemented to track FRA completion and actions this includes the following recommendations:
 - Implement a Fire Risk Assessment tracker, with conclusion of FRAs and date of renewal.

- 
- Add the BDO observations for sampled properties to your action trackers to ensure each are responded to.
 - Committee/Senior Management oversight is in place for procurement and pipeline management and contracts including performance monitoring, which is aligned to the commissioning intentions
 - Clearly defined roles and responsibilities for the oversight on procurement pipeline management and contract management
 - Ensure that there is early sight of the procurement pipeline, in line with the commissioning intentions and to ensure that there is appropriate time for market engagement, tender and bid processes.
 - To complete a full reconciliation of your Excel document to all FRAs (or new system) and document how you have assured yourselves that all actions have been captured and therefore can be followed through.

Appendix III - Fire Risk Assessments

Type 1	A Type 1 Fire Risk Assessment (FRA) is non-destructive, and the most common. A Type 1 FRA assesses all the common parts of a building, such as a lobby area in a shared block of flats - but not individual dwellings. In some cases, a Type 1 FRA will inspect construction points between individual dwellings (such as shared supportive walls) - but in most cases, this is not necessary. A Type 1 FRA has the purpose of ensuring that common parts of a building have the arrangements which allow people to escape if there was to be a fire - such as clear signage pointing to entry and exit points. The results of a Type 1 FRA may reveal the requirement for further FRAs. If this is the case, the Type 1 FRA will list reasons why this would be required.
Type 2	Type 2 Fire Risk Assessments are rare, and normally only recommended if a Type 1 FRA concluded that there may be serious structural flaws in a building which may increase the risk of fire spreading. A Type 2 FRA includes destructive sampling. This increases the cost of this Type of assessment because a contractor would be required.
Type 3	A Type 3 Fire Risk Assessment is comprehensive - and covers more than the law requires. This type of assessment covers all common areas of a building - and individual dwellings. A Type 3 FRA considers all means of escapes (including those within individual dwellings), structures, and compartmentation between flats and any means of fire detection. A Type 3 FRA is non-destructive - and is usually only considered necessary if there are fire risks within individual dwellings. Landlords and building owners can find it difficult to arrange Type 3 FRAs because they require entrance into individual dwellings. Often this type of assessment is easier if living spaces are empty.
Type 4	Type 4 Fire Risk Assessments are similar to Type 2 FRAs, as they include a destructive sampling, but in both the common parts of a building and living areas - such as apartments. Type 4 FRAs are more comprehensive - and complicated to complete. This is because access to individual dwellings is required and destructive sampling can lead to a need for repairs. Type 4 FRAs are only required in a limited number of circumstances, usually only being suggested if there is reason to believe there are serious defects in both common parts of a building or individual dwellings.

Appendix IV - Responsibilities and conformance

Management responsibilities

The Global Internal Audit Standards (GIAS) refer to the ‘board’ as ‘the highest-level body charged with governance, such as a board of directors, an Audit Committee, a board of governors or trustees, or a group of elected officials or political appointees.’ For the Council, ‘the board’ is the Audit and Governance Committee (AGC) acting on behalf of the Council.

The AGC is responsible for determining the scope of internal audit work, and for deciding the action to be taken on the outcome of our findings from our work.

The AGC is responsible for ensuring the internal audit function has:

- ▶ The support of the Council’s management team.
- ▶ Direct access and freedom to report to senior management, including the Chair of the AGC.
- ▶ The AGC is responsible for the establishment and proper operation of a system of internal control, including proper accounting records and other management information suitable for running the Council.

Internal controls covers the whole system of controls, financial and otherwise, established by the Council to carry on the business of the Council in an orderly and efficient manner, ensure adherence to management policies, safeguard the assets and secure as far as possible the completeness and accuracy of the records. The individual components of an internal control system are known as ‘controls’ or ‘internal controls’. The AGC is responsible for risk management in the organisation, and for deciding the action to be taken on the outcome of any findings from our work. The identification of risks and the strategies put in place to deal with identified risks remain the sole responsibility of the Council.

Limitations

The scope of the review is limited to the areas documented under Appendix II - Terms of reference. All other areas are considered outside of the scope of this review. Our work is inherently limited by the honest representation of those interviewed as part of the review. Our work and conclusion is subject to sampling risk, which means that our work may not be representative of the full population.

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness may not be relevant to future periods due to the risk that: the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or the degree of compliance with policies and procedures may deteriorate.

Conformance with the Global Internal Audit Standards in the UK Public Sector

This engagement has been conducted in accordance with Global Internal Audit Standards in the UK Public Sector, which encompass:

- ▶ The global Institute of Internal Auditors (IIA) *Global Internal Audit Standards* effective from January 2025
- ▶ The Internal Audit Standards Advisory Board (IASAB) *Application Note Global Internal Audit Standards in the UK Public Sector* effective from 1 April 2025.

FOR MORE INFORMATION:

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The matters raised in this report are only those which came to our attention during our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.

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Internal Audit Follow Up of Recommendations Report

143 **Oxford City Council**

April 2026



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SUMMARY

2023/24

	Total Recs	H	M	L	To follow up
Income Generation	1	1	-	-	1
Building Control	4	-	3	1	3
Recruitment and Retention	6	-	5	1	5
Selective Licensing	3	-	3	-	3
Data Analytics	4	1	1	2	2
Total	18	2	12	4	14

Previously complete		Complete		In progress		Overdue		Not Due	
H	M	H	M	H	M	H	M	H	M
-	-	-	-	-	-	1	-	-	-
-	3	-	-	-	-	-	-	-	-
-	3	-	2	-	-	-	-	-	-
-	2	-	1	-	-	-	-	-	-
-	2	-	-	-	-	-	-	-	-
-	10	-	3	-	-	1	-	-	-

2024/25	Total Recs	H	M	L	To follow up	Previously complete		Complete		In progress		Overdue		Not Due	
						H	M	H	M	H	M	H	M	H	M
Accounts Payable	7	-	4	3	4	-	4	-	-	-	-	-	-	-	-
Risk Management	5	-	4	1	4	-	4	-	-	-	-	-	-	-	-
Fire Risk Assessment ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GDPR and High-Level Freedom of Information	5	1	3	1	4	-	-	-	4	-	-	-	-	-	-
Homelessness Prevention	4	-	3	1	3	-	3	-	-	-	-	-	-	-	-
Data Analytics	3	-	3	-	3	-	1	-	2	-	-	-	-	-	-
Affordable Housing	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-
QL Optimisation	3	-	2	1	2	-	1	-	-	-	1	-	-	-	-
Income Generation	2	-	1	1	1	-	1	-	-	-	-	-	-	-	-
Total	31	1	20	10	21	-	14	-	6	-	1	-	-	-	-

¹ Fire Risk Assessment - This was an advisory review, with the Fire Safety Follow-Up review being undertaken in 2025-26 to provide detailed follow up of noted recommendations.

2025/26	Total Recs	H	M	L	To follow up	Previously complete		Complete		In progress		Overdue		Not Due	
						H	M	H	M	H	M	H	M	H	M
Equality, Diversity & Inclusion (EDI) Maturity Assessment ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury Management	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-
Purchase Cards	4	2	2	-	4	-	-	2	2	-	-	-	-	-	-
Total	5	2	2	1	4	-	-	2	2	-	-	-	-	-	-

¹ Equality, Diversity & Inclusion (EDI) Maturity Assessment - This was an advisory review and does not generate an internal audit opinion. RAG rated recommendations are not produced as part of this review, rather areas for consideration by the Council.

SUMMARY

2023/24

Please find below a summary of the status of implementation of recommendations arising from reports issued in 2023/24.

- ▶ All recommendations barring that resulting from the Income Generation audit have now been completed. This is noted as being delayed by over three years which is of concern given the high priority level of this recommendation.

2024/25

Please find below a summary of the status of implementation of recommendations arising from reports issued in 2024/25.

- ▶ There has been completion of the remaining recommendations noted for the GDPR and High-Level Freedom of Information and Data Analytics audits.
- ▶ The recommendations stemming from the QL Optimisation audit have also been highlighted as part of a review conducted by ARK. As such these are being implemented by the Council in consultation with ARK and so an update will be provided in line with the revised implementation date.

2025/26

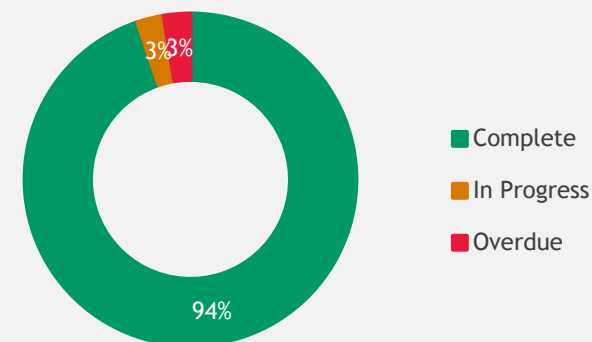
Please find below a summary of the status of implementation of recommendations arising from reports issued in 2025/26.

- ▶ We have noted that all recommendations raised as part of audits conducted so far for 2025/2026 have now been completed.

REQUIRED AUDIT COMMITTEE ACTION:

We ask the Audit Committee to note the progress against the recommendations.

Implementation of recommendations since 2023/24



RECOMMENDATIONS: COMPLETE

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2023-24 Recruitment and Retention	1a. To review and update the Recruitment and Selection Policy to clearly outline roles and responsibilities of all officers and service areas involved in the recruitment process and share the Policy with Heads of Services and Hiring Managers including uploading the policies onto the intranet.	M	Gail Malkin, Head of People	31/12/2024 28/02/2025 30/09/2025 31/10/2025 31/03/2026	Management Comments The Recruitment and Selection Policy has now been fully implemented and uploaded to the Council's intranet. The Recruitment Consultant from the Council met with the Corporate Leadership Team (CLT) on 10 October, where Heads of Service were given the opportunity to comment. Comments and suggested amendments from the CLT, were considered and incorporated, and the policy updated accordingly prior to approval. Internal Audit Comments We have reviewed the updated Recruitment and Selection Policy and can confirm that it clearly outlines roles and responsibilities for all officers and service areas involved in the recruitment process. We have obtained evidence to show appropriate scrutiny and challenge by the CLT for the Policy, with appropriate uploading of the document onto the Council's intranet. Evidence was therefore deemed sufficient to support the completion of this recommendation.
	1b. To review the system functionality to producing recruitment monitoring data such as time to hire, agency spend and vacancy data.	M	Gail Malkin, Head of People	31/12/2024 28/02/2025 30/09/2025 31/12/2025 31/03/2026	Management Comments For timescales for implementation of recruitment reporting through Power BI, the Council are on track to implement this by the end of March 2026. The report will not only provide data for the previous month (as currently) but will also include a rolling 12-month cumulative view, starting from 1 December 2025. Internal Audit Comments We have reviewed the Power BI reporting, and it contains appropriate monitoring data across recruitment including but not limited to applicants per role and average time to recruit, with data split across grades and performed monthly and on a rolling basis over the year. Evidence was therefore deemed sufficient to support the completion of this recommendation.

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2023-24 Selective Licensing	1a. The Council should conduct inspections based on their risk/priority level which is reviewed and a rating applied on receipt of application.	M	Courtney Bennet, Building Control Team Manager	31/01/2025 30/04/2025 30/09/2025 01/03/2026	Management Comments A risk-based priority rating system is now fully operational. Each license is assigned a priority rating on receipt of application, and inspections are conducted according to this risk-based approach. Priority 1 (higher risk) properties are inspected by Oxford City Council staff, and Priority 2 properties are inspected by contracted officers. All inspections are now recorded and monitored through MetaStreet, providing a single, consistent source of data. The manual reconciliation of historic Uniform records has been completed, establishing an accurate baseline inspection list. A Power BI report is now in use, providing management with real-time oversight of inspections against risk ratings and targets. With the application backlog now cleared and license issuance on target, inspections are the program priority. The Council has secured a multi-year contract with Buckingham Futures to provide over 1,300 inspections annually, ensuring adequate resourcing. The improved Power BI reporting is now operational and provides regular oversight of inspection volumes, with annual and monthly figures tracked against the required targets.
	1b. There should be a clear focus on the number of target inspections to be undertaken annually and subsequently monthly to meet the 12% annual inspections target and the 60% inspection target at the end of the scheme.		David Butler, Head of Planning and Regulatory Services		Internal Audit Comments We have reviewed the implementation of the risk-based priority rating system as well as obtaining a copy of the baseline inspection list which documents a reconciliation of historic uniform records with processes deemed as appropriate and sufficient. Power BI reporting is confirmed to be in place which provides key metrics across inspections completed against relevant risk ratings and implemented targets, including if the Council are on track to meet these. We have received evidence of the contract with Buckingham Futures which documents the provision of inspections from January 2026 to January 2027 with the option to extend for two further periods of 12 months. Evidence was therefore deemed sufficient to support the completion of these recommendations.
2024-25 GDPR and High-Level Freedom of Information	1a. Management, in conjunction with each business unit or department, should carry out a full and comprehensive review of all the Council's RoPAs to ensure that these are consistent, complete, and up to date	H	Emma Jackman, Head of Law & Governance, Council	30/04/2025 30/08/2025 31/12/2025	Management Comments Information from specific teams have been collated into an organisational level RoPA and retention schedule which was sent out to Heads of Services on 14 January 2026. Each service had until the 23 January 2026 to note any areas of omission and to feed back

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
150	and that they capture, as a minimum, the information identified as missing by this review. The updated RoPAs should be presented to and approved by Senior Management and subject to review on an ongoing basis to ensure that these remain current and appropriate. 1b. As part of the RoPA review, the Council should continue to review existing privacy notices and updating them in case of any changes to data processing activities to ensure continued transparency of data processing with data subjects and consistency across all data privacy notices that exist.		Monitoring Officer and Data Protection Officer	20/03/2026	on the documents ahead of presentation to the Audit and Governance Committee on 28 January, after which documents were published as required. Internal Audit Comments We have received the updated and reviewed RoPa and Retention Schedule. The Council have an internal Microsoft form on the intranet for all employees to submit changes or amendments to both documents at any time. The Council have advised that they will review and make amendments as required to these documents on a quarterly basis, and then we will do a full proactive audit and update of both documents annually. Evidence was therefore deemed sufficient to support the completion of these recommendations.
	2024-25 GDPR and High-Level Freedom of Information	M	Emma Jackman, Head of Law & Governance, Council Monitoring Officer and Data Protection Officer	30/04/2025 30/08/2025 31/12/2025 20/03/2026	Management Comments Information from specific teams have been collated into an organisational level RoPA and retention schedule which was sent out to Heads of Services on 14 January 2026. Each service had until the 23 January 2026 to note any areas of omission and to feed back on the documents ahead of presentation to the Audit and Governance Committee on 28 January, after which documents were published as required. Internal Audit Comments We have received the updated and reviewed RoPa and Retention Schedule. The Council have an internal Microsoft form on the intranet for all employees to submit changes or amendments to both documents at any time. The Council have advised that they will review and make amendments as required to these documents on a quarterly basis, and then we will do a full proactive audit and update of both documents annually. Evidence was therefore deemed sufficient to support the completion of this recommendation.
	2024-25	M	Grace Wigham, Senior Information	30/09/2025 31/12/2025	Management Comments A training system has been procured, and access has now been provided, with the system going live in March 2026.

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
GDPR and High-Level Freedom of Information	3b. Directors, in conjunction with the Information Governance Team, should ensure that training completion is accurately recorded and monitored on an ongoing basis to ensure that it is completed by all members of staff and arrangements should be put in place for the effectiveness of the training to be actively assessed and reported to Senior Management.		Governance Officer	20/03/2026	It has been agreed that for all mandatory training modules, these should be completed for all on the new system, even it was the case they had been completed on the old system. Internal Audit Comments The training system was confirmed to having gone live on 16 March 2026. There is a pre-built Data Protection Module which the Senior Information Governance Officer has reviewed and added the Council's internal policies to. This will be mandatory for all staff to complete on an annual basis A FOI module has been developed by the provider in conjunction with the Council. This will also be mandatory for all staff to complete on an annual basis. Following the go live of the system, there will be ongoing monitoring of uptake for training with reporting to the Corporate Leadership Team (CLT) to ensure compliance. Evidence to support the management comments was received to support the completion of these recommendations.
2024-25 GDPR and High-Level Freedom of Information	4a. For any third-party data transfers, the Council should ensure that these are being recorded within the RoPAs and any other applicable documentation, for example the information sharing log, and that appropriate safeguards, such as Data Sharing Agreements, are in place. 4b. Arrangements should be made to ensure that the information sharing log is subject to review on a regular basis.	M	Emma Jackman, Head of Law and Governance, Council Monitoring Officer and Data Protection Officer	30/09/2025 31/12/2025 20/03/2026	Management Comments The current RoPAs do not currently align with data sharing arrangements. For data sharing registers, procedures involve pulling together all data sharing arrangements in place (including those which had not previously been captured), to be checked internally. The tracking of any use of AI is also being done in the same document, with consideration of Local Government Reform (LGR) resulting in requirement of sharing of data with further organisations. Internal Audit Comments The Council have developed a Data Sharing Register which has been produced alongside the updated RoPa and Retention Schedule. The Council do not currently have any international data transfers, but as part of the Data Sharing Register there is the ability to capture theses if this changes in the future. The Data Sharing Register has been reviewed and captures all contracts, Data Protection Impact Assessments (DPIAs) and Data Sharing Agreements that the Council have had input into. This

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
					Register will be subject to regular review as is the case with the Council's RoPa and Retention Schedule. Evidence to support the management comments was received to support the completion of these recommendations.
2024-25 Data Analytics	2a. The Council should either resume and expedite its investigation of easement related aged debts and ensure that they are adequately chased up in accordance with the Corporate Debt and Income and Collection policies, or if this is not deemed economically viable, the balances should be written off to maintain the accuracy of the aged debt listing and the council's receivables balances.	M	Emma Gubbins, Corporate Asset Lead	01/10/2025 25/12/2025 31/03/2026	Management Comments The easement portfolio has now been reviewed by the Corporate Assets Team. The Head of Corporate Assets has been through the portfolio with the Finance Team and has identified 59% of the lines of debt can be written off which have now been submitted, with the aims to capitalise these instead. 13% of the remaining aged debts have been flagged to be chased with the Finance Team and the remainder fall within the utilities portfolio which are being reviewed in the next financial year. Internal Audit Comments We have reviewed the processes in place to review easement related aged debts. We can confirm that there has been an active approach taken by the Corporate Assets Team to investigate outstanding balances and to ensure that they are adequately chased up or in the cases this is not viable for the balances to be written off. Evidence to support the management comments was received to support the completion of this recommendation.
2024-25 Data Analytics	3a. The Council should develop a mechanism to identify customers who have breached, or who are likely to breach, the due diligence threshold. This could include an analysis of customer spending patterns to identify customers that regularly make a high volume of small value orders. Once these customers are identified, due diligence procedures must commence in line with the Sundry Debtors guide.	M	Neil Markham, Incomes Team Leader	01/10/2025 30/04/2026	Management Comments The Council have created a report (which can be run out of Agresso) that looks at Sundry Debt groups customers. The report shows all invoices raised over the period of a year and totals the amount by customer. This will enable the review of spending patterns and pass this information on to the originating departments. Internal Audit Comments We have received and confirmed that the Council have implemented a mechanism for conducting quarterly reviews of customer spend. Additionally, communications have gone out to Officers to remind them to place greater emphasis on due diligence procedures as part of debt review meetings. A Due Diligence Threshold Report Procedure having been produced by

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
					the Incomes Team Leader which documents reporting process and notification routes in the cases customers are at risk of exceeding defined thresholds. Evidence to support the management comments was received to support the completion of this recommendation.
2025-26 Purchase Cards	1a. To prevent further instances of transactions not being approved on BCOS, a policy should be produced to clearly stipulate the consequences of not recording and approving transactions in a timely manner. The policy should be presented at Senior Management meetings and then circulated to all card holders and approvers to raise awareness and ensure the support of Senior Management if the consequences need to be actioned.	H	Phil McGaskill, Revenues and Payments Service Delivery Manager	31/12/2025 28/02/2026	Management Comments The Purchase Card Scheme Policy has been revised on 3 July 2025), with circulation to Card Holders on 21 July 2025 (with required approval and signature from the cardholder with details held on the OCC Mastercard Cardholder Data excel). There is reference within the Policy that all transactions must be notified to approvers by the 8th working day of the month and be reviewed by the 14th working day of the month. If the card has not been timely reconciled through the BCOS system and receipts and VAT invoices obtained and retained where applicable for all transactions made, the card will be suspended or cancelled. Internal Audit Comments A Council Purchase Card Scheme Policy has been produced and disseminated to Card Holders. On review of this document there is clear reference to the consequences of not recording and approving transactions in a timely manner. We have also noted that the Policy has been appropriately shared with Senior Management to ensure that they have awareness of procedures to be followed. Evidence to support the management comments was received to support the completion of this recommendation.
2025-26 Purchase Cards	2a. An application form for requesting a purchasing card should be produced by the Payments Team to ensure they are consistently receiving the required information for each request. This is in addition to the Barclaycard application form but should not be a duplicate of it. The information from the form should be recorded on the card holder record and should be used to perform regular reviews of the use and distribution of cards across the Council. The Council application form	H	Phil McGaskill, Revenues and Payments Service Delivery Manager	31/12/2025 28/02/2026	Management Comments A new Application Form has been produced by the Council that runs alongside the Purchasing Card Procedures Policy. As part of the Council's application process, details must be provided on the cardholder's job title, service, line manager, reason for requiring a card, the card limit, single transaction limit, date card ordered as well as the noting by the Payments Team for dates of review for the use of the card as well as the date of review for the limits of the card. Internal Audit Comments

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
	should be attached to the Barclaycard form and submitted to the Head of Financial Services for oversight and information to consider prior to his approval. The Council application form should be approved by the Line Manager and card holder. The Barclaycard application form should be signed by the cardholder; employee authorised to nominate cardholders and the Group Finance Director.				We have reviewed the new Council Application Form and have confirmed its effectiveness alongside that of the Barclaycard Form for capturing required information as part of any card request. As part of the review process the Council Form is attached with that for Barclaycard and we have noted the requirement of relevant signature from the cardholder as well as authorisation from the Line Manager nominating the card as well as the Group Finance Director. Evidence to support the management comments was received to support the completion of this recommendation.
2025-26 Purchase Cards	3b. A review of suppliers who are paid regularly should be performed by the Management Accounting Team, to determine where it would be advantageous to establish business accounts and invoicing for future transactions. This strategy will help reduce the volume of purchasing card transactions, ease the workload for approvers, and decrease the time the Payments Team spends monitoring transactions. Implementing this recommendation will contribute to more efficient financial management within the Council.	M	Phil McGaskill, Revenues and Payments Service Delivery Manager	31/12/2025 28/02/2026	Management Comments The process for uploading the monthly Purchasing Card transactions from BCOS to the Council's financial system has been reviewed and enhanced to include an analysis of transactions by Merchant. This analysis will be reviewed by a Finance Business Partner and/or the Strategic Finance Manager who will recommend to the Procurement and Payments Teams any Merchants for which a business account with the Council should be sought to enable future transactions to be invoiced with their approval and payment captured through the P2P processes. Internal Audit Comments It has been confirmed with evidence received that the Strategic Finance Manager has undertaken a review of Barclaycard (BCOS) transactions by volume and value. Following from this communication has been made to the Procurement and Payments Team to collaboratively pursue establishing a business account with the Amazon, Travelodge and Premier Inn (top noted suppliers) so that payment can be made via invoicing, instead of using credit facilities. Evidence to support the management comments was received to support the completion of this recommendation.
2025-26 Purchase Cards	4a. Purchasing cards should only be used by the named card holder and card details should not be shared. If there are changes to structure and/or roles within teams, and the card holder is no longer the correct person, it should be changed following a	M	Phil McGaskill, Revenues and Payments Service	31/12/2025 28/02/2026	Management Comments As per the Purchase Card Scheme Policy, details are made that the cardholder must not disclose their card details to anyone when conducting a transaction. It is noted that the Council would not

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
	defined process via discussions with the Payments Team, the Head of Financial Services and Barclaycard. The process should be documented including the approval required and all evidence of the change retained.		Delivery Manager		change a card from one person to another, rather the card would be cancelled, and a new card would be requested. On termination of employment or in the case of changing role or the card is no longer required by the cardholder, the cardholder must surrender their card immediately. As part of the termination process for cardholders at the Council, the Payments Team will receive an email from the ICT Service Desk that notes that the leaver holds a purchase card as such it can be cancelled, with the leaver form having a question in place to notify if the individual holds a Council card. For any changes for an individual's required role or requirement for a new purchase card, the prospective cardholder must fill in a Council specific Application Form (process only just bought into place), which must include the reason for requiring the card as well as relevant approval from the card approver and from the Group Finance Director. Internal Audit Comments We have reviewed the new Council Application Form and have confirmed its effectiveness alongside that of the Barclaycard Form for capturing required information as part of any card request. As part of the review process the Council Form is attached with that for Barclaycard and we have noted the relevant signature from the cardholder as well as authorisation from the Line Manager nominating the card as well as the Group Finance Director. Additional evidence such as the new Purchase Card Scheme Policy as well as procedures for employees leaving the Council have been reviewed and are deemed appropriate. Evidence to support the management comments was received to support the completion of this recommendation.

RECOMMENDATIONS: IN PROGRESS

These recommendations have been marked as In Progress as they have not been implemented by their original date; a revised date has been provided.

AUDIT	RECOMMENDATIONS MADE	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2024-25 QL Optimisation	1a. The Council should identify and agree a process to ensure Pos are available for review and verification by the Council prior to payment being made to ODS. PO verification should then form part of the checks carried out by the Council prior to making payment to ODS. 1b. The Council should develop and implement a process for verifying that repair and maintenance jobs are being completed to a satisfactory standard prior to making payment to ODS. This could involve reviewing photographic evidence of completed repairs, carrying out pre and/or post work inspections or engaging with tenants to confirm their satisfaction with the work carried out. The Council should also agree the level of verification required for different sized jobs. Once agreed, all aspects of the verification requirements should be documented in policy and guidance documents to ensure all parties are aware of their roles and responsibilities for verifying satisfactory completion of work.	M	Malcolm Peek, Property Services Manager	30/11/2025 30/04/2026	Management Comments The Property Services Manager has looked at the actions, and these have been highlighted in the Consultants (ARK) review and as a part of their recommendations. As such these are being implemented by the Council in consultation with ARK. Internal Audit Comments We will follow up on these actions in accordance with the revised due date.

RECOMMENDATIONS: OVERDUE

These recommendations have been marked as overdue as they have previously revised their implementation date. Therefore, they have now missed at least two implementation dates.

AUDIT	RECOMMENDATIONS MADE	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2023-24 Income Generation	1d. We understand that the Council are considering procuring a new asset management system therefore, it should be investigated whether a new system could interface directly with Agresso to reconcile the rent billed to tenants with the property management database.	H	Emma Gubbins, Corporate Asset Lead Malcolm Peek, Property Services Manager	01/01/2023 31/03/2024 ~~31/03/2025~~ 30/06/2025 30/06/2026	Management Comments The procurement of the system is currently in progress. The Council now anticipate placing a contract in the early part of next financial year. Internal Audit Comments We will follow up on this action in accordance with the revised due date.

FOR MORE INFORMATION:

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The matters raised in this report are only those which came to our attention during our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.

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INTERNAL AUDIT PLAN Oxford City Council

2026/27

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INTERNAL AUDIT APPROACH

BACKGROUND

Our risk-based approach to internal audit uses Oxford City Council's own risk management process and risk register as a starting point for audit planning as this represents the Council's own assessment of the risks to it achieving its strategic objectives.

The extent to which we can rely on management's own perception of risk largely depends on the maturity and effectiveness of the Council's own risk management arrangements. In estimating the amount of audit resource required to address the most significant risks, we have also sought to confirm that senior management's own assessment of risk accurately reflects the Council's current risk profile.

PLANNED APPROACH TO INTERNAL AUDIT 2026/27

The Internal Audit programme for 2026/27 is set out from page 10. As part of our audit planning process, we met with the Directors from the Council, the s151 Officer and representatives from the Council's trading companies, Oxford Direct Services (ODS) and OX Place, to explore opportunities for enhanced co-ordination in internal audit activities. The discussions focussed on identifying areas where internal audit could provide collaborative working and where joint input from the Council, ODS and OX Place could provide added value.

Additionally, we have assessed where there are overlaps between the Council's and ODS audit plans. To provide clarity on roles and responsibilities we have created a roles and responsibilities document, outlining which reviews from the Council's internal audit plan will involve input from ODS and OX Place (see Appendix I for details).

We will keep the programme under continuous review during the year and will introduce to the plan any significant areas of risk identified by management during that period.

The plan is set within the context of a multi-year approach to internal audit planning, such that all areas of key risks would be looked at over a three-year audit cycle. We have suggested future areas of focus as part of the three-year strategic internal audit plan, set out on pages 8 to 9.

HIGH RISK AREAS NOT INCLUDED

The following high-risk areas have not been included in our audit plan for 2026/27:

- Strategy review - this is because we have a review on Local Government Reorganisation (LGR) which supersedes other considerations around wider strategy.

AUDIT OPINION STRUCTURE

2026-27 Audit Plan:

- Oxford City Council: A separate Council specific Head of Internal Audit Opinion will continue to be issued. However, as was the case in the prior year we will also issue a group wide Head of Internal Audit Opinion, covering both the Council and ODS, reflecting the interconnected nature of their operations.
- Oxford Direct Services (ODS): As was the case in 2025-26, a separate BDO team will issue a Head of Internal Audit Opinion for ODS that will go to the ODS Audit Committee, however, will be reflected in the Group Head of Internal Audit Opinion which the Council's Audit and Governance Committee will receive.
- OX Place: A standalone opinion will not be issued for OX Place due to the limited number of audit reviews conducted, as it does not provide sufficient coverage to support an independent Head of Internal Audit Opinion.

INDIVIDUAL AUDITS

When we scope each review, we will reconsider our estimate for the number of days needed to achieve the objectives established for the work and to complete it to a satisfactory standard in light of the control environment identified within the Council. Where revisions are required, we will obtain approval from the s151 Officer prior to commencing fieldwork.

In determining the timing of our individual audits, we will seek to agree a date which is convenient to the Council, and which ensures availability of key management and staff and takes account of any operational pressures being experienced.

VARIATIONS TO THE PLAN

We review the three-year strategic plan each year to ensure we remain aware of your ongoing risks and opportunities. Over the coming pages we have mapped your key risks along with the audit work we propose to undertake, demonstrating we are focussing on your most important issues.

As such, our strategic audit programme follows the risks identified during our planning processes and confirmed via discussions with the Operational Delivery Group and s151 Officer. If these were to change, or emerging risks were to develop during this period, we would take stock and evaluate our coverage accordingly.

RESOURCING

The plan has been drafted giving consideration to the Council's budget and how coverage can be best obtained. Resource will be adequate to ensure the delivery of agreed reports to time, except where this is outside of our control. BDO has a core group of professionally qualified staff, including Chartered Accountants and Institute of Internal Auditors qualified staff, as well as other specialists and experienced auditors. Our team is fully attuned with modern internal audit practice and recognised risk and governance standards.

Subject to approval of the budget, we can confirm that we have sufficient human, financial and technological resources to deliver the internal audit plan.

CORE INTERNAL AUDIT TEAM

The core team that will be managing the internal audit programme is:

NAME	ROLE	QUALIFICATION	EMAIL & TELEPHONE
Gurpreet Dulay	Partner	CIPFA	Gurpreet.Dulay@bdo.co.uk
Joe Taylor	Assistant Manager	ACA	Joe.B.Taylor@bdo.co.uk

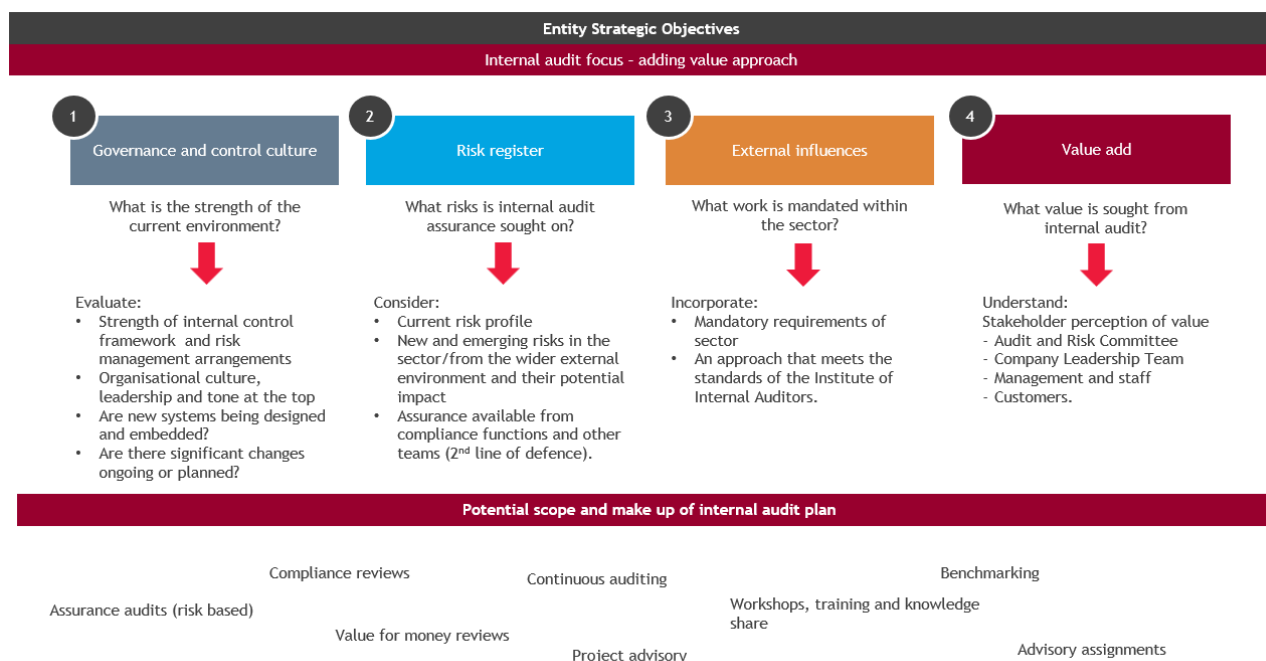
This team will be supported by our public sector internal auditors and members of our wider Risk Advisory Services (RAS) team, and wider firm, as and when required.

CONFLICTING DEMANDS, LIMITATIONS AND RESTRICTIONS

At the time of drafting this internal audit plan we are not aware of any conflicting demands for services between major stakeholders, such as high-priority requests based on emerging risks and requests to replace planned assurance engagements with advisory engagements.

We are also not aware of any limitations on the scope of work or restrictions on our access to information.

OUR APPROACH TO PLANNING



GOVERNANCE AND CULTURE

The governance and control culture is a fundamental consideration when developing the internal audit approach. We believe that governance is not only affected by procedures, rules and regulations (hard controls); another equally important component is the established culture and behaviour of employees within the Council, as these determine the effectiveness of governance.

We have developed an understanding of these areas through a combination of our discussions with you about your business strategy and through review of documents such as your Annual Report and Accounts, your Annual Governance Statement, your corporate plan and previous internal audit reports, as well as the work we have conducted since the start of our engagement with the Council.

Assessment of culture and behaviour will be a key theme throughout the delivery of our work and we will look to provide insight into whether these cultural factors support ethical behaviour on an ongoing basis.

In deriving the plan for 2026/27 and onwards we will focus on any planned and ongoing changes to core systems and processes to respond to the changes in the wider environment, notably changes that will occur as a result of local government reorganisation. We will be mindful of this significant change and the impacts this can have on control culture during the delivery of the plan.

EXTERNAL INFLUENCES

Our programme of work is designed to comply with the Global Internal Audit Standards in the UK Public Sector, which encompass:

- ▶ The global Institute of Internal Auditors (IIA) *Global Internal Audit Standards* (GIAS)
- ▶ The Internal Audit Standards Advisory Board (IASAB) *Application Note Global Internal Audit Standards in the UK Public Sector*.

We will also consider in our work any externally imposed regulation relating to governance, risk and control.

CURRENT CORPORATE RISK REGISTER

On an ongoing basis, our audit plan will be based upon a detailed assessment of those risks that affect the achievement of the Council's strategic objectives. Our audit programme will be designed to ensure that controls are in place such that key risks are appropriately managed and controlled. To understand the Council's objectives and key risks, we considered the following:

- ▶ The Council's strategy and objectives
- ▶ The Council's Corporate Risk Register
- ▶ The Council's financial forecasts and performance
- ▶ Reports from other assurance providers
- ▶ The content of your most recent internal audit reports, the results of which are summarised in Appendix II

The internal audit plan and Corporate Risk Register will be periodically reviewed during 2026/27. Should the plan need to change we will seek approval from the A&G.

VALUE ADD

We understand that 'value' is perceived differently by each client and therefore we do not seek to have a standard approach to this element of the audit programme.

Our methodology considers the additional value the Audit and Governance Committee and management are seeking from internal audit, beyond the assurance our work provides.

We therefore consider this alongside our understanding of the risks. Added value may take a range of forms, from benchmarking and other peer comparisons to involvement with advising on new systems implementation, advisory assignments and providing training and seminars.

We will also work with the Operational Delivery Group to identify other forms of added value that we may be able to provide to the Council, such as training to staff or committee members on relevant topics. BDO also offer all staff volunteering or 'citizenship days' under our 5+5 Policy. We will work with the Operational Delivery Group to identify value adding projects that these days can be allocated to.

OUR NEXT GEN FRAMEWORK

Our innovative Next Gen approach to internal audit ensures you maximise the potential added value from BDO as your internal audit provider and the expertise we bring from our dedicated public sector internal auditors and wider BDO specialist teams.

The Next Gen approach allows us to deliver a healthy mix of assurance that is forward looking, flexible and responsive and undertaken in partnership with yourselves. The key components to this approach are outlined below and underpin our proposed plan coverage:

CORE ASSURANCE

Reviews of fundamental finance and operational systems to provide assurance that core controls and procedures are operating as intended.

SOFT CONTROLS

Reviews seek to understand the true purpose behind control deficiencies and provide a route map to enhance their effectiveness.

FUTURE FOCUSED ASSURANCE

Rather than wait for implementation and then comment on identified weaknesses, we will work with you in an upfront / real time way.

FLEXIBLE AUDIT RESOURCE

Undertake proactive work across the Council, perhaps in preparation for regulatory reviews or change management programmes.



MAPPING YOUR STRATEGIC RISKS

REF	STRATEGIC RISKS FROM YOUR CRR	LIKELIHOOD	CONSEQUENCE	NET SCORE	RATING
CRR001	Financial Services - Financial Stability - Pressure on income and increased demand for services means that the Council will not be able to deliver its plans and corporate priorities.	4	4	16	
CRR003	People - Workforce sustainability - Delivery of future ambitions.	3	3	9	
CRR006	Law, Governance & Strategy - Failure to comply with governance requirements.	3	4	12	
CRR009	Chief Executive - Political and Partnership landscape - local and national.	4	3	12	
CRR011	Communities & Citizen Services - Increased demand on services.	3	3	9	
CRR097	Community Safety - Flood.	4	3	12	
CRR098	Community Safety - Adverse weather, terrorism and utility outage.	4	3	12	
CRR099	Economy, Regeneration and Sustainability - A utilities infrastructure that does not meet the needs of the city.	4	4	16	
CRR100	ICT - Cyber security and IT infrastructure resilience.	4	4	16	
CRR102	Economy, Regeneration & Sustainability - Addressing the causes and impacts of climate change.	5	3	15	
CRR104	Chief Executive - The workforce and public are healthy and safe.	3	4	12	

REF	STRATEGIC RISKS FROM YOUR CRR	LIKELIHOOD	CONSEQUENCE	NET SCORE	RATING
CRR105	Housing - A failure to deliver housing priorities and business plans.	3	4	12	
CRR106	Housing - A failure to deliver Temporary Accommodation strategies to meet demand/increases in homelessness.	3	5	15	
CRR107	Housing - Failure to meet Social Housing (Regulation) Act customer/consumer standards.	4	4	16	

MAPPING YOUR CRR TO THE STRATEGIC PLAN

REF	STRATEGIC RISKS FROM YOUR CRR	2026/27	2027/28	2028/29	OTHER ASSURANCE
CRR001	Financial Services - Financial Stability - Pressure on income and increased demand for services means that the Council will not be able to deliver its plans and corporate priorities.	• Right to Buy • Debt Management and Collection	• Main Financial Systems	• Main Financial Systems	
CRR003	People - Workforce sustainability - Delivery of future ambitions.				Staff surveys issued by the Council
CRR006	Law, Governance & Strategy - Failure to comply with governance requirements.	• Calls and Complaints Handling	• Local Government Reorganisation Preparedness		
CRR009	Chief Executive - Political and Partnership landscape - local and national.				LGR Review
CRR011	Communities & Citizen Services - Increased demand on services.	• Taxi Licensing			LGR Review
CRR097	Community Safety - Flood.		• Waterways • Business Continuity and Disaster Recovery	• Environmental Services	

REF	STRATEGIC RISKS FROM YOUR CRR	2026/27	2027/28	2028/29	OTHER ASSURANCE
CRR098	Community Safety - Adverse weather, terrorism and utility outage.		Business Continuity and Disaster Recovery		
CRR099	Economy, Regeneration and Sustainability - A utilities infrastructure that does not meet the needs of the city.				Continued discussions with management to assess risk
CRR100	ICT - Cyber security and IT infrastructure resilience.	Cyber Security	ICT Policies, Procedures and Training		
CRR102	Economy, Regeneration & Sustainability - Addressing the causes and impacts of climate change.		Housing Decarbonisation	- Environmental Services - Climate Change and Carbon Management Strategy	
CRR104	Chief Executive - The workforce and public are healthy and safe.	LGR People Strategy and Plan			LGR Review
CRR105	Housing - A failure to deliver housing priorities and business plans.	Disabled Facilities Grants			Previous audits on Local Plan and subsequent follow-up
CRR106	Housing - A failure to deliver Temporary Accommodation strategies to meet demand/increases in homelessness.			Temporary Accommodation	
CRR107	Housing - Failure to meet Social Housing (Regulation) Act customer/consumer standards.	Housing Rents			Advisory review conducted in 2025

INTERNAL AUDIT OPERATIONAL PLAN 2026/27

AREA	SRR	DAYS	TIMING	DESCRIPTION OF THE REVIEW	REASON FOR INCLUSION (INCLUDING ANY RELEVANT TOPICAL REQUIREMENTS)
Core Assurance					
Right to Buy	CRR001	15	Q1	The overarching objective of this audit is to provide assurance that the Council's process and controls for managing the Right to Buy Scheme is in accordance with the statutory process.	Identified as an area in which the Council would like assurance. Significant changes to the Right to Buy scheme discounts in England came into effect on 21 November 2024, resulting in a substantial increase in applications prior to the deadline.
Debt Management and Collection	CRR001	15	Q1	Covering business rates, council tax and overpaid housing benefit and suspense accounts, to provide assurance over reconciliations from feeder systems to ledger, cash interface file processing, recording, monitoring and collection of debt.	Area of core responsibility and identified in discussion with management
Calls and Complaints Handling	CRR006	15	Q2	To provide assurance over the Council's arrangements for handling and responding to complaints from service users and members of the public.	Area of core responsibility and identified in discussion with management
Disabled Facilities Grants	CRR105	15	Q2	The purpose of the audit is to provide assurance over the Council's arrangements for assessing DFG grant applications and the accuracy and timeliness of payments to contractors, following the satisfactory completion of works.	The administration of the Disabled Facilities Grant is a statutory service provided by local authorities, to support disabled resident make modifications to their home to aid their living. Mandatory Disabled Facilities Grant is £30,000.

AREA	SRR	DAYS	TIMING	DESCRIPTION OF THE REVIEW	REASON FOR INCLUSION (INCLUDING ANY RELEVANT TOPICAL REQUIREMENTS)
					The Council previously provided a discretionary top-up of £10,000.
Housing Rents	CRR107	15	Q2	A review of housing rents governance, processes and policies to assess the design of controls and strength of arrangements.	Raised as an important area in discussions with management particularly in light of the Renters Rights Act 2025 which this review would cover.
Cyber Security	CRR100	20	Q3	A review of the design and effectiveness of the Council's procedures for identifying and managing its cyber security risks on an ongoing basis. This review will also cover some elements of ODS services too as the Council run the IT services for ODS. It will cover the infrastructure and any non-supported structures for ODS.	Failure to prevent and respond to a cyber-attack is a key risk on the Council's Corporate Risk Register. This area is also constantly evolving and therefore warrants regular examination. This audit was originally meant to be undertaken in 2025/2026 but has been moved to 2026/2027.
Taxi Licensing	CRR011	15	Q4	The purpose of this audit is to provide assurance that adequate processes are in place to ensure taxi licences are processed in accordance with statutory legislation, appropriate background checks are conducted on licence holders and enforcement action is taken on those operation without or outside the terms of the licence.	Area of core responsibility and identified in discussion with management
Total		110			

AREA	SRR	DAYS	TIMING	DESCRIPTION OF THE REVIEW	REASON FOR INCLUSION (INCLUDING ANY RELEVANT IIA TOPICAL REQUIREMENTS)
Future Focused Assurance					
LGR People Strategy and Plan	CRR104	20	Q3	The purpose of this audit is to provide assurance that the Local Government Reorganisation (LGR) People Strategy and Plan developed by the Council is robust and capable of preparing the organisation for change management as part of LGR.	Area of core responsibility and identified in discussion with management
Total		20			

AREA	SRR	DAYS	TIMING	DESCRIPTION OF THE REVIEW	REASON FOR INCLUSION (INCLUDING ANY RELEVANT IIA TOPICAL REQUIREMENTS)
Flexible Audit Resource - To be allocated during the year as required but could include the examples shown below					
Contingency / Flexible resource	N/A	20	All	Contingency days left to allocate flexible or used to supplement the scope of audits in the plan to broaden the scope.	We have built in an allocation of flexible days into our plan to support the Council on emerging risks or projects during the year.
Total		20			

AREA	CRR	DAYS	TIMING	DESCRIPTION OF THE REVIEW	REASON FOR INCLUSION
Contract Management					
Planning / liaison / management	N/A	20	Q1 - Q4	Creation of audit plan, meeting with Executive Directors	Effective contract management
Recommendations follow up	N/A	10	Q1 - Q4	Assessment and reporting of status of implementation of recommendations raised	Assurance for Operational Delivery Group and the Audit and Governance Committee
Audit and Governance Committees	N/A	5	Q1 - Q4	Attendance at Audit and Governance meetings, pre-meets and Chair liaison	Effective contract management
Total					

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SUMMARY	DAYS
Core Assurance	110
Future Focused Reviews	20
Flexible Audit Resource	20
Contract Management	35
Total days	185

AREAS CONSIDERED BUT NOT INCLUDED IN 2026/27

The following areas have been considered for 2026/27 but have not been included. These will be considered in future years and should any areas of the Internal Audit Plan be removed during the year, we will consider whether any of these can be brought forward.

AREA	CRR	REASON FOR EXCLUSION
Strategy Review	All	We have a review of LGR which will supersede a review of this area

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APPENDIX I - ROLES AND RESPONSIBILITIES OF THE COUNCIL, ODS AND OX PLACE

This document sets out the principles of our approach for developing consistent working arrangements between BDO, Oxford City Council (OCC), Oxford Direct Services (ODS) and OX Place within their respective internal audit programmes. Having clear protocols around approvals across all stages is important to the integrity of the outputs produced. The table below sets out the minimum expectations for approvals - all approvals must be done via email or letter and verbal approvals cannot be accepted. BDO will retain all evidence of approvals.

DEFINITIONS

- Lead - this always refers to BDO. It is defined as the organisation responsible to the delivery and management of the task
- Approve - this is who BDO require to formally approve the task and will be one of the three organisations
- Consult - this is where BDO will reach out to one or more of the Group organisations to ask for their feedback into a specific task. This feedback will be given to the Approver and be taken into account in the process prior to finalisation of any given task. Where there may be disagreement between the Approver and those Consulted, the Approver decision is taken
- Inform - this is where BDO will reach out to one or more of the Group organisations to inform them of the outcome of a task providing the output where appropriate. This is therefore a post task process to inform. It may happen on occasion that an organisation is informed in advanced however they are not being consulted to seek feedback/input.

INTERNAL AUDIT PLAN

	L Lead, A Approve, # inform, @ Consult				
	BDO	OCC	ODS	OX Place	
Agreement of Annual Plan	L	A	@	#	BDO to develop plan in each year. Interviews and presentation to the ODG, Trading Companies prior to A&G approval
Agreement of Annual Audit Plan - ODS	L	@	A	#	Per above however BDO will seek approval from ODS Audit Committee/Board
Agreement of Annual Audit Plan - OX Place	L	@	@	A	Per above however BDO will seek approval from OX Place Board

OXFORD CITY COUNCIL 2026-27 INTERNAL AUDIT PLAN WITH RESPONSIBILITIES

	L Lead, A Approve, # inform, @ Consult				
	BDO	OCC	ODS	OX Place	Responsible Head of Service
Annual Planning					
Right to Buy	L	A	N/A	@	Will be confirmed with management post Audit and Governance Review approval
Debt Management and Collection	L	A	@	N/A	Will be confirmed with management post Audit and Governance Review approval
Calls and Complaints Handling	L	A	@	N/A	Will be confirmed with management post Audit and Governance Review approval
Disabled Facilities Grants	L	A	N/A	N/A	Will be confirmed with management post Audit and Governance Review approval
Housing Rents	L	A	N/A	N/A	Will be confirmed with management post Audit and Governance Review approval
Cyber Security	L	A	@	N/A	Will be confirmed with management post Audit and Governance Review approval
Taxi Licensing	L	A	N/A	N/A	Will be confirmed with management post Audit and Governance Review approval
LGR Review	L	A	@	N/A	Will be confirmed with management post Audit and Governance Review approval

APPENDIX II

PREVIOUSLY AUDITED AREAS

The table below sets out the audits and advisory reviews that we have carried out for the Council over the last three years:

AUDITED AREA	DESIGN RATING	EFFECTIVENESS RATING
2025/26		
Medium Term Financial Strategy		Fieldwork Stage
Fire Safety Follow Up	Moderate	Moderate
Leisure Centre Contracts		Fieldwork Stage
Data Analytics		Fieldwork Stage
Purchase Cards	Limited	Limited
Treasury Management	Substantial	Substantial
Equality, Diversity and Inclusion (EDI) Maturity	N/A	N/A
ODS Client And Commissioning - Thematic Review		Fieldwork Stage
2024/25		
QL Optimisation	Moderate	Moderate
Affordable Housing - Project Management	Substantial	Substantial
Risk Management - Risk Maturity	N/A	N/A
Homelessness Prevention	Moderate	Moderate
Fire Risk Assessments (Specialist Advice)	N/A	N/A
Income Generation	Substantial	Moderate
Accounts Payable	Moderate	Moderate
GDPR and High-Level Freedom of Information	Limited	Moderate
Data Analytics	Moderate	Moderate

AUDITED AREA	DESIGN RATING	EFFECTIVENESS RATING
2023/24		
Recruitment and Retention	Moderate	Moderate
Planning Services	Substantial	Moderate
Building Control	Moderate	Moderate
Selective Licensing	Moderate	Moderate
Data Analytics	Moderate	Moderate
Empty Properties and Dwellings	Substantial	Moderate
Accounts Receivable	Substantial	Moderate
Planned Maintenance and Refurbishment	Moderate	Moderate

APPENDIX III

INTERNAL AUDIT CHARTER

This charter is a requirement of internal audit standards.

The charter formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within Oxford City Council ('the Council') and defines the scope of internal audit activities.

Final approval of this charter resides with the Audit and Governance Committee (A&G) on behalf of the Cabinet.

STANDARDS OF INTERNAL AUDIT PRACTICE

To fulfil its purpose, internal audit will perform its work in accordance with the *Global Internal Audit Standards in the UK Public Sector*, which encompass:

- ▶ The global Institute of Internal Auditors (IIA) *Global Internal Audit Standards* (GIAS) effective from January 2025
- ▶ The Internal Audit Standards Advisory Board (IASAB) *Application Note Global Internal Audit Standards in the UK Public Sector* effective from 1 April 2025.

For local government internal audit, internal audit is also required to comply with the Chartered Institute of Public Finance and Accountancy (CIPFA) *Code of Practice for the Governance of Internal Audit in UK Local Government*, effective from 1 April 2025.

The GIAS refer to the 'board' as 'the highest-level body charged with governance, such as a board of directors, an Audit Committee, a board of governors or trustees, or a group of elected officials or political appointees.' For the Council, 'the board' is the (A&G) acting on behalf of the Council.

The GIAS also refer to the 'chief audit executive' as the 'leadership role responsible for effectively managing all aspects of the internal audit function and ensuring the quality performance of internal audit services in accordance with Global Internal Audit Standards.' For the Council's internal audit function, 'the chief audit executive' is the BDO-assigned Partner acting as the Head of Internal Audit (HoIA).

INTERNAL AUDIT'S PURPOSE AND MANDATE

Purpose

The purpose of the internal audit function is to strengthen the Council's ability to create, protect, and sustain value by providing the A&G and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The internal audit function enhances the Council's:

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

The Council's internal audit function is most effective when:

- ▶ Internal auditing is performed by competent professionals in conformance with the GIAS in the UK Public Sector
- ▶ The internal audit function is independently positioned with direct accountability to the A&G

- ▶ Internal auditors are free from undue influence and committed to making objective assessments.

The role of the Council's internal audit therefore includes:

- ▶ Supporting the delivery of the Council's strategic objectives by providing risk-based and objective assurance on the adequacy and effectiveness of governance, risk management and internal controls
- ▶ Championing good practice in governance through assurance, advice and contributing to the Council's annual governance review
- ▶ Advising on governance, risk management and internal control arrangements for major projects, programmes and system changes
- ▶ Access to the Council's collaborative and arm's-length arrangements.

Mandate - Authority

The A&G grants the internal audit function the mandate to provide the A&G and senior management with objective assurance, advice, insight, and foresight.

The internal audit function's authority is created by its direct reporting relationship to the A&G. Such authority allows for unrestricted access to the A&G.

The A&G authorises the internal audit function to:

- ▶ Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities; internal auditors are accountable for confidentiality and safeguarding records and information
- ▶ Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives
- ▶ Obtain assistance from the necessary organisation's personnel in relevant engagements, as well as other specialised services from within or outside the organisation to complete internal audit services.

Mandate - Independence, position, and reporting relationships

- ▶ The HoIA will be positioned at a level in the organisation that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function.
- ▶ The HoIA will report functionally to the A&G and administratively to the s151 Officer.
- ▶ This positioning provides the organisational authority and status to bring matters directly to senior management and escalate matters to the A&G, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.
- ▶ The HoIA will confirm to the A&G, at least annually, the organisational independence of the internal audit function.
- ▶ The HoIA will disclose to the A&G any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfil its mandate.

AUDIT AND GOVERNANCE COMMITTEE OVERSIGHT

To establish, maintain, and ensure that the Council's internal audit function has sufficient authority to fulfil its duties, the A&G will:

- ▶ Discuss with the HoIA and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function
- ▶ Ensure the HoIA has unrestricted access to and communicates and interacts directly with the A&G, including in private meetings without senior management present
- ▶ Discuss with the HoIA and senior management other topics that should be included in the internal audit charter

- ▶ Participate in discussions with the HoIA and senior management about the “essential conditions”, described in the GIAS, which establish the foundation that enables an effective internal audit function
- ▶ Review and approve the internal audit function’s charter annually, which includes the internal audit mandate and the scope and types of internal audit services
- ▶ Approve the risk-based internal audit plan
- ▶ Approve the internal audit function’s human resources administration and budgets
- ▶ Collaborate with senior management to determine the qualifications and competencies the Council expects in a HoIA
- ▶ Authorise the appointment and removal of the HoIA and outsourced internal audit provider
- ▶ Approve the fees paid to the outsourced internal audit provider
- ▶ Review the HoIA’s and internal audit function’s performance
- ▶ Receive communications from the HoIA about the internal audit function including its performance relative to its plan
- ▶ Ensure a quality assurance and improvement program has been established and review the results annually
- ▶ Make appropriate inquiries of senior management and the HoIA to determine whether scope or resource limitations are inappropriate.

Changes to the Mandate and Charter

Circumstances may justify a follow-up discussion between the HoIA, A&G, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- ▶ A significant change in the GIAS in the UK Public Sector
- ▶ A significant acquisition or reorganisation within the Council
- ▶ Significant changes in the HoIA, A&G, and/or senior management
- ▶ Significant changes to the Council’s strategies, objectives, risk profile, or the environment in which the Council operates
- ▶ New laws or regulations that may affect the nature and/or scope of internal audit services.

Support for Internal Audit

Internal audit’s activities require access to and support from senior management, the A&G and those charged with governance. Support allows internal audit to apply the mandate and charter in practice and meet expectations.

The Council will support the internal audit function by:

- ▶ Championing the role and work of internal audit to the staff within the Council and to partner organisations with whom internal audit works
- ▶ Facilitating access to senior management, the A&G and the Council’s external auditor
- ▶ Assisting, where possible, with access to external providers assurance such as regulators, inspectors and consultants
- ▶ Engaging constructively with internal audit’s findings, opinions and advice
- ▶ Building awareness and understanding of the importance of good governance, risk management and internal control for the success of the Council and of internal audit’s contributions.

The Council will also put in place conditions to enable the internal audit work:

- ▶ Ensuring that the reporting line of the HoIA is not lower than a member of the senior management team and that the HoIA has access to all members of the team
- ▶ Ensuring that client responsibility lies with a member of senior management

The A&G will support internal audit by:

- ▶ Enquiring of senior management and the HoIA about any restrictions on the internal audit's scope, access, authority or resources that limit its ability to carry out its responsibilities effectively
- ▶ Considering the audit plan or planning scope, and formally approving or recommending approval to those charged with governance
- ▶ Meeting at least annually with the HoIA in sessions without senior management present.

Senior management will establish and safeguard internal audit's independence by:

- ▶ Ensuring internal audit's access to staff and records, as set out in regulations and the charter, operates freely and without any interference
- ▶ Ensuring that the HoIA reports in their own right to the A&G on the work of internal audit
- ▶ Providing opportunities for the HoIA to meet with the A&G without senior management present
- ▶ Where there are actual or potential impairments to the independence of internal audit, working with the HoIA to remove or minimise them or ensure safeguards are operating effectively
- ▶ Recognising that if the HoIA has additional roles and responsibilities beyond internal auditing, or if new roles are proposed, it could impact on the independence and performance of internal audit; in such cases the impact must be discussed with the HoIA and the views of the A&G sought
- ▶ Where needed, appropriate safeguards will be put in place by senior management to protect the independence of internal audit and support conformance with professional standards. Matters around the appointment, removal, remuneration and performance evaluation of the HoIA will be undertaken by senior management, but these arrangements must not be used to undermine the independence of internal audit. The A&G will provide feedback on the performance evaluation of the HoIA, which should include feedback from the Chair of the A&G.

Interaction between the Audit and Governance Committee and Internal Audit

The A&G will support internal audit's independence by reviewing the effectiveness of safeguards at least annually, including any issues or concerns about independence from the HoIA. The HoIA will have the right of access to the Chair of the A&G at any time. The AC can escalate its concerns about internal audit independence to those charged with governance.

To ensure there is good interaction between the AC and internal audit, the AC will agree its work plan with the HOIA to ensure there is appropriate coverage of internal audit matters within A&G agendas. The A&G workplan will provide for the internal audit mandate and charter, strategy, plans, engagement reporting and the annual conclusion, and quality reports.

The A&G is familiar with the Council's assurance framework, governance, risk management and internal control arrangements to facilitate its interactions with internal audit.

Senior management will engage with the A&G on any significant changes to governance, risk and control arrangements and any concerns they may have on assurance. The A&G will have oversight of the annual governance statement before final approval.

Where there is disagreement about the management of risks or agreed audit actions between internal audit and senior management, the A&G will review and make their recommendation to either management or those charged with governance.

Internal Audit Resources

The A&G and senior management will engage with the HOIA to review whether internal audit's financial, human and technological resources are sufficient to meet internal audit's mandate as set out in the

regulations and achieve conformance with GIAS in the UK public sector. Where there are concerns about internal audit's ability to fulfil its mandate or deliver an annual conclusion, the concerns will be formally recorded and reported to those charged with governance.

If resource issues result in a limitation of scope on the annual conclusion, this will be reported and disclosed in the annual governance statement. Decisions on internal audit resourcing by senior management and those charged with governance must take account of the longer-term risks to the governance and financial sustainability of the Council and internal audit's role in supporting those objectives. Where there are temporary resource constraints, senior management must work with the HOIA to establish longer-term plans for sustainable internal audit resources.

Quality

Annually, the A&G will review the results of the HOIA's assessment of conformance against GIAS in the UK public sector (including CIPFA's Code of Practice for the Governance of Internal Audit in UK Local Government), including any action plan. The A&G will review the HOIA's annual report, including the annual conclusion on governance, risk management and control, and internal audit's performance against its objectives. To meet the requirements of the regulations (the mandate) for internal audit, the A&G will satisfy itself on the effectiveness of internal audit. They will take into account conformance with the standards, interactions with the AC, performance and feedback from senior management. Their conclusions will be reported to those charged with governance, for example, as part of the A&G's annual report.

External Quality Assessment

On behalf of those charged with governance and the A&G, senior management will ensure that internal audit has an external quality assessment at least once every five years of its conformance against GIAS in the UK public sector, (including CIPFA's Code of Practice for the Governance of Internal Audit in UK Local Government).

Senior management and the HOIA will discuss the timing of the review and report the options and their recommendation to the A&G. The proposals for the scope, method of assessment and assessor will be brought to the A&G for agreement. The assessor must use CIPFA's Code of Practice for the Governance of Internal Audit in UK Local Government alongside the standards and be familiar with the sector. The A&G will receive the complete results of the assessment and consider the HOIA's action plan to address any recommendations. Progress will be monitored. Where the AC does not have delegated authority, the committee will report the overall results of the external quality assessment to those charged with governance.

HEAD OF INTERNAL AUDIT ROLES AND RESPONSIBILITIES

Ethics and Professionalism

The HOIA will ensure that internal auditors:

- ▶ Conform with the GIAS in the UK Public Sector, including the principles of Ethics and Professionalism (integrity, objectivity, competency, due professional care, and confidentiality) and the Seven Principles of Public Life (the 'Nolan Principles') (selflessness, integrity, objectivity, accountability, openness, honesty and leadership)
- ▶ Understand, respect, meet, and contribute to the legitimate and ethical expectations of the organisation and be able to recognise conduct that is contrary to those expectations
- ▶ Encourage and promote an ethics-based culture in the organisation
- ▶ Report organisational behaviour that is inconsistent with the organisation's ethical expectations, as described in applicable policies and procedures.

Objectivity

The HOIA will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the HOIA determines

that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others.

Internal auditors will have no direct operational responsibility or authority over any activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment.

Internal auditors will:

- ▶ Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the HoIA, A&G, management, or others
- ▶ Exhibit professional objectivity in gathering, evaluating, and communicating information
- ▶ Make balanced assessments of all available and relevant facts and circumstances
- ▶ Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

Managing the Internal Audit Function

The HoIA has the responsibility to:

- ▶ Understand the Council's governance, risk management and control processes, and the importance in the UK public sector of securing value for money, in developing an effective strategy and plan.
- ▶ At least annually, develop a risk-based internal audit plan that considers the input of the A&G and senior management; discuss the plan with the A&G and senior management and submit the plan to the A&G for review and approval
- ▶ Communicate the impact of resource limitations on the internal audit plan to the A&G and senior management
- ▶ Review and adjust the internal audit plan, as necessary, in response to changes in the Council's business, risks, operations, programs, systems, and controls
- ▶ Communicate with the A&G and senior management if there are significant interim changes to the internal audit plan
- ▶ Ensure internal audit engagements are performed, documented, and communicated in accordance with the GIAS in the UK Public Sector
- ▶ Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the A&G and senior management periodically and for each engagement as appropriate
- ▶ Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the GIAS in the UK Public Sector and fulfil the internal audit mandate (in public sector internal audit, the HoIA is required to have a CMIIA, or a CCAB qualification, or an equivalent professional qualification which includes training on the practice of internal audit, and suitable internal audit experience)
- ▶ Identify and consider trends and emerging issues that could impact the Council and communicate to the A&G and senior management as appropriate
- ▶ Consider emerging trends and successful practices in internal auditing
- ▶ Establish and ensure adherence to methodologies designed to guide the internal audit function
- ▶ Ensure adherence to relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the GIAS; any such conflicts will be resolved or documented and communicated to the A&G and senior management
- ▶ Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services; if the HoIA cannot achieve an appropriate level of coordination, the issue will be communicated to senior management (including the barriers to effective co-ordination with other assurance providers) and if necessary escalated to the A&G.

Communication with the Audit and Governance Committee and Senior Management

The HoIA will report quarterly to the A&G and senior management regarding:

- ▶ The internal audit function's mandate
- ▶ The internal audit plan and performance relative to its plan
- ▶ Internal audit budget
- ▶ Significant revisions to the internal audit plan and budget
- ▶ Potential impairments to independence, including relevant disclosures as applicable
- ▶ Results from the quality assurance and improvement program, which include the internal audit function's conformance with the GIAS in the UK Public Sector and action plans to address the internal audit function's deficiencies and opportunities for improvement
- ▶ Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the A&G
- ▶ Results of assurance and advisory services
- ▶ Resource requirements
- ▶ Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond the Council's risk appetite.

Quality Assurance Improvement Programme

The HoIA will develop, implement, and maintain a quality assurance and improvement program (QAIP) that covers all aspects of the internal audit function.

The program will include external and internal assessments of the internal audit function's conformance with the GIAS in the UK Public Sector, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement.

The plan will assess the efficiency and effectiveness of internal audit and identify opportunities for improvement.

Annually, the HoIA will communicate with the A&G and senior management about the internal audit function's QAIP, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments.

External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside BDO. Qualifications must include at least one assessor holding an active Certified Internal Auditor credential. For public sector internal audit, such a person should have an understanding of the GIAS commensurate with the Certified Internal Auditor designation, including internal audit relevant continuing professional development and an understanding of how the GIAS are applied in the UK public sector.

SCOPE AND TYPES OF INTERNAL AUDIT SERVICES

The scope of internal audit services covers the entire breadth of the Council, including all the Council's activities, assets, and personnel.

The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the A&G and management on the adequacy and effectiveness of governance, risk management, and control processes for the Council.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

Internal audit engagements may include evaluating whether:

- ▶ Risks relating to the achievement of the Council's strategic objectives are appropriately identified and managed
- ▶ The actions of the Council's officers, directors, management, employees, and contractors or other relevant parties comply with organisational policies, procedures, and applicable laws, regulations, and governance standards
- ▶ The results of operations and programs are consistent with established goals and objectives
- ▶ Operations and programs are being carried out effectively and efficiently
- ▶ Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact the Council
- ▶ The integrity of information and the means used to identify, measure, analyse, classify, and report such information is reliable
- ▶ Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

INTERNAL AUDIT PERFORMANCE MEASURES AND INDICATORS

The tables below contain some of the performance measures and indicators that are considered to have the most value in assessing the efficiency and effectiveness of internal audit.

The A&G should approve the measures which will be reported to each meeting and / or annually as appropriate. In addition to those listed here we also report on additional measures as agreed with management and included in our Progress Report.

TABLE ONE: PERFORMANCE MEASURES FOR INTERNAL AUDIT

MEASURE / INDICATOR
Audit Coverage Annual Audit Plan delivered in line with timetable. Actual days are in accordance with Annual Audit Plan.
Relationships and customer satisfaction Customer satisfaction reports - overall score at average at least 3.5 / 5 for surveys issued at the end of each audit. Annual survey to A&G to achieve score of at least 70%. External audit can rely on the work undertaken by internal audit (where planned).
Staffing and Training At least 60% input from qualified staff.
Audit Reporting Issuance of draft report within 3 weeks of fieldwork 'closing' meeting. Finalise internal audit report 1 week after management responses to report are received. 90% recommendations to be accepted by management. Information is presented in the format requested by the customer.
Audit Quality High quality documents produced by the auditor that are clear and concise and contain all the information requested. Positive result from any external review.

MANAGEMENT AND STAFF PERFORMANCE MEASURES AND INDICATORS

The management and staff of the Council commit to the following:

- Providing unrestricted access to all of the Council's records, property, and personnel relevant to the performance of engagements
- Responding to internal audit requests and reports within the agreed timeframe and in a professional manner
- Implementing agreed recommendations within the agreed timeframe
- Being open to internal audit about risks and issues within the Council
- Not requesting any service from internal audit that would impair its independence or objectivity
- Providing honest and constructive feedback on the performance of internal audit.

The following three indicators are considered good practice performance measures, but we go beyond this and report on a suite of measures as included in each A&G Progress Report.

TABLE TWO: PERFORMANCE MEASURES FOR MANAGEMENT AND STAFF

MEASURE / INDICATOR

Response to Reports

Audit sponsor to respond to terms of reference within one week of receipt and to draft reports within two weeks of receipt.

Implementation of recommendations

Audit sponsor to implement all audit recommendations within the agreed timeframe.

Co-operation with internal audit

Internal audit to confirm to each meeting of the A&G whether appropriate co-operation has been provided by management and staff.

FOR MORE INFORMATION:

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Internal Audit Strategy

February 2026

Internal Audit Strategy

Business strategic context

The purpose of lower-tier local authorities is to manage and deliver local services to residents. Oxford City Council (the Council) are responsible for providing statutory and discretionary services across the city of Oxford. The Council’s Corporate Strategy for 2024-28 defines its five key priorities; good, affordable homes, strong, fair economy, thriving communities, zero carbon Oxford and well-run Council.

Good, affordable homes - we will improve existing housing and increase the number of new homes for social rent and to buy, and speed up housing for homeless people and rough sleepers in the city.

Strong, fair economy - We will support economic growth, including significant new business and housing developments that provide good quality jobs for people in Oxford.

Thriving communities - We will focus on areas of highest inequality to improve health, wellbeing, skills and employment opportunities and equal access for everyone.

Zero Carbon Oxford - We will prioritise climate change goals to cut carbon emissions from buildings, and develop low carbon infrastructure and support households, businesses and institutions to save energy and cut emissions.

Well-run Council - We will be more efficient with our resources by offering better digital services, prioritising our activities and balancing spending with income growth.

Internal audit vision and objectives

Internal Audit is positioned to play a critical role in the Council’s drive to continued success as a high-performing local authority, providing assurance over the design and effectiveness of controls and that these are enhancing the resident experience in an efficient way. Local government reorganisation is the largest structural overhaul to local authorities for a generation, with proposals for the future of local government in Nottinghamshire awaiting consideration from central government. Internal Audit will support the Council to meet its strategic objectives over this period, preparing for local government reorganisation, but also ensuring that core services and policies continue to operate effectively during this transition.

Strategic pillars

Supporting the strategy

- Internal Audit is positioned to serve as a trusted and strategic advisor, providing business leadership with forward-looking, high-value insights that support strategic decision-making, enhance risk awareness, and align with the organisational risk appetite.
- Internal Audit will work closely with other assurance providers - notably second line functions such as IT security, Risk, Compliance and Legal.
- A growing proportion of our activities will focus on advisory engagements, striking a balance that allows us to address both critical projects and programmes, core business processes and emerging risks.

People management and development

- A high-performing and flexible Internal Audit team is essential for delivering quality and impactful audit services.
- The people strategy focuses on recruiting and nurturing a talented, versatile, and technically proficient workforce.
- By investing in IIA/CCAB trainees, advanced qualifications, availability of SMEs and specialised training across key areas—such as ESG, fraud, IT, operations, and regulatory frameworks we will deepen the team’s expertise and strengthen our capacity to address complex audit demands.

Process and methodology

- Optimising our audit methodologies to ensure they remain agile, relevant, and compliant with the latest IIA standards and regulatory expectations.
- Maintaining strong relationships with the Institute and regulators.
- Quality will remain at the heart of our service with robust assurance checking and review procedures, overseen through annual and periodic hot/cold review procedures.
- Our Quality Assurance and Improvement Programme (QAIP) will continue to be robust, involving regular internal and external assessments that align with industry best practices.

Technology development

- In an environment of rapid technological change, Internal Audit will continuously evolve and adopt digital innovations to deliver more effective, insightful, and efficient assurance. This strategy prioritises the integration of advanced data analytics and AI across audit operations, positioning these tools as essential elements of our methodology.
- Internal Audit will maintain close relationships with the CIO, DPO of the business to ensure our approach is aligned with the organisation’s approach to data protection and cyber security.

Internal Audit Strategy - proposed actions 2026/27

Area	Initiative / action
Strategy support	- Continue to work closely with wider second line group to align working practices to support assurance over the strategy - Ensure our annual plan was wide coverage of the four strategic priorities, providing assurances over the delivery of strategies and objectives across the whole Council, including front-line services impacting residents - Apply a blend of audit and advisory techniques using our various toolkits to assess the Council's 'soft controls' such as EDI, Environment, Governance/Culture, Sustainability, etc. This will provide roadmaps to applying best practice controls to achieve objectives - Focus our audits on preparations and planning for local government reorganisation, both in specific audit engagements and the risks linked to local government reorganisation in operational audits.
People	- Commit to maintaining a constant audit team, with the Head of Internal Audit remaining consistent supported by a Manager and Assistant Manager to operationally manage audit delivery and quality control procedures - Use SMEs and specialist skills and knowledge for highly technical areas of testing - Ensure 60% of qualified resources are used in the delivery of the audit plan - Ensure team members hold or are working towards professional and relevant qualifications - Team members will comply with the firm's and professional bodies policies on CPD requirements - Audit and Governance Committee meetings and all contract management meetings will be attended by the Engagement Partner (Gurpreet Dulay) and/or the Engagement Manager (Joe Taylor).
Process	- Perform annual desktop review of manual and methodology to confirm in line with professional standards - Undertake annual self assessment against EQA - Participate in BDO cold/hot review process act upon any improvement points - Ensure of QAIP is a live document subject to ongoing review to monitor our delivery of our progress and retain flexibility to adjust to changes in the Council's environment - Commission independent EQA every five years.
Technology	- Use BDO tools on data analytics and AI to improve the quality of information and output to the Council, extending our testing to full populations of data. - Invest in new technologies and team training as required to widen the use of GenAI in IA delivery - Continue to manage your data securely and confidentially on our audit systems.

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Oxford City Council

**Internal Audit -
Quality Assurance
Improvement
Programme (QAIP)**

February 2026

Quality assurance improvement programme

In accordance with Standard 8.3 of the Global Internal Audit Standards, we must develop, implement and maintain a quality assurance improvement programme (QAIP).

Our QAIP is premised on the following three key activities. We will report annually to the Audit and Governance Committee, on the results of the ongoing monitoring of quality and performance (including the results of the internal quality assessments). Results of the external quality assessments will be reported when completed. If applicable, plans to address any improvements identified will also be communicated.

Ongoing monitoring of quality and performance

Internal audit methodology - A standard internal audit methodology, working papers and templates are in use. Our methodology is updated when necessary and formally reviewed on an annual basis.

Supervision and review of outputs - All internal audit work is supervised and formal review of all deliverables including annual plans, terms of reference, draft and final reports and written advice is performed by Gurpreet Dulay before issue.

Use of subject matter experts - Our work employs sufficient technical knowledge and skills to safeguard quality. To deliver your Internal Audit Plan, we will draw on the use of subject matter expert (SME) for the following assignments; Cyber Security. The SME will be used either to review the scope and work or to deliver the fieldwork for the review.

Monitoring of the performance - A suite of quantitative and qualitative key performance metrics is in place to monitor the performance and effectiveness of the Internal Audit team and the value Internal Audit brings to the business.

Stakeholder feedback - is requested from audit stakeholders after each audit and used to identify ways to improve our service. We will also share a feedback survey to the Audit and Governance Committee Chair to obtain feedback on our presentations and audit quality.

Sharing of good practice - we promote a culture where lessons learned and good practice are shared across the team. We will continue to share benchmarking on specific audits and sector updates with the Audit and Governance Committee to ensure that you are up-to-date on developments in the local government sector.

Internal assessments

Annual self assessment - On an annual basis, an experienced review Partner or Director will perform a self-assessment of compliance with the Global Internal Audit Standards which will include a sample of files. An improvement action plan will be drafted based on the findings.

Hot and cold reviews - During the year, an experienced review Partner, Director or Senior Manager, independent of the engagements under review, will also review a selection of individual internal audit engagements to obtain ongoing assurance on the technical quality of our work. These will be performed based upon an agreed review programme, of closed (cold) files and thematic (hot) reviews of in-flight engagements.

Four eyes principle - All our outputs and the key underlying documentation are subject to review by a second person. For you, our work will be subject to one detailed review by a manager and a higher-level review by the Partner. Any specialist or high-risk work will be subject to a second Partner review by a SME.

Ongoing review - All audit files will be subject to a detailed review by a Manager or Assistant Manager to ensure that the quality of audit work meets our expected standards. Additionally, mid-file reviews will be performed on all audits during the fieldwork to ensure all key risk areas discussed and agreed at the scoping meeting are being covered during the fieldwork, allowing any gaps to be remediated during the audit.

Closing meetings - The closing meeting agenda will be reviewed by a Manager or Assistant Manager before being issued to officers.

External assessments

In accordance with Standard 8.4, an external assessment of the quality (EQA) of our internal audit work must be conducted at least once every five years by a qualified, independent assessor or assessment team.

Previous EQA

At BDO we recognise the importance of independent quality assurance and so submit our RAS team to an External Quality Assurance (EQA) review every five years, most recently in April 2021. We engaged the Chartered Institute of Internal Auditors (CIIA) to carry out the EQA and, in summary, their conclusion was that BDO generally conforms to the International Professional Practices Framework (IPPF). This is the highest of the three gradings awarded by the CIIA.

A copy of the EQA report is available to our clients so they can obtain comfort regarding our working practices.

Next EQA

Our next EQA is expected to be delivered in 2026. As part of communications with clients, the project team will discuss the results of the external assessment with the Audit Committee

Quality assurance improvement programme

Specific improvement actions to enhance the Internal Audit function in line with the Internal Audit Strategy are:

Initiative	Benefit	Due date	Completed
Ensure our annual plan was wide coverage of the four strategic priorities, providing assurances over the delivery of strategies and objectives across the whole Council, including front-line services impacting residents	Align our audit plan to the Council's strategic risks, ensuring that areas we cover link back to strategic objectives	Ongoing throughout delivery of our 26/27 IA plan	
197 Apply a blend of audit and advisory techniques using our various toolkits to assess the Council's 'soft controls' such as EDI, Environment, Governance/Culture, Sustainability, etc. This will provide roadmaps to applying best practice controls to achieve objectives	Allows management to gain insights into emerging risks with advisory support rather than traditional third line assurance	Ongoing throughout delivery of our 26/27 IA plan and over our three-year plan to FY29	
Use SMEs and specialist skills and knowledge for highly technical areas of testing Ensure 60% of qualified resources are used in the delivery of the audit plan Ensure team members hold or are working towards professional and relevant qualifications Team members will comply with the firm's and professional bodies policies on CPD requirements	Allow the Council continue to benefit from expertise across our firm on specific, technical audit engagements. Furthermore, use of qualified staff and ensuring our staff maintain relevant CPD ensures that emerging issues and risks are addressed in our audit work to maximise the value to the Council	Through the delivery of individual audit engagements during 26/27 and throughout the full plan for the year	
Perform annual desktop review of manual and methodology to confirm in line with professional standards	Ensuring that our manual and methodology meet our professional standards to give you assurance over the quality and approach of our work	At the end of 26/27	

Quality assurance improvement programme

Specific improvement actions to enhance the Internal Audit function in line with the Internal Audit Strategy are:

Initiative	Benefit	Due date	Completed
Commission independent EQA every five years	Allows for independent assurance that our work conforms with the GIAS.	Every five year, with the next review due in 2026	
Use BDO tools on data analytics and AI to improve the quality of information and output to the Council, extending our testing to full populations of data	Allows for full population and broader audit testing, reducing the sample risk and giving you greater assurance over the conclusions drawn from our work. This will also enable more nuanced and exception-focused auditing to establish the root cause of control issues	Ongoing throughout delivery of our 26/27 IA plan At the end of 26/27 we will evaluate whether data analytics and AI tools have been used where appropriate	
198 Act on stakeholder feedback and engagement to evolve and improve the service	Allows for ongoing improvement and development to ensure that our internal audit service meets your expectations	After each internal audit assignment	
Seek feedback from the Audit and Governance Committee (via the Chair) on our reporting and feedback approach	Ensures that our reports and presentation approach meets the expectations of the Audit and Governance Committee to ensure that you are receiving the assurance you require to discharge your duties effectively.	A survey will be issued to the Chair annually and an offer for a 1:1 feedback meeting to discuss the audit service	

FOR MORE INFORMATION:

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Oxford City Council

Auditor's Annual Report
Year ended **31 March 2025**
Issue date **26th March 2026**



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



Shape the future
with confidence



Audit & Governance Committee
Oxford City Council
Oxford Town Hall,
St Aldate's,
Oxford,
OX1 1BX

26th March 2026

Dear Audit & Governance Committee Members

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 Oxford 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.

The Statement of Accounts audit [has been completed](#) as of the date of this report. [Changes from the draft annual auditors report published on the 27th November 2025 has been indicated in blue.](#)

This report is intended to draw to the attention of the Members of the Oxford City Council, 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.

The [2025 Transparency Report](#) 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

Andrew Brittain

Partner, For and on behalf of Ernst & Young LLP

Enc

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Value for Money
Commentary

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.psaa.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 Audit & Governance Committee and management of Oxford City Council in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Audit & Governance Committee and management of Oxford 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 Audit & Governance Committee and management of Oxford 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 Oxford 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. The Audit & Governance Committee is 'Those Charged with Governance' at the Oxford City Council.

Responsibilities of the appointed auditor

We have undertaken our 2024/25 audit work in accordance with the Audit Plan that we issued on 29 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 Oxford 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 Oxford 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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Financial statements	Disclaimer: As reported in our February 2025 Audit Results Report we issued a disclaimer of opinion on the Oxford City Council's 2023/24, 2022/23 and 2021/22 Statement of Accounts under the arrangements to reset and recover local government audit. In 2024/25, we continued to audit the closing balance sheet and in-year transactions. As a result of the disclaimer of opinion on the 2023/24 Statement of Accounts, we do not have assurance over some brought forward balances from 2023/24 where we did not gain assurance (the opening balances). This means we do not have assurance over all 2024/25 in-year movements and the comparative prior year movements. We also do not have assurance over all the 2023/24 comparative balances disclosed in the 2024/25 Statement of Accounts. In addition, due to capacity constraints within the Council, there were specific areas of the accounts where officers agreed that we would not be in a position to obtain assurance over the closing balances and therefore complete our planned procedures. These were Plant, Property and Equipment, Investment Property, Capital Expenditure & Financing, the Comprehensive Income and Expenditure Statement and Reserves. 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 are unable to conclude that the 2024/25 Statement of Accounts are free from material and pervasive misstatement, and we therefore issued a disclaimed 2024/25 audit opinion on 27 February 2026.
Going concern	Where a disclaimer of opinion is issued on the Statement of Accounts, we do not conclude on whether the use of the going concern basis of accounting is appropriate.
Consistency of the other information published with the financial statements	Financial information published with the financial statements was consistent with the audited accounts.
Value for money (VFM)	We have identified a matter to report by exception on the Council's VFM arrangements. 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.

Executive Summary (cont'd)

2024/25 conclusions (cont'd)

Additional powers and duties	We had no reason to use our auditor powers.
Whole of Government Accounts	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. We cannot issue our Audit Certificate until these procedures are complete.
Certificate	We will issue our certificate once we have completed Whole of Government Accounts procedures following confirmation from the NAO.

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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 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.

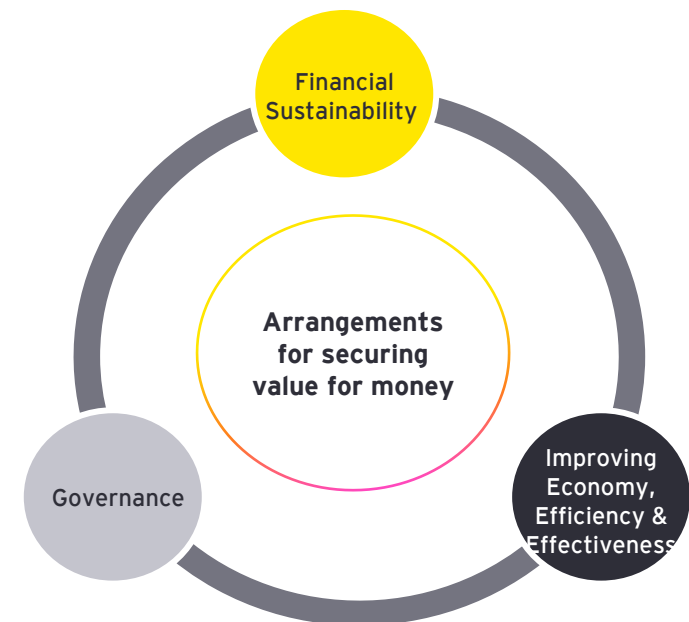
The specified reporting criteria are:

- 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 S151 Officer (Nigel Kennedy);
- 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 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 [final Auditor's Annual Report](#), which must be issued by 27th February 2026.

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.

Reporting criteria	Risks of significant weaknesses in arrangements identified?	Actual significant weaknesses in arrangements identified?
Financial sustainability: 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
Governance: How the Council ensures that it makes informed decisions and properly manages its risks	No significant risks identified	A significant weakness was identified. See our VFM commentary in Section 03, slide 32.
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	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 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 :

[EY-UK-2025-transparency-report.pdf](#)

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02 Audit of financial statements

Audit of financial statements

Key findings

The Statement of Accounts 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 27th February 2026, we issued a disclaimed opinion on the financial statements. We outline below the key issues identified as part of our audit.

Audit risks and areas of focus

Risk/area of focus	Risk identified	Conclusion
Misstatement due to fraud or error	Fraud risk	No significant matters have been identified in the completion of our work.
212 Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure	Fraud Risk	No significant matters have been identified in the completion of our work.
Inappropriate revenue recognition of rental income	Fraud risk	No significant matters have been identified in the completion of our work.
Valuation of Land and Buildings	Significant Risk	Similar to the prior year, we have been unable to obtain sufficient supporting evidence for our sample selected for Property, Plant and Equipment (PPE) valuation testing and additions testing. Therefore, officers have agreed that we will not be in a position to obtain assurance over the closing balance of PPE in advance of the backstop date which is 27 February 2026. Similar to the prior year, we have not been able to obtain sufficient supporting evidence for all of our samples selected for our testing of Investment Property (IP) valuations. Therefore, officers have agreed that we will not be in a position to obtain assurance over the closing balance of IP in advance of the backstop date which is 27 February 2026.

Audit of financial statements

Audit risks and areas of focus

Risk/area of focus	Risk identified	Conclusion
Pension Liability Valuation	Inherent risk	We have completed our testing in this area. As part of our testing, we identified the following: 2024/25: The Council had not applied the IAS 19 asset ceiling in the draft financial statements, resulting in an overstated pension asset of £82.791m. Our review of the March 2025 results schedule indicated that a total asset-ceiling adjustment of £104.592m was required, impacting the CIES, Balance Sheet, and related pension disclosures. The Council has confirmed that the final accounts will be updated to reflect the full asset-ceiling impact. 2023/24: We also identified that the asset-ceiling impact for the prior year, amounting to £36.34m, had not been reflected in the Council's 2023/24 financial statements.
Group Consolidation	Inherent risk	No issues were identified during the completion of our procedures, except for a £4.5m misclassification in the Group accounts. This related to an amount recorded within Group other operating income that should have been classified as Group other operating expenditure; management has agreed to correct this. In addition, several disclosure misstatements were noted, which management has also agreed to amend.
IFRS-16 Leases	Inherent risk	No issues were identified during the completion of our procedures, except A Correction of IFRS 16 lease accounting for "1-5 Broad Street", including depreciation and interest adjustments of £0.065m, and the remeasurement of the right-of-use asset and corresponding lease liability amounting to £4.3m. IFRS 16 reclassification for peppercorn leases, transferring recognition from service charges to Taxation & Non-Specific Grant Income, totalling £9.5m. In addition, we completed procedures over the IFRS 16-related disclosures and their compliance with the CIPFA Code of Practice on Local Authority Accounting and noted several disclosure misstatements which required amendment.

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Audit of financial statements

Financial Statement reporting assessment

Management, and the Audit and Governance 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 below sets out our views on the effectiveness of the Council's arrangements to support external financial across a range of relevant measures.

Our audit of the Statement of Accounts is currently still in progress and therefore our assessment will be made once we have concluded our work and reported first within the Audit Results Report.

Where we have been unable to undertake all planned procedures, this is likely to extend the timetable to recover assurance on the Council's Statement of Accounts.

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 page 16.

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. This was the case for the Council.

Executive Summary (cont'd)

Financial Statement reporting assessment

Area	Status			Explanation	Further detail
	R	A	G		
Timeliness of the draft financial statements	Requires improvement			The financial statements were not published by the 30 th June 2025 deadline set out in the Accounts and Audit Regulations.	Following the cyber-attack on Oxford City Council, key systems were taken offline as a precaution, which delayed the publication of the draft accounts.
Quality and completeness of the draft financial statements	Effective			When received, the draft financial statements were complete. There were a few of 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	Effective			Majority of the working papers were provided to the agreed timetable.	N/A
Quality of working papers and supporting evidence	Requires improvement			The quality of the working papers and supporting evidence were generally below the standard required to support an efficient audit. For instance, in a number of areas we had to return the evidence given since it was not the third-party evidence that we had requested. In several instances, we were provided with complex internal workings spread across multiple tabs of a workbook, without any explanation of the calculations or how they linked to the evidence that we had requested.	This has resulted in an additional audit effort and therefore we expect to raise a scale fee variation in respect of this.
Timeliness and quality of evidence supporting key accounting estimates	Requires improvement			Delays were experienced in the provision of supporting evidence for walkthroughs, leases, samples across various significant accounts. The delay in providing evidence contributed to a delay to the audit process being completed.	This has resulted in an additional audit effort and therefore we expect to raise a scale fee variation in respect of this.
Access to finance team and personnel to support the audit in accordance with agreed project plan	Requires improvement			Generally there were no issues with access to the finance team and key personnel. However, ongoing capacity constraints have limited their ability to support the external audit, resulting in delays in providing responses and addressing audit queries.	N/A
Volume and value of identified misstatements	Requires improvement			A high volume and significant value of misstatements were identified during our audit, including several material adjustments relating to pensions (IAS 19), leases (IFRS 16) and income recognition. This indicates that further improvements are required in the quality of financial reporting processes.	N/A

Executive Summary (cont'd)

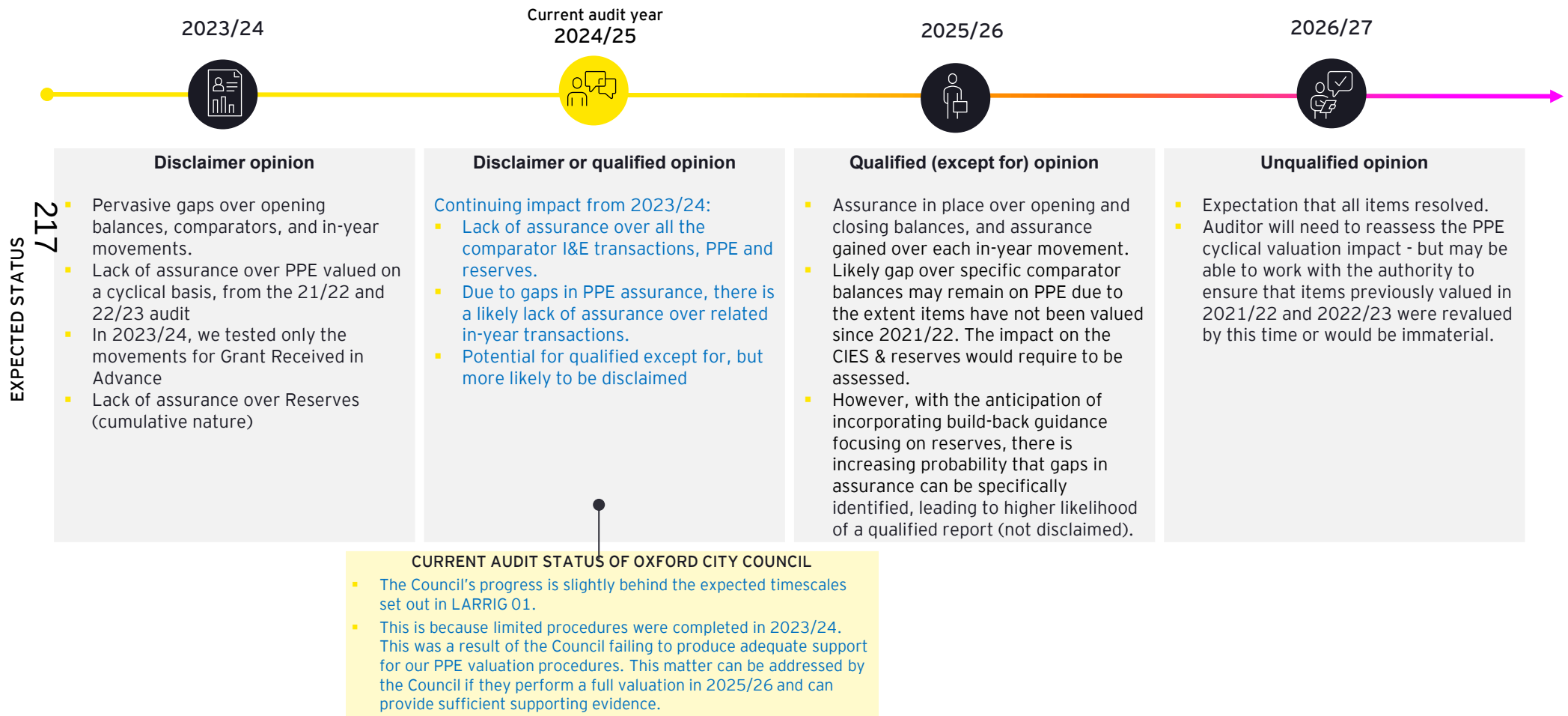
Factors impacting the execution of the audit (cont'd)

Area	Status			Explanation	Further detail
	R	A	G		
Volume of misstatements in disclosure	Requires improvement			A substantial number of disclosure misstatements were identified, particularly in the areas of leases (IFRS 16) and Group Accounts. While most have been corrected, the volume of issues highlights the need for strengthened oversight of financial statement disclosures. We acknowledge that this is the first year of the Council implementing IFRS 16.	N/A

Appendix A – Progress to full assurance

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.





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 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
Financial sustainability How the Council plans and manages its resources to ensure it can continue to deliver its services.	No significant risk identified	No significant weakness identified.
Governance How the Council ensures that it makes informed decisions and properly manages its risks.	No significant risk identified	Significant weakness identified. See page 26 - 33
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.	No significant risk identified	No significant weakness identified.



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

220 Within our Audit Planning Report presented at the 23 July 2025 Audit & Governance Committee meeting, we reported that we had not completed our value for money (VFM) risk assessment but expected the areas of focus to be on the arrangements that the Council has in place in relation to financial sustainability. Having updated and completed the planned procedures in this area we did not identify a risk of a significant weakness in the Council's arrangements for financial sustainability.

In prior years, no significant weaknesses were identified and there are no outstanding recommendations relating to prior years. 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, Oxford City 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

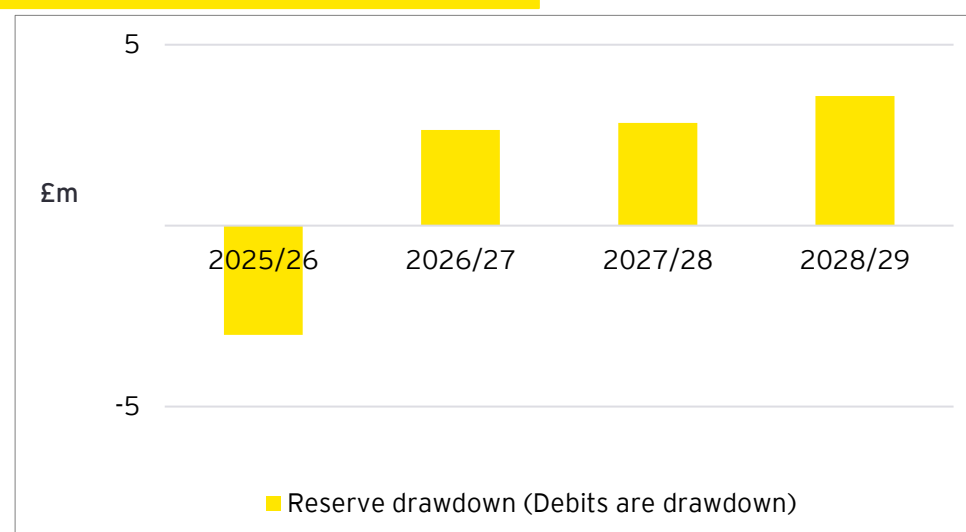
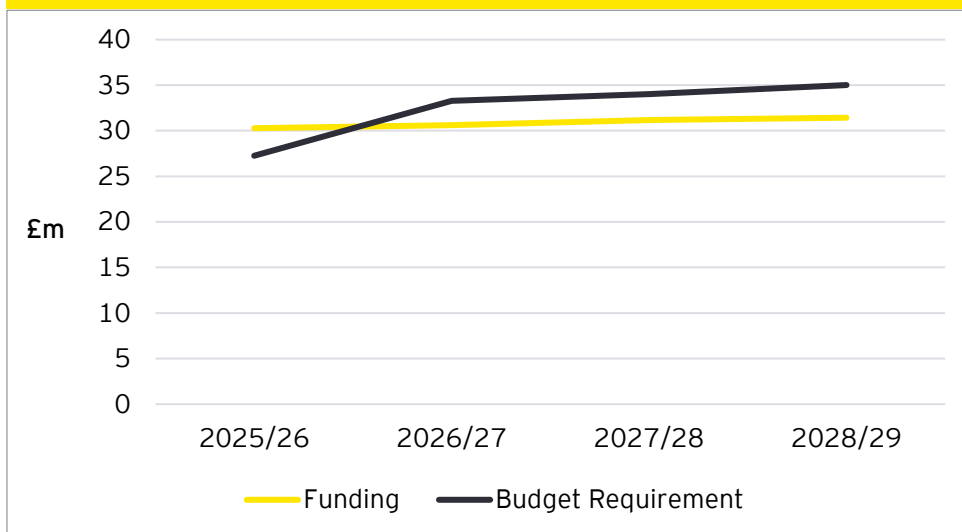
Oxford City Council presented its Medium-Term Financial Strategy (MTFS) for 2025/26 to 2028/29 on 5 February 2025. The Council has a robust process to set the budget and Medium Term Financial Strategy. The process is detailed and developing the budget considers factors such as the ongoing impact of inflation rates, demographic assumptions, current year pressures, implications of future capital programme and the need to establish prudent levels of balances and reserves.

The 2025/26 Budget is reported to reach a balanced budget with £3.0m transferred to reserves. This was to be achieved with savings and new grants that were projected to be in place during the financial year. The MTFS projects a structural funding gap from 2026/27 onwards, even after applying annual council tax increases of 2.99% resulting in drawdowns in reserves; the reserve drawdowns are £2.6m in 2026/27, £2.8m in 2027/28, and £3.6m in 2028/29. This results in a cumulative shortfall of £6.0m over the period (see Exhibit A).

The MTFS highlights continuing financial uncertainty for Oxford City Council. Key challenges for 2025/26 include inflationary impacts on service costs, increased employer National Insurance contributions of approximately £800k each year, and a funding guarantee that was removed from FY 25/26 onwards of approximately £500k each year.

221 To mitigate these pressures, the Council proposes a 2.99% increase in Council Tax, generating an additional £335k in 2025/26 and raising cumulatively £750k additional income by 2028/29. Despite these measures, the Council remains committed to maintaining vital services and supporting community groups while managing financial resilience in a volatile environment

Exhibit A: The Council's MTFP outlines a cumulative gap of £6.0 million by 2028/29





Financial Sustainability considerations

Budget Monitoring

Budget monitoring reports are critical for elected members to make decisions about the prioritisation of resources.

Exhibit B highlights a £3.7m surplus (actual income vs actual expenditure) for FY 2024/25 (General Fund and Housing Revenue Account). This was driven by £2.0m less money was borrowed so less interest rates were required to be paid during the year.

Exhibit B also highlights an underspend against service budget for Quarter 1 of 2025/26 for which was presented to the Cabinet on 17 September 2025. Oxford City Council reported a £6.9m surplus before transfers to or from reserves when the general fund and Housing Revenue Account (HRA) are monitored together.

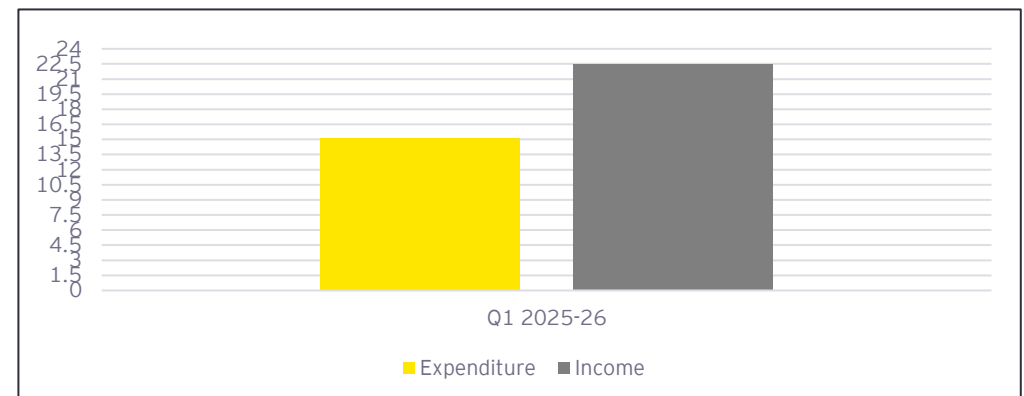
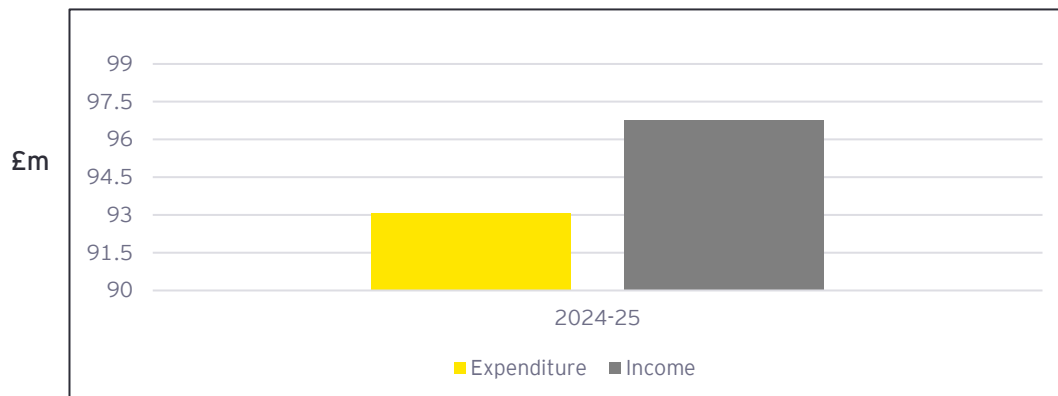
When reviewed separately, General fund as of Q1 of 2025/26 is current at a £1.3m deficit (actual income vs actual expenditure) and is forecasting a £0.7m outturn deficit (actual vs budget) at the end of the year. This position is driven by shortfall in rental income by £0.4m, unbudgeted temporary staff cost of £0.3m and use of specialist to address cyber incident in June 2025 of £0.2m. Council reported that this was early stages of the financial year and that there are plans that will mitigate the deficit later in the financial year.

For HRA quarter 1 of 2025/26, Oxford City Council currently have a favourable variance to budget of £1.2m (actual vs budget) with £8.7m surplus (actual income vs actual expenditure) mainly due an underspend on Responsive & Cyclical Repairs; the budget for this expenditure category has been increased from 2024/25 and it is expected to be fully spent by 31 March 2026. Stock related Management & Services contributed a favourable variance of £0.47m.

Overall, the Council's financial outlook at 2025/26 Q1 reports a £7.4m surplus, but ongoing monitoring remains essential

We have no recommendations to make regarding budget monitoring arrangements. While the Council faces medium-term challenges, including a £6.0m drawdown of reserves by 2028/29, its approach, comprising regular monitoring and a multi-pronged savings strategy, provides a reasonable basis for maintaining financial resilience. Continued focus on delivering planned savings and managing emerging risks will be critical.

Exhibit B: The Council's budget monitoring (including HRA) reports outlined a surplus (actual income vs actual expenditure) as of FY 24/25 and Q1 of FY 2025/26





Financial Sustainability considerations

Savings plans

It is not unusual for a Council to have a funding gap for future years when the budget is set. The medium term planning process is a cyclical process that is ongoing and the Council will continually identify efficiency opportunities and savings measures. These proposals are initially formulated over the summer and presented to the Members in the autumn in order to consider how to close the budget gap. Any savings proposal which results in a change in service to the public is also subject to a full consultation process.

The Council's financial strategy for 2024/25 focused on embedding recurring efficiencies and transformations to reduce reliance on reserves to maintain long-term sustainability. The planned savings target was £1.9 million, comprising £1.2 million from transformation & new efficiencies, £0.2 million through service reduction, £0.1m through existing efficiencies and £0.4 million from invest to save. The actual savings for 2024/25 were below expectations, delivering a £0.3 million of savings.

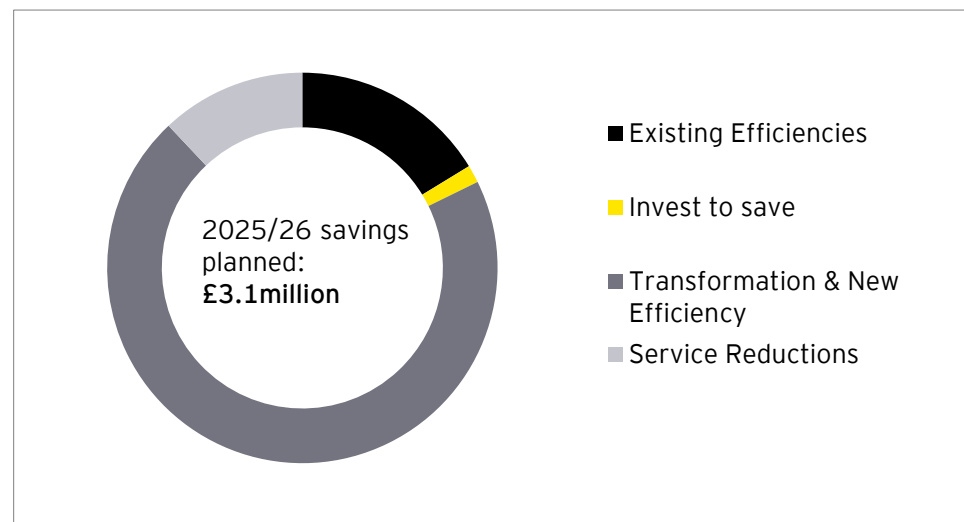
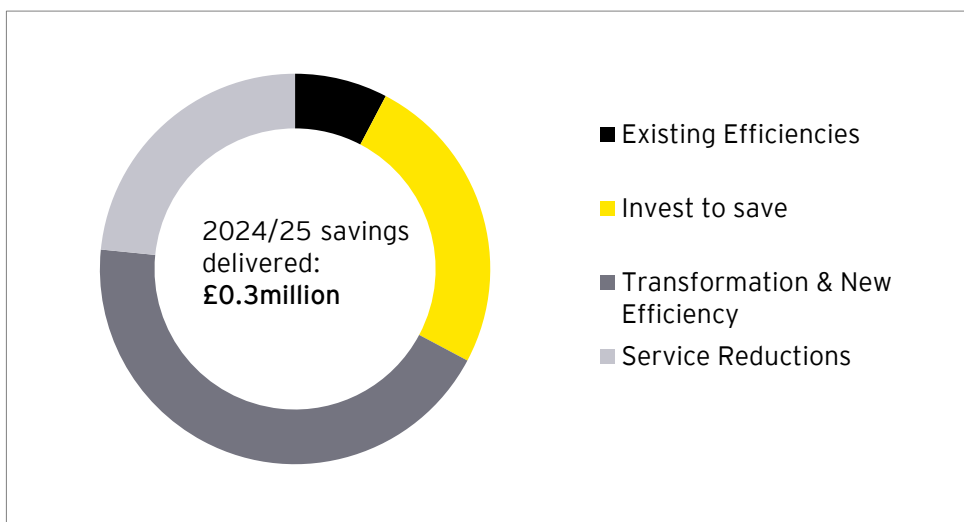
Oxford City Council reported a final outturn position at 31 March 2025 a deficit of £1.5m mainly attributable to significant cost pressures such as Temporary Accommodation and net cost of housing benefit payments

Housing Revenue Account (HRA) achieved £2.9m surplus. This favourable variance is mainly achieved via a lower revenue contribution to capital by £8.69m and an unbudgeted gain on the sale of fixed assets of £6.882m offset by an overspend on repairs of £7.82m and

Capital programme achieving a £19.5m underspend against budget. This variance relates to £9.3m slippage of programme activity into 2025/26 and a net underspend of £10.214m on budgeted projects mainly associated with the HRA demand driven spend on communal, internal and external works on council houses.

Given the saving targets performance in 2024/25, the Council initiated an ambitious savings programme. For periods 2025/26 to 2028/29, the Medium-Term Financial Strategy sets an estimated savings target of £3.1m. This saving plan was submitted and approved by Cabinet on the 5th February 2025 and Council on the 13th February 2025.

Exhibit C: The Council delivered £0.3 million of recurring savings in 2024/25, and expects to deliver a further £3.1 million in 2025/26





Financial Sustainability considerations

Reserves position

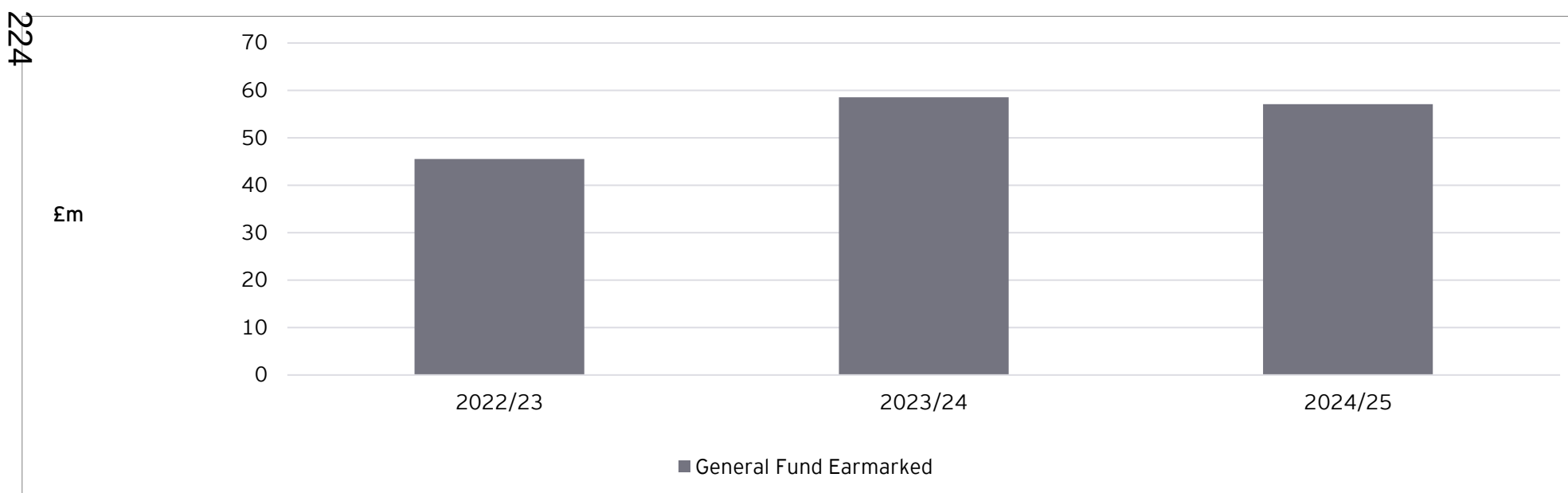
Group Finance Director (Section 151 officer) published his Section 25 of the Local Government Act 2003 where he reported the adequacy of proposed financial reserves for 2025/26 in February 2025.

The Council is holding substantial earmarked reserves for specific future commitments, risk mitigation, and service continuity. Overall, the Council's Earmarked General Reserves amounted to £58.47 million in 2023/24 and £56.85 million in 2024/25.

The Section 151 officer reported that the reserves below will be adequate but that financial sustainability depends on the performance of council-owned companies, business rate retention, an increase in efficiency & income generated.

Overall, earmarked reserves had grown between FY 2022/23 and FY 2023/24, it has stabilised in FY 2024/25 which plans in place to further increase the reserves. This shows there is prudent financial management given there will be future pressures (e.g., funding changes, cost inflation).

Exhibit D: The Council's General Earmarked Reserve position over the years





Financial Sustainability considerations

Outturn position - General Fund

Oxford City Council delivered a £1.5m overspend for general fund services in the financial year 2024/25. This was a reversal on position compared to the financial year 2023/24 as Oxford City reported a surplus of £3.9m

Significant contributions to the deficit:

- Increase demand in temporary housing
- Migration of individual systems to Azure cloud based system
- Cost pressure from specialists services to reassess valuation for business rate collection
- Overspend on Housing Benefit

Exhibit E: The Council recorded an overall overspend of £1.5m against budget in 2024/25

Services	Budget £m	Expenditure / (Income) £m	(Underspend) / Overspend £m
ODS Development Director	11,821	9,059	(2,762)
City and Citizens' Services	18,305	19,970	1,665
Corporate Services	11,895	12,766	871
Place	(4,252)	(4,297)	(45)
SLA's & Capital Charges	(9,612)	(8,366)	1,246
Corporate Accounts & Contingencies	2,610	2,660	50
Transfers To/From Earmarked Reserves	46	569	523
Funding	(30,812)	(30,812)	-
Net	-	1,549	1,549



Financial Sustainability considerations

Outturn position - HRA (Housing Revenue Account)

Oxford City Council delivered a £9.4m surplus for the financial year 2024/25. This was a continuing trend of surpluses recorded on HRA with financial year 2023/24 reporting a surplus position of £1.4m

Significant contributions to the surplus;

- £1.426m increase in income from the transfer of Ox Place properties with 428 extra tenants from Oxford City Council's subsidiaries. The extra tenants were not budgeted resulting in additional income compared to budget to be recorded during the year. Due this addition, Oxford City Council did not proceed with the full capital programme.
- The Council reported a £6.9m gain on assets disposed during the year that was not forecasted during the MTFS
- Savings in salaries of £1.2m as recruitment was placed on hold until pending Landlord Services Transformations
- £0.7m savings in utilities due to credits paid back in financial year 2024/25

Exhibit F: The Council recorded an overall overspend of £9.4m against budget in 2024/25

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HRA	Budget £m	Expenditure / (Income) £m	(Underspend) /Overspend £m
Net Income	(57,180)	(58,606)	(1,426)
Total Expenditure	51,337	55,836	4,676
Net Expenditure	(5,843)	(2,770)	3,249
Total Appropriations	12,325	(151)	(12,652)
Total HRA (surplus) / Deficit	6,482	(2,921)	(9,403)



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 Audit & Governance 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

Within our Audit Planning Report presented at the 23 July 2025 Audit & Governance Committee meeting, we reported that we had not completed our value for money (VFM) risk assessment but expected the areas of focus to be on the arrangements that the Council has in place in relation to governance. Having updated and completed the planned procedures in this area we did not identify a risk of a significant weakness in the Council's arrangements for governance.

In prior years, no significant weaknesses were identified and there are no outstanding recommendations relating to prior years. 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 identified one significant weakness in how the body maintains adequate processes and systems in place to produce reliable financial information and support its statutory financial reporting requirements. See further discussion in the slide 32



Governance considerations

Annual Governance Statement

The Annual Governance Statement (AGS) is prepared in accordance with the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government (2016) - and meets the statutory requirement under the Accounts and Audit Regulations 2015. Oxford City Council confirms that its governance arrangements are designed to ensure lawful, transparent, and accountable decision-making, safeguarding public money and promoting continuous improvement. The governance framework is underpinned by the Local Code of Corporate Governance, which is reviewed and updated as necessary and approved by the Audit & Governance Committee.

The effectiveness of governance arrangements was assessed by the Senior Leadership Team, with oversight from the Audit & Governance Committee. This review considered adherence to the Local Code, risk management processes, internal audit findings, and performance monitoring systems. No material weaknesses were identified that would compromise the Council's ability to deliver statutory duties. However, areas for improvement disclosed in the AGS include timely completion of audits due to sector-wide resource constraints, enhancement of risk registers to reflect emerging financial and operational risks and strengthening cyber security controls in line with national guidance. The AGS also includes an action plan to implement audit recommendations, improve financial resilience and medium-term planning, and enhance transparency through updated reporting protocols.

We reviewed the framework for the preparation of the Annual Governance Statement (AGS). The process, as designed, is adequate to enable the Council to report on the design and operation of arrangements that would ensure they are able to assess sound governance, effective resource and risk management, and robust internal controls.

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Risk Management

The Council operates an established and embedded corporate risk management framework that ensures clear allocation of responsibilities for managing individual risks and alignment of risk management strategy with internal control policies to support the achievement of objectives. The framework is overseen by an independent Audit & Governance Committee, which provides assurance on risk management and the control environment and makes recommendations that are acted upon. The corporate risk register is reviewed regularly throughout the year by Cabinet, Executive Directors, and the Audit & Governance Committee.

BDO provides the internal audit service to the Council that delivers the annual audit plan in accordance with the approved internal audit strategy and charter. The plan for 2024/25 was presented to the Audit & Governance Committee in April 2024, with progress updates provided at subsequent meetings, including July 2024 and October 2024. Findings from this work, together with other sources of assurance, inform the Annual Head of Audit Opinion, which provides the Audit & Governance Committee with an overall assessment of the adequacy and effectiveness of internal controls.

In addition to internal audit, the Council has an anti-fraud and corruption policy that places responsibility on all employees to remain vigilant and report concerns. Internal audit work includes testing controls designed to prevent and detect fraud and error, with reports highlighting any weaknesses and providing assurance opinions.

The Section 151 Officer is kept informed of significant fraud investigations, particularly where internal fraud is suspected, and acts as the steering officer for such cases, ensuring appropriate oversight and escalation.



Governance considerations

Internal audit arrangements

BDO was contracted to carry out the internal audit function for Oxford City Council. The internal audit service operates in accordance with the Global Internal Audit Standards and the CIPFA Application Note for UK Public Sector, ensuring compliance with statutory requirements under the Accounts and Audit Regulations 2015 (as amended).

The Internal Audit Charter, approved by the Audit & Governance Committee, defines the purpose, authority, and responsibility of the function. Internal audit provides independent and objective assurance on the adequacy and effectiveness of governance, risk management, and internal control processes across all Council activities.

The Audit & Governance Committee oversees the internal audit arrangements and receives regular progress reports against the agreed annual audit plan. The plan is risk-based and designed to provide assurance that significant risks to the achievement of the Council's objectives are managed effectively. Advisory work is also undertaken to support continuous improvement.

Based on the work completed during the year, internal audit issued a moderate assurance on the Council's governance, risk management, and internal control framework. From the internal audit reporting, we found the following;

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Risk maturity. This was an advisory report so no opinions were provided on control design or effectiveness but BDO has given an update on that further work need to be performed

- Fire Risk Assessment. This was an advisory report so no opinions were provided on control design or effectiveness
- Homelessness prevention. This was given a moderate assurance in both design and operational effectiveness
- Accounts payable. This was given a moderate assurance in both design and operational effectiveness
- Data Analytics. This was given a moderate assurance in both design and operational effectiveness
- Affordable Housing - Project Management. This was given a substantial assurance in both design and operational effectiveness
- QL Optimisation. This was given a substantial assurance in both design and operational effectiveness
- Income generation. This was given a substantial assurance in design but a moderate rating for operational effectiveness
- GDPR and high level Freedom of information. Operational effectiveness was given a moderate rating but design was given a limited rating. BDO identified gaps in data protection controls in key areas. They specifically noted key issues in the Council's central Record of Processing Activities (RoPA), associated ongoing work with individual service areas and the arrangements for sharing data with third parties.



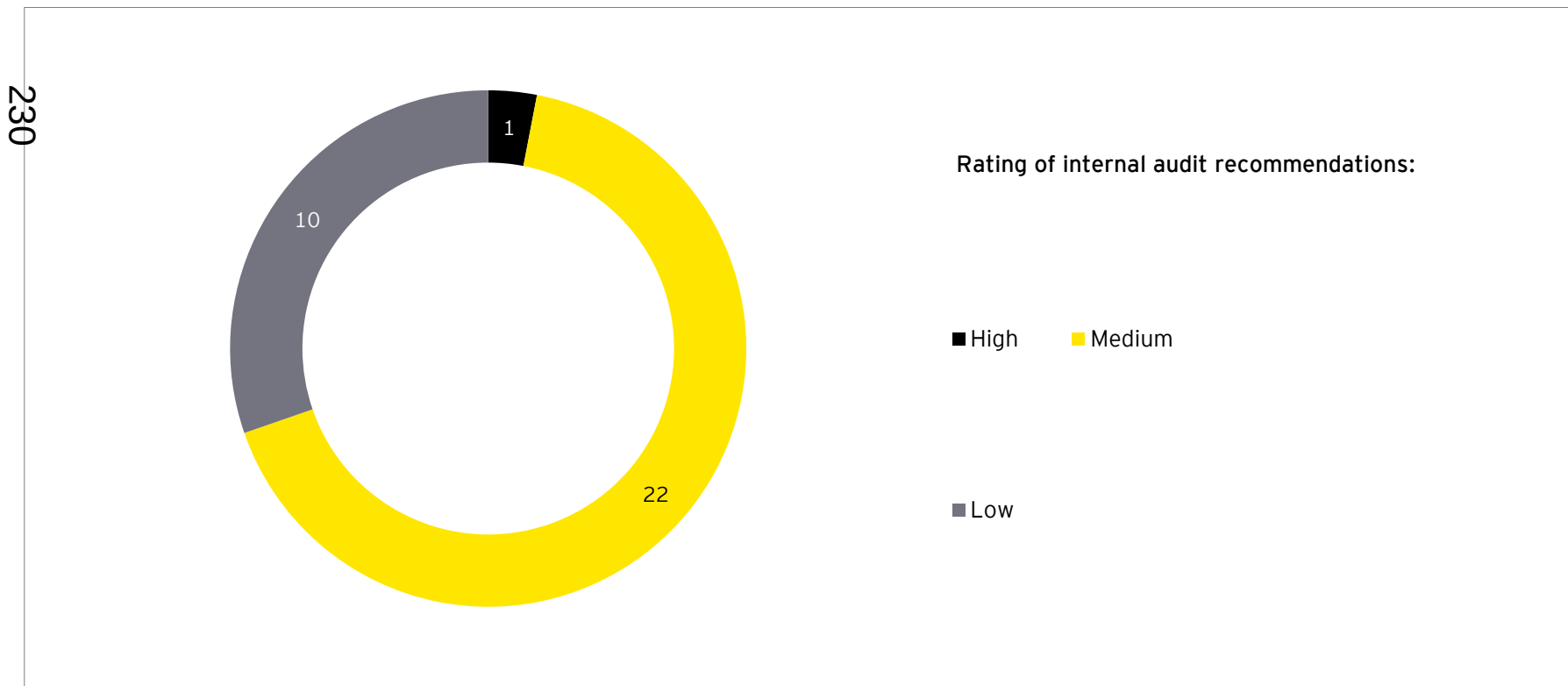
Governance considerations

Internal audit arrangements

We reviewed BDO's internal audit opinion and found that the impact of the limited finding is not significant. The GDPR risk relates to compliance with data protection regulations and safeguarding personal data. It does not directly impact Value for Money (VfM) because VfM focuses on achieving the best balance of cost, quality, and outcomes. While GDPR compliance is a legal requirement, it does not inherently change the cost-benefit analysis or efficiency of the service.

Therefore the findings from the previous slide does not show a significant weaknesses were identified that would materially impact the Council's ability to deliver its objectives.

Exhibit G: Internal audit's follow up of recommendations noted that 33 procedures that were planned to be reviewed were completed





Governance considerations

Informed decision making and member challenge

The Council has a number of arrangements in place to ensure that appropriate decisions are made. Council decisions may be made either at Full Council meetings, at committees of Council, at a meeting of all executive members i.e., 'Cabinet' or by individual executive members at 'decision days'.

The Constitution, including the Scheme of Delegation to Officers, sets out how different types of decisions are made, including who has the responsibility for making them and what procedures should be followed. Procedures include publishing committee report on the Council's website in advance of meetings.

The Constitution contains a detailed explanation of roles and responsibilities of each committee which in turn lead to effective working of the Council.

The Cabinet is the part of the Council that is responsible for most day-to-day decisions. As per the Constitution, the Cabinet (including the Leader) comprises the Leader and eight other councillors who are appointed by the Leader. When major decisions are to be discussed or made, these are published in the Cabinet's forward plan in so far as they can be anticipated. If these major decisions are to be discussed with council officers at a meeting of the Cabinet, this will generally be open for the public to attend except when personal or confidential matters are being discussed. The Cabinet must make decisions that are in line with the Council's overall policies and budget. If it wishes to make a decision that is outside the budget or policy framework, this must be referred to the Council as a whole to decide.

231 The annual budget setting process in effect runs throughout the year culminating in tax setting in either February or March depending on the council date. The budget report to full Council contains a medium-term financial plan which sets out the pressures expected for the following year. In the spring, these assumptions are refreshed, and Councillors are presented with an updated position and expected gap for the following year. The Council then reviews its services using the Council's main four themes to identify efficiencies and savings. These proposals are considered by Councillors and if accepted then full business cases are developed to support the ideas. In the autumn, these proposals are included in a Cabinet report which will also set out the latest expected pressures and inflationary and demographic demand. The budget is then subject to a public consultation period to allow all stakeholders to add their views. The budget is then updated for the Local Government finance settlement and other corporate matters such as the taxbase, levy determination, collection fund and the cost of the freedom passes for the next year.

The outcomes of the budget consultation are taken to Scrutiny Committee to allow Members to make any changes following that process. Cabinet decides the level of Council Tax for the following year in order to balance the budget, and Cabinet make a recommendation on the budget and Council Tax level to Full Council in February each year.

The Monitoring Officer and s151 Officer maintain their legal responsibilities to ensure that the Council acts legally and within its financial means and are present at all the executive Committee meetings.

Any key decisions due to be made should be published 28 days prior, to enable wider transparency and opportunities for representation to the decision makers.

The Audit & Governance Committee's role is not to challenge the decisions of the Council/Cabinet, that is the role of the Scrutiny Committee. Their role is to review and receive relevant reports related to risk management, fraud, internal and external audit. This includes consideration of all matters relating to the Council's audit function, including receiving the annual audit letter, auditor's reports, and settling the internal audit work programme. The committee meets a minimum of three times a year. We note that the frequency also depends on requirements and importance of discussing areas under the Audit & Governance Committee's remit. In 2024/25, the Audit & Governance committee have met four times.



Governance considerations

Informed decision making and member challenge

The Council has three fully owned subsidiaries and two joint ventures (JV).

ODSL is a private limited company with the sole shareholder being the Council. This is the entity's sixth year of operation.

OCHL is wholly owned by the Council and delivers new affordable homes with a range of tenures to help address the city's acute housing need. In FY 2024/25, OCHL's properties were transferred to Oxford City Council as council dwelling assets. OCHL have been replaced with a new entity, OxPlace to carry out the same function as OCHL (see [OX Place | Oxford Needs Homes | Oxford City Council](#))

ODSTL was formed to provide services to the customers other than the Council.

OxWed LLP is a joint venture set-up to develop the Oxford West End area.

Barton LLP is joint venture entered into a partnership with Grosvenor Developments Limited to form a joint venture company to develop housing on land owned by the Council at Barton

The governance of these entities includes JV Boards (50% Council representatives and 50% outside body partner) and board of directors in each wholly owned subsidiaries. Meetings are held regularly where information is presented including risks and challenges of the project to enable informed decisions. The performance reviews are in the form of regular dashboard presentations and detailed update reports.

The Council consolidates the above entities into the Group Statement of Accounts. These subsidiaries are audited by Mazars and OxWed LLP is audited by Wenn Townsend.

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Governance considerations

Ability to support an external audit

We have completed our planned procedures and have determined that there is a significant weakness in the Council's arrangements for supporting its governance process arrangements in relation to and the Council's capacity to support an efficient external audit process.

From 2020/21 through to the ongoing 2024/25 audit, the Council has shown a sustained pattern of weaknesses that significantly impair its ability to support an effective and timely external audit process. While the 2020/21 financial statements ultimately received an unqualified opinion, the audit was heavily delayed due to material errors—particularly in the accounting for COVID-19 grants—and lengthy periods of correction, with sign-off occurring almost a year later than planned.

The situation deteriorated further in 2021/22 and 2022/23, where despite considerable audit effort, the auditor was unable to obtain sufficient appropriate evidence and ultimately issued disclaimed opinions. Key issues included unsupported valuation figures, errors and lack of clarity around internal recharges and PPA adjustments, gaps in audit evidence across multiple core statements, and the Council's inability to prepare Group Accounts. Compounding these weaknesses was the failed implementation of the QL Housing system, which suffered repeated delays, doubled in cost from the original £1.6 million budget, and went live with significant data migration failures. The resulting business interruption placed substantial strain on officer capacity and reduced the reliability of financial information, contributing directly to adverse value-for-money findings in both affected years. These systemic issues persisted into 2023/24.

233 The Council was again unable to demonstrate adequate audit readiness, resulting in another disclaimed opinion. Persistent problems included an absence of sufficient documentation to support PPE and investment property valuations—where requests for evidence were so delayed they ultimately remained unresolved—unsupported year-end balances for grants received in advance, and the identification of £8.18 million held in a suspense account owing to a lack of capacity to allocate transactions to debtors.

The position for 2024/25 shows no meaningful improvement: key evidence such as PPE/IP valuation support remains unavailable, responses to audit queries continue to be significantly delayed, and working papers provided are frequently below the standard required. Our view is this is caused by a lack of capacity within the core team in the Council responsible for financial reporting and supporting the audit process. It is then exacerbated by a lack of understanding of the enhanced requirements to respond to external audit enquiries by those from other functions in the Council. Taken together, these recurring weaknesses demonstrate a fundamental and continuing failure in the Council's arrangements for securing economy, efficiency, and effectiveness, specifically around financial governance, the preparation of financial statements for external audit, and capacity within the finance function.

Delays in responding to our audit enquiries and also issues with the quality of the supporting evidence received have disrupted audit timetables and prevented the completion of planned procedures, leading to multiple consecutive disclaimed opinions. Failure to improve the Council's processes to report financial information timely and support the external assurance over these will also impact its ability to meet statutory financial reporting deadlines and to restore timely financial reporting in accordance with the requirements of the Accounts and Audit (Amendment) Regulations.

We have previously made recommendations in our Audit Progress Report presented to the Audit & Governance Committee on 28 January 2026.

As a result, we have reported by exception details of the significant weakness in the auditor's report. However, the Council recognises the need to address this issue. On this basis, we are not issuing Section 24 recommendations or other statutory reports in 2024/25.



Governance considerations

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 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 authorized 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 recent years, as well as the current 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.

Failure to Prevent Fraud legislation

The offence of failing to prevent fraud, as introduced by the Economic Crime and Corporate Transparency Act 2023, became effective on 1 September 2025. The Home Office has published statutory guidance (most recently updated in October 2025) which organisations must consider. This guidance outlines the core principles for establishing, reviewing, or enhancing anti-fraud procedures.

It is recommended that authorities review existing fraud policy and procedures against the latest Home Office guidance. If this review has not yet taken place, it should be prioritised to ensure compliance with the Act and to mitigate the risk of enforcement action.



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

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Within our Audit Planning Report presented at the 23 July 2025 Audit & Governance Committee meeting, we reported that we had not completed our value for money (VFM) risk assessment. Having updated and completed the planned procedures in these areas we did not identify a risk of a significant weakness in the Council's arrangements for improving economy, efficiency and effectiveness. In prior years, no significant weaknesses were identified and there are no outstanding recommendations relating to prior years. 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 has 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 operates a robust monthly budget monitoring process that reviews all income and expenditure against approved budgets by individual budget holders. This process identifies at an early stage any areas where expenditure is being incurred without sufficient budgetary provision. Reports are submitted to the Finance team, who takes corrective action by identifying savings or reallocating resources as necessary. At year-end, any overspent areas are discussed and an action plan is agreed to bring spending under control or update the Medium-Term Financial Strategy (MTFS) and future budgets.

Contract and performance monitoring are embedded in procurement processes through templates and guidance that require consideration of monitoring arrangements from the specification stage, including data protection compliance. Monitoring processes vary according to contract size and risk. This ensures that contract oversight is risk-based and effective.

The Council is currently operating under the "Council Strategy 2024-2028". The Strategy details the Council's high level aims and ambitions as it works towards delivering its long-term Oxford 2050 vision. Oxford 2050 is the Council's blueprint for the future and is based across 5 key themes all of which emerged following extensive public consultation in 2018. Whilst acknowledging that there is a high degree of uncertainty the Council believes that the results of the consultation exercise give the Council a sound basis for pursuing and delivering on these 5 agreed themes:

Work and Learning;

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- People and Communities;
- Built and Natural Environment;
- Transport and Connectivity;
- Culture and Leisure

Each year the Council produces a Business Plan which details the Council's performance throughout the year, both financial and non-financial. The Council Business Plan for 2024-25 was published in April 2024.

<https://mycouncil.oxford.gov.uk/documents/s78585/Oxford%20City%20Council%20Annual%20Business%20Plan%202024-25.pdf>

This report provides strategic oversight of the Council's performance in year against the Strategic Plan and sets out ways to refresh the Plan and update the Council Performance Management Framework.

Procurement and contract management

Standing Orders on Procurement and Contracts are set out within the Constitution. This includes the procedures and statutory requirements in terms of the procurement of services. The Council has also developed a Procurement Strategy which sets the framework in which Oxford City Council will work to ensure that procurement delivers value for money across all services and directly contributes to the achievement of their strategic goals.



Improving economy, efficiency and effectiveness considerations

Partnership working

The Council has a number of collaborative working arrangements involving both joint ventures and also wholly owned companies. The Council operates within the Oxford Model which effectively states that the Council should be driving internal and external revenue recognition as a means of mitigating the reduction in funding from central government.

So that the Council can assure itself it has effective involvement and oversight with key partners who are independent of the Council, representatives of the Council, usually elected Councillors, sit on the various committees and forums that are responsible for oversight of key partner organisations. Key Partnerships and Joint Committees with Council representation include for example: Fast Growth Cities; Future Oxfordshire Partnership; Health and Wellbeing Board; Thames Valley Police and Crime Panel; and the Oxfordshire LEP.

Risks, including risks arising from partnership arrangements, are managed at both a Corporate and at a Service Level through specific Risk Registers. The Corporate Risk Register is presented quarterly at the Audit & Governance Committee meeting. This identifies and highlights actions required to address specific risks, some of which may arise as a result of engagement with stakeholders and key partners.

237 If further investigation is required to understand where more fundamental improvements are required then the Council will also use Internal Audit resource to support and improve these areas. Recently the Council initiated an ad hoc review, for example, of the governance arrangements in effect within the Council's subsidiaries and this was openly and transparently reported to the Audit & Governance Committee.

Procurement and commissioning of services

The Council uses a range of mechanisms, both formal and informal, to evaluate its performance in delivering services, and for identifying and delivering service improvement opportunities.

The councillors and Cabinet sets expectation of the Oxford City Council services provided to its residents. This is evaluated through feedback options on various services that Oxford City Council provide through an online customer form - <https://www.oxford.gov.uk/comments-compliments-complaints/make-comment-compliment-complaint>. This can be done through several ways including by phone, email, going to the Council offices, via the website or social media.

The Council also assesses its performance through various sources discussed above including the review of the Corporate Risk Register, Budget monitoring reports etc.

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Oxford City Council & Group

Audit results report

Year ended 31 March 2025

27 February 2026



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



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Agenda Item 11



Audit & Governance Committee
Oxford City Council
Oxford Town Hall,
St Aldate's,
Oxford,
OX1 1BX

27 February 2026

Dear Audit & Governance Committee Members

2024/25 Audit results report

We attach our audit results report, summarising the status of our audit.

The audit is designed to express an opinion on the 2024/25 financial statements and address current statutory and regulatory requirements. This report contains our findings related to the areas of audit emphasis, our views on Oxford City Council (the Council's) accounting policies and judgements and material internal control findings. Each year sees further enhancements to the level of audit challenge, the exercise of professional judgement and the quality of evidence required to achieve the robust professional scepticism that society expects. We thank the management team for supporting this process.

The Audit & Governance Committee, as the Council's body charged with governance, has an essential role in ensuring that it has assurance over both the quality of the draft financial statements prepared by management and the Council's wider arrangements to support the delivery of a timely and efficient audit. We consider and report on the adequacy of the Council's external financial reporting arrangements and the effectiveness of the audit & Governance committee in fulfilling its role in those arrangements as part of our assessment of Value for Money arrangements; and consider the use of other statutory reporting powers to draw attention to weaknesses in those arrangements where we consider it necessary to do so. We draw Audit & Governance Committee members' and officers' attention to the Public Sector Audit Appointment Limited's Statement of Responsibilities (paragraphs 26-28) which clearly sets out what is expected of audited bodies in preparing their financial statements.

This report is intended solely for the information and use of the Audit & Governance Committee and management, and is not intended to be and should not be used by anyone other than these specified parties.

Yours faithfully

Andrew Brittain

Partner, For and on behalf of Ernst & Young LLP

Enc

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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.psaa.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 Audit & Governance Committee and management of Oxford City Council in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the Audit & Governance Committee and management of Oxford 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 Audit & Governance Committee and management of Oxford 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 – Context for the audit

Context for the audit - Measures to address local audit delays

Timely, high-quality financial reporting and audit of local bodies is a vital part of the democratic system. It supports good decision making by local bodies and ensures transparency and accountability to local taxpayers. There is general agreement that the backlog in the publication of audited financial statements by local bodies has grown to an unacceptable level and there is a clear recognition that all stakeholders in the sector need to work together to address this. Reasons for the backlog across the system have been widely reported and include:

- lack of capacity within the local authority financial accounting profession;
- increased complexity of reporting requirements within the sector;
- a lack of auditors and audit firms with public sector experience; and
- increased regulatory pressure on auditors, which in turn has increased the scope and extent of audit procedures performed.

MHCLG has worked collaboratively with the FRC and other system partners, to develop and implement measures to clear the backlog. The approach to addressing the backlog consists of three phases:

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- Phase 1: Reset involving clearing the backlog of historic audit opinions up to and including financial year 2022/23 by 13 December 2024. This has now been delivered.
 - Phase 2: Recovery from Phase 1, starting from 2023/24, in a way that does not cause a recurrence of the backlog by using backstop dates to allow assurance to be rebuilt over multiple audit cycles. The backstop date for audit of the 2024/25 financial statements is 27 February 2026. This process of rebuilding assurance will take several years to achieve. The NAO, supported by the MHCLG and the FRC, are responsible for issuing guidance and have been liaising with audit firms to understand the complexities involved and to seek to ensure a more consistent approach for restoring assurance for disclaimed periods. The NAO has now published its Local Audit Reset and Recovery Implementation Guidance (LARRIG) 06 setting out considerations for rebuilding assurance following the issue of disclaimed audit opinions under the backstop arrangements. The guidance predominantly focuses on the rebuilding of assurance over reserves, where it is more difficult to obtain assurance because of the way in which they accumulate over successive years. It also continues to recognise that the approach needed to rebuild assurance will differ authority to authority and will need to be considered in the context of both inherent risk factors which all authorities subject to recently disclaimed opinions will share, and factors specific to each individual authority's system of internal control and financial reporting. We will continue to consider the impact of this on our audit approach. In 2024/25 we have continued to audit the closing balance sheet and in-year transactions, which allows the build back of assurances over a large number of balances within the financial statements where audit procedures can be completed for successive years.
 - Phase 3: Reform involving addressing systemic challenges in the system and embedding timely financial reporting and audit.

As reported in our February 2025 Audit Results Report we issued a disclaimer of opinion on the Council's 2023/24 financial statements and as reported in our 20 November 2024 Audit Completion Report, we issued a disclaimed audit report on the Council's financial statements for 2021/22 and 2022/23 under the arrangements to reset and recover local government audit.

In 2024/25, we have continued to audit the closing balance sheet and in-year transactions. Although the level of assurance gained has increased, we have not yet obtained sufficient evidence to have reasonable assurance over all in-year movements and closing balances. As a result of the disclaimer of opinion on the 2023/24 financial statements, we do not have assurance over some brought forward balances from 2023/24 where we did not gain assurance (the opening balances). This means we do not have assurance over all 2024/25 in-year movements and the comparative prior year movements. We also do not have assurance over all the 2023/24 comparative balances disclosed in the 2024/25 financial statements. 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 are unable to conclude that the 2023/24 financial statements are free from material and pervasive misstatements and therefore we anticipate issuing a disclaimed 2024/25 audit opinion.

Appendix A sets out the current position of Oxford City Council in rebuilding to return to a position of full assurance on its financial statements as compared with the timeline envisaged by the NAO's LARRIG 01. This is informed by the summary of the assurances we have gained from our 2023/24 and 2024/25 audit procedures, set out at Appendix B.

Executive Summary – Context for the audit

Scope update

In our Audit Planning Report presented at the 23 July 2025 Audit & Governance Committee meeting, we provided you with an overview of our audit scope and approach for the audit of the financial statements. We carried out our audit in accordance with this plan, with the following exceptions:

- Changes in materiality: We updated our planning materiality assessment using the published draft financial statements, please see table below. We have also reconsidered our risk assessment throughout the audit and concluded that these levels remain appropriate.

	Planning materiality based on 2023/24 SoA (£m)		Year end materiality based on 2024/25 draft SoA (£m)	
	Group	OxCity	Group	OxCity
Planning Materiality	4.4	3.86	6.4	5.4
Performance Materiality	2.2	1.9	3.2	2.7
Audit Differences	0.22	0.19	0.32	0.27

- Changes to audit risk- The audit risk relating to Minimum Revenue Provision has been removed, as the amounts are immaterial at year-end and no issues were identified in the prior year.

Executive Summary – Context for the audit

Status of the audit

Our audit work in respect of the Oxford City Council and Group opinion is substantially complete, however, the final executive reviews and conclusion tasks are still pending. Please refer to Appendix B for a list of the items relating to the completion of our audit procedures which were outstanding at the date of this report. We will also complete our closing procedures, as listed below, shortly before signing the audit opinion.

- Final review of revised Annual Report and Annual Accounts;
- Completion of Whole Government Accounts work;
- Receipt of the signed management representation letter; and
- Completion of our final review and sign off procedures.

Given that the audit process is still ongoing, we will continue to challenge the remaining evidence provided and the final disclosures in the Annual Report and Accounts which could influence our final audit opinion, a current draft of which is included in Section 04.

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Value for Money

We completed our risk assessment and planned procedures and determined that there is a significant weakness in the Council's arrangements in relation to the Council's capacity to support the external audit process. As a result of completing our planned VFM procedures, we have reported by exception details of the significant weakness in the auditor's report (see Section 04). We plan to issue the VFM commentary as part of issuing the Auditor's Annual Report. We include further details in Section 03.

Executive Summary (cont'd)

Audit differences

The misstatements identified are detailed below.

Unadjusted mis-statements:

- Misclassification of bad debt provisions related to opening balances originating from the RDS long-term debtor amounting to £1.6m and Council Tax debtors amounting to £0.45m. Impairment balances were not correctly netted against receivables per IFRS 9/CIPFA requirements.
 - As part of our audit procedures over the pension liability, we identified that the asset ceiling impact relating to 2023/24, amounting to £36.34m, had not been reflected in OxCity's prior-year financial statements. As the error was material to the comparative information and remained uncorrected, ISA 710 required us to refer to this misstatement in our auditor's report. Accordingly, our opinion highlights that the omission resulted in the comparative information being materially misstated.
 - Non-specific capital grants were recognised in the incorrect year, with conditions met in prior periods, resulting in prior-year CIES misstatement and opening balance adjustments not posted by management amounting to £16.9m. As the error was material to the comparative information and remained uncorrected, ISA 710 required us to refer to this misstatement in our auditor's report. Accordingly, our opinion highlights that the omission resulted in the comparative information being materially misstated.
 - Car-park credit-card income error: A correcting journal of £0.73m was posted by management without adequate supporting evidence for the allocation basis. The misstatement could not be fully quantified, and the balancing impact was allocated to trade debtors.
- 246 Revenue recognised before being earned due to the AP2 policy of not accruing receipts under £500. This resulted in a projected overstatement of income of £0.53m.
- Projected debit-side misstatements of £0.39m relating to insufficient audit evidence and classification errors.
 - Prior-period expenditure recorded in the current year, overstating current-year costs and understating reserves by £1.6m.
 - Misstatement relating to 23/24 other expenditure items that were erroneously recorded in the 24/25 period (cutoff error), totalling £2.2m
 - Misstatement relating to car park income was misclassified and recorded as expenditure in FY 24/25, totalling £8.3m
 - During our testing of a debit sample from car-parking income, we identified that the selected item formed part of a correcting journal of £730,571.54, which management posted to address an overstatement of income arising from a system transition earlier in the year. However, due to the absence of adequate supporting evidence and the limited time remaining before the backstop date, we were unable to obtain sufficient appropriate audit evidence to assess the accuracy of this adjustment. Consequently, we are unable to quantify the remaining error, if any.

Adjusted mis-statements:

We highlight the following audit differences which have been corrected by management that were identified during the course of the audit:

- Corrected misclassification in Group accounts £4.5m: there was a reclassification of group other operating income to group other operating expenditure
- Misclassification of bad debt provisions from the RDS long-term debtor amounting to £1.59m and Council Tax debtors amounting to £0.43m.
- Correction of IFRS 16 lease accounting for "1-5 Broad Street," including depreciation and interest entries amounting to £.065m and the remeasurement of the ROU asset and liability amounting to £4.3m.

Executive Summary (cont'd)

Audit differences (cont'd)

The misstatements identified are detailed below.

Adjusted mis-statements (cont'd):

We highlight the following audit differences which have been corrected by management that were identified during the course of the audit:

- IFRS 16 reclassification for peppercorn leases, moving recognition from service charges to Taxation & Non-Specific Grant Income amounting to £9.5m.
- For 2024/25, we noted that OxCity had not applied the IAS 19 asset ceiling in the draft financial statements, resulting in an overstated pension asset of £82.791m. Our review of the March 2025 results schedule identified a required asset-ceiling adjustment of £104.592m, which affects the CIES, Balance Sheet and related pension disclosures. OxCity has confirmed that the final accounts will be updated to reflect the full asset-ceiling impact.
- Reclassification adjustments between General Fund and HRA income/expenditure, including a £0.35m correction and a £0.70m post-year-end reclassification.

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Executive Summary (cont'd)

Audit differences (continued)

Throughout the course of our audit, we identified a number of disclosure adjustments

Management has corrected the majority of these. Key corrected items included incomplete IFRS 16 lease disclosures, updates to finance lease debtor figures, narrative corrections in the Treasury Management section and Group Accounts, and multiple IAS 19 pension disclosure adjustments.

One significant uncorrected disclosure item remains: management was unable to provide sufficient evidence to support HRA interest-related disclosures totalling £2.50m (£2.00m internal borrowing interest and £0.50m investment income).

Other reporting issues

We have reviewed the information presented in the Annual Governance Statement for consistency with our knowledge of the Council. We have no matters to report as a result of this work.

We have not yet been able to perform the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts submission for 2024/25. However, we do not expect any issues in performing this work as the Council falls below the threshold set within the guidance from HM Treasury and the group audit instructions for 2024/25 on which our work is based.

We have no other matters to report.

Executive Summary (cont'd)

Areas of audit focus

In our Audit Planning Report we identified a number of key areas of focus for our audit of the financial report of the Council. This report sets out our observations and status in relation to these areas, including our views on areas which might be conservative and areas where there is potential risk and exposure. Our consideration of these matters and others identified during the period is explained within the 'Areas of Audit Focus' section of this report and summarised below.

Risk/area of focus	Risk identified	Conclusion
Misstatement due to fraud or error	Fraud risk	No significant matters have been identified in the completion of our work.
Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure	Fraud Risk	No significant matters have been identified in the completion of our work.
Inappropriate revenue recognition of rental income	Fraud risk	No significant matters have been identified in the completion of our work.
249 Valuation of Land and Buildings included within Property, Plant & Equipment and Investment Property	Significant Risk	Similar to the prior year, we have been unable to obtain sufficient supporting evidence for our sample selected for Property, Plant and Equipment (PPE) valuation testing and additions testing. Therefore, officers have agreed that we will not be in a position to obtain assurance over the closing balance of PPE in advance of the backstop date which is 27 February 2026. Similar to the prior year, we have not been able to obtain sufficient supporting evidence for all of our samples selected for our testing of Investment Property (IP) valuations. Therefore, officers have agreed that we will not be in a position to obtain assurance over the closing balance of IP in advance of the backstop date which is 27 February 2026.
Pension Liability Valuation	Inherent risk	We have completed our testing in this area. As part of our testing, we identified the following: 2024/25: OxCity had not applied the IAS 19 asset ceiling in the draft financial statements, resulting in an overstated pension asset of £82.791m. Our review of the March 2025 results schedule indicated that a total asset-ceiling adjustment of £104.592m was required, impacting the CIES, Balance Sheet, and related pension disclosures. OxCity has confirmed that the final accounts will be updated to reflect the full asset-ceiling impact. 2023/24: We also identified that the asset-ceiling impact for the prior year, amounting to £36.34m, had not been reflected in OxCity's 2023/24 financial statements. This has not been adjusted and so we will report the matter in our audit opinion,
Group Consolidation	Inherent risk	No issues were identified during the completion of our procedures, except for a £4.5m misclassification in the Group accounts. This related to an amount recorded within Group other operating income that should have been classified as Group other operating expenditure; management has agreed to correct this. In addition, several disclosure misstatements were noted, which management has also agreed to amend.

Executive Summary (cont'd)

Areas of audit focus

In our Audit Planning Report we identified a number of key areas of focus for our audit of the financial report of the Council. This report sets out our observations and status in relation to these areas, including our views on areas which might be conservative and areas where there is potential risk and exposure. Our consideration of these matters and others identified during the period is explained within the 'Areas of Audit Focus' section of this report and summarised below.

Risk/area of focus	Risk identified	Conclusion
IFRS-16 Leases	Inherent risk	No issues were identified during the completion of our procedures, except A Correction of IFRS 16 lease accounting for "1-5 Broad Street", including depreciation and interest adjustments of £0.065m, and the remeasurement of the right-of-use asset and corresponding lease liability amounting to £4.3m. We identified a correction relating to IFRS 16 reclassification for peppercorn leases, transferring recognition from service charges to Taxation & Non-Specific Grant Income, totalling £9.5m. In addition, we completed procedures over the IFRS 16-related disclosures and their compliance with the CIPFA Code of Practice on Local Authority Accounting and noted several disclosure misstatements which required amendment.

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We request that you review these and other matters set out in this report to ensure:

- There are no further considerations or matters that could impact these issues
- You concur with the resolution of the issue
- There are no further significant issues you are aware of to be considered before the financial report is finalised

There are no matters, other than those reported by management or disclosed in this report, which we believe should be brought to the attention of the Audit & Governance Committee or the Board.

Control observations

We have adopted a fully substantive approach, so have not tested the operation of controls.

As part of our work, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to you significant deficiencies in internal control identified during our audit.

Please refer to Section 06 for control recommendations.

Independence

Please refer to Section 08 for our update on Independence.

Executive Summary (cont'd)

Factors impacting the execution of the audit

Management, and the Oxford City Council 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 below/over-page sets out our views on the effectiveness of the Council's arrangements to support external financial across a range of relevant measures. Where we have been unable to undertake all planned procedures this is likely to extend the timetable to recover assurance on the Council's financial statements. See Appendices A and B for further details.

Area	Status			Explanation	Further detail
	R	A	G		
Timeliness of the draft financial statements	Requires improvement			The financial statements were not published by the 30 th June 2025 deadline set out in the Accounts and Audit Regulations.	Following the cyber-attack on Oxford City Council, key systems were taken offline as a precaution, which delayed the publication of the draft accounts.
Quality and completeness of the draft financial statements	Effective			When received, the draft financial statements were complete. There were a few of 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	Effective			Majority of the working papers were provided to the agreed timetable.	N/A
Quality of working papers and supporting evidence	Requires improvement			The quality of the working papers and supporting evidence were generally below the standard required to support an efficient audit. For instance, in a number of areas we had to return the evidence given since it was not the third-party evidence that we had requested. In several instances, we were provided with complex internal workings spread across multiple tabs of a workbook, without any explanation of the calculations or how they linked to the evidence that we had requested.	This has resulted in an additional audit effort and therefore we expect to raise a scale fee variation in respect of this.
Timeliness and quality of evidence supporting key accounting estimates	Requires improvement			Delays were experienced in the provision of supporting evidence for walkthroughs, leases, samples across various significant accounts. The delay in providing evidence contributed to a delay to the audit process being completed.	This has resulted in an additional audit effort and therefore we expect to raise a scale fee variation in respect of this.
Access to finance team and personnel to support the audit in accordance with agreed project plan	Requires improvement			Generally there were no issues with access to the finance team and key personnel. However, ongoing capacity constraints have limited their ability to support the external audit, resulting in delays in providing responses and addressing audit queries.	N/A

Executive Summary (cont'd)

Factors impacting the execution of the audit (cont'd)

Area	Status			Explanation	Further detail
	R	A	G		
Volume and value of identified misstatements	Requires improvement			A high volume and significant value of misstatements were identified during our audit, including several material adjustments relating to pensions (IAS 19), leases (IFRS 16) and income recognition. This indicates that further improvements are required in the quality of financial reporting processes.	N/A
Volume of misstatements in disclosure	Requires improvement			A substantial number of disclosure misstatements were identified, particularly in the areas of leases (IFRS 16) and Group Accounts. While most have been corrected, the volume of issues highlights the need for strengthened oversight of financial statement disclosures. We acknowledge that this is the first year of the Council implementing IFRS 16.	N/A



02 Areas of Audit Focus

Areas of Audit Focus

Presumptive risk of management override of controls- misstatement due to fraud or error (Fraud risk)

What is the risk?

The financial statements as a whole are not free of material misstatements whether caused by fraud or error.

In accordance with ISA 240, the presumptive risk of management override of controls is present at every entity. Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Our response to the key areas of challenge and professional judgement

As set out in our Audit Plan, we confirm that we have performed the following procedures:

- Identified fraud risks during the planning stage of the audit.
- Enquired of management about risks of fraud and the controls put in place to address those risks.
- Understood the oversight given by those charged with governance of management's processes over fraud and consideration of the effectiveness of management's controls designed to address the risk of fraud.
- Discussed with those charged with governance the risks of fraud in the entity, including those risks that are specific to the entity's business sector (those that may arise from economic industry and operating conditions).
- Considered whether there are fraud risk factors associated with related party relationships and transactions.
- Determined an appropriate strategy to address identified risks of fraud.
- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements
- We assessed accounting estimates for evidence of management bias
- We evaluated the business rationale for significant unusual transactions outside the normal course of business, and
- We considered whether there are any fraud risk factors associated with related party relationships and transactions and if so, whether they give rise to a risk of material misstatement due to fraud.

What is the status of our work?

We have completed our planned procedures; no significant matters have been identified in the completion of our work.

We obtained the responses we requested from management, those charged with governance, monitoring officer and Internal audit and used these to inform our understanding of fraud risks. We noted the key elements of the entity level control framework that we would expect to see were in place.

- Our walkthrough testing included considering what controls are in place to address significant risks. We concluded that these are largely part year end processes including management review of the draft financial statements. We confirmed that these controls were in place, although our approach was not to rely on controls.
- We have not identified any material weaknesses in controls or evidence of material management override.
- We have not identified any instances of inappropriate judgements being applied.
- We have not identified any transactions during our audit which appeared unusual or outside of the normal course of business.
- Our work on journals testing did not identify any issues.
- Overall, our audit work has not identified any material issues, inappropriate judgements or unusual transactions which indicate that there has been any misreporting of the financial position, or that management has overridden controls.
- No significant matters have been identified in the completion of our work.

Areas of Audit Focus

Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure (Significant risk)

What is the risk?

Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.

We have assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure.

Our response to the key areas of challenge and professional judgement

As set out in our Audit Plan, we confirm that we have performed the following procedures:

- Substantially tested Property, Plant and Equipment (PPE) and Investment Property (IP) additions using a low testing threshold to ensure that the expenditure incurred and capitalised is clearly capital in nature.
- Assessed whether the capitalised spend clearly enhances or extends the useful life of asset rather than simply repairing or maintaining the asset on which it is incurred.
- Considered whether any development or other related costs that have been capitalised are reasonable to capitalise i.e. the costs incurred are directly attributable to bringing the asset into operational use.
- Substantially tested REFCUS expenditure to ensure that it is appropriate for the revenue expenditure incurred to be financed from ringfenced capital resources.
- Sought to identify and understand the basis for any significant journals transferring expenditure from revenue to capital codes on the general ledger at the end of the year.

What is the status of our work?

We have completed our testing of Property, Plant and Equipment additions and have not identified any evidence of inappropriate capitalisation of revenue expenditure.

Based on our sample testing of PPE additions, we have not identified any instances where costs were not capital in nature, i.e. addition costs were directly attributable to the assets.

Our work over significant journals transferring expenditure from revenue to capital codes on the general ledger at the end of the year identified no issues.

Areas of Audit Focus

Inappropriate revenue recognition of rental income (Significant risk)

What is the risk?

Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.

We have assessed the risk is most likely to occur through the inappropriate revenue recognition of rental income as this is a non-standard income stream for local government and the Council has incentive to overstate rental income, in order to improve the general fund position.

Our response to the key areas of challenge and professional judgement

As set out in our Audit Plan, we confirm that we have performed the following procedures:

- Understood the Council's approach recognising rental income;
- Challenged the assumptions made by management in their recognition approach;
- Tested revenue from rental properties using lowered testing thresholds, to ensure they are appropriately supported by documentary evidence, and that the revenue recognised is appropriate;
- Tested cut-off of revenue from rental properties at to ensure income from rental agreements straddling the financial year end is recognised in the correct accounting period.
- Sought to identify and understand the basis for any significant journals increasing income and receivables at the end of the year.

What is the status of our work?

We selected a sample of rental income items to test and confirm the item was appropriate to recognise revenue through agreement to third party evidence including contracts and bank statements.

No significant matters have been identified in the completion of our work.

Some control issues were noted, which have been included in Section 06 of this report.

Areas of Audit Focus

Valuation of Land and Buildings (Significant risk)

What is the risk?

The value of DRC and EUV assets represents a significant balance in the Council's accounts and it is subject to revaluation changes and impairment reviews.

Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet.

DRC and EUV assets are subject to regular review by the valuers

Valuation of these assets involves higher risk estimates due to the significant assumptions and judgments involved in their valuation, which triggers the use of experts by management and EY (where necessary). These estimates give scope for higher inherent risk in this area of accounts therefore we have identified PPE as an area of significant risk.

What is the status of our work?

We have been unable to obtain sufficient supporting evidence for our sample selected for PPE valuations and PPE additions. Therefore, we have concluded we cannot obtain assurance over the closing balance of PPE.

We have been unable to obtain sufficient supporting evidence for our samples selected for Investment Property valuations. We have therefore concluded that we cannot obtain assurance over the closing balance of IP.

Our response to the key areas of challenge and professional judgement

As set out in our Audit Plan, we confirm that we have performed the following procedures:

- ▶ Considered the work performed by the Council's valuers (Capita), including the adequacy of the scope of the work performed, their professional capabilities and the results of their work;
- ▶ Sample tested key asset information used by the valuers in performing their valuation (e.g. floor plans to support valuations based on price per square metre, or assessing comparative market information);
- ▶ Challenged key assumptions used by the valuers;
- ▶ Reviewed management assessment/challenge to the Council's valuer's work
- ▶ Instructed our own Property valuation team (EY Real Estates) to review a sample of DRC, EUV and FV valuations performed by the Council's and its valuers.
- ▶ Reviewed PPE assets not subject to valuation in 2024/25 to confirm that the remaining asset base is not materially misstated;
- ▶ Considered the potential impact of current economic environment on valuation uncertainties while also evaluating the need to involve our internal specialist valuations team; and
- ▶ Considered changes to useful economic lives as a result of the most recent valuation
- ▶ Tested accounting entries have been correctly processed in the financial statements.

Areas of Audit Focus

Pension liability valuation (Area of audit focus)

What is the risk?

The Local Authority Accounting Code of Practice and IAS19 require the Council to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by the Council.

The Council's pension fund surplus is a material estimated balance and the Code requires that this asset be disclosed on the Council's balance sheet. At 31 March 2024 this totalled £27 million.

The information disclosed is based on the IAS 19 report issued to the Council by the actuary to the Council.

Accounting for this scheme involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.

Our response to the key areas of challenge and professional judgement

As set out in our Audit Plan, we confirm that we have performed the following procedures:

- ▶ Liaised with the auditors of Oxfordshire County Council Pension Fund, to obtain assurances over the information supplied to the actuary in relation to the Council including impact of the triennial valuation
- ▶ Assessed the work of the pension fund actuary including the assumptions they have used by relying on the work of PWC - Consulting Actuaries commissioned by the National Audit Office for all local government sector auditors, and considering any relevant reviews by the EY actuarial team
- ▶ Evaluated the reasonableness of the Pension Fund actuary's calculations by comparing them to the outputs of our own auditor's specialist's model; and
- ▶ Review and test the accounting entries and disclosures made within the Council's financial statements in relation to IAS19.

What is the status of our work?

Our procedures to respond to this area of focus are complete now.

We have received the report from the Oxfordshire County Council Pension Fund auditor in relation to their assurances over the information supplied to the actuary to enable the calculation of the valuation of the gross pension asset and liability at year end. There are no significant matters arising from this report.

We have also received the results from our internal pensions specialists from their review of the roll-forward of the Local Government Pension Scheme liability valuation. There are no significant matters arising from this report.

During the completion of our procedures, we identified:

2024/25: OxCity had not applied the IAS 19 asset ceiling, in lien with the requirements of IFRIC 14, in the draft financial statements, resulting in an overstated pension asset of £82.791m. Our review of the March 2025 results schedule indicated that a total asset-ceiling adjustment of £104.592m was required, impacting the CIES, Balance Sheet, and related pension disclosures. OxCity has confirmed that the final accounts will be updated to reflect the full asset-ceiling impact.

2023/24: We also identified that the asset-ceiling impact for the prior year, amounting to £36.34m, had not been reflected in OxCity's 2023/24 financial statements and was not adjusted in the prior year comparative in the 24/25 accounts, so we have reported this matter in our audit opinion.

Areas of Audit Focus

Group Consolidation (Area of audit focus)

What is the risk?

The Council has a number of companies within the group structure three of which are wholly owned by the Council and two where the company is jointly owned. With this comes additional complexity and risk arising from the need to understand and implement the accounting and reporting requirements for these operations.

One of these components, Oxford Direct Services Ltd (ODSL), will be a significant component to the group based on size. Three of the entities are specific scope with material balances specific to couple of accounts: OCHL, ODSTL and Oxwed LLP.

259 The risk is considered inherent because these entities are significant component based on the size and risk of the subsidiary. The accounts of the components will need to be consolidated into the Group accounts with appropriate consolidating adjustments. This gives scope for potential material error.

Our response to the key areas of challenge and professional judgement

As set out in our Audit Plan, we confirm that we have performed the following procedures:

- ▶ Examined the group structure and reviewed management's group boundary assessment in order to determine which elements are in scope;
- ▶ Monitored the position to identify any other components that result in a change in scope by the year end;
- ▶ Reviewed the Council's approach to consolidation and production of group accounts to ensure that this meets the requirements of the Code of Audit Practice;
- ▶ Liaised with the external auditor of ODSL, ODSTL and OCHL, Mazars, asking them to undertake a programme of work in line with Group audits.
- ▶ Liaised with the external auditor of Oxwed LLP, Wenn Townsend, asking them to undertake a programme of work in line with Group audits.

What is the status of our work?

Our procedures to respond to this area of focus are complete.

We have completed the procedures below:

- ▶ Examined the group structure and reviewed management's group boundary assessment.
- ▶ Monitored the position to identify any other components that result in a change in scope.
- ▶ Reviewing the Council's approach to consolidation and production of group accounts to ensure that this meets the requirements of the Code of Audit Practice;
- ▶ Liaised with the external auditor of ODSL, ODSTL and OCHL, Mazars, asking them to undertake a programme of work in line with Group audits. We have completed a review of their audit files. Reviewed the deliverables requested from Mazars with no material issues noted.
- ▶ Liaised with the external auditor of OxWed LLP, Wenn Townsend, asking them to undertake a programme of work in line with Group audits. We have completed our review and received the requested information with no issues noted.

No issues were identified during the completion of our procedures, except for a £4.5m misclassification in the Group accounts. This related to an amount recorded within Group other operating income that should have been classified as Group other operating expenditure; management has agreed to correct this. In addition, several disclosure misstatements were noted, which management has also agreed to amend.

Areas of Audit Focus

Implementation of IFRS 16 from 1st April 2024 (Area of audit focus)

What is the risk?

IFRS 16 Leases is applicable in local government for periods beginning 1 April 2024. It has been adopted, interpreted and adapted in the 2024/25 CIPFA Code of Practice on Local Authority Accounting which sets out the financial reporting framework for the Council's 2024/25 accounts.

IFRS 16 eliminates the operating/finance lease distinction for leases and imposes a single model geared towards the recognition of all but low-value or short-term leases. Where the Council is lessee these will now be recognised on the Balance Sheet as a 'right of use' asset and lease liability reflecting the obligation to make lease payments.

Successful transition will depend on the Council having captured additional information about leases, both new and existing, especially regarding future minimum lease payments. The Council will also have had to develop systems for capturing cost information that are fit for purpose, can respond to changes in lease terms and the presence of any variable (e.g. RPI-based) lease terms where forecasts will need to be updated annually based on prevailing indices.

The Council performed an initial impact assessment in 2023/24 and expected to recognise a right of use asset which is material to our responsibilities. Our risk is therefore in relation to the completeness of leases identified by the Council, as well as the accuracy of the calculations performed by the management in determining the total value of the impact across all leases.

We have therefore included the implementation of IFRS 16 as an area of audit focus.

Our response to the key areas of challenge and professional judgement

As set out in our Audit Plan, we confirm that we have performed the following procedures:

- We gained an understanding of the processes and controls developed by the Council relevant to the implementation of IFRS 16. We paid particular attention to the Council's arrangements to ensure lease and lease-type arrangements considered were complete.
- We reviewed the discount rate that is used to calculate the right of use asset and assess its reasonableness.
- We reviewed management policies, including whether a portfolio approach and / or low value threshold was used, and asset classes where management adopted the practical expedient to non-lease components.
- We checked the calculations of the right of use asset included in the 2024/25 financial statements
- We sample tested leases to ensure that transition arrangements have been correctly applied.
- We considered the accounting for leases provided at below market rate, including peppercorn and nil consideration, and the need to make adjustments to cost in the valuation of right of use assets at the balance sheet date.

What is the status of our work?

We have completed our planned procedures and noted as follows:

We have obtained the listing of all leases contracts (where entity is acting as lessee and lessor). We have noted that there are no new leases identified from the prior years. To ensure completeness, we have performed extensive review of the meeting minutes, contracts and other substantive procedures on expenditure and identified no unrecorded lease contracts in the current year.

A correction of the IFRS 16 lease accounting for "1-5 Broad Street", including depreciation and interest adjustments of £0.065m, and the remeasurement of the right-of-use asset and corresponding lease liability amounting to £4.3m.

We identified a correction relating to IFRS 16 reclassification for peppercorn leases, transferring recognition from service charges to Taxation & Non-Specific Grant Income, totalling £9.5m.

In addition, we completed procedures over the IFRS 16-related disclosures and their compliance with the CIPFA Code of Practice on Local Authority Accounting and noted several disclosure misstatements requiring amendment.

Some control issues were identified during the review, which have been summarised in Section 06 of this report.



03 Value for Money

Value for Money

The Authority's responsibility for Value for Money (VFM)

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 its financial statements, the Council is required to bring together commentary on its governance framework and how this has operated during the period in a governance statement. In preparing its governance statement, the Authority tailors the content to reflect its own individual circumstances, consistent with the requirements set out in the NAO Code of Audit Practice. This includes a requirement to provide commentary on its arrangements for securing value for money from their use of resources.

Risk assessment and status of our work

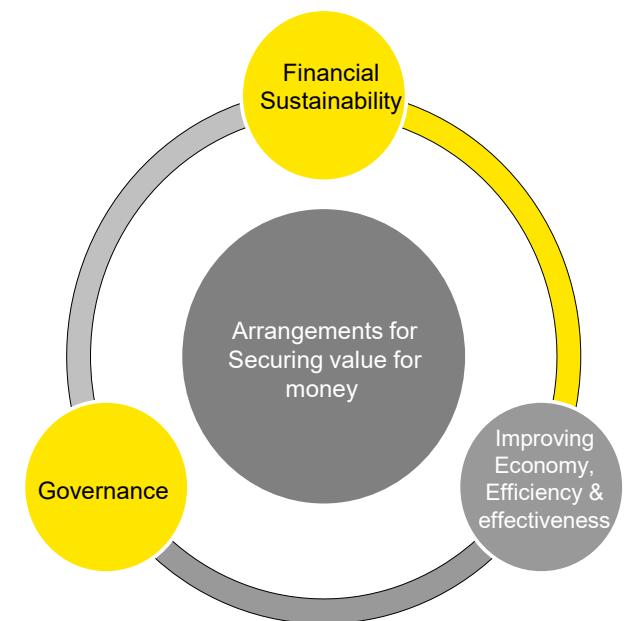
We are required to consider whether the Council has made 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources.

262 Our value for money planning and the associated risk assessment is focused on gathering sufficient evidence to enable us to document our evaluation of the Council's arrangements, to enable us to draft a commentary under three reporting criteria (see below). This includes identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations.

We provide a commentary on the Council's arrangements against three reporting criteria:

- 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; and
- 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.

We have now completed our risk assessment and have concluded our value for money review for 2024/25. Our conclusions in respect of the one area that we identified as risk of significant weakness is detailed on the next slide. Our conclusions and commentary will be included within our Auditor's Annual Report.



Value for Money (cont'd)

Status of our VFM work

We have completed our planned procedures and have determined that there is a significant weakness in the Council's arrangements for supporting its governance process arrangements in relation to and the Council's capacity to support an efficient external audit process.

From 2020/21 through to the ongoing 2024/25 audit, the Council has shown a sustained pattern of weaknesses that significantly impair its ability to support an effective and timely external audit process. While the 2020/21 financial statements ultimately received an unqualified opinion, the audit was heavily delayed due to material errors—particularly in the accounting for COVID-19 grants—and lengthy periods of correction, with sign-off occurring almost a year later than planned.

The situation deteriorated further in 2021/22 and 2022/23, where despite considerable audit effort, the auditor was unable to obtain sufficient appropriate evidence and ultimately issued disclaimed opinions. Key issues included unsupported valuation figures, errors and lack of clarity around internal recharges and PPA adjustments, gaps in audit evidence across multiple core statements, and the Council's inability to prepare Group Accounts. Compounding these weaknesses was the failed implementation of the QL Housing system, which suffered repeated delays, doubled in cost from the original £1.6 million budget, and went live with significant data migration failures. The resulting business interruption placed substantial strain on officer capacity and reduced the reliability of financial information, contributing directly to adverse value-for-money findings in both affected years. These systemic issues persisted into 2023/24.

263 The Council was again unable to demonstrate adequate audit readiness, resulting in another disclaimed opinion. Persistent problems included an absence of sufficient documentation to support PPE and investment property valuations—where requests for evidence were so delayed they ultimately remained unresolved—unsupported year-end balances for grants received in advance, and the identification of £8.18 million held in a suspense account owing to a lack of capacity to allocate transactions to debtors.

The position for 2024/25 shows no meaningful improvement: key evidence such as PPE/IP valuation support remains unavailable, responses to audit queries continue to be significantly delayed, and working papers provided are frequently below the standard required. Our view is this is caused by a lack of capacity within the core team in the Council responsible for financial reporting and supporting the audit process. It is then exacerbated by a lack of understanding of the enhanced requirements to respond to external audit enquiries by those from other functions in the Council. Taken together, these recurring weaknesses demonstrate a fundamental and continuing failure in the Council's arrangements for securing economy, efficiency, and effectiveness, specifically around financial governance, the preparation of financial statements for external audit, and capacity within the finance function.

Delays in responding to our audit enquiries and also issues with the quality of the supporting evidence received have disrupted audit timetables and prevented the completion of planned procedures, leading to multiple consecutive disclaimed opinions. Failure to improve the Council's processes to report financial information timely and support the external assurance over these will also impact its ability to meet statutory financial reporting deadlines and to restore timely financial reporting in accordance with the requirements of the Accounts and Audit (Amendment) Regulations.

We have previously made recommendations in our Audit Progress Report presented to the Audit & Governance Committee on 28 January 2026. Please see the control recommendations which have been summarised in Section 06 of this report.

As a result, we have reported by exception details of the significant weakness in the auditor's report (see Section 04). We plan to issue the VFM commentary as part of issuing the Auditor's Annual Report.



04 Audit Report

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Audit Report

Draft Audit report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXFORD CITY COUNCIL AND GROUP

Disclaimer of Opinion

We were engaged to audit the financial statements of Oxford City Council and Group ('the Council') and its subsidiaries (the 'Group') for the year ended 31 March 2025. The financial statements comprise the:

- Oxford City Council and Group Movement in Reserves Statement,
- Oxford City Council and Group Comprehensive Income and Expenditure Statement,
- Oxford City Council and Group Balance Sheet,
- Oxford City Council and Group Cash Flow Statement
- the related notes 1 to 43 and related Group notes 1 to 11, including material accounting policy information and including the Expenditure and Funding Analysis,
- Housing Revenue Account Income and Expenditure Statement, the Movement on the Housing Revenue Account Statement, and the related notes H1 to H8
- Collection Fund and the related notes CF1 to CF2

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

We do not express an opinion on the accompanying financial statements of the Council. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

The Accounts and Audit (Amendment) Regulations 2024 (Statutory Instrument 2024/907) ('the Regulations') which came into force on 30 September 2024 required the accountability statements for the year ended 31 March 2025 to be approved not later than 27 February 2026 ('the backstop date').

Our planned audit work in the current year was focused on transactions in the year and the current year balance sheet.

Due to the disclaimers of opinion on the financial statements in the prior years, delays in receiving draft financial statements, delays in receiving associated audit evidence and the inability to support the audit in advance of the backstop date, we have not been able to complete the detailed audit procedures that would be needed to obtain sufficient appropriate audit evidence to issue an unmodified audit report on the Council's financial statements for the year ended 31 March 2025.

Therefore, we are disclaiming our opinion on the financial statements.

The audits of the financial statements for the years ended 31 March 2022, 31 March 2023 and 31 March 2024 for Oxford City Council and Group were not completed for the reasons set out in our disclaimers of opinion on those financial statements dated 26 November 2024 and 28 February 2025 respectively.

In addition:

- as disclosed in Note 39, the Council did not apply the IAS 19 asset ceiling requirements set out in IFRIC 14 The Limit on a Defined Benefit Asset, when preparing the comparative information for the year ended 31 March 2024. The Council recognised the gross IAS 19 pension surplus as an asset without assessing whether economic benefits were available in the form of refunds or reductions in future contributions, as required by IAS 19 and IFRIC 14.

Application of the asset ceiling would have resulted in the recognition of a pension liability of £12,325k at 31 March 2024 rather than the pension asset of £24,015k reported by the Council. Accordingly, the Council overstated pension assets and understated remeasurement losses in Other Comprehensive Income by £36,340k in the comparative information. Management has not restated the prior-year comparative figures for this error.

In our opinion, the omission of this adjustment results in the comparative information being materially misstated.

- as disclosed in Note 34, the Council did not correct a material prior-period error relating to the recognition and classification of certain capital grants. Evidence obtained during the audit indicates that conditions for recognition were met prior to 1 April 2024 for grants totalling £16.9m. Had these grants been recognised in the appropriate periods, Taxation and Non-Specific Grant Income (Note 11), the Capital Grants Unapplied reserve and/or the Capital Adjustment Account would have been increased, and Grants Received in Advance decreased, in the prior periods.

In our opinion, the omission of this adjustment results in the comparative information being materially misstated.

- We also have an ongoing matter, which indicates potential non-compliance with laws and regulations for which we have received only limited information in respect of 2024/25. Due to the imposed backstop date, we were unable to perform sufficient additional audit procedures to determine whether this matter has any impact on the financial statements.

Matters on which we report by exception

Notwithstanding our disclaimer of opinion on the financial statements we have nothing to report in respect of whether the annual governance statement is misleading or inconsistent with other information forthcoming from the audit, performed subject to the pervasive limitation described above, or our knowledge of the Group and the Council.

We report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 (as amended)
- we make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014 (as amended)
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 (as amended)



Audit Report (cont'd)

Draft Audit report

- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 (as amended)
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014 (as amended)

We have nothing to report in these respects.

In respect of the following, we have matters to report by exception:

Report on the Council's proper arrangements for securing economy, efficiency and effectiveness in the use of resources

We report to you, if we are not satisfied that the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

On the basis of our work, having regard to the Code of Audit Practice 2024 and guidance issued by the Comptroller and Auditor General in November 2024, we have identified the following significant weaknesses in relation to the specified reporting criteria of the Council's proper arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2025.

Significant weaknesses in arrangements – Governance:

Our judgement on the nature of the weakness identified

Our judgement is that the weakness identified reflects long-standing capacity issues within the finance team, which have consistently impacted the Council's ability to prepare working papers to support the amounts in the financial statements which are of the required quality, and to support the external audit process in a timely and effective manner.

The evidence on which our view is based

The planning and execution of the audits of the financial statements for the 2021/22 to 2024/25 periods which have been subject to delays and issues relating to the availability, quality and timeliness of delivery of audit information.

The impact on the Council

Failure to improve the Council's processes to report financial information timely and support the external assurance over these, will also impact its ability to meet statutory financial reporting deadlines and to restore timely financial reporting in accordance with the requirements of the Accounts and Audit (Amendment) Regulations.

Action required to address the weakness

1. **Finance Function Workflow Review:** Conduct a comprehensive review of the finance function workflow to identify bottlenecks in the flow of information and the completion of key finance tasks. Use the findings to redefine roles and responsibilities within the finance team, ensuring an equitable distribution of workload and preventing any single individual from being overburdened.
2. **Quality Assurance Function Review:** Implement a thorough review of the quality assurance process for draft accounts, underlying workpapers and evidence to support these. Establish clear timelines for the closedown process, ensuring appropriate segregation of duties between those preparing and those reviewing the draft accounts and workpapers. Monitor adherence to this process and report performance to the Audit & Governance Committee.

3. **Finance Team Capacity:** Re-assess roles, responsibilities and resource requirements for financial reporting across the Council, including an assessment of the required support from, and education of, those from other functions within the organisation for the financial reporting function to meet its objectives and to restore timely financial reporting in accordance with the requirements of the Accounts and Audit (Amendment) Regulations.

This issue is evidence of weaknesses in proper arrangements for Governance, specifically how the Council ensures effective processes and systems are in place to support its statutory financial reporting requirements

Responsibility of the Group Finance Director

As explained more fully in the Statement of the Group Finance Director's Responsibilities set out on page 6, the Group Finance Director is responsible for the preparation of the Statement of Accounts, which includes the Authority financial statements and the Group financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, for being satisfied that they give a true and fair view and for such internal control as the Group Finance Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Group Finance Director is responsible for assessing the Group and the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Group and the Council either intends to cease operations, or has no realistic alternative but to do so. The authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Group and the Council's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group and the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Code of Audit Practice 2024 and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2024, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in November 2024, as to whether the Oxford City Council had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Oxford City Council put in

Audit Report (cont'd)

Draft Audit report

place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether Oxford City Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 (as amended) to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

26 Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until the NAO, as group auditor, has confirmed that no further assurances will be required from us as component auditors of Oxford City Council.

Until we have completed these procedures, we are unable to certify that we have completed the audit of the accounts in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended) and the Code of Audit Practice issued by the National Audit Office.

Use of our report

This report is made solely to the members of Oxford City Council, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose, as set out in paragraph 85 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Council's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Brittain (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Reading
Date:



05 Audit Differences

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Audit Differences

In the normal course of any audit, we identify misstatements between amounts we believe should be recorded in the financial statements and the disclosures and amounts actually recorded. These differences are classified as 'known' or 'judgemental'. Known differences represent items that can be accurately quantified and relate to a definite set of facts or circumstances. Judgemental differences generally involve estimation and relate to facts or circumstances that are uncertain or open to interpretation.

Summary of adjusted differences

We highlight the following audit differences which have been corrected by management that were identified during the course of the audit:

- Corrected misclassification in Group accounts £4.5m: there was a reclassification of group other operating income to group other operating expenditure
- Misclassification of bad debt provisions from the RDS long-term debtor amounting to £1.59m and Council Tax debtors amounting to £0.43m.
- Correction of IFRS 16 lease accounting for "1-5 Broad Street," including depreciation and interest entries amounting to £.065m and the remeasurement of the ROU asset and liability amounting to £4.3m.
- IFRS 16 reclassification for peppercorn leases, moving recognition from service charges to Taxation & Non-Specific Grant Income amounting to £9.5m.

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For 2024/25, we noted that OxCity had not applied the IAS 19 asset ceiling in the draft financial statements, resulting in an overstated pension asset of £82.791m. Our review of the March 2025 results schedule identified a required asset-ceiling adjustment of £104.592m, which affects the CIES, Balance Sheet and related pension disclosures. OxCity has confirmed that the final accounts will be updated to reflect the full asset-ceiling impact.

- Reclassification adjustments between General Fund and HRA income/expenditure, including a £0.35m correction and a £0.70m post-year-end reclassification.

Audit Differences (cont'd)

Summary of unadjusted differences

In addition we highlight the following misstatements to the financial statements and/or disclosures which were not corrected by management. We ask that the Audit & Governance Committee request of management that these uncorrected misstatements be corrected or a rationale as to why they are not corrected be considered and approved by the Audit & Governance Committee and provided within the Letter of Representation:

	Effect on the current period		Net assets (Decrease)/Increase				Equity components Debit/(Credit)
	OCI Debit/(Credit)	Income statement Debit/(Credit)	Assets current Debit/(Credit)	Assets non-current Debit/(Credit)	Liabilities current Debit/(Credit)	Liabilities non-current Debit/(Credit)	
Uncorrected misstatements 31 March 2025 (£'000)							
Errors							
Factual differences:							
Misclassification of bad debt provisions related to opening balances originating from the RDS long-term debtor and Council Tax debtors			(451)	(1,596)	451	1,596	
Asset ceiling impact relating to 2023/24, had not been reflected in prior-year financial statements.				(36,340)			36,340
Non-specific capital grants were recognised in the incorrect year, with conditions met in prior periods, resulting in prior-year CIES misstatement and opening balance adjustments not posted by management		(16,857)				16,857	
Projected differences:							
Revenue recognised before being earned due to the AP2 policy of not accruing receipts under £500		531			(531)		
Projected misstatements relating to insufficient audit evidence and classification errors.		(393)	393				

Audit Differences (cont'd)

Summary of unadjusted differences (cont'd)							
Uncorrected misstatements 31 March 2025 (£'000)	Effect on the current period		Net assets (Decrease)/Increase				
	OCI Debit/(Credit)	Income statement Debit/(Credit)	Assets current Debit/ (Credit)	Assets non- current Debit/ (Credit)	Liabilities current Debit/ (Credit)	Liabilities non-current Debit/ (Credit)	Equity components Debit/ (Credit)
Errors							
Projected differences:							
Car park income was recognised in FY 24/25 as part of expenditure.		8,322 (8,322)					
Balance sheet totals			(58)	(37,936)	(80)	18,452	37,920
Income effect of uncorrected misstatements		(16,719)					
Turnaround effect. See Note 1 below.							
Turnaround of PY Factual misstatement: Factual error due to incorrect inputs provided to the valuer resulting in overstatement of Investment Property (Asset ref: Broad st, 23 -24)		(371)					
Turnaround of PY Factual misstatement: IAS 19 asset ceiling		(36,340)					
Turnaround of PY Factual misstatement : Grants		16,857					
Turnaround of PY Projected misstatement: Garden waste service contracts		(579)					
Turnaround of PY Projected misstatement: Expenses recorded in FY24/25 relate to previous years		(2,240)					
Turnaround of PY Projected misstatement: Judgemental difference relating to land value of Ramsay House		(1866)					
Cumulative effect of uncorrected misstatements, after turnaround effect		(41,258)					

Note 1: turnaround effect is the impact of uncorrected misstatements related to the prior period, on results of the current period.



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Assessment of Control Environment

Assessment of Control Environment

Financial controls

As part of our audit of the financial statements, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to you deficiencies in internal control including group-wide that merits the attention:

Description

Supporting an external audit

There is a significant weakness in the Council's governance arrangements, specifically relating to its capacity to support the external audit process and produce timely, accurate, and sufficiently evidenced financial statements. Over multiple audit cycles (2021/22 to 2024/25), the Council has been unable to provide adequate and timely audit evidence—most notably for PPE and investment property valuations, grants received in advance, and debtor/suspense balances (including £8.18m held in suspense)—with persistent delays, incomplete documentation, and inadequate working paper quality. These issues, compounded by finance team capacity constraints and data problems linked to the QL Housing system, have resulted in repeated scope limitations and disclaimed audit opinions, demonstrating that the Council does not currently have effective processes to meet its statutory financial reporting obligations.

Year end accounting

During the course of the year end audit we identified a number of areas where the year end accounting process can be improved:

- During the year-end audit, we identified several instances where key accounting judgements and technical assessments were not performed appropriately:
- IAS 19 Asset Ceiling – The Council recognised a pension asset in both 2023/24 and 2024/25 without applying the IFRIC 14 asset ceiling, despite actuarial valuations indicating a net liability position. This resulted in a material overstatement of net assets, requiring correction in 2024/25. Prior-year comparatives remain materially misstated due to management's decision not to restate.
- Capital Grants Accounting – Prior-year grant conditions had been met, but balances were incorrectly held within Grants Received in Advance. Instead of posting a prior-period adjustment, management recognised all impacts in 2024/25, overstating income and misstating reserves.
- Financial statement close process – the process would be improved with a transparent and clear audit trail of changes and updates made to the draft financial statements which flowed through to the final set of statements.

Recommendation

The Council should undertake an urgent and comprehensive strengthening of its financial reporting and audit-support processes. This should include a full review of finance team workflows; targeted increases in capacity; and the implementation of a robust quality-assurance framework for year-end working papers, including clear prepared-by/reviewed-by controls. The Council should introduce a joint audit project-management process to monitor delivery against deadlines. These measures are necessary to restore reliable financial reporting, meet statutory requirements, and mitigate the risk of further qualified or disclaimed audit opinions.

Assessment of Control Environment

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Description

Cut-off, Income Recognition, misclassification and Suspense Account Controls

We identified several deficiencies affecting the completeness, accuracy and cut-off of income, expenditure and debtor/creditor balances:

- Rental income cut-off weaknesses: Misapplication of Accounting Policy 2 led to incorrect recognition of cross-year rental periods. No preventive or detective control exists to validate cross-year postings. Additionally, some year-end adjustments were posted on a cash basis rather than applying accrual accounting.
- Long-standing overbilling (Agresso billing module): Billing parameters were not updated or periodically reviewed, resulting in overbilling from 2021-2024. No exception reporting or supervisory review detected the issue.
- Debtor cut-off errors (Significant Deficiency): Cancelled invoices and credit notes issued after year-end were not reflected as adjusting events. Income relating to 2025/26 was also recognised prematurely.
- Recurring uncleared suspense/holding accounts: £1.5m (below TE but recurring) remained in debtor suspense accounts at year-end. Similar issues also existed in LT creditors (Cash Suspense Reserve not cleared).
- OxCity could not provide supporting evidence for items in the cash suspense reserves in Creditors (£628,205.57), as these balances are still under investigation.
- Car park income was incorrectly recorded as expenditure, resulting in understatement of both income and expenditure. This indicates that neither system controls nor manual reviews detected the error.
- Expenditure transactions were incorrectly posted to income accounts, indicating that controls over the accurate classification of income and expenditure within the general ledger are not operating effectively. There is insufficient review to ensure transactions are recorded in the correct nominal accounts.

Expenditure Cut-off Controls

Testing identified that expenditure relating to the prior year was recorded in the current period, indicating ineffective period-end review controls and inconsistent application of cut-off procedures. This represents a significant deficiency.

Recommendation

We recommend that management:

- Implement automated or rule-based cut-off validation for rental and licence income
- Introduce periodic billing configuration reviews, exception reports, and documented change-control processes
- Strengthen adjusting-event procedures for debtors and creditors
- Require monthly clearance and reconciliation of all suspense and holding accounts
- Enhance reviewer checklists for year-end journals and cross-year postings
- Promptly investigate and clear the recurring suspense balances. Stronger controls, including documented support and regular reconciliations, should be established to ensure timely resolution of future entries.
- Should introduce classification checks and supervisory review of unusual postings.
- Strengthen the review process to ensure transactions are coded to the correct income or expenditure accounts.
- Improve staff guidance and routine checks to prevent costs being posted as income and to ensure accurate coding in the general ledger.

We recommend that management should reinforce and evidence expenditure cut-off checks, introduce exception analytics for post-year-end invoicing, and ensure supervisory review is documented and challenge is clearly performed.

Assessment of Control Environment (cont'd)

Description	Recommendation
<u>IFRS 16 - Right-of-Use Asset and Lease Accounting Controls</u> We identified several deficiencies in the operation of IFRS 16 processes: - Valuation amounts for the leased-in dwelling were appropriately brought forward as opening deemed values on transition to IFRS 16. Guidance then requires that from the date of initial application forwards the right-of-use asset and the lease liability are accounted for by applying IFRS 16 - Contract scoping errors due to inconsistent tagging in the IFRS 16 contract workbook - Unsupported interest rates used in calculating ROU asset and lease liability values, increasing the risk of measurement errors	We recommend management should: - Re-measure the relevant ROU assets at the financial year-end based on the valuation methodology permitted under IFRS 16 for ROU assets - Apply consistent scoping procedures with controls ensuring completeness of contracts - Establish a formal methodology for determining and documenting discount rates, supported by evidence and reviewer sign-off - Enhance the IFRS 16 review process and improve the reliability of the contract workbook
<u>275 HRA Rents - Control Not Operating</u> The Council was unable to demonstrate that annual checks on Council Dwelling rents were performed. The absence of evidence means the control was considered not operating in the year.	We recommend that the Council ensures the control is performed and evidenced consistently, with documentation retained to support audit requirements.
<u>Contracts and Agreements</u> The client was unable to provide key contract documents for testing, preventing the audit team from performing planned procedures.	We recommend that management review their policies and procedures for the storing, accessing and providing of information in order to support an external audit. We are happy to provide further detail and observations to help with this review.
<u>S106 Grants (Developer Contributions)</u> OxCity is holding unspent S106 developer contributions without using them within required timescales or returning them to developers.	OxCity should: - Establish a formal process to monitor S106 developer contributions, including a central register tracking deadlines, conditions, and unspent balances. - Regular reviews and clear ownership should be introduced to ensure funds are used within required timescales or appropriately returned. - Strengthening oversight will help maintain compliance and reduce the risk of financial or reputational impacts.

Assessment of Control Environment (cont'd)

Description	Recommendation
<u>Pension Contributions & Rental Income Walkthrough Issues</u> During walkthrough procedures, we noted two control weaknesses: Pension contributions: The Council submitted an incorrect employer pension contribution rate (16.2% instead of 13.4%), resulting in overpayments. This indicates that verification checks over pension submissions were not operating effectively. Rental income: A signed rental contract could not be provided for a walkthrough sample, limiting our ability to confirm key terms and reducing assurance over the validity of income recognised. This reflects weaknesses in contract retention and documentation controls.	Management should implement validation checks to ensure pension contribution rates agree to the approved fund agreement and introduce periodic reconciliations. For rental income, fully executed contracts should be retained in a central location to support income recognition and audit evidence requirements.
<u>Governance and Authorization Controls</u> Movements in earmarked reserves were approved informally without following Constitution-mandated s151 or member-level approvals. This weakens governance compliance and increases the risk of misstatement in the Movement in Reserves Statement.	We recommend a strict adherence to approval routes, supported by a documented audit trail of all reserve movements and formalised oversight.

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Other Reporting Issues

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Other Reporting Issues

Consistency of other information published with the financial statements, including the Annual Governance Statement

We must give an opinion on the consistency of the financial and non-financial information in the Oxford City Council Statement of Accounts 2024/25 with the audited financial statements

We must also review the Annual Governance Statement for completeness of disclosures, consistency with other information from our work, and whether it complies with relevant guidance.

Financial information in the Oxford City Council Statement of Accounts 2024/25 and published with the financial statements was consistent with the audited financial statements.

We have reviewed the Annual Governance Statement and can confirm it is consistent with other information from our audit of the financial statements and we have no other matters to report.

Whole of Government Accounts

Alongside our work on the financial statements, we also review and report to the National Audit Office (NAO) on your Whole of Government Accounts return. The extent of our review, and the nature of our report, is specified by the NAO.

278 We have not yet performed the procedures required by the NAO on the Whole of Government Accounts submission. We cannot issue our Audit Certificate until these procedures are complete, and the NAO has confirmed no further procedure are required.

Other powers and duties

We have a duty under the Local Audit and Accountability Act 2014 (the Act) to consider whether to report on any matter that comes to our attention in the course of the audit, either for the Council to consider it or to bring it to the attention of the public (i.e. “a report in the public interest”). We are also able to issue statutory recommendations under Schedule 7 of Section 27 of the Act. Statutory recommendations under Schedule 7 must be considered and responded to publicly and are shared with the Secretary of State,

We did not identify any issues which required us to issue a report in the public interest/issue statutory recommendations under Schedule 7.



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Independence

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Independence

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and your company, and its directors and senior management and its affiliates, including all services provided by us and our network to your company, its directors 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 our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

Confirmation

We are not aware of any inconsistencies between the Council's policy for the supply of non-audit services and FRC Ethical Standard. We are not aware of any apparent breach of that policy.

We confirm that, in our professional judgment, EY is independent, our integrity and objectivity is not compromised and we have complied with the FRC Ethical Standard.

We confirm that your engagement team (partners, senior managers, managers and all others involved with the audit) and others within the firm, the firm and network firms have complied with relevant ethical requirements regarding independence.

We confirm that the independence threats created by the level of the audit fees are at an acceptable level.

We confirm that we have communicated with the Audit and Governance Committee, information about the proposed non-audit service to enable them to make an informed assessment about the independence impact of the provision of the proposed service(s). There are no non-audit services in relation to Oxford City Council.

We have re-affirmed the general policy/process for pre-concurrence with those charged with governance and obtained specific pre-concurrence for services not covered by the general policy. We re-affirm this annually.

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 period ended 30 June 2025 and can be found here: [EY UK Transparency Report](#).

Relationships

There are no relationships from 01 April 2024 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

Services provided by EY

There are no services provided by EY from 01 April 2024 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

As at the date of this report, there are no future services which have been contracted and no written proposal to provide non-audit services has been submitted.

Independence

The duty to prescribe fees is a statutory function delegated to Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Housing, Communities and Local Government.

This is defined as the fee required by auditors to meet statutory responsibilities under the Local Audit and Accountability Act 2014 in accordance with the requirements of the Code of Audit Practice and supporting guidance published by the National Audit Office, the financial reporting requirements set out in the Code of Practice on Local Authority Accounting published by CIPFA/LASAAC, and the professional standards applicable to auditors' work.

A breakdown of our fees is shown in the table to the right.

As set out in our Audit Planning Report the agreed fee presented was based on the following assumptions:

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- ▶ Officers meeting the agreed timetable of deliverables;
- ▶ Our financial statements opinion and value for money conclusion being unqualified;
- ▶ Appropriate quality of documentation is provided by the Council; and
- ▶ The Council has an effective control environment
- ▶ The Council complies with PSAA's Statement of Responsibilities of auditors and audited bodies. See <https://www.psaa.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/>. In particular, the Council should have regard to paragraphs 26 - 28 of the Statement of Responsibilities.

If any of the above assumptions prove to be unfounded, we seek a variation to the agreed fee. A narrative summary of the areas where we expect to raise scale fee variations for the audit of the Council are set out in the fee analysis on this page.

	Current Year	Prior Year
	£m	£m
Scale Fee – Code Work	£244,806	£227,346
Proposed scale fee variation	Note 2	Note 1
Total audit	TBC	TBC
Other non-audit services not covered above (Housing benefits)	0	0
Total other non-audit services	0	0
Total fees	TBC	TBC

All fees exclude VAT

(1) As set in our 2023/24 Audit Results Report a scale fee variation was submitted to PSAA covering the following areas:

- The new ISA 315 and IFRS 16 standards, additional work undertaken due to change in materiality, work relating to PPE valuations, additional requirements relating to the audit of the LGPS, quality/preparation issues and consultations relating to the disclaimed opinion.
- As at the date of this report that scale fee variation has not yet been determined.

(2) Following the completion of the 2024-25 work a final proposed fee will be determined. As explained in our Audit Planning Report, for 2024-25 the planned fee represents the base fee, i.e. not including any extended testing.

We will estimate the impact of the additional audit procedures performed will include (i) to respond to additional audit risks in relation to Revenue recognition of Rental income; (ii) delays in obtaining information for audit samples; (iii) any other areas where the audit work required was additional to the scope planned within the scale fee, for example due to lower levels of materiality; (iv) additional fees arising from the use of specialists; (v) NOCLAR-related responses, including those relating to the cyber-attack; (vi) work performed on the prior-year adjustment (PYA) assessment; (vii) technical consultations in respect of the audit opinion; (viii) additional audit procedures required due to the first-year implementation of IFRS 16; (ix) work performed in response to the identified significant weakness for VFM; and (x) extended financial statement review process with multiple iterations of the final statements

All additional scale fee adjustments are subject to PSAA approval.

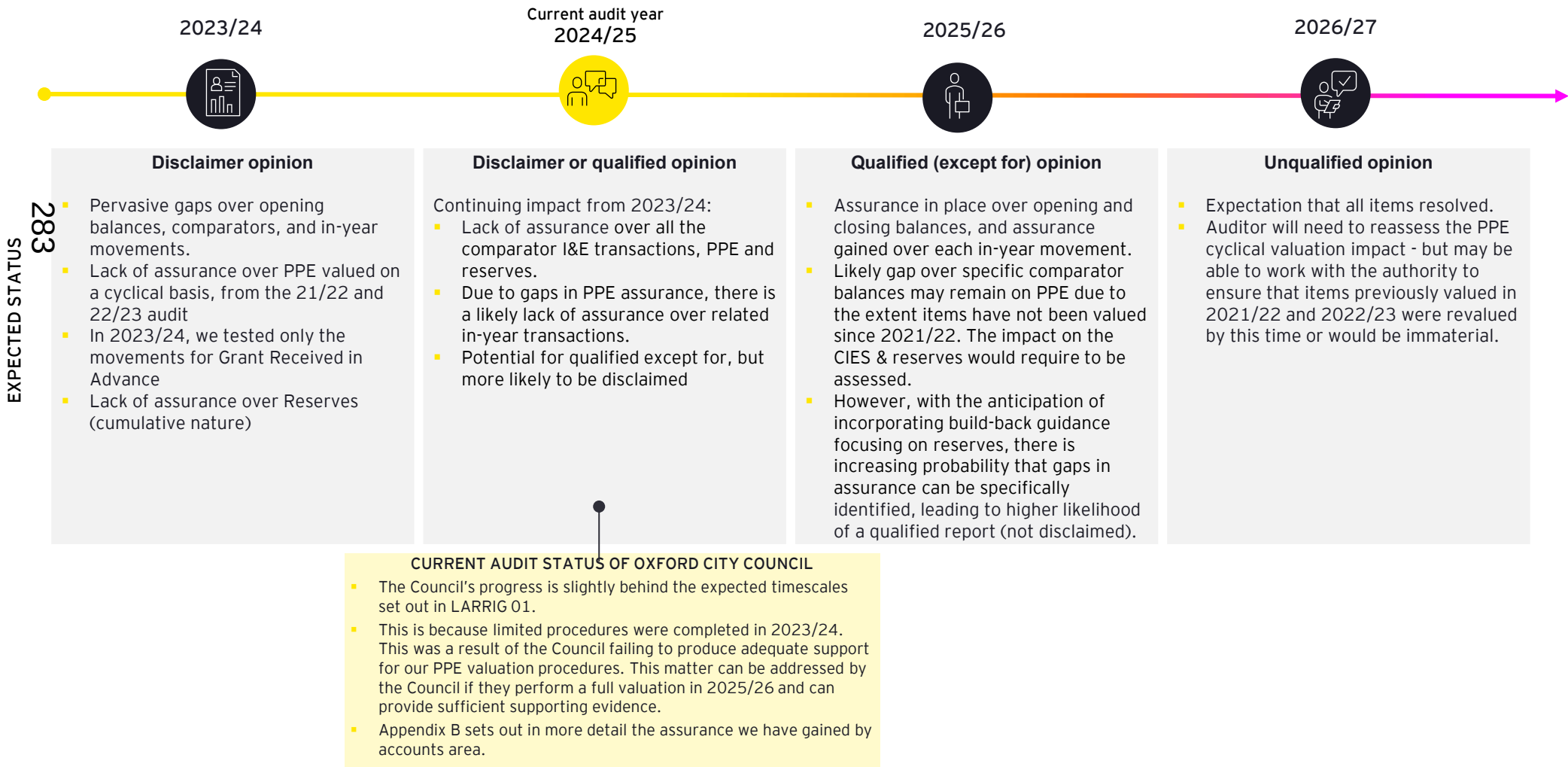


09 Appendices

Appendix A – Progress to full assurance

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.



Appendix B – Updated summary of assurances

Summary of Assurances

The table below summarises the audit work we have completed on the 2024/25 financial statements to demonstrate to the committee the level of assurance that has been obtained as a result of the financial statements audit.

Account area	Assurance rating 2024/25	Summary of work performed
Property, Plant and Equipment ('PPE')	None	We have not been able to complete all of our planned testing on the Property, Plant and Equipment in 2024/25. Due to the imposition of the statutory backstop date of 27 February 2026 we were unable to conclude on whether this led to misstatements in the accounts.
Investment Property	None	We have not been able to complete all of our planned testing on the Property, Plant and Equipment in 2024/25. Due to the imposition of the statutory backstop date of 27 February 2026 we were unable to conclude on whether this led to misstatements in the accounts.
Intangible Assets	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Heritage Assets	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Long Term and Short Term Investments	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Long Term Debtors	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Cash and Cash equivalents	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Short Term Debtors	Partial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025 other than we noted £1,512,556 in a suspense account relating to payments received by the Council. However, as this had not been allocated to Individual debtors which we could not obtain full assurance over the net balance, due to the lack of supporting documentation available from the Council. We have therefore reduced our RAG rating over debtors to partial assurance as we can isolate this within the net debtors balance presented and all other procedures over the debtor balance have been completed.

Appendix B – Updated summary of assurances

Summary of Assurances (continued)

Account area	Assurance rating 2024/25	Summary of work performed
Local Government Pension Scheme Liability	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Leases	Partial	We do not have assurance over the fair value valuations of the Right of use asset balances carried forward from prior year. In addition, limitations in testing the 2024/25 valuation meant we were unable to complete the required procedures over the current-year valuation and related estimates for the closing balances.
Creditors (long term)	Partial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025 other than we noted £628,205.57 in a suspense account relating to payments made by the Council. However, as this had not been allocated to Individual Creditors which we could not obtain full assurance over the net balance, due to the lack of supporting documentation available from the Council. We have therefore reduced our RAG rating over Creditors to partial assurance as we can isolate this within the net Creditors balance presented and all other procedures over the creditor balance have been completed.
Creditors (short term)	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Borrowings (short and long term)	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Revenue Contract Liabilities	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Provisions	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Grants received in advance	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Officers Remuneration and Exit Packages including termination benefits	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.

Appendix B – Updated summary of assurances

Summary of Assurances (continued)

Account area	Assurance rating 2024/25	Summary of work performed
Reserves	None	We have completed our work on the movements in reserves for 2023/24 and 2024/25, with the exception of the Revaluation Reserve, Capital Adjustment Account, Deferred Capital Receipts Reserve and Capital Receipts Reserve, as no audit work has yet been performed over the PPE and Investment Properties balances. In addition, the Council did not provide responses to a number of audit queries, which restricted the extent of evidence available to us. However, until the wider work programme to rebuild assurance following the previously disclaimed audit opinions is complete, we are unable to obtain assurance over the Council's usable and unusable reserves as reported in the financial statements. Furthermore, due to the statutory backstop date of 27 February 2026, we were unable to conclude on whether the absence of responses and the incomplete audit evidence resulted in misstatements within the accounts.
286 All Other Disclosures (incl Accounting policies, Cash flow Statement)	Partial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025. As we do not have assurance over the opening balance position at 1 April 2024, we are unable to obtain assurance that all of the in-year movements recorded in the disclosures are accurate. Key disclosures for which we do not have full assurance include the Expenditure and Funding Analysis which is impacted for the same reason as the Comprehensive Income and Expenditure Statement.
Capital Expenditure and Financing	None	We have not been able to complete all of our planned testing in 2024/25. Due to the imposition of the statutory backstop date of 27 February 2026 we were unable to conclude on whether this led to misstatements in the accounts.
Comprehensive Income and Expenditure Statement	None	We have not been able to complete all of our planned testing in 2024/25. Due to the imposition of the statutory backstop date of 27 February 2026 we were unable to conclude on whether this led to misstatements in the accounts.
Collection Fund	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.
Housing Revenue Account (incl relevant disclosure notes)	*Partial	We have completed our planned testing on the Housing Revenue Account for 2024/25. However we have no assurance over the associated HRA disclosure notes due to work not completed on property valuations and also the Council did not provide responses to several audit queries required to complete our work. In addition, due to the imposition of the statutory backstop date of 27 February 2026, we were unable to conclude on whether the absence of responses and the resulting limitations in audit evidence led to misstatements within the HRA.
Group Accounts	Substantial	We have completed our planned audit procedures in this area and have obtained assurance over the closing balance at 31 March 2025.

Appendix C – Required communications with those charged with governance

Required communications with those charged with governance

There are certain communications that we must provide to those charged with governance. We have detailed these here together with a reference of when and where they were covered:

		Our Reporting to you
Required communications	What is reported?	When and where
Terms of engagement	Confirmation by the audit & governance committee of acceptance of terms of engagement as written in the engagement letter signed by both parties.	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Our responsibilities	Reminder of our responsibilities as set out in the engagement letter.	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Planning and audit approach	Communication of: ▪ The planned scope and timing of the audit ▪ Any limitations on the planned work to be undertaken ▪ The planned use of internal audit ▪ The significant risks identified When communicating key audit matters this includes the most significant risks of material misstatement (whether or not due to fraud) including those that have the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.	Audit Planning Report at the Audit & Governance Committee on 23 July 2025 (issued 29 April 2025)
Significant findings from the audit	▪ Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures ▪ Significant difficulties, if any, encountered during the audit ▪ Significant matters, if any, arising from the audit that were discussed with management ▪ Written representations that we are seeking ▪ Expected modifications to the audit report ▪ Other matters if any, significant to the oversight of the financial reporting process	Progress report issued on 15 January 2026 and Final Audit results report- February 2026

Appendix C – Required communications with those charged with governance (cont'd)

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Required communications	What is reported?	Our Reporting to you
		When and where
Going concern	Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including: ▪ Whether the events or conditions constitute a material uncertainty related to going concern ▪ Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements ▪ The appropriateness of related disclosures in the financial statements	Progress report issued on 15 January 2026 and Final Audit results report- February 2026
Misstatements	▪ Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation ▪ The effect of uncorrected misstatements related to prior periods ▪ A request that any uncorrected misstatement be corrected ▪ Material misstatements corrected by management	Progress report issued on 15 January 2026 and Final Audit results report- February 2026
Fraud	▪ Enquiries of the audit & governance committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity ▪ Any fraud that we have identified or information we have obtained that indicates that a fraud may exist ▪ Unless all of those charged with governance are involved in managing the entity, any identified or suspected fraud involving: ▪ Management; ▪ Employees who have significant roles in internal control; or ▪ Others where the fraud results in a material misstatement in the financial statements. ▪ The nature, timing and extent of audit procedures necessary to complete the audit when fraud involving management is suspected ▪ Matters, if any, to communicate regarding management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud ▪ Any other matters related to fraud, relevant to Audit & Governance Committee responsibility.	Progress report issued on 15 January 2026 and Final Audit results report- February 2026

Appendix C – Required communications with those charged with governance (cont'd)

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		Our Reporting to you
Required communications	What is reported?	When and where
Related parties	Significant matters arising during the audit in connection with the entity's related parties including, when applicable: ▪ Non-disclosure by management ▪ Inappropriate authorisation and approval of transactions ▪ Disagreement over disclosures ▪ Non-compliance with laws and regulations ▪ Difficulty in identifying the party that ultimately controls the entity	Progress report issued on 15 January 2026 and Final Audit results report- February 2026
Independence	Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, integrity, objectivity and independence. Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as: ▪ The principal threats ▪ Safeguards adopted and their effectiveness ▪ An overall assessment of threats and safeguards ▪ Information about the general policies and process within the firm to maintain objectivity and independence Communications whenever significant judgements are made about threats to integrity, objectivity and independence and the appropriateness of safeguards put in place.	Audit Planning Report at the Audit & Governance Committee on 23 July 2025 (issued 29 April 2025) Progress report issued on 15 January 2026 and Final Audit results report- February 2026
External confirmations	▪ Management's refusal for us to request confirmations ▪ Inability to obtain relevant and reliable audit evidence from other procedures.	Progress report issued on 15 January 2026 and Final Audit results report- February 2026
Consideration of laws and regulations	▪ Subject to compliance with applicable regulations, matters involving identified or suspected non-compliance with laws and regulations, other than those which are clearly inconsequential and the implications thereof. Instances of suspected non-compliance may also include those that are brought to our attention that are expected to occur imminently or for which there is reason to believe that they may occur ▪ Enquiry of the audit & governance committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the audit & governance committee may be aware of	Progress report issued on 15 January 2026 and Final Audit results report- February 2026
Significant deficiencies in internal controls identified during the audit	▪ Significant deficiencies in internal controls identified during the audit.	Progress report issued on 15 January 2026 and Final Audit results report- February 2026

Appendix C – Required communications with those charged with governance (cont'd)

		Our Reporting to you
Required communications	What is reported?	When and where
Group Audits	- An overview of the type of work to be performed on the financial information of the components - An overview of the nature of the group audit team's planned involvement in the work to be performed by the component auditors on the financial information of significant components - Instances where the group audit team's evaluation of the work of a component auditor gave rise to a concern about the quality of that auditor's work - Any limitations on the group audit, for example, where the group engagement team's access to information may have been restricted - Fraud or suspected fraud involving group management, component management, employees who have significant roles in group-wide controls or others where the fraud resulted in a material misstatement of the group financial statements.	Audit Planning Report at the Audit & Governance Committee on 23 July 2025 (issued 29 April 2025) Progress report issued on 15 January 2026 and Final Audit results report- February 2026
Written representations we are requesting from management and/or those charged with governance	Written representations we are requesting from management and/or those charged with governance	Progress report issued on 15 January 2026 and Final Audit results report- February 2026
System of quality management	How the system of quality management (SQM) supports the consistent performance of a quality audit	Progress report issued on 15 January 2026 and Final Audit results report- February 2026
Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	Progress report issued on 15 January 2026 and Final Audit results report- February 2026
Auditors report	- Key audit matters that we will include in our auditor's report - Any circumstances identified that affect the form and content of our auditor's report	Progress report issued on 15 January 2026 and Final Audit results report- February 2026

Appendix D – Outstanding matters

Outstanding matters

Item	Actions to resolve	Responsibility
Review of workpapers	Review of all remaining	EY
Statement of accounts	Confirmation of all changes having been made	EY and management
Management representation letter	Receipt of signed management representation letter	Management
Subsequent events review	Completion of subsequent events procedures to the date of signing the audit report	EY and management

Appendix E – Regulatory update

The English Devolution and Community Empowerment Bill – Audit Measures

Background

On 16 December 2024, the Government published the English Devolution White Paper. The White Paper outlines how England is one of the most centralised countries in the world and contends that over-centralisation is holding back the prosperity of the regions. As a result, there is an intention from Government to widen and deepen devolution to local areas across England. The English Devolution and Community Empowerment Bill (the Bill) is intended to provide the legislative framework to do this by setting out a standardised framework of devolved powers, duties and functions. The bill is in six parts:

- Part 1 introduces the new devolution architecture for England, centred around the new category of “strategic authorities” (SAs). These are organisations designated by Government to have responsibility for strategy development and programme delivery over larger functional economic areas.
- Part 2 outlines the powers and duties which existing and future SAs will have, and the new process by which new powers and duties can be conferred on SAs by Government in the future.
- Part 3 is focused on measures designed to strengthen local government and communities.
- Part 4 is intended to strengthen the accountability of the local government sector by reforming the local audit system, including the establishment of the Local Audit Office (LAO) as the body responsible for overseeing local audit.
- Part 5 concerns the banning of upwards only rent review clauses for commercial leases to prevent vacant shops and regenerate high streets in communities across England.
- Part 6 contains the technical sections related to the Bill, including on regulations, commencement and extent.

The draft legislation can be found in full at [English Devolution and Community Empowerment Bill](#).

Part 4 of the Bill - Reforming local audit

The Bill is intended to overhaul the local audit system as is part of the wider measures to address the backlog in local government audit previously considered by this report. Specifically:

- The LAO will be established with the aim of radically simplifying the current audit system and bringing functions together under a single organisation with a clear remit. The LAO will be responsible for coordinating the system, standard setting, contracting, quality oversight and reporting. It will also support and enable wider measures to address pressing challenges, including reforms to financial reporting; strengthening audit capacity and capability; and establishing public provision of audit to support the private market.
- The LAO will be responsible for audit quality and the regulation of audit providers. Regulatory powers can be delegated.
- The LAO will be responsible for auditor appointment to all local audits other than for NHS bodies, will set indicative fees, publish those fees and make final determinations on the fees to be paid. The ability of local authorities to appoint their own auditors is removed.
- Audit firms will be required to nominate ‘lead individuals’ and have pre-approval of their own eligibility criteria.
- The responsibility for production of the Code of Audit Practice passes from the NAO to LAO. The LAO is also able to determine technical standards that auditors must follow.
- Statutory guidance for Audit Committees will be developed by LAO in conjunction with the Local Government Association, CIPFA and other relevant bodies.

We will continue to keep you updated as these arrangements develop.

Appendix F – Management representation letter

Management representation letter

[To be prepared on the entity's letterhead]

[Date]

Ernst & Young LLP
R+ Building
2 Blagrove St
Reading
RG1 1AZ

This letter of representations is provided in connection with your audit of the consolidated and parent Authority financial statements of Oxford City Council and Group ("the Group and Authority") for the year ended 31 March 2025. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the consolidated and parent Authority financial statements give a true and fair view of (or 'present fairly, in all material respects,') the Group and Authority financial position of Oxford City Council and Group as of 31 March 2025 and of its financial performance (or operations) and its cash flows for the year then ended in accordance with, for the Group and the Authority, the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

We understand that the purpose of your audit of our consolidated and parent Authority financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with, for the Group and the parent Authority, the Accounts and Audit Regulations 2015 and the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

2. We acknowledge, as members of management of the Group and Authority, our responsibility for the fair presentation of the consolidated and parent Authority financial statements. We believe the consolidated and parent Authority financial statements referred to above give a true and fair view of the financial position, financial performance (or results of operations) and cash flows of the Group and parent Authority in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, and are free of material misstatements, including omissions. We have approved the financial statements.
3. The material accounting policy information adopted in the preparation of the Group and Authority financial statements are appropriately described in the Group and Authority financial statements.
4. As members of management of the Group and Authority, we believe that the Group and Authority have a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 for the Group and the Authority that are free from material misstatement, whether due to fraud or error.
5. We believe that the effects of any unadjusted audit differences, summarised in the accompanying schedule, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the consolidated and parent Authority financial statements taken as a whole. We have not corrected these differences because [specify reasons for not correcting misstatement].
6. We confirm the Group and Authority does not have securities (debt or equity) listed on a recognized exchange.

B. Non-compliance with laws and regulations, including fraud

1. We acknowledge that we are responsible to determine that the Group and Authority's business activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws or regulations, including fraud.
2. We acknowledge that we are responsible for the design, implementation and maintenance of a system of internal control to prevent and detect fraud and that we believe we have appropriately fulfilled those responsibilities.
3. We have disclosed to you the results of our assessment of the risk that the consolidated and parent Authority financial statements may be materially misstated as a result of fraud.

Appendix F – Management representation letter (cont'd)

Management representation letter

4. We have no knowledge of any identified or suspected non-compliance with laws or regulations, including fraud, that may have affected the Group or Authority (regardless of the source or form and including without limitation, any allegations by “whistleblowers”), including non-compliance matters:

- Involving financial improprieties
- Related to laws or regulations that have a direct effect on the determination of material amounts and disclosures in the consolidated and parent Authority financial statements
- Related to laws or regulations that have an indirect effect on amounts and disclosures in the consolidated and parent Authority financial statements, but compliance with which may be fundamental to the operations of the Group and Authority’s business, its ability to continue in business, or to avoid material penalties
- Involving management, or employees who have significant roles in internal control, or others
- In relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. We have disclosed to you the use of all applications or tools using artificial intelligence, including generative artificial intelligence, that are reasonably likely to have a direct or indirect material effect on the consolidated and parent Authority financial statements.
3. All material transactions have been recorded in the accounting records and are reflected in the consolidated and parent Authority financial statements.

4. We have made available to you all minutes of the meetings of the Group and Council and committees (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the year to the most recent meeting on the following date: *[list date]*.
5. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Group and Authority’s related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the period end. These transactions have been appropriately accounted for and disclosed in the consolidated and parent Authority financial statements.
6. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25
7. We have disclosed to you, and the Group and Authority has complied with, all aspects of contractual agreements that could have a material effect on the consolidated and parent Authority financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
8. From the date of our last management representation letter through the date of this letter we have disclosed to you, to the extent that we are aware, any (1) unauthorized access to our information technology systems that either occurred or is reasonably likely to have occurred, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material effect on the consolidated and parent Authority financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.
9. We have disclosed to you, and provided you full access to information and any internal investigations relating to, unauthorized access to our information technology systems that has a material effect on the consolidated and parent Authority financial statements, including disclosures.



Appendix F – Management representation letter (cont'd)

Management representation letter

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the consolidated and parent Authority financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent.

E. Going Concern

1. Note 43 to the consolidated and parent Authority financial statements discloses all the matters of which we are aware that are relevant to the Group and Authority's ability to continue as a going concern, including significant conditions and events, our plans for future action, and the feasibility of those plans.

F. Subsequent Events

1. Other than the non-adjusting event described in Note 5 to the consolidated and parent Authority financial statements, there have been no events subsequent to period end which require adjustment of or disclosure in the consolidated and parent Authority financial statements or notes thereto.

G. Group audits

1. There are no significant restrictions on our ability to distribute the retained profits of the Group because of statutory, contractual, exchange control or other restrictions other than those indicated in the Group financial statements.
2. Necessary adjustments have been made to eliminate all material intra-group unrealised profits on transactions amongst parent Authority, subsidiary undertakings and associated undertakings.

H. Other information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the Narrative Statement included within the financial statements and also the Annual Governance Statement.
2. We confirm that the content contained within the other information is consistent with the financial statements.
3. We confirm that the Annual Governance Statement for 2024/25 is a true reflection, in all material respects, of the governance arrangements and the effectiveness of

those arrangements in 2024/25 and includes disclosure of all significant governance issues and findings relating to that financial year, through to the date of this letter.

I. Climate-related matters

1. We confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation and disclosure of climate-related matters has been considered and reflected in the consolidated and parent financial statements.

J. Reserves

1. We have properly recorded or disclosed in the consolidated and parent Authority financial statements the useable and unusable reserves.

K. Use of the Work of a Specialist

1. We agree with the findings of the specialists that we engaged to evaluate the valuation of property, plant and equipment, investment properties, provisions and pension liabilities and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the consolidated and parent Authority financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

L. Estimates

Property, Plant and Equipment, Investment Properties, Provisions and Pension Liability

1. We confirm that the significant judgments made in making the valuation of property, plant and equipment, investment properties, provisions and pension liability have taken into account all relevant information of which we are aware.
2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the valuation of property, plant and equipment, investment properties, provisions and pension liability.
3. We confirm that the significant assumptions used in making the valuation of property, plant and equipment, investment properties, provisions and pension liability appropriately reflect our intent and ability to carry out valuations on behalf of the entity.

Appendix F – Management representation letter (cont'd)

Management representation letter

- 4. We confirm that the disclosures made in the consolidated and parent Authority financial statements with respect to the accounting estimates, including those describing estimation uncertainty are complete and are reasonable in the context of the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.
- 5. We confirm that appropriate specialized skills or expertise has been applied in making the valuation of property, plant and equipment, investment properties, provisions and pension liability estimate.
- 6. We confirm that no adjustments are required to the accounting estimates and disclosures in the consolidated and parent Authority financial statements.

296 M. Retirement benefits

- 1. On the basis of the process established by us and having made appropriate enquiries, we are satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with our knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.

Yours faithfully,

Nigel Kennedy – Group Finance Director & S151

Councillor James Fry - Chairman of the Audit & Governance Committee

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