

Leicester
City Council

MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE

DATE: WEDNESDAY, 17 SEPTEMBER 2025

TIME: 5:30 pm

PLACE: Meeting Room G.01, Ground Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ

Members of the Committee

Councillor Kaur Saini (Chair)

Councillor Russell (Vice-Chair)

Councillors Bajaj, Joel, Moore, Rae Bhatia, Singh Patel and Kitterick

Independent Member Mr Bipun Bhakri

Members of the Committee are invited to attend the above meeting to consider the items of business listed overleaf.

For Monitoring Officer

Officer contacts:

Officer contact: Sharif Chowdhury Senior Governance Officer Governance Services, Leicester City Council, City Hall, 115 Charles Street, Leicester, LE1 1FZ Tel. 01164540538 Email. committees@leicester.gov.uk

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- ✓ where filming, to (via the Chair of the meeting) ensure that those present are aware that they may be filmed and respect any requests to not be filmed.

Further information

If you have any queries about any of the above or the business to be discussed, please contact: Sharif Chowdhury on sharif.chowdhury@leicester.gov.uk, **Senior Governance Officer**. Alternatively, email governance@leicester.gov.uk, or call in at City Hall.

For Press Enquiries - please phone the **Communications Unit on 0116 454 4151**.

PUBLIC SESSION

AGENDA

FIRE / EMERGENCY EVACUATION

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1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

3. MINUTES OF THE PREVIOUS MEETING

Item 3

(Pages 1 - 10)

The minutes of the meeting held on 23 June 2025 are attached and Members will be asked to confirm them as a correct record.

The minutes of the meeting held on 14 July 2025 are attached and members will be asked to confirm them as a correct record.

4. PROCUREMENT ANNUAL REPORT 2024/25

Item 4

(Pages 11 - 18)

The Director of Finance submits a report to the Governance and Audit Committee which presented the Procurement Annual Report 2024/25.

The Committee is asked to note the contents of this report and make any comments to the Director of Finance.

5. LOCAL GOVERNMENT & SOCIAL CARE OMBUDSMAN COMPLAINTS & CORPORATE COMPLAINTS 2024/25

Item 5

(Pages 19 - 52)

The Director of Housing submits a report to the Governance and Audit Committee which presents the Local Government & Social Care Ombudsman and Housing Ombudsman Complaints & Corporate Complaints 2024/25.

The Committee is recommended to review the report and provide any comments for consideration.

6. INTERNAL AUDIT PLAN UPDATE 2025/26

Item 6

(Pages 53 - 72)

The Head of Internal Audit submits a report to the Governance and Audit Committee which presents the Internal Audit Plan Report 2025-26.

The Committee is recommended to note the progress made in delivering the 2025/26 internal audit work programme, and plans for delivery over the remainder of the year.

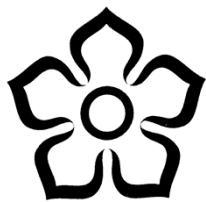
7. ACTION TRACKER

Item 7

(Pages 73 - 74)

The Committee is recommended to note progress on actions agreed at the previous meeting and not reported elsewhere on the agenda (if any).

8. ANY OTHER URGENT BUSINESS



Leicester
City Council

Item 3

Minutes of the Meeting of the
GOVERNANCE AND AUDIT COMMITTEE

Held: Monday, 23 June 2025 at 5:30 pm

P R E S E N T :

Councillor Kaur Saini (Chair)
Councillor Russell (Vice Chair)

Councillor Bajaj
Councillor Joel

Councillor Kitterick
Councillor Dr Moore

Councillor Rae Bhatia

Bipon Bhakri – Independent Member

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1 Welcome and Apologies for Absence

Cllr Kaur Saini, as Chair, welcomed all those present to the meeting.

There were no apologies for absence.

2 Declarations of Interest

Members were asked to declare any interest they had in the business to be discussed on the agenda.

There were no declarations of interest.

3 Minutes of the Previous Meeting

RESOLVED:

That the minutes of the previous meeting held on 24 March 2025 be confirmed as a correct record.

4 Membership of the Commission 2025/26

RESOLVED:

That the membership of the Governance and Audit Committee for the 2025/2026 municipal year be noted.

5 Dates of Meetings for the Commission 2025/26

RESOLVED:

That the dates of meetings for the Commission for the 2025/2026 municipal year be noted.

6 Terms of Reference

RESOLVED:

That the Terms of Reference for the Commission be noted.

7 Contract Procedure Rules

The Head of Procurement submitted a report to the Governance and Audit Committee which presented the Contract Procedure Rules.

The Head of Procurement presented the report, providing an overview on the Procurement Act 2023, and summarised the changes made to the Council's Contract Procedure Rules to bring the document in-line with the Act. The Director of Finance noted that comments made by the Committee would be considered at the upcoming meeting of the Full Council on 3rd July 2025, who are being asked to approve the document.

Members of the Committee discussed the report, and the following points were highlighted:

- It was asked if a separate document could be provided showing the changes. It was noted that this was difficult as the changes were significant. For example, Section 21 of the Contract Procedure Rules did not necessarily correspond with the old section 21 as several sections had been removed and new sections inserted. In addition, there had been a change in terminology and flow of the rules to reflect the Procurement Act.
- It was agreed that the Director of Finance would provide an online briefing session to all Councillors ahead of Council on the 3rd July, to provide an overview on the new Act and the changes to the Contract Procedure Rules.
- A question was raised by a Member of the Committee enquiring about the possibility of additional focus on the local supply chain. It was noted that the Principles and Objectives within the Contract Procedure Rules detail the aims of procurements and one of these is supporting small and medium suppliers to submit tenders (namely have regard to barriers faced by SMEs). The Council provides support to suppliers wanting to submit bids to the Council through provision of information on our website and in-person training. It was further noted that there were a variety of options available, which included strengthening wording to place additional focus on the local supply market in the Preliminary Market Engagement section and could be explicitly stated on the Council's procurement website pages and scoring system.

- A Member of the Committee enquired about how Councillors should manage direct contact from local suppliers interested in Council contracts. The Director of Finance noted that the point will be taken back and agreed to be included in a Member's Bulletin.
- Following questions about how the Council was embedding and testing the principles of the Contract Procedure Rules in Council processes, it was noted that internal auditors had been commissioned to review procurement areas within the Council and that any areas of concern would result in recommendations. The Committee will be provided an update on the outcome of these audits in their regular updates from internal audit.
- The Head of Procurement and the Procurement Team had conducted several training sessions with officers involved in procurement across the Council. This included both in-person sessions and virtual sessions. It was noted that these training sessions had resulted in good attendance and engagement from officers.
- Members noted that the changes made to the Contract Procedure Rules would result in more costly procurement and queried how the Council could streamline costs while adhering to the new requirements of the Procurement Act. The Director of Finance noted that the changes were being managed by the current resources available, resulting in additional strain on teams to ensure the Council's compliance with the Act. It was further noted that the emphasis was to ensure the processes were as efficient as possible.

The Chair thanked officers for the report.

RESOLVED:

1. That the report be noted and that comments made by the Committee be taken into consideration at the upcoming meeting of the Full Council.
2. That a briefing session on the higher-level Contract Procedure Rules document be conducted prior to the next meeting of the Full Council.
3. The Committee asked the Executive to have consideration and additional emphasis on engagement with local suppliers.
4. A member note would be provided on how Councillors manage direct contact from Suppliers.

8 **External Audit Plan and Risk Assessment**

The Director of Finance submitted a report to the Governance and Audit Committee which presented the External Audit Plan report for 2024/2025.

William Howard, Auditor at Grant Thornton, presented the item and provided a summary of the findings in the report.

Members of the Commission discussed the report, and the following points were raised:

- Members inquired as to whether there was a process in place for staff to self-report any apprehensions they may have about signing off expenditure requests, highlighting concerns regarding the stringency of checks when purchase orders are submitted. It was clarified that when a purchase order was raised by a member of staff, the request gets sent to budget holders for approval. It was further noted that there were substantive testing processes in place that the

- auditors undertake to review any inconsistencies such as journal entry testing targets.
- Members requested further clarity on the timetable of activities presented in the report. It was noted that there was a significant number of activities in previous years that were delayed, such as PPE evaluations. Processes have since been put in place in the Finance Team to ensure that issues are flagged earlier, and officers were meeting more regularly in-person.
 - Members drew attention to page 87 of the agenda pack regarding the valuation of Council housing and questioned whether areas were considered when analysing property types, referencing that similar types of buildings were valued differently depending on the area it was located in. It was noted that there were multiple different types of beacons split between area and location. Overall members were happy and welcomed the incorporation of building valuations into the report.
 - Members enquired about whether the new Contract Procedure Rules policy would add any additional risks to the risk register. It was noted that the Contract Procedure Rules did not directly form part of the audit process at this point in time.

RESOLVED:

That the report be noted.

9 **Action Tracker**

The Chair reminded Members of the Commission that the Governance and Audit action tracker had been added as a standing item to all future agendas to provide an update on all actions taken from committee meetings.

Members of the Commission discussed the action tracker and suggested the following points:

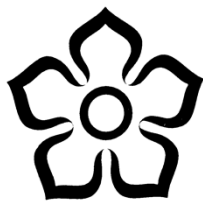
- That feedback on Local Procurement Supply plans be added as an action to the action tracker.
- That further information regarding the Strategic Risk Register be provided to members of the Commission. It was noted that this point would be taken outside of the meeting.

RESOVLED:

1. That the action tracker be noted.
2. That an action on local procurement supply plans be added as an action to the action tracker.

10 **Any Other Urgent Business**

There being no other business, the meeting closed at 6:15pm.



Leicester
City Council

Minutes of the Meeting of the
GOVERNANCE AND AUDIT COMMITTEE

Held: Monday, 14 July 2025 at 5:30 pm

P R E S E N T :

Councillor Kaur Saini (Chair)
Councillor Russell (Vice Chair)

Councillor Bajaj
Councillor Joel

Councillor Kitterick
Councillor Dr Moore

Councillor Osman

* * * * *

1 Apologies for Absence

Apologies were received from Councillor Rae Bhatia who was substituted by Councillor Osman. Apologies were also received from Independent member Bipun Bhakri.

2 Declarations of Interest

There were no Declarations of Interest.

3 Draft Statement of Accounts and Annual Governance Statement 2024/25

The Director of Finance presented the Draft Statement of Accounts and Annual Governance Statement for 2024/25.

Members raised the following points:

- The Director of Finance clarified that rental income from the Housing Revenue tenants is reinvested into the housing stock and could not be used to fund general fund services.
- A member observed that the accounts provided within the agenda packs were complex and detailed for members to absorb in advance of the committee. The Director of Finance confirmed that the format is determined by accounting

- standards and follows a prescribed structure. The draft statements are published in advanced, enabling members to view and raise queries.
- In relation the fixed assets held by the Council, the Director of Finance explained that these figures related to a wide range of assets, such as schools, which are valued but not generally available for disposal. Where appropriate the Council may consider disposing of assets to achieve capital receipts, but any decision would consider the loss of associated rental incomes and without a capitalisation directive could not be used for revenue purposes.
 - A member praised the narrative regarding children's homes and requested that the associated data be presented separately from schools in the narrative report.

RESOLVED

Action Point - Consideration be given to update the narrative statement to separately show the investment in children's homes from schools

The Governance and Audit Committee noted the content of the report and made comments.

4 Annual National Fraud Initiative 2024/25

The Corporate Investigations Manager presented the Annual National Fraud Initiative for 2024/25.

Members sought clarification on the below points:

- The Corporate Investigations manager informed that the National Fraud Initiative matches data such as payroll records to identify potential duplicates and confirmed that participation in the initiative is mandatory. It was noted that the number of significant findings had been relatively low in recent years.
- The Corporate Investigations Manager agreed that a report against comparative authorities could be useful as they can help illustrate the effectiveness of the Council's existing controls and checks.

RESOLVED

Action Point – To look to include comparator information in future reports.

The Governance and Audit Committee noted the content of the report.

5 Counter Fraud Annual Report 2024/25

The Corporate Investigations Manager presented the Counter Fraud Annual Report 2024/25 outlining the key points during the year, including the applications refused because of counter fraud measures. The committee was informed that the service continued to undertake checks with other authorities in the region and to benefit from participation in the National Anti-Fraud Network.

Members sought clarification on the below points:

- A member noted that Right to Buy had been addressed within the report but queried whether school place allocation, particularly for secondary schools, was also subject to fraud prevention checks. The Corporate Investigations Manager confirmed that checks are completed in this area.

- The Corporate Investigations Manager explained that the team works closely with the Revenues team to carry out various checks to confirm whether properties are genuinely occupied. Where verified increases in occupancy are identified, this information is passed to the Revenues team to update council tax records.
- It was noted that Housing Benefit fraud had been investigated by DWP since 2016.
- The Corporate Investigations Manager confirmed that in relation to Council Tax, investigation work remains part of the Council's remit, and appropriate action is taken where fraudulent activity is suspected or identified.

RESOLVED

The Governance and Audit Committee noted the content of the report.

6 Head of Internal Audit Service Annual Report 2024/25

The Head of Internal Audit Service presented the Annual Report for 2024/25, which:

- Summarised work completed during the year, including seven reports, as detailed in Annex A.
- The report also highlighted areas for improvement and included follow-up sections where actions were confirmed as satisfactorily addressed.
- The Head of Internal Audit confirmed that administrative reporting processes were in place in line with the Internal Audit Charter, which governs the relationship between Internal Audit and the Committee. Six high-priority recommendations were noted.

Members sought clarification on the below points from the Head of Internal Audit:

- The Head of Internal Audit clarified that “implemented” is used for brevity in the report but reflects that an action has been completed, and thorough processes have been undertaken and improvements made.
- The Head of Internal Audit noted that the school finance had been reported previously, with both critical and substantial findings but only new reports were included in the current annex.
- A member asked whether schools with unsustainable balances would be identified in collaboration with the finance team. The Director of Finance confirmed that school finance is an important audit area which is reviewed each year, where the governance arrangements indicate that a school requires support to move out of a deficit position. The outcomes are monitored, and issues can be revisited if necessary.
- Following a request Head of Internal Audit agreed that metadata and narrative detail could be used to provide a fuller picture and enhance the presentation of reports.

RESOLVED

Action Point - to provide a copy of the schools' internal audit report.

Action Point - Future reports to incorporate qualitative as well as quantitative data where possible.

Noted the results of internal audit work undertaken, and the opinion of the Head of Internal Audit that Reasonable Assurance can be provided on the

adequacy and effectiveness of the council's framework of governance, risk management and internal control.

Noted the outcome of Veritau's quality assurance and development arrangements, including the confirmation that the internal audit service conforms to public sector internal auditing standards.

Noted that no significant control weaknesses have been identified by internal audit during the year which are considered relevant to the preparation of the Annual Governance Statement.

Approved the draft internal audit charter.

7 Regulation of Investigatory Powers Act 2000 - Bi-Annual Performance January-June 2025

The City Barrister and Head of Standards submitted the Regulation of Investigatory Powers Act 2000 (RIPA) Bi-Annual Performance Report July 2024 – December 2024 to the Governance and Audit Committee. The Principal Lawyer presented the report.

Points highlighted included:

- The Council continues to ensure compliance with RIPA requirements through the delivery of refresher training. Two training sessions have been booked to ensure officers understand RIPA and the circumstances they may be exercised.
- Officers are reminded that if their activities fall within the scope of RIPA, even where the powers are not actively used, they must ensure compliance with all statutory requirements.

Members sought further clarification and raised the below points:

- A member sought clarification regarding the performance of the Council's RIPA applications. The member noted that the bi-annual report covered the period from January to June 2025 but referred to the previous reporting periods where there had been no authorisations for several years and queried the asked for clarification on when these powers could be applied.
- In response, the Principal Lawyer confirmed that the use of RIPA powers must relate to the investigation of a criminal of a criminal offence and is subject to certain statutory restrictions. They emphasised that the powers cannot be used for just any type of request.

RESOLVED

The Governance and Audit Committee received the report and noted its contents.

8 Insurance Annual Report 2024/25

Stephen White, Insurance Claims Officer, presented the Insurance Annual Report 2024/25 to the Governance and Audit Committee.

RESOLVED

The Governance and Audit Committee noted the contents of the report, and the Council's approach to ensuring it is managing the financial risk associated with insurance claims.

9 Action Tracker

RESOLVED

A member requested that only actions which have been completed to be stated as closed to understand with actions are still outstanding.

10 Any Other Urgent Business

There was no other urgent business.

11 Private Session

RESOLVED

That the press and public be excluded during consideration of the following reports in accordance with the provisions of Section 100A(4) of the Local Government Act 1972, as amended, because they involve the likely disclosure of 'exempt' information, as defined in the Paragraphs detailed below of Part 1 of Schedule 12A of the Act, and taking all the circumstances into account, it was considered that the public interest in maintaining the information as exempt outweighed the public interest in disclosing the information.

Paragraph 3

Information relating to the financial or business affairs of any particular person. (including the authority).

12 Future Provision of the Corporate Investigations Service

RESOLVED

The Governance and Audit Committee voted in favour of the recommendations that:

The intention to transfer the Corporate Investigations Service to Veritau Public Sector Ltd with effect from 1 October 2025.

The service transfer will be implemented by means of a variation to the existing Services Agreement with Veritau, which already includes provision for counter fraud services.

Governance and Audit Committee Report

Annual Procurement Report 2024-25

Lead director: Amy Oliver, Director of Finance

Date of Meeting: 17th September 2025

Useful information

- Ward(s) affected: All
- Report author: Izabela Skowronek, Head of Procurement
- Author contact details: 0116 454 6188, izabela.skowronek@leicester.gov.uk
- Report version number: v2
- Date of the report: 17th September 2025

1. Summary

1.1 The Council's Contract Procedure Rules require an annual report after each financial year to the Governance and Audit Committee.

1.2 The purpose of this report is to inform the Committee of the activity of the procurement function of the Council (which comprises of three specialist procurement teams: Procurement Services, DDaT and Social Care, Education & Public Health Procurement Team) over the previous financial year and evidence compliance with the requirements of the Contract Procedure Rules.

2. Recommended actions/decision

2.1 The Committee is asked to note the contents of this report and make any comments to the Director of Finance.

2. Background

2.1. The Contract Procedure Rules require the Head of Procurement to report a summary of waivers (not exemptions) to Governance and Audit Committee annually.

2.2. As reported at the last meeting, the legislation for procurement changed in February 2025 and the resultant, revised Contract Procedure Rules have been approved at the Full Council meeting on 3rd of July 2025.

3. Procurement Processes Completed

3.1. During 2024-25 the Council completed 203 procurements via the procurement teams with a total estimated value of £279,759,017.26 over the lifetime of the contracts.

3.2. The table below shows these, split by the procurement team and by the value of banding as per the Contract Procedure Rules.

Table 1: Procurements completed in 2024-25 by team and contract size

Team	Small	Medium	Large	Above Threshold	Total
Social Care, Education & Public Health	0	9	6	8	23
DDaT	3	8	3	2	16
Corporate Procurement	11	65	48	40	164
Total	14	82	57	50	203

3.3. Many additional smaller value (under £30k) contracts would have been procured by departments and not recorded centrally.

3.4. The above Table 1 does not include awards made by the Passenger Transport Team, which are awards of individual journeys under the Council's Dynamic Purchasing System. These are generally small and medium contracts, of which 819 have been awarded in the period.

3.5. The internal auditors reviewed procurement compliance at the Council and found that all the procurements reviewed as part of the audit were tendered using appropriate methods and compliant evaluation and award of contracts was carried out.

3.6. This is a positive finding and confirms that appropriate practices are in place and they are being followed by the procurement teams.

4. Procurement Plan

4.1. As per the Contract Procedure Rules, the Council was required to publish its annual Procurement Plan for 2025-26. This is published on the Council's Open Data website for all to view and is updated regularly (https://data.leicester.gov.uk/explore/dataset/procurement-plan-and-pipeline/table/?disjunctive.contract_group_pcr_threshold).

4.2. Under the new Procurement Act, from 2025-26 we will also be required to publish an annual procurement pipeline. This must show contracts valued at £2m and above that are to be procured in the next 18 months. This was successfully completed within the required deadline of 56 days following the start of the new financial year 2025-26.

4.3. The publication of the individual pipeline notices can be found on the Central Digital Platform (Find a Tender Service [Search results - Find a Tender](#)).

4.4. The plan and pipeline are used to assist with improving planning future activity.

5. Waivers

5.1. The Contract Procedure Rules require the Head of Procurement to report a summary of waivers (not exemptions) to the Governance and Audit Committee. The table below show an analysis of the waivers approved during 2024-25 and a comparison with the previous year. This is shown by both department and a broad categorisation of the reason for the waiver.

Table 2: Waivers by department: 2024-25 and previous financial year

	2024-25		2023-24	
Department	Total Value	Total Number	Total Value	Total Number
Social Care and Education	£ 34,804,329.10	42	£597,760.00	5
City Development and Neighbourhoods	£19,022,533.00	58	£11,478,732.46	21
Corporate Resources and Support	£1,627,603.89	18	£542,229.54	6
Public Health	£ 330,100.00	4	0	0
Grand Total	£55,784,565.99	122	£12,618,722.00	32

Table 3: Waivers by reason: 2024-25 and previous financial year

	2024-25		2023-24	
Reason for Waiver	Total Value	Total Number	Total Value	Total Number
Continuity of provision	£ 39,185,314.10	57	£2,328,201.90	14
Retrospective	£ 12,720,087.79	42	£216,744.00	2
Urgency	£ 2,905,185.41	14	£9,312,491.10	7
Limited Supply Market	£ 371,023.69	2	0	0
Other	£ 602,955.00	7	£761,285.00	9
Grand Total	£ 55,784,565.99	122	£12,618,722.00	32

5.2. It should be noted a single waiver of £32.5m accounts for nearly 60% of the overall waiver value and skews the figures for 2024-25. In this instance, a compliant tender process commenced in a timely manner. However, risks identified during the initial tender meant that it had to be discontinued and re-issued. As this concerns essential home care social care services, which currently support circa 3,000 people in the city, the existing contract was extended via waiver to ensure continuity pending the new procurement.

5.3. It is important to acknowledge that on occasion, genuine circumstances may lead to the situation whereby a fully compliant procurement process cannot be followed and therefore a waiver is requested for continuity or on the grounds of urgency.

5.4. This is usually a risk-based decision where procurement compliance risks are weighted up against other factors such as the impact on the service or works and/or escalation of costs if timely action isn't taken.

5.5. Retrospective waivers, which are second highest reported reason for a waiver, are generally waivers concerning decisions that have been already made (e.g. supplier

appointed, or arrangement formed) without appropriate process and/or approval in place.

5.6. The increase in these is attributable to improved spend controls and detection of non-compliance in the reporting period. It is worth noting that most local authorities don't include such instances as part of their waiver reporting.

5.7. In summary, we have seen the value and number of waivers increase during 2024-25, and while it is disappointing, this should not be interpreted solely as a decline in compliance.

5.8. We believe that the increase is a result of:

- Introduction of Strategic Procurement Panel in November 2023. All new procurement requests are now reviewed by the panel before the activity can proceed. This led to increased detection of historical non-compliance.
- Improved control mechanisms in place, whereby purchase orders are matched against contract data (contracts register held by procurement) before being approved. Where there is no contract in place, a responsible officer is advised to carry out a compliant procurement. However, in many instances, a waiver is required (often retrospective) to cover any activities that have already taken place or provide continuity of provision pending compliant procurement.
- Spend review meetings between finance and procurement, where spend data is match against awarded contract information (contracts register held by procurement) and any instances of spend without contract in place are investigated.
- The overall strict application of the rules, meaning even a relatively small deviation requires approval via a waiver. It was intended that a very strict approach would deter future instances of non-compliance. Therefore, our data is not directly comparable with that of other local authorities.

5.9. We believe that numbers should be decreasing gradually in the coming years.

5.10. Procurement Teams will continue working with all departments to further improve awareness around procurement compliance and take steps to improve.

5.11. In addition to the above, we are proposing to bring a mid-year report to this committee to provide an update on waivers to ensure sufficient corporate oversight.

6. Financial, legal, equalities, climate emergency and other implications

6.1 Financial implications

There are no significant financial implications from this report. However, it is important the Council has robust procurement procedures as this should help ensure we secure value for money, minimise fraud and reduce the likelihood of any successful challenges to awards.

Signed: Amy Oliver, Director of Finance

Dated: 4th August 2025

6.2 Legal implications

There are no legal implications directly arising beyond those identified in the body of the report. Legal Services work collaboratively alongside the procurement teams to minimise and manage waivers wherever possible.

Signed: Kevin Carter

Dated: 1st August 2025

6.3 Equalities implications

The Equality Act 2010 sets out anti-discrimination law and the requirements of the public sector equality duty (PSED). The PSED requires public authorities to have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act. Advance equality of opportunity between people who share a protected characteristic and those who do not and foster good relations between people who share a protected characteristic and those who do not.

To have 'due regard' means that when making decisions (and in its other day-to-day activities) the council must consciously consider the need to: eliminate discrimination, advance equality of opportunity, and foster good relations. This includes when it plans and makes decisions about its procurement. The purpose of this report is to inform the Committee of the activity of the procurement function of the Council the previous financial year and evidence compliance with the requirements of the Contract Procedure Rules. Compliance with the PSED should help public authorities ensure that the goods and services they procure are fit for purpose thus ensuring they meet the needs of their users. As such it should also be seen as an effective tool for improving economy, efficiency, and effectiveness and therefore value for money.

The purpose of the procedure rules is to ensure that any procurement process for services, works or goods achieves best value and is transparent, open, and fair making it possible for all decisions to be audited satisfactorily.

Signed: Equalities Officer, Surinder Singh Ext 37 4148

Dated: 24 July 2025

6.4 Climate Emergency implications

Whilst figures are not available, it is highly likely that procurement is Leicester City Council's largest source of carbon emissions, due to the embodied and outsourced emissions of the wide range of goods and services it procures. Following the council's declaration of a climate emergency in 2019 and ambition to achieve net zero carbon emissions by 2030 it is therefore vital that action is taken to reduce these emissions wherever possible.

The council's Sustainable Procurement Guidance provides information on limiting negative environmental impacts from procurement activity. This guidance should continue to be applied to procurement activities, by including sustainability requirements in specifications for goods, works and services and through specific sustainability-related questions within the quality/method statement evaluation process of procurement exercises wherever relevant. This will help ensure that procurement decisions support the achievement of the council's climate change related targets. The council's Social Value Charter also provides guidance on securing environmental sustainability-related benefits from procurements, in

areas including carbon emissions, air quality, green space, waste and use of natural resources.

The annual procurement pipeline, required under the new Procurement Act for 2025/26 and made available online, has introduced more transparency and it is important that due consideration is given to sustainable procurement measures that stand up to public scrutiny.

Signed: Phil Ball, Sustainability Officer, Ext: 37 2246

Dated: 29 July 2025

6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

7. Background information and other papers:

None.

8. Summary of appendices:

None.

9. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No.

10. Is this a “key decision”? If so, why?

No.

Annual Complaints Performance and Service Improvement Report 2024/25

Joint Assistant Mayor Briefing: 28th August 2025

CMB: 11th September 2025

Audit and Governance Committee: 17th September 2025

Assistant Mayor: Cllr Vi Dempster/ Cllr Elly Cutkelvin
Lead Director: Chris Burgin

Useful information

■ Ward(s) affected: ALL

■ Report author: Charlotte McGraw

■ Author contact details: charlotte.mcgraw@leicester.gov.uk Tel: 0116 4545167

■ Report version number: v1.0

1. Summary

1.1 Leicester City Council serves around 368,000 citizens and manages high levels of customer contact. During 2024/25 the Council received 1,559 formal complaints from customers in relation to contact and service delivery. As the Council takes its responsibility for managing complaints seriously, this annual report sets out how these complaints have been handled and makes recommendations around future service improvements.

2. Recommended actions/decision

2.1 The purpose of this report is to provide an update to Members on the delivery of the Complaints Service for 2024/25. Members are recommended to review the report and provide any comments for consideration.

3. Scrutiny / stakeholder engagement

3.1 This report will be subject to scrutiny at Audit and Governance Committee.

4. Main report

4.1 Complaint handling

The Council operates a corporate complaints policy which can be found at [Leicester City Council corporate complaints policy](#)

This policy sets out how individual members of the public can complain to the council about matters that are covered by the Local Government and Social Care Ombudsman and the Housing Ombudsman.

It also sets out what is not covered by this policy. This includes the following:

- Complaints about adult social care, such as a delay in the Council making arrangements with a care agency following an assessment of social care needs, or if some information has not been taken into account as part of a care review. We have a dedicated process and team in place to handle these complaints.
- Complaints about children's social care by or about children, such as where a social worker may have failed to progress actions recommended at a child protection conference within the specified timeframe, or a child who is looked after by the local authority has requested contact with family members on a number of occasions and this has not been progressed. We also have a dedicated process and team in place to handle these complaints.
- Complaints about elected officials are handled by the Council's Monitoring Officer and Standards Committee.

- Complaints about school matters, such as those that relate to bullying, discipline, uniform or school outings, or the educational provision at school, should be lodged with the school leadership team, usually the headteacher.

The Council is also unable to deal with complaints that are considered outside of our control. This includes matters of law or central government policy, where the customer or the council has started legal proceedings on the matter, complaints that have already been decided by a court, independent tribunal or Ombudsman, or where another organisation is the key decision-maker in respect of a matter. Because of that policy provision, complaints about these matters are also outside the scope of this report.

4.2 Complaints definition and procedures

Corporate complaints covered by the Local Government and Social Care Ombudsman

The council currently defines a corporate complaint as:

“An expression of dissatisfaction about the standards of our services; or lack of resolution by the council, its staff, contractors or volunteers that requires a response that you have been unable to resolve with the service directly in the first instance.”

This may include but is not limited to such things as unreasonable behaviour or conduct by a council employee towards an individual, poor quality service provision, or where a stated policy or procedure has not been followed correctly.

Generally, issues brought to the council for the first time are dealt with as a service request and are not processed as a complaint. However, these are escalated to a formal complaint if the customer remains unsatisfied. It is important to note that when considering service requests the vast majority of these are dealt with successfully resolving the issue raised with no requirement for further intervention. This is reflection of the high standards of service delivered across the Council. Only a small minority of issues raised go on to be dealt with as complaints.

For these complaints we have a one-stage process in place. However, the Local Government and Social Care Ombudsman is introducing a requirement that a 2 stage complaints process must be introduced by April 2026. Work is taking place to implement this changed approach.

For the current one stage approach we:

- Acknowledge the complaint within five working days and advise how we will deal with it.
- Allocate the complaint to a complaints officer independent of the service in question.
- An investigation will take place, conducted by the complaints officer, who will investigate with the service concerned.
- Usually seek to conclude our investigation within 10 days of receiving the complaint.
- Inform the complainant if we need to extend the response deadline where there is good cause to do so.
- Write to the complainant with the findings of our investigation and explain what we have done to resolve the matter.

If the complainant remains dissatisfied, they can escalate their complaint to the Local Government and Social Care Ombudsman.

Housing complaints covered by the Housing Ombudsman

The Housing Ombudsman specifically deals with complaints made by tenants of social housing, which includes complaints from our Council tenants. The council currently defines complaints of this nature as:

“An expression of dissatisfaction, however made, about the standard of service, actions or lack of action by the landlord, its own staff, or those acting on its behalf, affecting a resident or group of residents.”

For these complaints we have a two-stage process in place. At stage one we:

- Acknowledge the complaint within five working days and advise how we will deal with it.
- Allocate the complaint to a complaints officer independent of the service in question.
- An investigation will take place, conducted by the complaints officer, who will investigate with the service concerned.
- Usually seek to conclude our investigation within 10 days of receiving the complaint.
- Inform the complainant if we need to extend the response deadline where there is good cause to do so.
- Write to the complainant with the findings of our investigation and explain what we have done to resolve the matter. We also advise tenants that if they are dissatisfied with the outcome of the complaint they can escalate it to stage 2.

At stage two we:

- Acknowledge that it will be handled in line with our second stage procedure.
- Allocate it to another independent complaints officer within three working days.
- Liaise directly with the Head of Service concerned.
- Aim to conclude a full stage two investigation within 20 working days of the complaint being escalated.
- Write to the complainant with the findings of our stage two investigation and, where necessary, explain what we have done to resolve the matter.

If the complainant remains dissatisfied after the stage 2 process has concluded, they can escalate their complaint to the Housing Ombudsman.

4.3 2024/25 Complaints overview

Of the 1,559 complaints received in 2024/25 664 (43%) were Housing Ombudsman related matters and 895 (57%) were Local Government and Social Care Ombudsman related matters. Of the 664 stage 1 Housing Ombudsman complaints received, 116 of these progressed onto stage 2 of the process.

The council further groups these complaints as follows:

	Local Government and Social Care Ombudsman complaints	Housing Ombudsman complaints
Anti-social behaviour	17	18
Blue badges	0	1
Bus passes	1	1
Cemetries	34	0
Council premises	12	22
Council vehicles and drivers	1	0
Culture, leisure centres, and library services	3	0
Customer services	14	0
Housing applications and homelessness	114	0
Housing Benefit and Council Tax support	54	5
Housing rent	0	9
Housing repairs	0	381
Member of staff	23	35
Parking and permits	15	0
Parks and green spaces	5	0
Pest control	3	2
Planning	32	1
Plants, trees, verges	11	0
Right to Buy	5	8
Roads, pavements and street lights	15	2
Street cleaning and litter collection	5	0
Vehicle fines and enforcement	3	0

Waste collection, rubbish and recycling	7	0
Reason not recorded	521	179

The council aims to have investigated and responded to all stage 1 complaints within 10 working days, or by the agreed extended deadline. For stage 1 complaints dealt with in 2024/25 76.28% of these were responded to within the deadline.

For Housing Ombudsman complaints, the council aims to have investigated and responded to these complaints within 20 working days, or by the agreed deadline. For stage 2 complaints dealt with in 2024/25 79.3% of these were responded to within the deadline.

It is worth noting that complaint handling was impacted by the cyber attack in the spring of last year whilst services were re-established.

4.4 Complaints upheld

Our current case management IT system means we are not able to reliably report on the number of complaints upheld. An example of this is that we are not currently able to identify households who make multiple complaints and to drill down on reasons for complaints, outcomes and learning. In the case of vexatious complainants, it is particularly important to have access to this data to effectively manage multiple complaints. In one recent case multiple services are dealing with a resident who has made over 200 separate complaints.

Measuring upheld complaints is important as it will allow the council to be more focused and targeted in directing improvement actions where service faults have been identified. To address this we have started a project to enhance our IT systems to enable us to learn from upheld complaints and report on this in future annual reports.

4.5 2024/25 Ombudsman complaints overview

The Local Government and Social Care and Housing Ombudsman are independent organisations providing impartial reviews of complaints. Whilst most corporate complaints come under the Local Government's remit, the Housing Ombudsman deals with social housing related complaints. The Ombudsman will only review complaints once our internal complaints process has been exhausted. If the complainant is dissatisfied with the outcome of this internal process, they have the right to request a review of the complaint by the Ombudsman. The Ombudsman's decision is final, bringing the complaint to a close. There are 2 stages for the Ombudsman complaints process:

Stage 1 – Preliminary Enquiry: The Ombudsman will request details of the complaint and our responses to this. Through this stage they will determine whether the case is within their jurisdiction to review. If this is the case the complaint will move to stage 2 in their process.

Stage 2 – Investigation Request: The Ombudsman conducts a full investigation of the complaint, reviewing actions taken to resolve issues. Where it is found there are complaint handling errors the Ombudsman can make orders or recommendations to local authorities to rectify matters for the complainant. This can include requests to deliver a service, review of a policy or the award of compensation to the complainant.

Local Government and Social Care Ombudsman complaints 2024/25

Between 1 April 2024 to 31 March 2025, the Local Government and Social Care Ombudsman dealt with 118 complaints in relation to the council. Of these, 28 were closed because they did not fall under the remit of the Ombudsman or were not ready for the Ombudsman to investigate. Through the preliminary enquiry stage a further 67 complaints were closed. The remaining 23 complaints were taken forward for investigation.

Of the 23 complaints investigated 17 were upheld in favour of the complainant. Complaints upheld related to school transport, Special Educational Needs, the allocation of council homes, care home charges, Disabled Facilities Grants and Homelessness. A total of nearly £7,000 was ordered to be paid in compensation.

Further information about cases investigated by the Housing Ombudsman in 2024/25 can be found at [Leicester City Council - Local Government and Social Care Ombudsman](#)

Housing Ombudsman complaints 2024/25

Determinations made by the Housing Ombudsman during 2024/25 can be found [Decisions Archive - Housing Ombudsman](#)

The Housing Ombudsman has published the outcome of 4 investigations for 2024/25, 1 case finding no maladministration.

The 3 cases published where maladministration was found related to parking, anti-social behaviour and district heating. For these cases a total of £2,250 compensation was ordered to be paid to the complaints.

Across both Local Government Ombudsman and Housing Ombudsman levels of maladministration are extremely low compared to other authorities again reflecting that the first majority of complaints are successfully resolved.

4.6 Self-Assessment and Improvement plans

Each year the Housing Ombudsman requires social landlords to carry out a self- assessment of their approach to dealing with complaints to see how this meets the Housing Ombudsman's Complaint Handling Code, which can be found at [The Complaint Handling Code | Housing Ombudsman Service](#)

The findings from our 2025 self-assessment can be found in Appendix A.

Over the next 12 months we will be carrying out a more in-depth analysis of our approach to dealing with complaints. This will take into account our Housing Ombudsman self-assessment findings, but will also be widened out to include our approach to dealing with Local Government and Social Care Ombudsman complaints as well.

Actions already identified as being required through this work include:

- Creating the stage 2 process for Local Government and Social Care complaints
- Developing a new IT complaints management system
- Undertaking a review of our Complaints Policy
- Reviewing information we publish on our website in relation to complaints
- Undertaking a review of staffing resources required to manage the complaints process
- Developing enhanced reporting on complaints to monitor themes and trends, to include improving the internal governance of complaints reporting
- Developing a more effective process to learn from complaints, to include the identification of service improvements required as a result of complaints and a tracking system to ensure these are completed.

- Undertaking a review of responses sent following an investigation of a complaint to ensure these are comprehensive
- Reviewing our Vexatious Complaints Policy
- Improving the internal governance of our complaints reporting
- Deliver complaints training to staff

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial Implications

There are no direct financial implications arising from this report. However, if the Council accepts fault for any complaints, this may include making a financial compensation payment to the complainant. Similarly, where either Ombudsman finds the Council at fault, compensation may also be required. In 2024/25, the Housing Ombudsman required payments totalling £2.25k and the Local Government & Social Care Ombudsman £7k. It is therefore essential that we learn from any mistakes and service delivery failings to minimise the need for such payments. Notably, total Ombudsman-related compensation has reduced from £15.5k in 2023/24 to £9.25k in 2024/25, indicating fewer issues flagged and, we hope, a continuing trajectory of improvement.

Jade Draper, Principal Accountant
12/08/2025

5.2 Legal Implications

No legal comments
Mannah Begum
7th August 2025

5.3 Equalities Implications

Public authorities have a continuing Public Sector Equality Duty (PSED) which means that, in carrying out their activities (including designing and operating complaints procedures), they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The report provides an update to Members on the delivery of the Complaints Service for 2024/25. There are no direct equality implications arising from the report. Complaints are a valuable source of information which can help to identify recurring or underlying problems and potential improvements. Having a transparent, accessible complaints process provides a mechanism for people to hold the council accountable for its decisions, actions, and the services it delivers (or fails to deliver).

Equalities Officer, Surinder Singh, Ext 37 4148
Dated: 8 August 2025

5.4 Climate Emergency Implications

There are no significant climate emergency implications directly associated directly with this report.

Phil Ball, Sustainability Officer, Ext 37 2246
12 August 2025

Appendix A: Self-assessment form

This self-assessment form should be completed by the complaints officer and it must be reviewed and approved by the landlord's governing body at least annually.

Once approved, landlords must publish the self-assessment as part of the annual complaints performance and service improvement report on their website. The governing body's response to the report must be published alongside this.

Landlords are required to complete the self-assessment in full and support all statements with evidence, with additional commentary as necessary.

We recognise that there may be a small number of circumstances where landlords are unable to meet the requirements, for example, if they do not have a website. In these circumstances, we expect landlords to deliver the intentions of the Code in an alternative way, for example by publishing information in a public area so that it is easily accessible.

Section 1: Definition of a complaint

Code provision	Code requirement	Comply Yes/No	Evidence	Commentary / Explanation
1.2	A complaint must be defined as: <i>'an expression of dissatisfaction, however made, about the standard of service, actions or lack of action by the landlord, its own staff, or those acting on its behalf, affecting a resident or group of residents.'</i>	Yes	This definition is used and stated in Appendix 1, point 2.1 of our Complaints Policy at Leicester City Council corporate complaints policy	
1.3	A resident does not have to use the word 'complaint' for it to be treated as such. Whenever a resident expresses dissatisfaction landlords must give them the choice to make complaint. A complaint that is submitted via a third party or representative must be handled in line with the landlord's complaints policy.	Yes	Section 4.1 of our Complaints Policy states how we will deal with complaints from a third party.	We give residents the opportunity to make a complaint if they are dissatisfied, even if they don't use the word "complaint". However, our Complaints Policy needs to be updated to record this approach formally
1.4	Landlords must recognise the difference between a service request and a complaint. This must be set out in their complaints policy. A service request is a request from a resident to the landlord requiring action to be taken to put something right. Service requests are not complaints, but must be recorded, monitored and reviewed regularly.	Yes	Section 2.3, Appendix A of our Complaints Policy lists issues not defined as complaints. This includes "Initial requests for service provision"	We log service requests received by our Complaints Team and record where these have not been taken forward as complaints. Plans are in place to improve our reporting and monitoring of these cases.

1.5	A complaint must be raised when the resident expresses dissatisfaction with the response to their service request, even if the handling of the service request remains ongoing. Landlords must not stop their efforts to address the service request if the resident complains.	Yes	Our working practices allow for this	Our Complaints Policy needs to be updated to record this approach formally
1.6	An expression of dissatisfaction with services made through a survey is not defined as a complaint, though wherever possible, the person completing the survey should be made aware of how they can pursue a complaint if they wish to. Where landlords ask for wider feedback about their services, they also must provide details of how residents can complain.	In part	In practice we do not take expressions of dissatisfaction through surveys as a complaint	Our Complaints Policy needs to be updated to state dissatisfaction through surveys is not classed as a complaint. We also need to review our communication to tenants to ensure all information contains information about how to make a complaint.

Section 2: Exclusions

Code provision	Code requirement	Comply Yes/No	Evidence	Commentary / Explanation
2.1	Landlords must accept a complaint unless there is a valid reason not to do so. If landlords decide not to accept a complaint they must be able to evidence their reasoning. Each	Yes	We accept all complaints unless they fall into the categories under 2.3, Appendix A of our Complaints Policy	We need to update our Complaints Policy to make it clear each complaint will be considered on its own merits

	complaint must be considered on its own merits			
2.2	<p>A complaints policy must set out the circumstances in which a matter will not be considered as a complaint or escalated, and these circumstances must be fair and reasonable to residents. Acceptable exclusions include:</p> <ul style="list-style-type: none"> • The issue giving rise to the complaint occurred over twelve months ago. • Legal proceedings have started. This is defined as details of the claim, such as the Claim Form and Particulars of Claim, having been filed at court. • Matters that have previously been considered under the complaints policy. 	Yes	We list the circumstances in which a matter will not be considered a complaint in sections 2.3 and 2.4, Appendix A of our Complaints Policy	We need to update our Complaints Policy to confirm matters that have previously been considered under our Complaints Policy will not be dealt with as a complaint
2.3	Landlords must accept complaints referred to them within 12 months of the issue occurring or the resident becoming aware of the issue, unless they are excluded on other grounds. Landlords must consider whether to apply discretion to accept complaints made outside this time limit where there are good reasons to do so.	Yes	Section 2.5, Appendix A of our Complaints Policy states this.	

2.4	If a landlord decides not to accept a complaint, an explanation must be provided to the resident setting out the reasons why the matter is not suitable for the complaints process and the right to take that decision to the Ombudsman. If the Ombudsman does not agree that the exclusion has been fairly applied, the Ombudsman may tell the landlord to take on the complaint.	Yes	Section 2.6, Appendix A of our Complaints Policy states this	
2.5	Landlords must not take a blanket approach to excluding complaints; they must consider the individual circumstances of each complaint.	Yes	In practice this approach is taken	We need to amend our Complaints Policy to confirm this approach formally

Section 3: Accessibility and awareness

Code provision	Code requirement	Comply Yes/No	Evidence	Commentary / Explanation
3.1	Landlords must make it easy for residents to complain by providing different channels through which they can make a complaint. Landlords must consider their duties under the Equality Act 2010 and anticipate the needs and reasonable adjustments of residents who may need to access the complaints process.	Yes	Section 3 of our Complaints Policy states the range of options people have to make a complaint	Options available to make a complaint, as stated in our Policy are: <ul style="list-style-type: none"> • Via the online self-service portal • By Email • By letter • In person • Through a local Councillor • Via Social Media

3.2	Residents must be able to raise their complaints in any way and with any member of staff. All staff must be aware of the complaints process and be able to pass details of the complaint to the appropriate person within the landlord.	Yes	In practice this approach is taken	We need to amend our Complaints Policy to confirm residents can make complaints with members of staff. Updated guidance on this to be provided to staff.
3.3	High volumes of complaints must not be seen as a negative, as they can be indicative of a well-publicised and accessible complaints process. Low complaint volumes are potentially a sign that residents are unable to complain.	Yes	In practice this approach is taken	This approach will be re-enforced as part of our future staff training programme
3.4	Landlords must make their complaint policy available in a clear and accessible format for all residents. This will detail the two stage process, what will happen at each stage, and the timeframes for responding. The policy must also be published on the landlord's website.	Yes	Our policy is published on our website at Leicester City Council corporate complaints policy	In Section 9.1, of our Complaints Policy states that paper copies of the Policy are available on request and council officers can explain the policy, if required
3.5	The policy must explain how the landlord will publicise details of the complaints policy, including information about the Ombudsman and this Code.	Yes	Section 9.1 of our Complaints Policy states how we will publish details of the complaints policy. Section 2.14, Appendix 1 Provides information about the Ombudsman	

			Our Complaints Handling Code self assessment is published at Comments, compliments and complaints	
3.6	Landlords must give residents the opportunity to have a representative deal with their complaint on their behalf, and to be represented or accompanied at any meeting with the landlord.	Yes	In practice this approach is taken	We need to amend our Complaints Policy to confirm residents can make complaints with members of staff. Updated guidance on this to be provided to staff.
3.7	Landlords must provide residents with information on their right to access the Ombudsman service and how the individual can engage with the Ombudsman about their complaint.	Yes	We publish this information at Comments, compliments and complaints Ombudsman details are also on our Complaint responses.	

Section 4: Complaint Handling Staff

Code provision	Code requirement	Comply Yes/No	Evidence	Commentary / Explanation
4.1	Landlords must have a person or team assigned to take responsibility for complaint handling, including liaison with the Ombudsman and ensuring complaints are reported to the governing body (or equivalent). This Code will refer to that person or team as the 'complaints officer'. This role may be in addition to other duties.	Yes	We have a designated Complaints Team dealing with complaints and liaison with the Ombudsman.	

4.2	The complaints officer must have access to staff at all levels to facilitate the prompt resolution of complaints. They must also have the authority and autonomy to act to resolve disputes promptly and fairly.	Yes	Officers within the Complaints Team work with Officers across the Council and at all levels to resolve complaints	
4.3	Landlords are expected to prioritise complaint handling and a culture of learning from complaints. All relevant staff must be suitably trained in the importance of complaint handling. It is important that complaints are seen as a core service and must be resourced to handle complaints effectively	In part		We have identified the need to review resources within our Complaints Team and also deliver updated training to staff in relation to complaints and complaint handling. We have these as tasks to progress within our improvement plan

Section 5: The Complaints Handling Process

Code provision	Code requirement	Comply Yes/No	Evidence	Commentary / Explanation
5.1	Landlords must have a single policy in place for dealing with complaints covered by this Code. Residents must not be treated differently if they complain.	Yes	Our single policy is evidenced in Appendix A of our Complaints Policy	
5.2	The early and local resolution of issues between landlords and residents is key to effective complaint handling. It is not	Yes	We do not have extra named stages within our complaints process, but follow the stages	

	appropriate to have extra named stages (such as 'stage 0' or 'informal complaint') as this causes unnecessary confusion.		outlined in our Complaints Policy	
5.3	A process with more than two stages is not acceptable under any circumstances as this will make the complaint process unduly long and delay access to the Ombudsman.	Yes	We only have a 2 stage process as outlined in our Complaints Policy	
5.4	Where a landlord's complaint response is handled by a third party (e.g. a contractor or independent adjudicator) at any stage, it must form part of the two stage complaints process set out in this Code. Residents must not be expected to go through two complaints processes.	Yes	We manage all complaints internally and do not expect residents to go through 2 separate complaint processes with third parties	We need to amend our Complaints Policy to make this approach clearer
5.5	Landlords are responsible for ensuring that any third parties handle complaints in line with the Code.	Yes	We liaise with third parties directly in relation to complaints to ensure the process is in line with the Code	We need to amend our Complaints Policy to make this approach clearer
5.6	When a complaint is logged at Stage 1 or escalated to Stage 2, landlords must set out their understanding of the complaint and the outcomes the resident is seeking. The Code will refer to this as "the complaint definition". If any aspect of the complaint is unclear, the resident must be asked for clarification.	Yes	This is evidenced through responses to complaints complainants, where we set out our understanding of the complaint and the outcomes the resident is expecting. We also seek clarification from the resident if these are unclear on receipt of the complaint	

5.7	When a complaint is acknowledged at either stage, landlords must be clear which aspects of the complaint they are, and are not, responsible for and clarify any areas where this is not clear.	Yes	This is evidence through the acknowledgement letters we send to complainants	We want to review our template correspondence documents to ensure they remain fit for purpose
5.8	At each stage of the complaints process, complaint handlers must: <ul style="list-style-type: none"> a. deal with complaints on their merits, act independently, and have an open mind; b. give the resident a fair chance to set out their position; c. take measures to address any actual or perceived conflict of interest; and d. consider all relevant information and evidence carefully. 	Yes	We have an independent Complaints Team who carry out this role	We are due to start a service analysis of our complaints process. Part of this will be to assess how this requirement works in practice and implement improvements, where these are needed. We are also planning to undertake refresher training for our Complaints Team staff to re-enforce their role
5.9	Where a response to a complaint will fall outside the timescales set out in this Code, the landlord must agree with the resident suitable intervals for keeping them informed about their complaint.	Yes	This is evidenced through correspondence we send to residents where we need to extend deadlines to responses, allowed within our Complaints Policy	
5.10	Landlords must make reasonable adjustments for residents where appropriate under the Equality Act 2010. Landlords must keep a record of any reasonable adjustments agreed, as well as a record of any disabilities a resident has disclosed. Any agreed	In part	Anecdotal evidence is available where reasonable adjustments are made on an individual basis.	Our current IT system does not allow us to effectively record reasonable adjustments required, actioned and reviewed. We are building this facility into the scope of requirements for the

	reasonable adjustments must be kept under active review.			development of our new IT system
5.11	Landlords must not refuse to escalate a complaint through all stages of the complaints procedure unless it has valid reasons to do so. Landlords must clearly set out these reasons, and they must comply with the provisions set out in section 2 of this Code.	Yes	We allow all complaints to be escalated if complaints remain dissatisfied with the previous stage response, as stated in our Complaints Policy	We are due to start a service analysis of our complaints process. Part of this will be to assess how effective this part of the process is and implement improvements, if needed
5.12	A full record must be kept of the complaint, and the outcomes at each stage. This must include the original complaint and the date received, all correspondence with the resident, correspondence with other parties, and any relevant supporting documentation such as reports or surveys.	In Part	MS Outlook contains all the information, however our current IT system has limitations in relation to what information we can record, mainly in relation to the outcome of complaints.	We are building a more robust recording facility into the scope of requirements for the development of our new IT system
5.13	Landlords must have processes in place to ensure a complaint can be remedied at any stage of its complaints process. Landlords must ensure appropriate remedies can be provided at any stage of the complaints process without the need for escalation.	Yes	The Complaints Team liaises with service areas, not only to gather information related to the complaint but also resolution to the issues raised. This is carried out at each stage of the process	We are due to start a service analysis of our complaints process. Part of this will be to assess how effective this part of the process is and implement improvements, where it is identified these are needed
5.14	Landlords must have policies and procedures in place for managing unacceptable behaviour from residents and/or their representatives. Landlords must be able to evidence reasons for putting any restrictions in place and	Yes	We have a vexatious complaints policy and procedure in place.	We plan to review these documents to ensure they are fit for purpose and publish our Policy in relation to this on our website

	must keep restrictions under regular review.			
5.15	Any restrictions placed on contact due to unacceptable behaviour must be proportionate and demonstrate regard for the provisions of the Equality Act 2010.	In part	Reference is made to residents impacted upon by mental health issues within the Vexatious Complaints procedure	More detailed information will be included in our revised Vexatious Complaints Policy in relation for having regard for the provisions of the Equality Act 2024

Section 6: Complaints Stages

Stage 1

Code provision	Code requirement	Comply Yes/No	Evidence	Commentary / Explanation
6.1	Landlords must have processes in place to consider which complaints can be responded to as early as possible, and which require further investigation. Landlords must consider factors such as the complexity of the complaint and whether the resident is vulnerable or at risk. Most stage 1 complaints can be resolved promptly, and an explanation, apology or resolution provided to the resident.	Yes	We have a process in place where Complaint Team Officers will liaise with service areas when a complaint is received to establish whether issues can be rectified immediately to resolve the complaint.	As part of our service analysis we want to review the process currently in place to ensure these are effective in relation to this provision, implementing improvements where the need for these are identified
6.2	Complaints must be acknowledged, defined and logged at stage 1 of the complaints procedure <u>within five working days of the complaint being received.</u>	Yes	This requirement is included within our Complaints Policy and evidenced in our acknowledgement letters	

6.3	Landlords must issue a full response to stage 1 complaints <u>within 10 working days</u> of the complaint being acknowledged.	Yes	This requirement is included within our Complaints Policy	
6.4	Landlords must decide whether an extension to this timescale is needed when considering the complexity of the complaint and then inform the resident of the expected timescale for response. Any extension must be no more than 10 working days without good reason, and the reason(s) must be clearly explained to the resident.	Yes	This requirement is included within our Complaints Policy	
6.5	When an organisation informs a resident about an extension to these timescales, they must be provided with the contact details of the Ombudsman.	Yes	This is evidenced in the correspondence we send to residents when we advise of extension timescale	
6.6	A complaint response must be provided to the resident when the answer to the complaint is known, not when the outstanding actions required to address the issue are completed. Outstanding actions must still be tracked and actioned promptly with appropriate updates provided to the resident.	Yes	This is evidenced in correspondence where we respond to complaints. We advise the residents of future actions we will take as part of this correspondence	
6.7	Landlords must address all points raised in the complaint definition and provide clear reasons for any decisions, referencing the relevant	Yes	This is evidenced in correspondence where we respond to complaints	As part of our service analysis we intend to review our responses to complaints to ensure they are comprehensive, putting in

	policy, law and good practice where appropriate.			place improvements where these are required
6.8	Where residents raise additional complaints during the investigation, these must be incorporated into the stage 1 response if they are related and the stage 1 response has not been issued. Where the stage 1 response has been issued, the new issues are unrelated to the issues already being investigated or it would unreasonably delay the response, the new issues must be logged as a new complaint.	Yes	Evidenced through our individual case management records	As part of our service analysis we intend to review this requirement to ensure they are comprehensive, putting in place improvements where these are required
6.9	Landlords must confirm the following in writing to the resident at the completion of stage 1 in clear, plain language: <ul style="list-style-type: none"> a. the complaint stage; b. the complaint definition; c. the decision on the complaint; d. the reasons for any decisions made; e. the details of any remedy offered to put things right; f. details of any outstanding actions; and g. details of how to escalate the matter to stage 2 if the individual is not satisfied with the response. 	Yes	This is evidenced in correspondence where we respond to complaints	As part of our service analysis we intend to review the quality of responses to complaints are implement improvements, where these are needed

Stage 2

Code provision	Code requirement	Comply Yes/No	Evidence	Commentary / Explanation
6.10	If all or part of the complaint is not resolved to the resident's satisfaction at stage 1, it must be progressed to stage 2 of the landlord's procedure. Stage 2 is the landlord's final response.	Yes	Evidenced through our response letters to stage 1 complaint where we provide information to residents how they can escalate their complaint to stage 2 if they remain dissatisfied with the outcome	
6.11	Requests for stage 2 must be acknowledged, defined and logged at stage 2 of the complaints procedure within five working days of the escalation request being received.	Yes	This requirement is included within our Complaints Policy and evidenced in our acknowledgement letters	
6.12	Residents must not be required to explain their reasons for requesting a stage 2 consideration. Landlords are expected to make reasonable efforts to understand why a resident remains unhappy as part of its stage 2 response.	Yes	Evidenced from our case management records where all requests to progress to stage 2 of the process are taken forward, even if reasons for this request are not given	
6.13	The person considering the complaint at stage 2 must not be the same person that considered the complaint at stage 1.	Yes	Each stage 2 case is allocated to a member of the Complaints Team who has not been involved in the stage 1 investigation, evidenced through our case management records	

6.14	Landlords must issue a final response to the stage 2 <u>within 20 working days</u> of the complaint being acknowledged.	Yes	This requirement is included within our Complaints Policy	
6.15	Landlords must decide whether an extension to this timescale is needed when considering the complexity of the complaint and then inform the resident of the expected timescale for response. Any extension must be no more than 20 working days without good reason, and the reason(s) must be clearly explained to the resident.	Yes	This requirement is included within our Complaints Policy	
6.16	When an organisation informs a resident about an extension to these timescales, they must be provided with the contact details of the Ombudsman.	Yes	This is evidenced in the correspondence we send to residents when we advise of extension timescale	
6.17	A complaint response must be provided to the resident when the answer to the complaint is known, not when the outstanding actions required to address the issue are completed. Outstanding actions must still be tracked and actioned promptly with appropriate updates provided to the resident.	Yes	This is evidence in correspondence where we respond to complaints. We advise the residents of future actions we will take as part of this correspondence	
6.18	Landlords must address all points raised in the complaint definition and provide clear reasons for any decisions, referencing the relevant policy, law and good practice where appropriate.	Yes	This is evidenced in correspondence where we respond to complaints	As part of our service analysis we intend to review our responses to complaints to ensure they are comprehensive, putting in place improvements where these are required

6.19	Landlords must confirm the following in writing to the resident at the completion of stage 2 in clear, plain language: <ul style="list-style-type: none"> a. the complaint stage; b. the complaint definition; c. the decision on the complaint; d. the reasons for any decisions made; e. the details of any remedy offered to put things right; f. details of any outstanding actions; and g. details of how to escalate the matter to the Ombudsman Service if the individual remains dissatisfied. 	Yes	This is evidenced in correspondence where we respond to complaints	As part of our service analysis we intend to review the quality of responses to complaints are implement improvements, where these are needed
6.20	Stage 2 is the landlord's final response and must involve all suitable staff members needed to issue such a response.	Yes	Evidenced through our case management records	

Section 7: Putting things right

Code provision	Code requirement	Compl y Yes/No	Evidence	Commentary / Explanation
7.1	Where something has gone wrong a landlord must acknowledge this and set out the actions it has already taken,	Yes	Evidenced through our responses to complaint investigations	

	<p>or intends to take, to put things right. These can include:</p> <ul style="list-style-type: none"> • Apologising; • Acknowledging where things have gone wrong; • Providing an explanation, assistance or reasons; • Taking action if there has been delay; • Reconsidering or changing a decision; • Amending a record or adding a correction or addendum; • Providing a financial remedy; • Changing policies, procedures or practices. 			
7.2	Any remedy offered must reflect the impact on the resident as a result of any fault identified.	Yes	Evidenced through our responses to complaint investigations	
7.3	The remedy offer must clearly set out what will happen and by when, in agreement with the resident where appropriate. Any remedy proposed must be followed through to completion.	Yes	Evidenced through our complaints correspondence with residents	As part of our service analysis we want to review how we track actions resulting from complaints to their completion to ensure this is fit for purpose, implementing improvements if these are required
7.4	Landlords must take account of the guidance issued by the Ombudsman when deciding on appropriate remedies.	Yes	Evidenced through our complaints correspondence with residents	We intend to introduce a more robust process for making sure staff are aware of the Ombudsman guidance when

			identifying remedies for complaints
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Section 8: Self-assessment, reporting and compliance

Code provision	Code requirement	Comply Yes/No	Evidence	Commentary / Explanation
8.1	<p>Landlords must produce an annual complaints performance and service improvement report for scrutiny and challenge, which must include:</p> <ul style="list-style-type: none"> a. the annual self-assessment against this Code to ensure their complaint handling policy remains in line with its requirements. b. a qualitative and quantitative analysis of the landlord's complaint handling performance. This must also include a summary of the types of complaints the landlord has refused to accept; c. any findings of non-compliance with this Code by the Ombudsman; d. the service improvements made as a result of the learning from complaints; 	Yes	<p>The annual report and self assessment is published on our website at Comments, compliments and complaints</p>	<p>Our current IT system does not allow us to report on all areas we would like to. We are scoping in more effective recording and reporting functionality with the development of our new IT system</p>

	<p>e. any annual report about the landlord's performance from the Ombudsman; and</p> <p>f. any other relevant reports or publications produced by the Ombudsman in relation to the work of the landlord.</p>			
8.2	The annual complaints performance and service improvement report must be reported to the landlord's governing body (or equivalent) and published on the section of its website relating to complaints. The governing body's response to the report must be published alongside this.	Yes	<p>The annual performance and service improvement is presented annually to our Governance and Audit Committee Browse meetings - Governance and Audit Committee</p> <p>These documents are also published on our website at Comments, compliments and complaints</p>	
8.3	Landlords must also carry out a self-assessment following a significant restructure, merger and/or change in procedures	Yes	This self-assessment has taken place following the re-positioning of the Complaints Team within the Council's structure	
8.4	Landlords may be asked to review and update the self-assessment following an Ombudsman investigation.	Yes	Where requested we will review and update our self assessment at the request of the Ombudsman, following their investigations	
8.5	If a landlord is unable to comply with the Code due to exceptional	Yes	Evidence of compliance is provided by the actions taken	

	circumstances, such as a cyber incident, they must inform the Ombudsman, provide information to residents who may be affected, and publish this on their website Landlords must provide a timescale for returning to compliance with the Code.		by the Council following our cyber attack in 2024	
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Section 9: Scrutiny and oversight: continuous learning and improvement

Code provision	Code requirement	Comply Yes/No	Evidence	Commentary / Explanation
9.1	Landlords must look beyond the circumstances of the individual complaint and consider whether service improvements can be made as a result of any learning from the complaint.	In part	We have a range of examples of where Service Managers have implemented service improvements on a case by case basis	We need to strengthen our approach to recording learning and improvements that have resulted from complaints. This is an action for us to take forward in our improvement plan
9.2	A positive complaint handling culture is integral to the effectiveness with which landlords resolve disputes. Landlords must use complaints as a source of intelligence to identify issues and introduce positive changes in service delivery.	In part	Complaint data contained in our annual report	We know we have a gap in our reporting intelligence around complaints due to the limitations of our current IT system. This is being addressed as part of the implementation of a new IT system. We have an action to improve our complaint reporting within our improvement plan

9.3	Accountability and transparency are also integral to a positive complaint handling culture. Landlords must report back on wider learning and improvements from complaints to stakeholders, such as residents' panels, staff and relevant committees.	No		We know this is a gap due to the lack of reporting information through our current IT system. This will be addressed with enhance reporting capabilities from the new IT system
9.4	Landlords must appoint a suitably senior lead person as accountable for their complaint handling. This person must assess any themes or trends to identify potential systemic issues, serious risks, or policies and procedures that require revision.	Yes	A senior lead officer is appointed	As part of our service analysis we will review our current arrangements in relation to this.
9.5	In addition to this a member of the governing body (or equivalent) must be appointed to have lead responsibility for complaints to support a positive complaint handling culture. This person is referred to as the Member Responsible for Complaints ('the MRC').	Yes	An Assistant City Mayor, who sits on the Council's Executive has responsibility for the handling of complaints	Once we have developed our IT systems we will provide more robust complaints information to the lead person
9.6	The MRC will be responsible for ensuring the governing body receives regular information on complaints that provides insight on the landlord's complaint handling performance. This person must have access to suitable information and staff to perform this role and report on their findings.	Yes	Our Annual Complaints report is presented at the Council's Governance and Audit Committee for oversight	Once we have improved the reporting information we have available we will develop new structures to ensure more regular and in depth information is provided in relation to complaints

9.7	<p>As a minimum, the MRC and the governing body (or equivalent) must receive:</p> <ul style="list-style-type: none"> a. regular updates on the volume, categories and outcomes of complaints, alongside complaint handling performance; b. regular reviews of issues and trends arising from complaint handling; c. regular updates on the outcomes of the Ombudsman's investigations and progress made in complying with orders related to severe maladministration findings; and <p>annual complaints performance and service improvement report.</p>	In part	Our Annual Complaints report is presented at the Council's Governance and Audit Committee for oversight	We know we have gaps in this area and developing our approach to this is a task on our improvement plan
9.8	<p>Landlords must have a standard objective in relation to complaint handling for all relevant employees or third parties that reflects the need to:</p> <ul style="list-style-type: none"> a. have a collaborative and co-operative approach towards resolving complaints, working with colleagues across teams and departments; b. take collective responsibility for any shortfalls identified through complaints, rather than blaming others; and c. act within the professional standards for engaging with 	In Part	In working practice this is the approach taken. however needs reflecting in our Complaint Handling Policy.	We need to review our Complaints Policy to ensure this objective is included. Also we will re-enforce this approach when we undertake complaints training for our staff.

	complaints as set by any relevant professional body.			
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Internal audit work progress report 2025/26

Governance & Audit Committee

Decision to be taken by: N/A

Date of meeting: 17 September 2025

Lead director/officer: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Connor Munro, Assistant Director – Audit Assurance (Veritau)
- Author contact details: connor.munro@veritau.co.uk
- Report version number: 1.0

1. Summary

- 1.1 This report provides an update on the delivery of the internal audit work programme for 2025/26, up to 5 September 2025.

2. Recommended actions/decision

- 2.1 The Governance & Audit Committee is recommended to:
- 2.1.1 Note the progress made in delivering the 2025/26 internal audit work programme, and plans for delivery over the remainder of the year.

3. Scrutiny / stakeholder engagement

- 3.1 In preparing the internal audit work programme, on which this progress report is based, consultation has taken place with members of the Governance & Audit Committee and key officers from across the council.
- 3.2 The work programme is continually reviewed during the year, alongside senior officers and this committee, to ensure it remains targeted to priority areas.

4. Background and options with supporting evidence

- 4.1 The 2025/26 internal audit work programme was approved by this committee at its meeting on 24 March 2025.
- 4.2 To conform with professional standards, and the council's audit charter, the Head of Internal Audit must report periodically to this committee on the progress made against the internal audit work programme, and on the results of audit activities undertaken.
- 4.3 Appendix 1 to this report provides an update on progress made in delivering the internal audit work programme. This includes a summary of completed work, work currently in progress, and work currently scheduled for the remainder of the year. It also reports on outcomes from the follow-up of actions agreed in previous audit reports.
- 4.4 There are no alternative options relating to this report. The Governance & Audit Committee is required to note the progress made in delivering internal audit work in order to fulfil its requirements under the committee's terms of reference and the internal audit charter, and to ultimately ensure that the council's internal audit service conforms to professional standards.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

There are no financial implications arising directly from this report.

Signed: Amy Oliver, Director of Finance

Dated: 28 August 2025

5.2 Legal implications

There are no adverse legal implications arising from this report, it is an update but as a reminder:

The Accounts and Audit Regulation 2015 (Part 2, Section 5) states a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal audit standards or guidance. Completion of the annual internal audit ensures compliance with both the Global Internal Audit Standards (UK Public Sector)] and the Accounts and Audit Regulations 2015. Furthermore, internal audit assists the Director of Finance in fulfilling their duties under Section 151 of the Local Government Act 1972 which requires each Local Authority to make arrangements for the proper administration of their financial affairs.

Signed: Kamal Adatia, City Barrister & Head of Standards (Monitoring Officer)

Dated: 26 August 2025

5.3 Equalities implications

The Council has responsibility for establishing and maintaining appropriate risk management processes, control systems and governance arrangements. There are no equality implications arising directly from this report. The work of the committee, including its regular audits, ensures that the Council's internal controls are effective, transparent, and fair. People from across all protected characteristics should benefit from the work of the committee and the audits that are conducted.

Signed: Surinder Singh, Equalities Officer

Dated: 26 August 2025

5.4 Climate Emergency implications

There are no climate emergency implications arising directly from this report.

Signed: Phil Ball, Sustainability Officer, Ext: 372246

Dated: 27 August 2025

5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

None.

6. Background information and other papers:

None

7. Summary of appendices:

Appendix 1 – Internal audit progress report 2025/26

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”? If so, why?

No

Internal Audit Progress Report 2025/26

Date: 17 September 2025

APPENDIX 1

CONTENTS

3	Background
3	Internal audit progress
4	Follow up of agreed actions
5	Annex A: Internal audit work in 2025/26
9	Annex B: Current audit priorities
13	Annex C: Audit opinions and finding priorities
14	Annex D: Follow up of agreed actions

Background



- 1 Internal audit provides independent and objective assurance and advice about the council's operations. It helps the organisation to achieve its overall objectives by bringing a systematic, disciplined approach to the evaluation and improvement of the effectiveness of risk management, control, and governance processes.
- 2 The work of internal audit is governed by the Accounts and Audit Regulations 2015 and relevant professional standards. These include the Global Internal Audit Standards and the Application Note: Global Internal Audit Standards in the UK Public Sector.
- 3 In accordance with the Global Internal Audit Standards (UK Public Sector), the Head of Internal Audit is required to report progress against the internal audit plan (the work programme) agreed by the Governance & Audit Committee, and to identify any emerging issues which need to be brought to the attention of the committee.
- 4 The internal audit work programme for 2025/26 was agreed by this committee in March 2025.
- 5 Veritau has adopted a flexible approach to work programme development and delivery. Work to be undertaken during the year is kept under review to ensure that audit resources are deployed to the areas of greatest risk and importance to the council.
- 6 The purpose of this report is to update the committee on internal activity up to 5 September 2025.

Internal audit progress



- 7 A summary of internal audit work currently underway, as well as work finalised in the year to date, is included in annex A.
- 8 Since our last report to this committee, five audits have been finalised and two audits have reached draft report stage. Annex A summarises critical or significant findings from the five completed audits (where applicable) and includes actions agreed with management to address identified control weaknesses.
- 9 10 audits are in progress the time of reporting. Some of these are approaching the latter stages of fieldwork, having commenced earlier in 2025/26. A number are at earlier stages as they have started during the current quarter. We expect the outcomes from ongoing audits to be reported to this committee in November. At the time of reporting, background planning has begun on an additional eight audits, and one further audit (payroll) will commence towards the end of September.
- 10 In addition to the audits mentioned in paragraphs 8 and 9, we have also continued to support the council by certifying a number of central

government grants, and undertaking consultative engagements. More information is provided in Annex A.

- 11 The 2025/26 work programme, showing current priorities for internal audit work, is included in Annex B.
- 12 Annex C provides the definitions for our audit opinions and finding ratings. This can be referred to, to help interpret information presented in annex A.

Follow up of agreed actions



- 13 All actions agreed with services as a result of internal audit work are followed up to ensure that issues are addressed. As a result of this work, we are satisfied that sufficient progress is being made to address the control weaknesses identified in previous audits.
- 14 A summary of the current status of follow up activity is included in Annex D.

ANNEX A: INTERNAL AUDIT WORK IN 2025/26

Audits in progress

Audit	Status
School themed audit: purchasing and best value	In draft
ICT network security	In draft
Contract management: Social Care & Education	In progress
Adults commissioning: NHS	In progress
Direct payments and short breaks (adults and children)	In progress
Housing rents	In progress
ICT supplier management	In progress
Grant-funded schemes: compliance	In progress
Democratic governance and decision making	In progress
Recruitment, selection, and onboarding	In progress
Climate Ready Leicester Plan	In progress
Physical information security compliance	In progress
Data security incident management	Planning
Housing benefits	Planning
Event management	Planning
Right To Buy	Planning
Planning performance	Planning

Contract management: CDN	Planning
School themed audit: capital programme	Planning
Home to school transport	Planning
Payroll	Not yet started

Final reports issued

Audit	Reported to committee	Opinion	Count of findings by priority			
			Critical	Significant	Moderate	Opportunity
Ordering and creditor payments	July 2025	Substantial Assurance	0	0	1	0
Highways maintenance scheme development	July 2025	Reasonable Assurance	0	2	1	0
Homelessness (high-cost accommodation)	July 2025	Reasonable Assurance	0	3	0	0
School traded services (educational psychology)	July 2025	Reasonable Assurance	0	3	0	0
Agency and consultancy	July 2025	Substantial Assurance	0	0	3	0
High needs funding	July 2025	No Opinion Given	0	2	3	0

Bereavement services	September 2025	Substantial Assurance	0	0	0	0
Risk management	September 2025	Substantial Assurance	0	0	2	0
Council tax and NNDR: arrears management	September 2025	Substantial Assurance	0	0	3	0
Sundry debtors	September 2025	Substantial Assurance	0	0	1	0
Procurement compliance	September 2025	Reasonable Assurance	0	1	2	0

Summary of critical and significant findings (audits reported to the committee for the first time)

Audit		
Procurement compliance		
Finding priority & title	Finding summary	Agreed action(s) and timescale(s)
Significant	There was a 79% increase in the use of waivers between 2023/24 and 2024/25, with 61 waivers required in 2024/25. A review of a sample of waivers identified instances where waivers had been granted due to a lack of forward planning, had been granted after the contract had been awarded, and had been granted without obtaining approval from legal.	Quarterly reporting on the number of, and reason for, waivers and exemptions is now being completed. The report will include details by directorate. <i>31 October 2025</i>
Waivers and exemptions		

Other work in 2025/26

Internal audit work has been undertaken in a range of other areas during the year, including those listed below.

- ▲ Follow up of recommendations
- ▲ Grant certification work:
 - ▲ ESFA Multiply Funding
 - ▲ DBT Core Growth Hub
 - ▲ DESNZ HUG2
- ▲ Consultative engagements:
 - ▲ Concerto (LeSTAR) financial controls and interface review
 - ▲ Unit4 reimplementation project support (ongoing)
 - ▲ Leaseholder statement of accounts

ANNEX B: CURRENT AUDIT PRIORITIES

Audit / Engagement	Rationale
Strategic / corporate & cross cutting	
Do now	
Contract management: SCE	Identified in consultation with Corporate Governance Panel.
Contract management: CDN	Identified in consultation with Corporate Governance Panel.
Democratic governance and decision making	No recent coverage. Links to strategic risk (SRR 1.2)
Recruitment, selection, and onboarding	No recent coverage. Links to strategic risk (SRR 2.2)
Climate Ready Leicester Plan	Emerging risk area. Links to strategic risk (SRR 5.1)
Physical information security compliance	Links to strategic risk (SRR 4.3). Provides coverage of key assurance area.
Data security incident management	Links to strategic risk (SRR 4.3). Provides coverage of key assurance area.
Do next	
Contract management: corporate	Identified in consultation with Corporate Governance Panel.
Business continuity management	Risks / controls are changing. Provides coverage of key assurance area.
Savings delivery	Links to strategic risk (SRR 2.3). Provides broader assurance.
Access to information and records management	Links to strategic risk (SRR 4.3). Provides coverage of key assurance area.
Ward community funding	No recent coverage. Links to strategic risk (SRR 1.2)
Do later	
Contract management: public health	

Procurement Act compliance

Organisational development/workforce planning

Financial systems

Do now

Housing rents No recent coverage. Provides coverage of a key assurance area.

Housing benefits No recent coverage. Provides coverage of a key assurance area.

Payroll No recent coverage. Provides coverage of a key assurance area.

Do next

- -

Do later

Accounts preparation

Service areas

Do now

School themed audit: purchasing and best value Emerging risk area.

Adults commissioning: NHS Risks / controls are changing. Links to strategic risk (SRR 3.2)

Direct payments/short breaks (adults & children) Emerging risk area. Links to strategic risk (SRR 3.1)

School themed audit: capital programme Emerging risk area. Provides broader assurance.

Home to school transport Emerging risk area.

Grant-funded schemes: compliance No recent coverage. Provides broader assurance.

Events management	Links to strategic risk (SRR 3.5)
Planning performance	Identified in consultation with Corporate Governance Panel.
Right To Buy	Risks / controls are changing. Links to strategic risk (SRR3.3).

Do next

Children's homes and commissioning	Key risk area. Identified in consultation with Governance & Audit Committee.
Adult safeguarding	Emerging risk area.
Domiciliary Care Service (reablement)	No recent coverage. Risks / controls are changing.
Adult social care debt management	Emerging risk area. Provides broader assurance.

Do later

Post-19 planning
Adult Social Care Cost Mitigation Programme
Acquisitions (homelessness)
Housing allocations
Community/third sector property income management
Section 106 agreements
Building control
Gladstone membership management system
Community safety

Technical / projects

Do now

ICT network security	Provides coverage of key assurance area. Links to strategic risk (SRR 4.1)
ICT supplier management	Key area for maintenance of the council's security posture.

Do next

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Do later

ICT user access control
ICT cybersecurity (user awareness and training)
ICT server administration and security
ICT cyber security (vulnerability management)

ANNEX C: AUDIT OPINIONS AND FINDING PRIORITIES

Audit opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit. Our overall audit opinion is based on four grades of opinion, as set out below.

Opinion	Assessment of internal control
Substantial assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

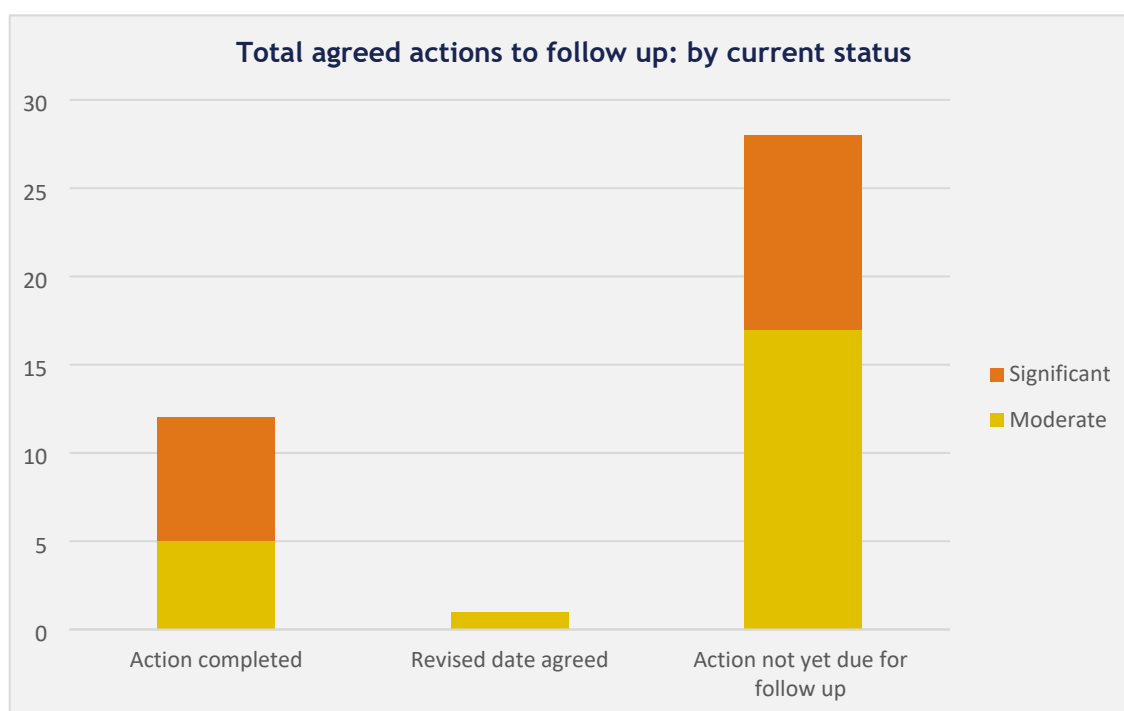
Finding ratings

Critical	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Significant	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Moderate	The system objectives are not exposed to significant risk, but the issue merits attention by management.
Opportunity	There is an opportunity for improvement in efficiency or outcomes but the system objectives are not exposed to risk.

ANNEX D: FOLLOW UP OF AGREED ACTIONS

- 1 Follow up work is carried out through a combination of questionnaires completed by responsible managers, risk assessment, and by further detailed review by the auditors where necessary.
- 2 Where responsible officers have not taken the action they agreed to, issues are escalated to more senior officers. Ultimately, they may be referred to the Governance & Audit Committee in accordance with the follow-up and escalation procedure.
- 3 In figure 1, below, the status of agreed actions from follow-up activity undertaken between 1 April 2025 – 5 September 2025 is shown.
- 4 For clarity, the figure shows the results of follow up activity for this period, regardless of when actions were originally due (that is, it includes actions which were due prior to 1 April 2025).
- 5 For completeness, it also shows actions which have been agreed in finalised audits, but which have not yet fallen due and so have not been followed up.

Figure 1: Total agreed actions by current status



- 6 A total of 13 actions have been followed up so far this year. Of these, 12 have been satisfactorily implemented. 28 actions are not yet due for follow-up as their original implementation date has not passed at the time of reporting.
- 7 One action has had its original implementation timescale extended, with a revised implementation date being agreed with the action owner. This action was to make improvements to the information governance case management system. We agreed to extend the timescale for completion to

31 March 2026, by which time a new system will have been implemented. No further mitigating controls are needed because the other completed actions from this audit address the most significant lack of functionality in the short term.

- 8 We agree revised dates where the delay in addressing an issue will not lead to unacceptable exposure to risk and where the delays may be unavoidable. However, the committee should be aware that lengthy or continued revised dates do inevitably lead to a degree of risk exposure to the council.
- 9 At the time of reporting, no actions are overdue.

ACTION TRACKER - GOVERNANCE AND AUDIT					
ACTIONS ARISING FROM GA 18 September 2024					
AGENDA ITEM		ACTION REQUIRED	DIRECTOR RESPONSIBLE	PROGRESS NOTES	COMMENTS
ACTIONS ARISING FROM GA 23 June 2025					
	Contract Procedure Rules	The Committee asked the Executive to have consideration and additional emphasis on engagement with local suppliers.	Izabela Skowronek	Ongoing	Open
ACTIONS ARISING 14 JULY 2025					
	Draft Statement of Accounts and Annual Governance Statement 2024/25	Consideration be given to update the narrative statement to separately show the investment in children's homes from schools	Amy Oliver	Ongoing	Open

