

Leicester
City Council

MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE

DATE: WEDNESDAY, 16 SEPTEMBER 2026
TIME: 5:30 pm
PLACE: Meeting Room G.01, Ground Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ

Members of the Committee

Councillor Manjit Kaur Saini (Chair)
Councillor Sarah Russell (Vice-Chair)

Councillors Bajaj, Joel, Dr Moore, Rae Bhatia, Karavadra and Kitterick

Independent members – Seema Jaffer and Mohammed Chunara

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

For Monitoring Officer

Officer contacts:

Sharif Chaudhury, Senior Governance Services Officer,
Email: sharif.chaudhury@leicester.gov.uk
City Hall, Charles Street, Leicester, LE1 1FZ

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If you have any queries about any of the above or the business to be discussed, please contact:

Sharif Chaudhrt, Senior Governance Services Officer. Alternatively, call in at City Hall.

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PUBLIC SESSION

AGENDA

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1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

3. MINUTES OF THE PREVIOUS MEETING

Item 3

(Pages 1 - 6)

The minutes of the meeting held on 13 July 2026 are attached and Members will be asked to confirm them as a correct record.

4. ANNUAL PROCUREMENT REPORT 2025/26

Item 4

(Pages 7 - 14)

5. STRATEGIC AND OPERATIONAL RISK REGISTERS

Item 5

(Pages 15 - 46)

6. LCC INTERESTS IN THIRD PARTIES

Item 6

(Pages 47 - 56)

**7. ANNUAL CORPORATE COMPLAINTS REPORT
2025/26**

Item 7

(Pages 57 - 98)

8. WHISTLEBLOWING POLICY

Item 8

(Pages 99 - 114)

9. INTERNAL AUDIT PROGRESS REPORT 2026/27

Item 9

(Pages 115 - 136)

10. EXTERNAL AUDIT PROGRESS REPORT 2025/26

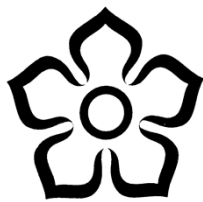
Item 10

(Pages 137 - 156)

11. ACTION TRACKER

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

12. ANY OTHER URGENT BUSINESS



Leicester
City Council

Item 3

Minutes of the Meeting of the
GOVERNANCE AND AUDIT COMMITTEE

Held: Monday, 13 July 2026 at 5:30 pm

P R E S E N T :

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

Councillor Bajaj
Councillor Joel
Councillor Karavadra

Councillor Kitterick
Councillor Dr Moore
Councillor Rae Bhatia

* * * * *

1 Apologies for Absence

Apologies were received from Mohammed Chunara.

2 Declarations of Interest

There were no declarations of interest.

3 Minutes of the Previous Meeting

The minutes of the previous meeting were approved as an accurate record.

Members requested that committee records continue to provide a clear record of actions from previous meetings.

4 Membership of the Commission 2026/27

The membership of the Commission for 2026/27 were noted.

5 Dates of Meetings for the Commission 2026/27

The dates of meetings for the Commission for 2026-27 were noted.

6 External Audit Plan and Risk Assessment

Will Howard, External Auditor, presented the External Audit Plan. Members were advised that the audit process would focus on areas of significant risk and materiality, including property valuations, pensions liabilities, management override of controls and related party transactions.

Members raised a number of questions and observations including:

- Clarification on the anticipated timescales for completion of audit work.
- Concerns regarding long-standing issues relating to land and building valuations.
- Progress against recommendations currently marked as "in progress".
- Opportunities for Members to raise concerns regarding land transactions and major asset disposals.
- How matters identified through audit testing are reported back to the Committee.
- Pension fund liabilities and the significance of reported accounting positions.
- Testing of related party declarations and Companies House checks.
- The wording within the report relating to management override of controls and the potential for misinterpretation.

In response it was noted that:

- Property valuation work would involve consideration of comparable market evidence and value-for-money arrangements.
- Audit findings would be reported through the Annual Audit Report.
- Pension accounting positions are heavily influenced by market conditions and actuarial assumptions.
- Related party testing begins with declarations of interest but is supplemented by additional audit procedures.
- The identification of management override of controls as a significant risk is a standard auditing requirement and does not indicate that auditors have identified wrongdoing.
- Members highlighted that wording within the report could be interpreted as suggesting concerns had already been identified.

RESOLVED:

That the report be noted.

7 Draft Statement of Accounts and Annual Governance Statement 2025/26

Ben Mathews, Technical Finance Specialist, introduced the draft Statement of Accounts for consideration alongside the Annual Governance Statement.

Members were informed that:

- Members were informed that significant improvements had been made in finance processes.
- Work was continuing closely with the external auditors and changes had been made to the treatment and valuation of Property, Plant and Equipment, supported through strengthened working arrangements between finance officers and valuers.
- The Annual Governance Statement provided an assessment of the Council's governance effectiveness.

Members raised the following points:

- Members discussed pension fund liabilities and accounting treatment and Governance arrangements relating to the Local Government Reorganisation reserve of approximately £14 million.
- Members discussed staffing changes, vacancies and training within the finance function.
- Officers discussed improvements introduced following previously identified weaknesses
- An Action was agreed for Officers to provide a simple briefing note on pension fund accounting and performance for Committee Members.
- An action was agreed that future reporting to include information regarding finance staffing changes, vacancies and improvement activity to assist Members in understanding progress and capacity within the finance service.
- The Chair emphasised the importance of Members understanding the governance arrangements surrounding the Local Government Reorganisation reserve and the oversight of expenditure from that reserve.

RESOLVED:

That the report be noted.

8 Housing Regulator of Social Housing - Governance

The Director of Housing, Chris Burgin presented the Housing Regulator of Social Housing report which sets out the governance arrangements relating to housing improvement activity. Members were advised that:

- Senior officer oversight arrangements were in place. Progress was monitored through monthly review processes.
- A Housing Performance Improvement Plan contained defined milestones and delivery actions.
- Reports were regularly considered by Housing and Economy scrutiny arrangements and other relevant bodies.
- Internal Audit, External Audit and regulatory activity provided additional sources of assurance.

Members raised the following points:

- Members welcomed the report and queried the absence of performance indicators and measurable outcomes.
- Officers advised that detailed performance information is reported through Housing and Economy governance arrangements every six months.
- The most recent performance report had been considered publicly in April.
- Work against 26 improvement actions is monitored through defined ratings and performance measures.
- The timing of any future regulatory reassessment is determined by the Regulator and not formally prescribed.
- An action was agreed that the latest Housing Performance Improvement report to be circulated to Committee Members.
- A short update on performance indicators, monitoring arrangements and progress against improvement actions to be presented to the next meeting.

RESOLVED:

That the report be noted.

9 Counter Fraud Annual Report 2025/26 (including Annual National Fraud Initiative 2025/26)

Daniel Clubb presented a report regarding the Counter Fraud Annual Report 2025/26 and discussed the following areas:

- Members heard that data matching exercises assist in identifying fraud and error risks across local authorities, including Blue Badge misuse, fraudulent activity associated with council services, emerging trends identified through national intelligence sharing.

Members raised the following points:

- Members queried the fraud prevention arrangements associated with the Council's telephony systems, whether voice recognition technologies were used.
- Members discussed the comparisons of fraud trends across local authorities and staff fraud detection arrangements.
- Officers explained that fraud detection increasingly relies upon intelligence sharing across authorities to identify patterns and anomalies.
- An Action was agreed for Officers to provide further information regarding telephony fraud controls and voice identification arrangements.
- An Action was agreed to provide additional counter-fraud information at the next meeting, including national trends and comparative intelligence where available.

RESOLVED:

That the report be noted.

10 Head of Internal Audit Service Annual Report 2025/26

Max Thomas presented the Head of Internal Audit Annual Report for 2025/26.

- Internal Audit had completed its annual programme of work and appropriate management actions had been agreed for identified findings.
- Members were informed that five audit actions remained overdue, but none were considered sufficiently significant to require escalation.
- It was reiterated that quality assurance arrangements are set out within the report.

Members raised the following points:

- Queries were raised on how assurance levels within Leicester City Council compare with those achieved by other authorities.
- Audits where no overall opinion had been provided due to limited scope.
- Members commented on the overdue audit actions and the visibility of significant recommendations, and the relationship between internal and external audit work.
- Members expressed concern that reminders alone may not sufficiently address identified weaknesses and requested greater visibility of follow-up activity.
- An action was agreed for Officers to provide further information on overdue audit recommendations, particularly those exceeding 90 days past their target completion date.
- An action was agreed for Officers to report back to the Committee regarding housing allocation verification checks, management responses and assurance that identified risks have been appropriately addressed.

RESOLVED:

That the actions and the report be noted.

11 Insurance Annual Report 2025/26

Stephen White presented the annual report on the Council's insurance arrangements.

- The Committee were informed the committee that appropriate insurance arrangements remained in place and trends in employer liability, public liability and property claims had continued to be monitored.
- It was also highlighted that the Council had secured favourable insurance terms despite wider market pressures and historic asbestos-related claims continued to influence some claims trends.

Members raised the following points:

- Members discussed variations in claims expenditure between financial years, property claim trends and the timing of settlements and commented on long-term modelling of insurance liabilities.
- Members queried future financial pressures associated with insurance claims, officers explained that a number of claims are settled across several years and that actuarial reviews continue to track expected future liabilities.

RESOLVED:

That the report be noted.

12 Any Other Urgent Business

There being no other further business, the meeting closed at 19.00pm.

Governance and Audit Committee Report

Annual Procurement Report 2025-26

Lead director: Amy Oliver, Director of Finance

Date of Meeting: 16th September 2026

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: v1

1. Summary

1.1 The Council's Contract Procedure Rules require that an annual procurement report is presented to the Governance and Audit Committee following the end of each financial year.

1.2 The purpose of this report is to inform the Committee of the activity of the procurement function of the Council in the previous financial year 2025-26 and evidence compliance with the requirements of the Contract Procedure Rules.

1.3 The information contained in this report includes the relevant procurement activity conducted by the Council's three (3) specialist procurement teams:

- 1.3.1 Corporate Procurement Services;
- 1.3.2 Digital, Data and Technology (DDaT); and
- 1.3.3 Social Care, Education & Public Health Procurement Team.

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.

3. Procurement Processes Completed

3.1. During 2025-26 the Council's procurement teams completed 278 procurements with a total estimated value of £563m over the lifetime of the contracts.

3.2. Compared to the previous financial year 2024-25, this is an increase in both quantity and total value, as show in the summary table below.

Table 1: Total procurements completed: 2025-26 and previous financial year comparison

	2025-26	2024-25	Difference
Total Number	278	203	+37%
Total Value	£563m	£280m	+101%

3.3. The tables below show a summary of procurements completed, split by the procurement team and contract value band as defined in the Contract Procedure Rules.

Table 2: Number of procurements completed in 2025-26 by team and contract size

Team	Small	Medium	Large	Threshold	Total
Social Care, Education & Public Health	1	9	7	11	28
DDaT	29	8	9	13	59
Corporate Procurement	48	65	45	33	191
Total	78	82	61	57	278

Table 3: Value of procurements completed in 2025-26 by team and contract size

Team	Small	Medium	Large	Threshold	Total
Social Care, Education & Public Health	£ 19,000	£ 470,924	£ 1,026,189	£ 430,705,847	£ 432,221,960
DDaT	£ 363,278	£ 500,921	£ 1,077,917	£ 13,637,443	£ 15,579,559
Corporate Procurement	£ 549,835	£ 3,511,020	£ 12,453,017	£ 98,898,418	£ 115,412,290
Total	£ 932,113	£ 4,482,865	£ 14,557,123	£ 543,241,708	£ 563,213,809

Threshold contracts are defined by law and further described at [section 6](#) of this report.

- 3.4. Under the Council's Contract Procedure Rules, contracts with an estimated value below £30,000 may be awarded directly by the relevant service area without involving the specialist procurement team (with the exception of DDaT contracts). As a result, the above table only includes low-value contracts where the service area chose to seek support from the procurement team and does not represent all small contracts awarded by the Council during the reporting period.

4. Procurement Plan

- 4.1. As per the Contract Procedure Rules, the Council maintains its Procurement Plan, showing all known, upcoming procurements in the next 18 months and beyond. Among others, this informs the supply market and the general public of the upcoming contract opportunities that are planned by the Council.
- 4.2. This is published on the Council's Open Data website and is updated as a minimum quarterly (https://data.leicester.gov.uk/explore/dataset/procurement-plan-and-pipeline/table/?disjunctive.contract_group_pcr_threshold).
- 4.3. Additionally, under the new Procurement Act, from 2025-26 the Council is also required to publish individual procurement pipeline notices for certain contracts. This is required for contracts valued at £2m and above that are to be procured in the next 18 months. This was successfully completed at the start of the new financial year 2025-26 and subsequently the Council has already placed its pipeline notices for 2026-27.
- 4.4. The publication of the individual pipeline notices can be found on the Central Digital Platform (Find a Tender Service [Search results - Find a Tender](#)).

4.5. The plan and pipeline are used to assist with planning of the future procurement activity.

4.6. The Council's current Procurement Plan identifies approximately 400 contracts with a combined estimated value of £1.8 billion. The Plan is subject to change throughout the year and may not include all procurement activity, as new requirements can arise. Similarly, some planned procurements may not progress if organisational priorities or circumstances change.

5. Waivers

5.1. The Contract Procedure Rules require that a summary of waivers is reported to Governance and Audit Committee annually.

5.2. A waiver is a formal approval to depart from the Council's Contract Procedure Rules in exceptional circumstances where conducting a full competitive procurement process is either not practicable or not in the Council's best interests. Waivers are only granted where there is a justified reason, such as maintaining continuity of service provision, responding to an urgent need, or where there is a limited supply market. The waiver process ensures that any departure from normal procurement requirements is subject to appropriate approval and governance.

5.3. The table below show the breakdown of the waivers approved during 2025-26 and a comparison with the previous year. This shows significant improvement on the previous year.

Table 4: Waivers by department: 2025-26 and previous financial year

Department	2025-26		2024-25	
	Total Value	Total Number	Total Value	Total Number
Social Care and Education	£801,233	2	£ 34,804,329	42
City Development and Neighbourhoods	£8,293,735	46	£19,022,533	58
Corporate Resources and Support	£1,046,700	5	£1,627,603	18
Public Health	£0	0	£ 330,100	4
Grand Total	£10,141,670	53	£55,784,565	122

Table 5: Waivers by reason: 2025-26 and previous financial year

Reason for Waiver	2025-26		2024-25	
	Total Value	Total Number	Total Value	Total Number
Continuity of provision	£3,046,463	6	£39,185,314	57
Retrospective	£4,546,448	30	£12,720,087	42
Urgency	£1,390,089	9	£2,905,185	14
Limited Supply Market	£310,000	2	£371,023	2
Other	£848,669	6	£602,955	7
Grand Total	£10,141,670	53	£ 55,784,565	122

5.4. The total number of waivers in 2025-26 is less than half the number recorded in the previous financial year.

5.5. In addition, the total value of waivers approved has reduced by more than 80% compared with 2024-25. This substantial reduction demonstrates the positive impact of strengthened controls, increased awareness of procurement requirements, and improved compliance across the organisation.

5.6. It is important to recognise that, in certain circumstances, genuine operational needs may make it impractical to follow a full, competitive procurement process. In such cases, a waiver may be requested to ensure service continuity or to address urgent requirements.

5.7. In 2025-26, waivers represented less than 2% of the total value of procurements completed. This is a positive indicator of strong procurement governance, demonstrating high levels of compliance with the Council's Contract Procedure Rules and a continued reduction in reliance on waivers.

6. New Procurement Thresholds

6.1. As of January 2026, the applicable procurement thresholds have decreased, and are now as follows:

Table 6: Procurement Thresholds from 1st January 2026 to 31st December 2027 (values include VAT)

Contract Type	Previous Threshold	Current Threshold	Change
Good and Services	£214,904	£207,720	Decrease
Works and Concessions	£5,372,609	£5,193,000	Decrease
Light Touch Regime	£663,540	£663,540	No change

6.2. Contracts with an estimated value exceeding the applicable threshold are known as Threshold Contracts.

6.3. The decrease in threshold values, combined with inflation, means more contracts are now 'in-scope', this means a fully regulated procurement process must be followed.

6.4. The procurement thresholds change every two (2) years, and the next change is due on the 1st January 2028.

7. Implementation of the Procurement Act 2023 and its impact

7.1. The Council completed its first full year of operating under the Procurement Act 2023, which came into force in February 2025. During the reporting period, the Council's Contract Procedure Rules were updated to align with the new legislation and procurement activity has been delivered under the revised framework.

- 7.2. The Act has introduced significantly greater transparency requirements, requiring procurement and contract management activity to be supported by the publication of a wider range of notices on the Central Digital Platform.
- 7.3. The implementation of the Act has increased the administrative and compliance requirements associated with procurement activity. In addition, the Council has experienced an increase in procurement challenges from suppliers, reflecting a trend reported across the public sector as organisations and suppliers adapt to the new legislative environment.
- 7.4. Despite this increase, the Council successfully defended its position in all cases and no challenge progressed to a full court trial. These outcomes provide assurance that procurement processes continue to operate effectively and in accordance with the applicable legal framework.
- 7.5. The procurement teams continue to manage a mixed regulatory environment, with some legacy contracts remaining subject to the Public Contracts Regulations 2015 and certain health-related procurements governed by the Provider Selection Regime Regulations 2023. This requires careful application of the appropriate legislative framework throughout the procurement and contract management lifecycle.

8. Procurement Training

- 8.1. To further improve compliance and overall awareness of the procurement related topics, a series of training and development initiatives took place in the reporting period.
- 8.2. All officers within the specialist procurement teams have successfully completed the Government's official 10-module Procurement Act training programme known as Transforming Public Procurement (TPP) and all new starters are expected to complete this training. In addition, all procurement staff complete the Chartered Institute of Procurement & Supply (CIPS) Ethical Procurement and Supply training and assessment programme and accreditation is renewed annually.
- 8.3. To support services the procurement teams run a series of in-house training sessions. A total of 339 employees attended these sessions, helping to increase awareness of procurement requirements and responsibilities across the organisation.
- 8.4. In addition, specialist Procurement Fraud training was delivered by an external provider to 69 procurement staff and officers who commission and manage contract regularly.
- 8.5. The continued investment in procurement training and development has contributed to improved awareness of procurement requirements across the Council and supports the positive compliance trends highlighted within this report, including the significant reduction in the number and value of procurement waivers.

9. Engaging local suppliers and Social Value

- 9.1. The Local Government Order 2026 provides the Council with greater flexibility to reserve certain procurement opportunities for local suppliers. This is a welcome development that enables the Council to maximise local spend, support local businesses, and contribute to economic growth within the city.
- 9.2. Internal guidance has been developed to support officers in applying these provisions consistently and appropriately in procurement activities.
- 9.3. The flexibility does not apply to Threshold Contracts (described at [section 6](#) of this report).
- 9.4. In addition, the procurement teams continue to focus on securing greater Social Value through the Council's contracts. During the coming year, the implementation of a new e-tendering system will provide enhanced and centralised monitoring of Social Value commitments and outcomes, enabling the Council to better track, measure and report the community benefits delivered through its procurement activity.

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

11.1 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

Dated: 26 August 2026

11.2 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: 13 August 2026

11.3 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. 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 2025-26 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: 10 August 2026

11.4 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 as soon as possible, it is therefore vital that action is taken to reduce these emissions wherever possible.

Procurement remains one of the Council's most significant mechanisms for influencing carbon emissions and wider environmental outcomes through its supply chain. The report highlights ongoing consideration of environmental issues through procurement training, continued focus on social value, enhanced contract monitoring arrangements and opportunities arising from a substantial future procurement pipeline. Whilst there are no direct climate emergency implications arising from the recommendations of this report, procurement activity presents an important opportunity to support delivery of the Climate Ready Leicester Plan through the incorporation of carbon reduction, climate adaptation and wider environmental requirements within future contracts.

Signed: Phil Ball, Sustainability Officer, Ext 372246

Dated: 12 August 2026

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

N/A

12. Background information and other papers:

None.

13. Summary of appendices:

None.

14. 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.

15. Is this a "key decision"? If so, why?

No.

Strategic and Operational Risk Registers

Governance and Audit Committee

Date of meeting: 16th September 2026

Decision to be taken on: N/A

Andrew Shilliam, Director of Corporate Services

Useful information

- Ward(s) affected: All
- Report author: Gino Harris, Resilience Manager
- Author contact details: 0116 454 37 4655
- Report version number: 1.0

1. SUMMARY

• Strategic Risk.

- New full Strategic Risk Register (SRR) within report (Appx 2) providing additional detail around risk context, response strategies and timelines.
- Deep-dives with risk owners have resulted in a higher-than-normal number of changes to both risk scores and target scores. See para 4.2.
- No new strategic risks but risk rating changes for:
 - Economic instability and weak economy (increase from 12 to 20).
 - Med to long-term financial sustainability (decrease from 24 to 20).
 - Disruption to technology infrastructure (increased from 15-to 20)
 - Data not appropriately managed or effectively used (increase from 9 to 12)

• Operational Risk Register (ORR) and at there are 4 new risks appearing, being:

- 3 x new risks on ORR:
 - Availability of bitumen.
 - Construction Inflation .
 - Public sector Equality Duty/Equality –

} Planning, Development and Transportation (PDT)

Corporate services
- 2 x risks deleted from ORR:
 - Change in county council politics. – PDT
 - Public health budget. – Public health
- Changes to existing ORR risk ratings:
 - Recruitment and retention of staff (increase from 16 to 20) - PDT
 - Workforce availability (decrease from 20 to 16) - Children's Social Care
- Deep dives and amendments to Divisional Risk Registers during the next reporting period, to improve consistency and objectivity, are likely to be reflected in ORR.

2. RECOMMENDED ACTIONS/DECISIONS

- 2.1 To note changes to and review the SRR and ORR in respect of the status of key current and future risks and internal controls.

3. SCRUTINY / STAKEHOLDER ENGAGEMENT

- 3.1 All Strategic and Divisional Directors were consulted to provide updated risk registers at both Strategic and Divisional level (which in turn feeds the Operational Risk Register). These updates inform the content of this report, and the updates made to the SRR and ORR.
- 3.2 Strategic and Divisional Directors have been directed to ensure risk management forms part of lead member briefings.

4. STRATEGIC AND OPERATIONAL RISK REPORTING AND UPDATE

4.1 Reporting Framework and Policy

4.1.1 **Policy.** The LCC Risk Management Policy Statement and Strategy 2026 directs the development, maintenance and monitoring of both the SRR and ORR this calendar year. Whilst the policy document has not changed, Strategic Directors have endorsed an alignment of risk reporting schedules to match existing timelines for reporting to Governance and Audit Committee. This will be reflected in the next Strategy document revision due in Dec 2026.

4.1.2 **Strategic Risk Register.** Previously this report only included a SRR summary but now a full SRR is also included. This full register provides all the information previously contained within individual risk control action plans, which are now obsolete. The SRR summary and full SRR are at Appx 1 and 2 respectively.

4.1.3 **Operational Risk Register.** The ORR is taken directly from the high scoring (15-25) risks on Divisional Risk Registers and listed in order of risk rating (high to low) within strategic functional groups. **Appx 3** provides a summary of the ORR including links to strategic risks and **Appx 4** shows the full ORR. A summary of changes is in Section 4.3.2.

4.2 Strategic Risk Register Update

4.2.1 **Strategic Risk Register (SRR) Reporting Format.** This report contains a new full SRR at Appx 2. The information in the SRR Summary at Appx 1 has been condensed due to this new inclusion. This reporting period has seen a detailed review of strategic risks with risk holders and inclusion of more detail regarding:

- a. Clarification between risk causes and impacts to better enable links with the effects of future actions.
- b. Increased commentary on response strategies and target scores to provide rationale.
- c. A date to estimate the response strategy and target score timescale.

4.2.2 **Changes to SRR Risk scores.** There remain the same 14 risks on the SRR. The recent review has contributed to a higher-than-normal number of changes to the SRR, for both current and target scores:

	Strategic Risk Title	Change to Current Score	Change to Target Score
1.1	Uncertainty due to changes in the political and policy environment that LCC operate in.		Increase from 3/5=15 to 4/4=16
1.2	Failures and loss in integrity of local governance and decision making.		Increase from 3/2=6 to 4/2=8
2.1	Economic instability and weak economy with high levels of national debt.	Increase from 3/4=12 to 4/5=20	Increase from 3/3=9 to 4/5=20
2.3	Medium to Long Term financial sustainability.	Decrease from 5/5=25 to 5/4=20	No change
3.1	Growth in demand for council services.		Increase from 3/5=15 to 4/5=20
3.3	Inability to respond to critical housing needs.		Increase from 4/4=16 to 4/5=20
4.1	Disruption to technology infrastructure.	Increase from 5/3=15 to 5/4=20	No Change
4.2	Inability to innovate and respond to new and emerging technological developments.		Increase from 3/3=9 to 4/4=16
4.3	Data not appropriately managed or effectively used.	Increase from 3/3=9 to 4/3=12	No change
5.1	Impacts and requirements arising from climate change.		Increase from 4/4=16 to 4/5=20

4.2.3 SRR matrix. The strategic risk matrix at *Fig 1*, provides an overview of the rating of the council's strategic risks in terms of likelihood and impact. Whilst the strategic risks lie across the High-Med-Low classification, as they all link to operational risks rated at HIGH, regular reviewing, monitoring and consideration for further controls remains a requirement.

Impact	5 Critical/ Catastrophic				2.3 4.1	3.1 3.4
	4 Major		1.2	3.5 4.3	2.2	1.1 2.1 3.3 4.2 5.1
	3 Moderate				3.2	
	2 Minor					
	1 Insignificant/ Negligible					
Strategic Risk Matrix		1 Very unlikely /Rare	2 Unlikely	3 Possible	4 Probable/ Likely	5 Almost Certain
		Likelihood				

Fig 1: Strategic Risks Matrix

4.3 Operational Risk Register Update

4.3.1 ORR Overview. The ORR now has 32 risks (increase of 1) although none are rated at the highest level of 25 (Impact-5, Likelihood-5). A summary of the ORR is at Appx 3, and the full register is at Appx 4.

Note: As the ORR changes, risk reference numbers are also updated.

4.3.2 Changes to Operational risks and ratings. Three new risks have been added, one risk scores have increased, another has decreased and two risks have been removed from the ORR during this reporting period.

New risks added:

Risk Description	Risk Score	Division
Availability of bitumen	20 (I=5, L=4)	Planning Development and Transport
Construction inflation	20 (I=5, L=4)	Planning Development and Transport
Consultation, PSED/equality impact assessment	16 (I=4, L=4)	Corporate Services

Risk score change:

Risk Description	Risk Score	Division
Workforce availability	16 (I=4, L=4) (decreased from 20)	Children's Social Work and Early Help
Recruitment and retention of staff	20 (I=4, L=5) (Increased from 16)	Planning, Development and Transport

Removed risks:

Risk Description	Risk Score	Division
Change in county council politics	Risk has been deleted from the DRR	Planning, Development and Transport
Budget	12 I=4, L=3) (decreased from 16)	Public Health

4.3.3 ORR Trend. Fig 2 provides an overview of the number of risks ranging between of 15 to 25 in the ORR. The notable increase in risks with a score of 20 in the last two reporting periods are due to new risks from within Corporate Services and PDT.

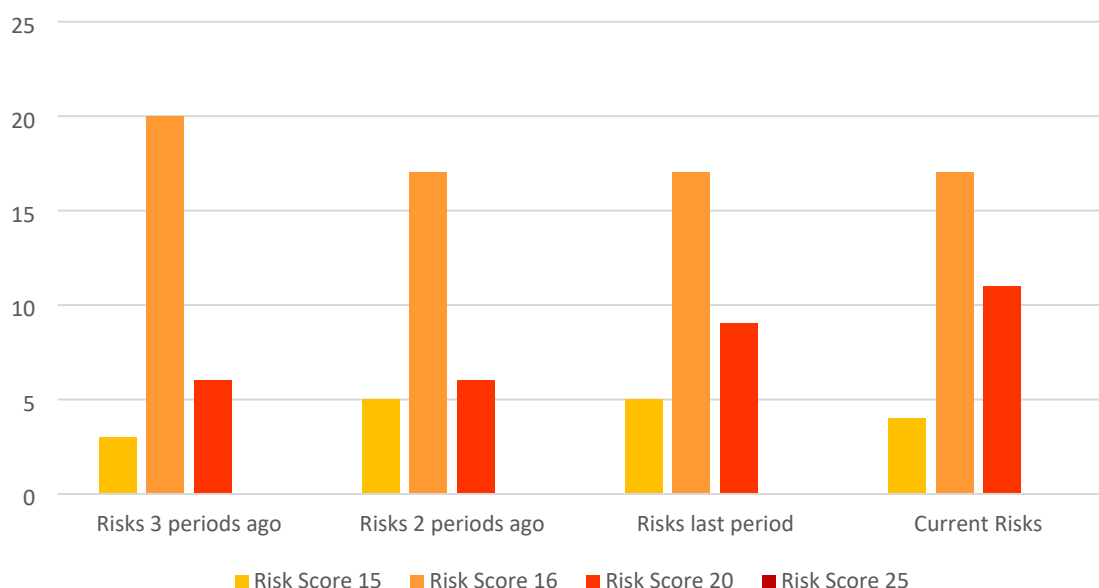


Fig 2 – ORR Risks trend overview.

Note: Fig 2 refers to total quantity of risks within ratings scores on the ORR, which may not be the same specific risks due to the additions and deletions to the register within reporting periods.

4.4 Future Changes.

4.4.1 To improve consistency and objectivity of risk reporting in the ORR, the register format is being amended, and divisional workshops will be conducted during Sep/Oct. Main changes will be :

- a. Introduction of a Reasonable Worst-Case Scenario for each risk to enable a more focussed assessment of both likelihood and impact.
- b. Request that impacts are benchmarked and documented across the seven criteria already used to improve the objectivity of impact rating.
- c. Deletion of the cost column (indicative financial impacts are included in benchmarking).
- d. Request a short risk response commentary (like that on the SRR) to provide context to target scores and timelines.

4.4.2 Discussions are ongoing about how LGR associated risk management will be undertaken and reported. It is intended to brief G+A Committee on arrangements during the next update.

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

5.1 Financial implications

This report updates on the strategic and operational risks facing the Council. In most cases, the cost of treating risks will need to be accommodated within existing budgets, but the

identified risks will also need to be considered as part of the annual budget setting process and through quarterly budget monitoring.

Stuart McAvoy, Head of Finance, Ext 37 4004

Signed: Stuart McAvoy

Dated: 12 August 2026

5.2 Legal implications

There are no direct legal implications arising from this report.

Kamal Adatia, City Barrister, Ext 37 1401

Signed: Kamal Adatia

Dated: 12 August 2026

5.3 Equalities implications

Under the Equality Act 2010, the Council has a Public Sector Equality Duty (PSED) to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between people who share a protected characteristic and those who do not.

This report notes the addition of a new high-scoring risk to the Operational Risk Register (ORR) specifically relating to Consultation, PSED, and Equality Impact Assessments.

Furthermore, several strategic and operational risks detailed in this report—including workforce availability in Children's Social Work and Early Help, critical housing needs, population health resilience, and climate change impacts—disproportionately affect residents with specific protected characteristics (such as age, disability, and socioeconomic vulnerability).

Ensuring that equality impact considerations are embedded within decision-making, and that these operational and strategic risks are regularly monitored and mitigated, supports the Council in maintaining accessible, safe, and fair services while upholding its statutory duties under the Equality Act 2010.

Sukhi Biring, Equalities Officer Ext 37 4175

Signed: Surinder Singh

Dated: 13 August 2026

5.4 Climate Emergency implications

The risks associated with climate change such as increased flooding, heatwaves, droughts and storm damage, their consequences and the council's management of these risks are the subject of risk '5.1 – Impacts and requirements arising from climate change' within the SRR. This allows for monitoring of the risks and consequences and the actions that are in place to control them, as well as further actions required. Further detail on the risks and impacts of climate change for the UK can be found in the official Met Office UK Climate Projections (UKCP).

Climate change also links to other risks in the SRR, including risk '3.2 - Less healthy and health resilient populations' as many of the risks associated with climate change present a

further threat to health and wellbeing. This includes health risks from heatwaves and extreme heat, which are particularly dangerous for those with existing conditions and for elderly and very young residents. Climate change also links to risk '1.1 – Volatile political and policy environment', both from risks to support for the council's work on climate change and the potential for some actions to exacerbate volatility where they may be controversial with some residents.

Following Leicester City Council's declaration of a Climate Emergency in 2019, and ambition to achieve net zero emissions within the council and city, climate change has been identified as one of the council's major priorities to tackle. The council's actions on mitigating and adapting to climate change are managed and monitored through its 'Climate Emergency Action Plan', which is currently being updated. Adaptation has been identified as a key area for future work, and the updated action plan will contain an action on reviewing climate risks for the council and city, and updating the associated adaptation plans as required.

Phil Ball, Sustainability Officer, Ext 37 2246

Signed: Phil Ball

Dated: 14 August 2026

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

N/A

6. Background information and other papers:

LCC Risk Management Policy Statement & Strategy 2026 (approved by Governance and Audit Committee March 2026).

7. Summary of appendices:

Appendix 1: Strategic Risk Register (SRR) Summary.
Appendix 2: Full Strategic Risk Register (SRR).
Appendix 2: Operational Risk Register (ORR) Summary.
Appendix 3: Full Operational Risk Register (ORR).

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)?

N/A

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

N/A

Appendix 1 - Strategic Risk Register Summary

Date: 01.06.26

SRR Ref No & Risk Owner	Risk Title	Current Situation	Previous Situation		Risk Response Plan		
		Risk Score (I=Impact, L=Likelihood)	Risk score at 31/01/26	Variance since last cycle	Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions	Timeline of response prediction
Political /Legal							
SRR 1.1 Alison Greenhill	Uncertainty due to changes in the political and policy environment that LCC operate in	20 I=4, L=5	20	↔	Tolerate and Treat	16 I=4, L=4	Q4 of 2026
SRR 1.2 Kamal Adatia	Failures in integrity of local governance and decision making	8 I=4, L=2	8	↔	Tolerate	8 I=4, L=2	2029
Economic							
SRR 2.1 Richard Sword	Economic instability and weak economy	20 I=4, L=5	12	↑	Tolerate and Treat	20 I=4, L=5	2031
SRR 2.2 Andrew Shilliam	Lack of critical skills, resources and capabilities across the workforce	16 I=4, L=4	16	↔	Tolerate and Treat	9 I=3, L=3	2027
SRR 2.3 Amy Oliver	Financial sustainability	20 I=5, L=4	25	↓	Tolerate and Treat	20 I=5, L=4	April 2028
Socio-Cultural							
SRR 3.1 Richard Sword	Growth in demand for council services	25 I=5, L=5	25	↔	Tolerate and Treat	20 I=4, L=5	2031
SRR 3.2 Rob Howard	Less healthy and health-resilient populations.	12 I=3, L=4	12	↔	Tolerate and Treat	9 I=3, L=3	2031

Socio-Cultural (cont)

SRR 3.3	Inability to respond to critical housing needs.	20 I=4, L=5	20	↔	Tolerate and Treat	20 I=4 L=5	2036
SRR 3.4	Impacts arising from numbers and complexity of needs of asylum seekers and refugees.	25 I=5, L=5	25	↔	Tolerate and Treat	16 I=4 L=4	2031
SRR 3.5	Decreasing levels of social cohesion.	12 I=4, L=3	12	↔	Tolerate and Treat	9 I=3 L=3	2027
Technological							
SRR 4.1	Disruption to technology infrastructure.	20 I=5, L=4	15	↑	Tolerate and Treat	15 I=5, L=3	2027
SRR 4.2	Inability to innovate and respond to new and emerging technological developments.	20 I=4, L=5	20	↔	Tolerate and Treat	16 I=4, L=4	2027
SRR 4.3	Data not appropriately managed or effectively used.	12 I=4, L=3	9	↑	Tolerate and Treat	9 I=3, L=3	2027
Environmental							
SRR 5.1	Impacts and requirements arising from climate change.	20 I=4, L=5	20	↔	Tolerate and Treat	20 I=4, L=5	2030

Appendix 2 - LCC Strategic Risk Register - as at 01 June 2026

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SRR Risk Ref + primary risk owner	Risk Description <i>What is the underlying risk? What is it caused by? Provide a brief context of risk</i>	Consequence / Impact <i>What are the current and future impacts of this risk? Where possible categorise by service delivery areas to enable correlation between existing and further controls and target impact ratings</i>	Existing Controls <i>What existing policies, procedures or controls are in place to manage this risk now?</i>	Risk Score			Response Strategy Summary <i>Tolerate, Treat, Transfer, Terminate</i>	Further Management Actions <i>Ongoing or planned reviews, initiatives or pilots schemes that are in progress prior to permanent change. Details of these actions should be reflected within relevant action owners workplans.</i>	Target Score			Timeline of response prediction	Associated ORR Risks and owners <i>Based on links to causes and impacts</i>	
				Impact	Likelihood	Risk			Impact	Likelihood	Risk			
Political and Legal														
1.1 Alison Greenhill	Uncertainty due to changes in the political and policy environment that LCC operate in. Causes: - Significant changes to Local Government structures and responsibilities (LGR and Devolution). - Shifting government priorities due to political and personnel changes or response to international events. - Significant national policy changes in LA areas of activity. - Changes in relevant legislation or interpretation of legislation. - Political changes to local government. Context: Government policy changes and local and national elections increases uncertainty, as do changes in legislation, governmental priorities and international events. The impact of changes is not always immediately clear and public opinion alters and is affected by domestic political policy. Regular ministerial changes and policy upheavals result in some ripples/turbulence which makes it more difficult to anticipate the likely direction of travel, compounded perhaps by some policies being pivoted. Uncertainty about Local Government Reorganisation currently increases risk. We have limited ability to affect the likelihood of this risk so must focus on reducing the impact in those areas most affected. Martyn's law implementation risk is held at ORR and by Apr 2027 should reduce further	- Additional burdens and demands on capacity may arise from new policies and expectations from Government, potentially at short notice. <i>By way of example there are new and emerging inspection regimes/requirements in relation to Housing, SEND, and Adult Social Care at an intra-service level, whilst there are bold plans for Devolution and Local Government Reorganisation across the entire LA landscape. All of this is against a backdrop of continued formal intervention in Local Authorities where governance risks remain high.</i> - Capacity and resources deployed to deliver significant and new policies / reforms to existing arrangements, and which therefore might result in current established activities being subsequently aborted, delayed or significantly amended. - There could be an inability to respond due to volume, pace and short notice legislative and other national policy changes and requirements with little or no provision of additional resource. - Diverted from tackling significant local issues/ priorities to meet changing national policy direction. - Disruption to existing and established local structures, roles and responsibilities may occur which creates uncertainty and can disrupt partnership working as well as staff recruitment and retention.	- Horizon scanning and preparedness take place in services, considering the potential for and impacts of national government changes and changes in policy direction. - Preparing for and managing change including assessing requirements in terms of change capacity. - Response capabilities in place, for business continuity management and major incident plans and processes to deal with unplanned demands or disruption. - Robust governance arrangements in place to support transparent and effective decision-making. - Independent panels/persons exist to ensure systems are robust for relevant Council service areas. - Preparation for inspections through active self-assessment and peer challenge. - Effective use of representative bodies to establish collective relations with Government, to engage in considering the political and policy landscape and risks, and to escalate issues through associations and partnerships like the LGA, ADASS, ADCS etc. - Both officers and members focus on opportunities for two-way engagement with central Government on critical policy matters (e.g. asylum matters).	4	5	20	TOLERATE: The likelihood of uncertainty is currently high but this should reduce when LGR details are confirmed, yet uncertainty around devolution will remain. Local elections (potentially with new areas) have the potential to increase impact on ability to manage multiple changes. TREAT: When LGR details are known it is envisaged that this will eventually reduce the impact scoring as better defined risks become managed in a specific LGR strategic risk and at divisional levels.	1. Corporate 'policy scanning' resource has been recently introduced, and which is expected to connect with existing divisional activity or resource involved in policy development. Establishing rigour around this will help with policy development and implementation. Action owner: Andrew Shilliam 2. Liaise with Government and neighbouring Authorities to agree, or at least understand, approaches to Devolution and LGR and establish appropriate communications channels. Key LGR decision date is July 2026. It is likely that post LGR decision, this will create a separate strategic risk, however, devolution related risks will remain within this strategic risk. Action owner: Andrew L Smith	4	4	16	Q4 of 2026	01. Housing - Budget Pressures 02. Housing - Homelessness 23. Corporate Services - Martyn's Law 27. Education, SEND and Early Help - Transport Policy	
1.2 Kamal Adatia	Failures and loss in integrity of local governance and decision making. Causes: - Lack of consistent and robust application of governance and decision-making procedures and powers - Lack of full digital and online accessibility for member activities - potential for gaps in member governance training and awareness during changes Context: This risk remains low and we have significant control over likelihood and impact. It is controlled through the strength of our Internal Audit arrangements. We have new providers in place with a good track record of delivery and we have already seen an improved focus on targeted audited activity.	- Timely delivery of activities that address or political/corporate priorities. - Inappropriate use of resources. - Legal challenge. - Reputational damage and loss of public confidence. - Potential for strained relationships between members, officers, and Unions. - Potential for Government or other formal intervention if failings are severe.	- Strong focus on governance, including learning from other authorities. - Ongoing programme of governance training for officers and members focussing on behaviour, decision making and scrutiny, including technical enhancements to improve training and information sharing. - Corporate Governance Board in place. - Strengthening of Governance & Audit Committee, including appointment of independent member of the Committee, programme of training sessions before meetings and lead authority in the new regional forum. - Open and honest relationship with External Audit – proactive and early engagement and input that has resulted in an audit positive report. - Strengthened our Internal Audit arrangements, with new providers in place and an improved focus on targeted audited activity already being seen.	4	2	8	Tolerate: Existence and application of robust governance and decision making procedures keeps the Likelihood score low and this is unlikely to change. Limited ability to reduce impact so focus is on reducing potential causes by early identification of issues and increased support/engagement with members as part of existing controls.	No further actions planned	4	2	8	2029	11. Planning Development and Transport - Duty to Protect 21. Corporate Resources - PSED/quality impact assessment 25. Legal - Workloads & Pressure - Client Care 27. Education, SEND and Early Help - Transport Policy	
Economic														
2.1 Richard Sword	Economic instability and weak economy with high levels of national debt. Causes: - Reducing investor confidence. - Interest rates stabilising recently, but prices continue to be medium to high. Notable threats to economy from global trading pressures, geopolitical instability, and new global tariffs from America. - Volatile costs and supplies forecast and therefore conditions remain challenging meaning that the economic future remains challenging. - Financial burden placed on us is challenging because of continued economic uncertainty, pressure from future pay awards, and increasing resident expectation and support. - Pressure from future pay awards - Increased resident expectation of support Context: The risk reflects the ongoing weakness of the national economy coupled with high levels of national debt and prices medium to high. Notable threats to economy from global trading pressures and new global tariffs from America. Volatile costs and supplies forecast outside of our control mean the economic future remains challenging. Events in early 2026 have raised the likelihood of this risk to a 5 rating.	- Overspends, budget pressures and inability to meet demand or to generate earned income. - Increasing demand on financial welfare support and other social equality issues arising from a weaker economy, often through increasing employment related issues. - Lack of availability of key supplies, goods and services and relevant skills and expertise cause delays and risks the ability to deliver services and capital schemes. - Inward investment, development and tourism becomes more challenging, which itself creates place based challenges.	- Capital based risk reviews reflected in capital programme planning. - Robust approach to capital projects management and scrutiny of financial performance and delivery. - Better targeted and more strategic procurement of services and goods. - Stronger risk-based approach to the planning of capital schemes – including a greater focus/emphasis on inflation related risk, profiles and uncertainty. - Financial strategy projections and budget setting to take account and build in appropriate measures about the ongoing impacts of a weak economy. Key projects and contracts have been reviewed. On-projects inflation funds have been applied on a case-by-case basis. On key contracts, where there are inflation linked provisions, we continue to review and liaise with the supplier. - Continued review of price index data to inform decision on projects and procurements. Alongside monitoring of policy and global economic changes linked to key goods. This has identified great need for focus on strategic procurement for key programmes such as housing.	4	5	20	Tolerate: Limited ability to reduce likelihood rating. Continued global volatility and pressures indicate that the Likelihood of this risk will remain at a 5 rating. Treat: Continued financial measures and refinement of procurement and capital processes will avoid the Impact rating increasing, but is unlikely to lead to a reduction in impact rating in the current financial climate.	1. Continue to monitor the impact and take appropriate action as any potential pressures are identified impacting procurement or capital projects. A group has been set up to complete this monitoring. Action owner: Amy Oliver 2. Work to align with economic strategy within the region to focus on supporting businesses and growth sectors, and to target inward investment challenges. Action owner: Peter Chandler	4	5	20	2031	1. Housing - Budget Pressures 2. Homelessness - summary 10. Planning Development and Transport - securing suitable contractors 12. Tourism, Investment & Culture- Market sustainability	
2.2 Andrew Shilliam	Lack of critical skills, resources and capabilities across the workforce. Causes: - competitive employment market - local authority pay constraints - condensing of pay grades impacting on middle and senior management disruption - strike action if it occurs - ageing workforce (average time in post 13.3 years), half of new recruits are 50+ - increase use of AI in public service delivery, exacerbated by aging workforce - negative public perceptions arising from assessments conducted by statutory bodies/regulators and general challenges that Councils have attracting talent - uncertainty created by LGR leads to attrition and/or inability to attract new recruits Context: This is risk is scored at 16 due to the pressures around pay constraints and pay grade condensing, combined with an increasingly ageing workforce requiring to deal with technical and non-technical change. The impact of this risk in the inability retain and recruit staff which may lead to more expensive options, such as using agencies and locums and strain on the workforce that could result in low morale.	- Unable to retain staff, particularly in professional roles and at the most experienced and senior level resulting in loss of experience, capacity and talent and risks to the day-to-day delivery and transformation of services, and delivery of priority projects including capital schemes. - Unable to recruit new staff, particularly in professional or specialist roles limits and disrupts our ability to meet expectations and provide the services required. - Increased reliance on more expensive options such as use of agencies and locums, overtime and specialist support such as consultants. - The quality and efficiency of our services may be affected, particularly if unskilled and/or lower skilled staff are relied upon to deliver services. This could lead to service backlogs, productivity concerns, and ultimately lower public confidence in services and the Council. - Higher rates of absenteeism (and the cost/impact of managing) are expected in organisations with higher levels of older employees. - Finding structured OD support arrangements that are sufficiently differentiated by workforce age requires a considered, coordinated approach. - Missed opportunities for cost-savings and productivity enhancements through innovations in working practices and/or technologies. - Continued strain on our workforce could result in low morale and staff burnout, especially if staff are overburdened and citizen/regulator expectations continue to increase.	- Entry to employment focus and use of apprentice levy funding which supports us to address skills gaps in specific areas of the workforce via a 'grow our own approach'. - Redesigning skill mix and more creative approaches to job design encouraged by the Resourcing Team and Business Partners. - Increased focus on workforce planning which is one of the top three organisational development priorities for the Council. - Engagement with Colleges, Universities and outreach activity such as jobs fairs.	4	4	16	Tolerate: Local Authority pay constraints and limitations are likely to remain and technological complexity including AI is likely to increase - there is limited ability to impact either cause. Treat: Ongoing work around improving demographics, attractiveness and agile employment practices and structures should lead reduce causes and impacts - both of which ratings are predicted to reduce to a rating of three.	1. Further strengthening and embedding of workforce planning. Action owner: All Directors 2. Through Business Partners, explore differentiated OD/workforce support arrangements that appropriately recognise workforce profiles specific to each service area. Action owner: All Directors 3. Workforce profile and 'at risk' roles / postholders to be reviewed and refreshed, especially in light of LGR. Action owner: All Directors	3	3	9	2027	1. Housing - Budget Pressures 2. Homelessness - summary 7. Planning Development and Transport - Recruitment and Retention of staff 14. Corporate Resources - Staff shortages, capacity, key skills and knowledge 26. Children's Social Care and Community Safety - Workforce - availability 30. Public Health - staffing and recruitment - Internal 31. Public Health - Staffing and recruitment - External	
2.3 Amy Oliver	Medium to Long Term financial sustainability. Causes: - Expenditure is more than the income - Inflation, increasing demand for services, market economics - Reliance on one-off resources to bridge the budget gap. Context: Global and national financial climate remains challenging and the gap rising between costs increases and income increases. Combined with additional demand for services in areas such as homelessness and social care.	- Service delivery significantly compromised and impact on residents including the most vulnerable. - Ability to deliver priority outcomes compromised and quality of life for residents. - Unable to deliver on key priorities. - Reputational damage and possible intervention. - Substantial crisis job losses. - Need for crisis cuts. - Financial viability of the organisation at significant risk. - Instability around workforce and ability to recruit and retain.	- A budget was approved at Council in February with a balanced budget for 26/27. The budget strategy was based on the following key elements: - Cost mitigation in social care and homelessness - Achieving the outstanding savings targets/ - Reducing the need to borrow by using capital receipts from the asset sales programme. - Continuation of the lobbying through relevant channels, LGA, SIGOMA, ADASS etc. - Continued focus on in-year budget monitoring, emerging financial pressures, agreed budget savings and identification of additional savings and cost mitigation programmes. - Continued regular briefings with elected members on the financial position.	5	4	20	Tolerate: Global and National financial climate remains challenging. Treat: Continue monitoring and delivery of the budget strategy increase the financial sustainability.	1. Targeted budget monitoring and close monitoring of savings delivery. Action owner: S151 2. Lobbying and maximisation of additional funding. Action owner: Senior management team 3. Achieve the outstanding targets and continue with our cost mitigation work, particularly in social care and homelessness. Action owner: Senior management team 4. Sale of assets to be progressed to provide funding for the capital programme to reduce borrowing costs. Action owner: Richard Sword/Amy Oliver	5	4	20	01/04/28	1. Housing - Budget Pressures 3. Neighbourhood and Environmental Services - Ash Dieback - Epidemic of Ash Trees 4. Neighbourhood and Environmental Services - Decreasing availability of burial space 5. Neighbourhood and Environmental Services - Age and Condition of Infrastructure and assets 6. Neighbourhood and Environmental Services - Budgets 8. Planning Development and Transport - Availability of bitumen 9.Planning Development and Transport - Construction inflation 12. Tourism, Investment & Culture- Market sustainability. 19. Corporate Resources - Loss of income 20. Corporate Resources - Budget pressures 22. Corporate Resources - Technology cost 27. Education, SEND and Early Help - Transport Policy Implementation 32. Public Health - Commissioning	
Socio-Cultural														

Appendix 2 - LCC Strategic Risk Register - as at 01 June 2026

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SRR Risk Ref + primary risk owner	Risk Description <i>What is the underlying risk? What is it caused by? Provide a brief context of risk</i>	Consequence / Impact <i>What are the current and future impacts of this risk? Where possible categorise by service delivery areas to enable correlation between existing and further controls and target impact ratings</i>	Existing Controls <i>What existing policies, procedures or controls are in place to manage this risk now?</i>	Risk Score			Response Strategy Summary <i>Tolerate, Treat, Transfer, Terminate</i>	Further Management Actions <i>Ongoing or planned reviews, initiatives or pilots schemes that are in progress prior to permanent change. . Details of these actions should be reflected within relevant action owners workplans.</i>	Target Score			Timeline of response prediction	Associated ORR Risks and owners <i>Based on links to causes and impacts</i>
				Impact	Likelihood	Risk			Impact	Likelihood	Risk		
3.1 Richard Sword	Growth in demand for council services. Causes: - An increasing population. - Increased frailty in the older population. - Greater complexity of need - Pressures on households from increased cost of living. - less healthy public - rising cost of living - increased expectation on support from the council - increased demand for asylum seeker placings Context: Increasing complexity of need and a less resilient population is further exacerbating the level of demand on services. Service delivery across Council and partners focuses on addressing presenting and crisis needs leaving limited resource for preventative activity.	- Services unable to respond to immediate and emerging needs/demand and become overwhelmed, which may lead to further increases in demand. - Significant pressure on revenue budgets and disinvestment in preventative activity, potential overspending and challenges in realising further savings. - Community is less resilient and less able to support themselves, exacerbation of inequalities across the city, increases in crime and community tensions and breakdown in community cohesion. - Some residents may become more isolated and excluded, or their carers may no longer be able to offer informal support, leading to further deterioration in their wellbeing and hence further increased demand on services, or informal carers may have to withdraw from the labour market to focus on their caring duties, thereby weakening the City's economic performance. - Reactive crisis service delivery reduces ability to deliver preventative services. - Significant increase in households who are facing homelessness or who are homeless. - Significant increase in numbers in temporary accommodation. - Lack of move-on accommodation and housing options as housing crisis affects availability of social housing and the affordability of the private rented sector. Enormous financial burden to the council and housing sector. Potentially leading to a lack of capacity in the market and increased prices for rents. - Lack of resources to enable preventative activity to assist in reducing demand.	- Range of existing financial and other support for households including discretionary support schemes funded by the Council. - Cost of Living Incident Management Team in place to co-ordinate whole Council response to cost-of-living crisis. - Signposting and communication of existing sources of support, especially those within the community that are not dependent on Council funding. - Scenario modelling of demand and implications in relation to medium-term financial strategy and bidding for additional funding where available. - Ongoing close working with the VCS. - Increased focus on preventative approaches that make best use of the strengths already possessed by individuals and communities, to reduce demand. - Continuing monitoring of homeless numbers and trends. Using data to inform decisions on the use of grants to prevent homelessness, the type of property purchases through the HRA and working closely with both the private sector, peer authorities and partners to support the challenges we face in relation to increase homelessness. Work with central government to lobby for changes in legislation in relation to GF property holdings. - Increased joining up services to focus on growth of key cohorts and interventions where necessary to protect front line services and managed risks. - Delivery of locality based Family Help teams. Progress update: Project Plan and governance in Place. Pilot site in operation since October 2025. - Develop preventative and cost-effective care approaches for adults requiring or who may require social care support through Living Better Lives and Tech Enabled care strategies and delivery plans Progress update: Draft plans in place, milestones set for further development, partnership structures with ASC, public health and NHS in place.	5	5	25	Tolerate: Limited ability to impact on causes so likelihood remains at a rating of 5 and is unlikely to reduce within 5 years Treat: Continued work to reduce pressures on social care and homelessness by preventative initiatives likely expected to reduce impacts toa rating of 4, but this may take 5 years	No further actions planned	4	5	20	2031	2. Housing - Homelessness
3.2 Rob Howard	Less healthy and health resilient population. Causes: Poor and unequal health risk factors across communities from a wide range of causes including: - lack of health education or access to reliable health information (incl. vaccine scepticism) - cost of living pressures - reduced access to prevention and treatment within NHS and associated services - lack of PH capacity to deliver preventative activity Context: Poor and unequal health risk factors across communities are due to a wide variety of causes, some of which are within LCC sphere of influence and some are not. Poor outcomes from this risk affect wider services and partners and also exacerbate root causes of the risk. Prevention is ideally the focus so risk management focuses on influencing causes where possible.	- Increased demand on adult social care - Increased demand on public health services to deal with health crisis which reduces the ability to undertake preventative activity and impacts longer-term outcomes. - Less societal resilience to future pandemics - Increased levels of disease, poor health and premature deaths - Increased prevalence of SEND and children requiring increased support.	- Governance arrangements in place such as Health and Wellbeing Board and Public Health and Health Integration Scrutiny Commission. - Ongoing monitoring of possible communicable disease outbreaks e.g. measles, TB, Flu and preventative work to drive up vaccination levels. - Early Help Children's Services provide support to families who may be struggling with children developing additional needs. - ASC reablement services and crisis response teams support people to recover their independence after a crisis, rather than experience declining health. - ASC invest-to-save projects expand community resilience capacity and increase overall staffing, providing alternatives to formal care services and more timely assessment and review. - Anti-poverty actions coordinated via Cost of Living IMT, seek to increase the amount of money that people have, enabling them to maintain a healthier lifestyle (especially food, heating, and housing). - Local Resilience Forum (LRF) and Local Health Resilience Forum (LHRF) have plans and arrangements which are tested and exercised in relation to responding to health epidemics and pandemics. - Increase the Health Protection function within Public Health Division to support vaccination uptake and coverage of screening programmes, run a pandemic preparedness exercise for LCC, and provide additional IPC support for care homes. - Delivery of locality based Family Help teams. Progress update: Project Plan and governance in Place. Pilot site in operation since October 2025. - Development of the Leading Better Lives community prevention programme to support people whose health independence or family function might otherwise decline such that require statutory social care support.	3	4	12	Tolerate: Limited NHS capacity and cost of living provide few opportunities for LCC to reduce the causes. Treat: Targeting the causes of poor public health by increasing vaccination and screening take-up and wider health protection activities have year-on-year targets but it is likely that the reduction in Likelihood rating to 3 will occur until 2031. Increased preparedness for health crisis reduces the potential impact but this is still likely to remain at a 3 rating.	- Using our role within the Integrated Care System (ICS) to influence resource allocations and interventions particularly in terms of preventative activity as well as reactive and crisis support. This includes establishing a City Prevention and Health Inequalities Group and five Task & Finish groups but is set against cuts to ICB running costs and programmes which adversely affect the ability to tackle inequalities. Action owner: Rob Howard - Increase the Health Protection function within Public Health Division to support vaccination uptake and coverage of screening programmes, and run a pandemic preparedness exercise for LCC. Funding is approved from PH grant and recruiting is ongoing. Action owner: Rob Howard	3	3	9	2031	2. Housing - Homelessness - summary 29. Public Health - Health Protection

Appendix 2 - LCC Strategic Risk Register - as at 01 June 2026

SRR Risk Ref + primary risk owner	Risk Description <i>What is the underlying risk? What is it caused by? Provide a brief context of risk</i>	Consequence / Impact <i>What are the current and future impacts of this risk? Where possible categorise by service delivery areas to enable correlation between existing and further controls and target impact ratings</i>	Existing Controls <i>What existing policies, procedures or controls are in place to manage this risk now?</i>	Risk Score			Response Strategy Summary <i>Tolerate, Treat, Transfer, Terminate</i>	Further Management Actions <i>Ongoing or planned reviews, initiatives or pilots schemes that are in progress prior to permanent change. . Details of these actions should be reflected within relevant action owners workplans.</i>	Target Score			Timeline of response prediction	Associated ORR Risks and owners <i>Based on links to causes and impacts</i>
				Impact	Likelihood	Risk			Impact	Likelihood	Risk		
3.3 Richard Sword	Inability to respond to critical housing needs. Causes: - reductions in available housing in private and social rented sector - increased cost of regulation and housing cost - slowdown in housing development due to economic climate - lack of availability of land within the city for new housing - limited viability of housing projects to be delivered in the housing sector - increased demand for asylum seeker placings Context: Market pressures, reduced options for expansion and increased demand are all causes that LCC have no ability to effect, although LGR may provide some opportunities this is likely to be at least equalled by challenges. Whilst this appears a single department risk the impacts are wide ranging and exacerbate other risks within the council.	• Lack of move-on and temporary accommodation, and housing options as housing crisis affects availability of social housing and the affordability of the private rented sector. • Significant increase in households who are facing homelessness or who are homeless. Significant increase in numbers in temporary accommodation. • Additional demand on services where housing needs cannot be adequately met and consequently individuals and families are placed under pressure leading to other needs such as mental health support. • Significant pressure on revenue budgets and potential overspending and challenges in realising further savings. • Reactive crisis service delivery reduces ability to deliver preventative services. • Likelihood of increased regulatory activity and/or adverse findings, for shortcomings in meeting statutory targets for housing and re-housing. • Likely legislative changes – such as the ‘social housing target’ will impact locally. • Government and/or agency discussions take place and which we have no ability to shape or contribute to, but which result in significant housing related impacts locally e.g. asylum accommodation etc.	1. Continued data monitoring of housing needs, including waiting lists, homelessness, priority groups to identify issues and where intervention is needed. 2. Focused planning for the creation of new homes through joining up key services such as planning, estates, housing, development and community services. 3. Continued drive around preventing homelessness, working with tenants, partners, VCSE, and landlords, and increasing prevention team and activities. 4. Ongoing regional work across the wider area, such as Leicester and Leicestershire, to deliver housing needs through the local plan. 5. Programme of work to stimulate acquisitions, developments and delivery of rented accommodation. 6. Continued work with regional and national agencies to maximum collaboration and funding opportunities to deliver increased housing supply. 7. Market intervention and support where needed to deliver housing needs. 8. Ongoing programme of releasing land from the general fund into the HRA to allow the creation of housing stock. 9. Where appropriate selling of assets to the private market, with a priority on housing delivery. 10. Focused programmes on rentals and large-scale acquisition of temporary accommodation.	4	5	20	Tolerate: There is minimal ability to change the causes of this risk and there is no indication that these causes will reduce - meaning the Likelihood rating will remain at 5.. Treat: The ongoing control measures and further actions are keeping the impacts from rising to a rating of 5, however the timeframes involved in creating new housing result in a 10 year expectation that impacts will remain at a 4 rating.	1. Development of a long-term (10 year) housing plan. Identification of Housing development land through newly approved Local Plan, Identifying and securing internal & external funding. Source and agree routes to delivery (internal & external), Identification of resources (internal & external), Political approval for proposals, Governance & Oversight set up to oversee and steer delivery. Action Owner: Chris Burgin 2. Development of temporary acquisition programme. Ongoing business case & budget funding approval. Clearly identified needs and model of delivery set up and used. Programme of oversight & delivery set up and ongoing. Action Owner: Chris Burgin	4	5	20	2036	
3.4 Richard Sword	Impacts arising from numbers and complexity of needs of asylum seekers and refugees. Causes: - Increasing numbers of asylum seekers being placed in the city. - complexity arising from the range of national schemes and nationalities (Ukraine, Syrian, Afghans) - complexities around different groups including unaccompanied children, large family groups and health and educational support needs. Context: This places significant additional demands, and costs on services including housing, education, social care, both directly for the asylum seekers/refugees but with the second order effect of reducing the service available to existing users. This links to other strategic and operational risks but due to the high impact and specific challenges associated with control measures and actions it is considered a distinct strategic risk.	• Tensions arising within communities as newly arrived individuals are placed into established communities across the city. • Significant additional demands and therefore capacity and cost pressures on services including housing, education, social care, both directly for the asylum seekers and refugees, and indirectly because of them taking up capacity that would otherwise be available for others. • Adds additional demand and strain in relation to wider systems and partnership working such as the health and social care system particularly due to significant and rising numbers of unaccompanied asylum-seeking children, and of care leavers who were formerly asylum seekers. • Additional strain on LCC budgets with significant costs projected. Impact of service demands. • The growing number of different asylum schemes creates capacity and response challenges.	1. Governance and oversight boards to ensure risk is known, understood and intervention taken where appropriate. 2. Significant experience being deployed from previous work in supporting Syrian Refugees. 3. Resources in place such as STAR Amal Team. 4. Close monitoring of Unaccompanied Asylum seeking children (UASC) and management of placements. 5. Ongoing engagement within the region, including home office, partners, and other external agencies to provide oversight. 6. Continued monitoring of asylum seeker programmes, to monitor numbers, issues, and pressures, such as housing. 7. Creation of dedicated workstreams such as the creation of temporary accommodation to ensure demand can be met. 8. Ongoing focused groups working across the authority to address thematic risks arising from asylum. 9. Continued engagement through COO in regional forums to express risks and pressure in Leicester from Asylum. 10. Continue to liaise with and lobby central Government as appropriate in relation to pressures and demands, and work with wider regional partners through mechanisms such as East Midlands Council Migration Board, ADCS and lobbying with other local authorities. 11. Continue to assess the impact to the council on temporary accommodation, staffing and education in relation to responding to asylum cases.	5	5	25	Tolerate: Minimal ability to affect national policy means that likelihood stays high although potential for public opinion to influence policy does exist. Treat: Ongoing efforts to affect the policy and schemes which have some progress especially with policy changes regarding reunification. Combined with ongoing actions this may reduce impacts to a 4 rating but the predicted timeframe is medium term (5 years)	1. Exploration of regional assessment centre and fostering provisions for UASC. Progress update: Awaiting revised delivery model from East Midlands Council for agreement. Action owner: Laurence Jones	4	4	16	2031	
27 3.5 Andrew Shilliam	Decreasing levels of social cohesion. Causes: - Rapidly changing cultural and community dynamics in the city - Population growth - Wider geopolitical environment creating tensions between communities - Increased appetite for political polarisation and social activism, fuelled by increased social media misinformation/disinformation - Cost of living crisis leads to competition for resources and support, which often makes people/communities feel less assisted than others Context: Global and national geopolitical and financial instability creates and ferments friction and dissatisfaction which are increasingly visible. As the front-line organisation of government this affects LCC who have little control over the causes. Services that are already near or at capacity are unable to respond and this increases dissatisfaction and caused reputational damage and loss of confidence in the council. All this has an disproportional effect on the vulnerable.	• Lack of trust and confidence in the Council along with wider partners. • Reputational damage for the city and council. • Lack of a strong sense of belonging to Leicester held by our communities - which reduces sense of connection and therefore ownership/responsibility of relations and places. • Resources needed to respond place pressure on revenue budgets and potential for overspending e.g. housing, welfare support etc. • Increased external scrutiny and ultimately potential for intervention. • Exacerbates inequalities across the city. • Increases the potential for crime, disorder and anti-social behaviour being triggered, therefore placing additional demands on services. • More vulnerable individuals impacted because of fear in local communities, being drawn into community tensions and resulting in potential safeguarding or other concerns.	1. Community tension monitoring processes in place and regular link in with Leicestershire Police. 2. Links with well-established community leaders for some communities. 3. Well-established Prevent programme including an education and awareness offer to schools. 4. Robust safeguarding procedures and Safety Community and Safeguarding Boards in place. 5. Head of Communities and Equalities role recruited to and responsible for creating a plan of action to understand and better connect our communities so we can create an improved sense of belonging.	4	3	12	Tolerate: Limited ability for LCC to change the causes, although key to understand them and reduce the impact through anticipatory dialogue etc.. Treat: Increased understanding , community and partner liaison and community projects will reduce the impacts of social dissatisfaction. New community engagement strategy and connected communities will support both our understanding and ability to reduce the impacts	1. Understand what’s preventing us from having strong links to newer and changing communities. Action owner: Andrew Shilliam 2. Work with Government to establish ways of understanding geopolitical risks and likely impact on local communities. Action owner: Alison Greenhill / Andrew Shilliam 3. Work with Home Office on reshaping and refocusing the Prevent agenda. Action owner: Sean Atterbury 4. Continue community gold work, working closely with group representatives, and multi-agencies. This helps identify community tensions early and appropriate responses. Action owner: Sean Atterbury 5. Work with the Home Office on appropriate disruption strategies in respect of individuals or organisations whose activities are designed impact negatively on community cohesion. Action owner: Laurence Jones 6. Connected Communities strategy planned for Q3 26/27 and which will focus on developing a clear understanding of what prevents a sense of belonging from being created in Leicester and what action needs to be taken to address this. Action owner: Andrew Shilliam 7. Refocused effort around the Community Forum and wider public engagement re topics of concern + actions done, underway, planned. Action owner: Andrew Shilliam	3	3	9	2027	04. NES - Decreasing availability of burial space. 11. PD&T - Duty to Protect

Appendix 2 - LCC Strategic Risk Register - as at 01 June 2026

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SRR Risk Ref + primary risk owner	Risk Description <i>What is the underlying risk? What is it caused by? Provide a brief context of risk</i>	Consequence / Impact <i>What are the current and future impacts of this risk? Where possible categorise by service delivery areas to enable correlation between existing and further controls and target impact ratings</i>	Existing Controls <i>What existing policies, procedures or controls are in place to manage this risk now?</i>	Risk Score			Response Strategy Summary <i>Tolerate, Treat, Transfer, Terminate</i>	Further Management Actions <i>Ongoing or planned reviews, initiatives or pilots schemes that are in progress prior to permanent change. . Details of these actions should be reflected within relevant action owners workplans.</i>	Target Score			Timeline of response prediction	Associated ORR Risks and owners <i>Based on links to causes and impacts</i>	
				Impact	Likelihood	Risk			Impact	Likelihood	Risk			
Technological														
4.1 Andrew Shilliam	Disruption to technology infrastructure. Causes: - Increasing hostile cyber attacks - User error - Technical vulnerabilities - LCC technical or estates infrastructure failures - Provider technical infrastructure failures Context: Potential for cyber-attack or other significant disruption to the organisation's technology infrastructure on which it is heavily reliant where service delivery could be significantly compromised. The impact of this risk could be high as it would affect the delivery of council services and cause reputational damage.	- Service delivery significantly compromised and impact on residents including the most vulnerable. - Unable to deliver on key priorities / critical services/statutory requirements? - Reputational damage and loss of confidence in Government functions. - Personal data is compromised. - Access to systems and infrastructure is locked and the Council is ransomed. - Financial consequences e.g. ICO fines, immediately necessary work to correct technology and/or estates failures. - Loss of trust in the Council. - Civil disruption/unrest resulting from services being disrupted.	- Technology defences including close monitoring and implementation of new end point security and 3rd party Security Operations Centre providing 24 x 7 cyber security monitoring. - Daily back-up of systems. - Business continuity plans, ICT disaster recovery plan and clear incident management processes are in place. - Log-retention policies have been extended/enhanced so we have a longer look back of activity. - Achieved cyber essentials and cyber essentials plus accreditation. - Recent focus of business continuity testing and major incident exercises has been on cyber-attacks. - Significant ongoing work to ensure resilience of business continuity responses and lessons learned following our cyber-attack in 2024. - Multi-factor authentication now required for individual users. - Improved and more secure remote working conduit – zero trust Global Protect VPN rolled out and remains in place. - Password security and complexity requirements heightened. - Amended and more secure Privileged Access Management arrangements in place regarding remote supplier access to LCC systems and infrastructure. - Assessment of our cyber security, risk management, disaster recovery and business continuity maturity using National Cyber Security Centre (NCSC) Cyber Assessment Framework (CAF) as part of the DHLUC Future Councils programme revealed a strong positioning re our infrastructure and preparedness for a cyber-attack. - Ongoing staff awareness raising and training around cyber vulnerabilities through user behaviour. - Enhanced email security monitoring and prompts through Mimecast. - Cyber Security Governance Analyst introduced into the DDaT structure to provide an enhanced level of expertise. - Monitor and act on guidance from regulatory/advisory bodies e.g. NCSC.	5	4	20	Tolerate: Hostile cyber attacks are unlikely to reduce and there will always remain vulnerabilities from human error, although these have been reduced. There is also limited control over provider failure. Treat: Significant improvements have been made in recent years on technical, procedural and education grounds to reduce both the likelihood and impact - but the threat is ever evolving. Further changes are planned to our hard FM and technology services which will improve our resilience.	- Specific areas of DDaT operation and that relate to cyber attack preparedness to be considered for inclusion in the 26/27 Internal Audit programme. Action owners: Andrew Shilliam - Review of M&E that supports our technology infrastructure + improvement proposals to be identified. Action owner: Andrew Shilliam	5	3	15	2027	- Corporate Services - Loss of critical divisional systems or unreliable data. - Corporate Services - Cyber. - Corporate Services - Data Loss. - Corporate Services - Local Government Reorganisation (LGR). - Finance - Unit 4 Finance System Implementation. - Public Health - Data.	
4.2 Andrew Shilliam	Inability to innovate and respond to new and emerging technological developments. Causes: - Unable to respond sufficiently to technological developments (impact) due to cost and availability of capital and revenue budget and skilled resources (risk), and due to speed of change (cause). - Rising cost of MS infrastructure related systems and apps beyond our current arrangements. - Rising cost of technology generally because of sophistication. - Difficulty in adapting our budgets in timeframe required. - Shortages of key staff skills and knowledge. - Services core system development needs cannot be accommodated in service budget and therefore require a more coordinated and collaborative response. Context: Services core system development needs cannot be accommodated in service budget due to costs rising from Microsoft infrastructure related systems and apps beyond our current arrangements.(risk) This could place significant pressure on budgets from demand for, and cost of new technologies. A more coordinated and collaborative response is required due the pace of technological change results in increased costs and challenges our ability to keep pace with the hardware, software and staff skills needed to maximise opportunities. This is particularly evident in service area specific technology changes and upskilling which are not catered for in the current budget structure.	- Unable to meet resident expectations. - Poor customer experience. - Importance isn't universally understood by political and managerial leadership - Significant pressure on revenue and capital budgets from demand for, and cost of new technologies. - If we don't understand and make better use of technology because of these causes, our service quality and productivity will be worse off. - Unable to attract and retain the skills and capacity to support the organisation in maximising the impact of technology due to competitive market.	- Embedding an agile approach to technological developments to support a more rapid and flexible deployment of solutions. - Using graduates to support a grow our own strategy in relation to ICT Developers within DDaT. - Governance arrangements in place to oversee and manage digital, data and technology developments across the organisation and ensure alignment with wider enterprise ICT architecture. - Information Governance and DDaT policies in place about potential use of AI. - Ensure wider digital, data and technology developments are aligned to enterprise-wide ICT architecture. - Digital Engagement Board in place to channel effort around technology developments and share knowledge/expertise.	4	5	20	Tolerate: We cannot affect the pace of technological change or the associated cost. Treat: Ongoing work to maximise existing capabilities to avoid out-sourcing and improved data analytics to inform DDaT planning should enable a more agile response, together with a review of how we develop services core system development needs.	- DDaT strategy/effort to be focused on developing enabling technology platforms around data and reporting and analytics. Action owner: Andrew Shilliam - Use platforms to develop applications in-house using agile methodology to reduce costs and vendor lock and improve flexibility. Action owner: Andrew Shilliam - Programme to control costs by maximising in-house development ensuring that any new procurements are aligned with the strategic platforms where possible. Action owner: Andrew Shilliam - Use new corporate platforms to rationalise and consolidate duplicate and legacy systems. Action owner: All Directors - Use new corporate platforms to integrate systems and democratise data for use across platforms. Action owner: All Directors - Forward looking service-based review of all existing systems and future MS and AI focused development requirements. Action owner: Andrew Shilliam - Strategic DDaT Board to be created where this effort and activity will be focused and an AI Transformation Programme to be introduced. Action owner: Andrew Shilliam	4	4	16	2027	Corporate Services - Local Government Reorganisation (LGR).	
4.3 Andrew Shilliam	Data not appropriately managed or effectively used. Causes: - Failure to safeguard confidential and sensitive data from loss. - Reasonableness / effective management of data. - Failure to protect data from theft. - Lack of understanding of data assets, data owners, and data processing rules etc. within Services Context: This risk relates to services do not recognise or understand the importance of data that they hold which leads to governance, access, classification, ROPA, and ownership issues. However, this risk is not high due to processes in place, however does hinder efficiencies and operations by not valuing data.	- Potential for litigation and financial loss. - Reputational damage. - Loss of public confidence. - Poor targeting of scarce resources and poorer quality decisions. - Non-compliance with legislation. - We aren't able to maximise the opportunities of data utilisation because we don't understand it enough. - Financial cost of maintaining our current data + environmental impact.	- Clear information governance policies, procedures and staff training. - Monitoring and reporting of information security incidents and annual reporting on information governance including to Governance and Audit Committee. - Corporate Information Group ensures robust policies, procedures and approaches are in place for information management and governance, most recently approving a policy in relation to use of AI tools. - Key roles including Enterprise Data Architect supporting data collection, storage, management and use. - Open data publication via open data platform with clear governance and protocols. - Maintain the data asset register held by Information Governance, so we know what we have.	4	3	12	Tolerate: Limited capacity to enact changes in behaviour and processes for services already at full stretch. Treat: Improved data management technical solutions and resistance to theft reduce the likelihood of data theft/loss. Improved education and understanding will also reduce the likelihood which is expected to reduce our risk score.	- Development of a data practitioners' network to continue to improve the sharing and use of data across the Council. Action owner: Andrew Shilliam - DDaT strategy and AI Transformation Programme to develop enabling technology platforms around data and reporting and analytics. Action owner: Andrew Shilliam - Reflective review of our (1) Data Governance & Strategy arrangements, (2) Data Management & Security arrangements, and (3) Data Use & Value actions, and look for opportunities for further improvement. Action owner: Andrew Shilliam	3	3	9	2027	- Corporate Services - Loss of critical divisional systems or unreliable data. - Corporate Services - Adaptation of New Technologies. - Corporate Services - Data Loss. - Corporate Services - Local Government Reorganisation (LGR)	
Environmental														
5.1 Richard Sword	Impacts and requirements arising from climate change. Causes: - climate change demands ability to respond to physical extreme weather impacts, - government targets/requirements to tackle climate change - lack of funding available to respond to net zero ambitions - lack of private / business appetite to invest in climate change area Context: Climate change demands and the ability to respond to physical extreme weather impacts, and to meet challenging targets / requirements from Government which seek to tackle the causes of climate change. Response in terms of net zero ambitions is potentially significantly constrained by lack of funding and LCC financial challenges. Whilst we have the ability to influence climate change through initiatives the affect is minimal within the wider context of climate change.	- Increased need to respond to more frequent extreme climate events such as flooding and hot weather which diverts capacity and resources and creates increased demand from communities who are impacted. - Climate impacts affect supply chains (e.g. food, fuel) causing increased costs on budgets. Council has to divert more resources and funding to deliver mitigations which impacts on other priorities and service delivery. - Inability to afford mitigations to meet targets. - Increased demand and costs arising from stricter national/legal requirements e.g. on recycling, buildings and energy. - Unable to meet legal requirements/litigation issues.	- LCC Climate Emergency Strategy & Action plan. - Governance arrangements in place including Lead Member, Climate Emergency Board, Climate Emergency Partnership and Lead Local Flood Authority Board. - Detailed carbon neutral roadmap study completed and informing new action plan. - Local Resilience Forum plans and preparations in place to respond to major weather events e.g. flooding. - Continue to work collaboratively across all agencies to support the delivery of extreme weather defence programmes. - Continue to implement localised works to help elevate the pressures of extreme weather events. - Complete refresh of climate emergency action plan for 2023 - 2028 informed by carbon neutral roadmap and drive forward under existing governance arrangements. - Progress update: January 2024 – consultation extended and closes on 28 January 2024. Climate Emergency Action Plan successfully launched and now being monitored against plan (May 2026) - Public engagement and city-wide flood defence programmes with the Environment Agency. - Development of exemplar new housing schemes with extremely high climate efficiency to demonstrate to others the viability and deliver what the city needs. - Funding is a key element of the climate emergency response so there are continued identification of funding streams and projects.	4	5	20	Tolerate: Limited ability to affect the wider causes except to seek alternative funding resource, which is ongoing. Treat: Ongoing work to reduce the impact is likely to stop this rising to 5 but unlikely to enable a reduction to 3 for the next 5 years. LCC net zero initiatives contribute to improvements in climate change but these are not significant within the wider issue.	Use Climate Emergency Partnership to identify potential priorities for working in partnership with other key stakeholders to accelerate progress. Progress update: May 2023 – a draft work programme for the partnership is due to be considered at the next meeting on 14 June. Sept 2023 – Partnership has agreed an initial work programme and some areas for collaborative focus. January 2024 – ongoing work relating to agreed work programme. May 2026 - Ongoing work relating to the agreed work programme. Action owner: Matt Wallace	4	5	20	2030	- Housing - Budget Pressures. - NES - Ash Dieback. - PD&T - Duty to Protect. - Corporate Services - Martyn's Law. - Education, SEND and Early Help - Transport Policy.	

Appendix 2 - LCC Strategic Risk Register - as at 01 June 2026

SRR Risk Ref + primary risk owner	Risk Description <i>What is the underlying risk? What is it caused by? Provide a brief context of risk</i>	Consequence / Impact <i>What are the current and future impacts of this risk? Where possible categorise by service delivery areas to enable correlation between existing and further controls and target impact ratings</i>	Existing Controls <i>What existing policies, procedures or controls are in place to manage this risk now?</i>	Risk Score			Response Strategy Summary <i>Tolerate, Treat, Transfer, Terminate</i>	Further Management Actions <i>Ongoing or planned reviews, initiatives or pilots schemes that are in progress prior to permanent change. . Details of these actions should be reflected within relevant action owners workplans.</i>	Target Score			Timeline of response prediction	Associated ORR Risks and owners <i>Based on links to causes and impacts</i>
				Impact	Likelihood	Risk			Impact	Likelihood	Risk		

Appendix 3 - Operational Risk Register Summary as at 1st June 2026

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 31/01/26	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
City Developments and Neighbourhoods (in current risk score order, by division)									
1	Budget Pressures (Housing)	16 I=4, L=4	CB	16	↔	Treat	12 I=4, L=3	16	9
	Links to SRR Risks: SRR 1.1 – Political Environment SRR 2.1 – Economic Instability SRR 2.2 – Workforce SRR 2.3 – Financial Sustainability SRR 5.1 – Climate Emergency		Risk Description: Increase in inflationary pressures have led to increasing pressures on the Housing Revenue Account and the Housing General Fund.						
2	Homelessness (Housing)	16 I=4, L=4	CB	16	↔	Treat	12 I=3, L=4	23	16
	Links to SRR Risks: SRR 1.1 – Political Environment SRR 2.1 – Economic Instability SRR 2.2 – Workforce SRR 3.1 – Demand Growth SRR 3.2 – Health Resilience SRR 5.1 – Climate Emergency		Risk Description: We are a statutory service providing services to all residents of Leicester and those with Local connections to the city including any rough sleepers and those that are placed in the city as per Government requirements. Homelessness Services is facing significant pressures due to unprecedented demands (over 200% increase within the last decade) and Leicester like other LAs nationally continues to experience a housing crisis.						
3	Ash Dieback - Epidemic of Ash Trees (Neighbourhood and Environmental Services)	16 I=4, L=4	SA	16	↔	Treat	12 I=4, L=3	2	3
	Links to SRR Risks: SRR 2.3 – Financial Sustainability SRR 5.1 – Climate Emergency		Risk Description: Caused by an introduced pathogen that most local ash trees are unlikely to have resistance to. It is anticipated that up to 95% of the tens of thousands of ash trees in the City will die.						

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 31/01/26	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
32	4. Decreasing availability of Burial Space (Neighbourhood and Environmental Services)	16 I=4, L=4	SA	16	↔	Treat	12 I=4, L=3	6	6
	<i>Links to SRR Risks:</i> SRR 1.2 – Governance SRR 2.3 – Financial Sustainability SRR 3.5 – Community tensions and dynamics		Risk Description: Burial space is limited in supply and may run out if further provision is not provided before existing capacity is reached. Rates of death and grave sales have increased above average over the past 5 years.						
	5. Age and Condition of Infrastructure and Assets (Neighbourhood and Environmental Services)	16 I=4, L=4	SA	16	↔	Treat	12 I=4, L=3	2	4
	<i>Links to SRR Risks:</i> SRR 2.3 – Financial Sustainability		Risk Description: Limitation to the ability to afford capital and leverage to potential borrowing this is likely to limit the ability to undertake critical end of life replacement.						
	6. Budgets (Neighbourhood and Environmental Services)	16 I=4, L=4	SA	16	↔	Treat	9 I=3, L=3	6	1
	<i>Links to SRR Risks:</i> SRR 2.3 – Financial Sustainability		Risk Description: Insufficient funding for services to operate effectively.						
	7. Recruitment and Retention of Staff (Planning Development and Transport)	20 I=4, L=5	ALS	16	↑	Treat	12 I=3, L=4	8	3
	<i>Links to SRR Risks:</i> SRR 2.2 – Workforce		Risk Description: Recruitment and Retention of staff to deliver key projects, programmes and strategies. Lack of qualified experienced staff in market. Pay levels not commensurate with other councils.						

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 31/01/26	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
8.	Availability of bitumen (Planning Development and Transport)	20 I=5, L=4	ALS	New Risk		Tolerate	20 I=5, L=4	1	0
	<i>SRR 2.1 – Economic Instability</i>		Risk Description: Availability of bitumen - core material for asphalt concrete, supply side issues due to Middle East crisis can have severe impact on programme and costs						
9.	Construction inflation - driven by material supply issues (Planning Development and Transport)	20 I=5, L=4	ALS	New Risk		Tolerate	20 I=5, L=4	1	0
	<i>SRR 2.1 – Economic Instability</i>		Risk Description: Construction inflation - driven by material supply issues, exacerbated by conflict in the ME, and domestic energy rates leading to inflationary pressures on the sector						
10.	Difficulty in Securing Suitable Contractors (Planning Development and Transport)	16 I=4, L=4	ALS	16	↔	Tolerate / Treat	12 I=3, L=4	1	1
	<i>Links to SRR Risks:</i> <i>SRR 2.1 – Economic Instability</i>		Risk Description: Difficulty in securing suitable contractors. Managing compliance with new Procurement Regulations constraints and timelines.						
11.	Duty to Protect (Planning Development and Transport)	15 I=5, L=3	ALS	15	↔	Treat	10 I=5, L=2	7	1
	<i>Links to SRR Risks:</i> <i>SRR 1.2 – Governance</i> <i>SRR 3.5 – Community Tensions and Dynamics</i> <i>SRR 5.1 – Climate Emergency</i>		Risk Description: Failure to ensure counter terrorism measures are incorporated into the built environment where required in order to meet our new statutory duties under the Duty to Protect legislation, e.g. new public realm schemes incorporating hostile vehicle mitigation measures.						

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 31/01/26	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
12.	Market Sustainability (Tourism, Investment & Culture)	16 I=4, L=4	PC	15	↔	Tolerate	12 I=4, L=3	1	3
	Links to SRR Risks: SRR 2.1 – Economic Instability SRR 2.3 – Financial Sustainability		Risk Description: Risk of market proving unviable arising from poor trading environment, poor trader mix, traders disengaging and changed customer behaviour.						
Corporate Services (in current risk score order, by division)									
13.	Loss of critical divisional systems or unreliable data (Corporate Services)	20 I=4, L=5	AS	20	↔	Treat	16 I=4, L=4	6	6
	Links to SRR Risks: SRR 4.1 – Technology Disruption SRR 4.3 – Use of Data		Risk Description: Loss of critical divisional systems or unreliable data could disrupt service delivery, reporting and financial control. Outages lasting more than two days or data compromise would significantly affect operational resilience.						
14.	Staff shortages, capacity, key skills and knowledge (Corporate Services)	20 I=4, L=5	AS	20	↔	Treat	15 I=3, L=5	5	6
	Links to SRR Risks: SRR 2.2 - Workforce		Risk Description: Reduced capacity in HR, DDaT, Communications & Engagement and other corporate support areas, plus retirement/internal movement, may leave key skills and knowledge gaps.						
15.	Cyber (Corporate Services)	20 I=4, L=5	AS	20	↔	Treat	12 I=3, L=4	7	6
	Links to SRR Risks: SRR 4.1 – Technology Disruption		Risk Description: Increasingly capable cyber threat actors may bypass controls and compromise LCC systems, data or services.						
16.	Adaptation of New Technologies (Corporate Services)	20 I=4, L=5	AS	20	↔	Treat	12 I=3, L=4	6	6
	Links to SRR Risks: SRR 4.2 – New Technologies		Risk Description:						

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 31/01/26	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
			Wider use of AI and new technologies may create risks around bias, privacy, security, misinformation, misuse and overreliance. Without clear governance, controls and human oversight, outputs may be unsafe, non-compliant or unsuitable.						
17.	Data Loss (Corporate Services)	20 I=4, L=5	AS	20	↔	Treat	12 I=3, L=4	6	5
	Links to SRR Risks: SRR 4.1 – Technology Disruption SRR 4.3 – Use of Data		Risk Description: Staff behaviour, human error or insider threat may lead to data loss or inappropriate disclosure.						
18.	Local Government Reorganisation (LGR) (Corporate Services)	20 I=4, L=5	AS	20	↔	Treat	12 I=3, L=4	5	7
	Links to SRR Risks: SRR 1.1 – Political Environment		Risk Description: Local government reorganisation could disrupt technology, contracts, data and service continuity if inherited systems and supplier arrangements are not mapped early.						
19.	Loss of Income (Corporate Services)	16 I=4, L=4	AS	16	↔	Treat	12 I=4, L=3	5	5
	Links to SRR Risks: SRR 2.3 – Financial Sustainability		Risk Description: Traded service income, particularly schools support, may reduce as competition, price pressure and limited business-development capacity weaken LCC's offer.						
20.	Budget Pressures (Corporate Services)	16 I=4, L=4	AS	16	↔	Treat	9 I=3, L=3	6	5
	Links to SRR Risks: SRR 2.3 – Financial Sustainability		Risk Description: Budgets remain with the overall allocation, though because of previous saving requirements there is no room for growth which may eventually affect service capacity, delivery and quality.						
21.	PSED / Equality Impact Assessment (Corporate Services)	16 I=4, L=4	AS	6	↑	Treat	9 I=3, L=3	6	8
	Links to SRR Risks SRR 1.2 - Governance		Risk Description:						

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 31/01/26	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
			Consultation, PSED/equality impact assessment and employment processes may be legally challenged if guidance, advice or manager compliance is inconsistent.						
22	Technology Costs (Corporate Services)	15 I=5, L=3	AS	15	↔	Treat	12 I=4, L=3	6	6
	Links to SRR Risks: SRR 2.3 – Financial Sustainability		Risk Description: Rising software, cloud and support costs, together with limited ability to influence these because of global supply/demand forces, may result in the cost of these exceeding available IT revenue funding.						
23.	Martyn’s Law (Corporate Services)	15 I=5, L=3	AS	15	↔	Treat	10 I=5, L=2	6	5
	Links to SRR Risks: SRR 1.1 – Political Environment		Risk Description: LCC may not be fully prepared for Martyn’s Law counter-terrorism duties if national guidance, training and compliance arrangements are delayed. In-scope premises and events could face enforcement, cost and safety risks.						
24.	Unit 4 Finance System Implementation (Finance)	15 I=5, L=3	AO	15	↔	Treat	6 I=3, L=2	3	1
	Links to SRR Risks: SRR 4.1 – Technology Disruption		Risk Description: Unit 4 Finance System Implementation.						
25.	Workloads & Pressure (Legal)	16 I=4, L=4	KA	16	↔	Treat	12 I=4, L=3	7	2
	Links to SRR Risks: SRR 1.2 – Governance		Risk Description: Services within the Council are stretched with increased demands and pressures. Unrealistic deadlines at times can be set for major projects, procurement and contracts.						
Social Care and Education (in current risk score order, by division)									
26.	Workforce – Availability (Children’s Social Care and Community Safety)	16 I=4, L=4	DE	20	↓	Treat	9 I=3, L=3	1	3
	Links to SRR Risks:		Risk Description:						

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 31/01/26	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
	SRR 2.2 – Workforce		Diminishing availability of experienced skilled social workers.						
27.	Impact of Post-16 SEND Transport Policy (Education, SEND and Early Help)	16 I=4, L=4	SM	16	↔	Treat	8 I=4, L=2	4	1
	Links to SRR Risks: SRR 1.1 – Political Environment SRR 1.2 – Governance SRR 2.3 – Financial Sustainability SRR 5.1 – Climate Emergency		Risk Description: Impact of post-16 SEND transport policy implementation following consultation and decision making.						
Public Health (in current risk score order, by division)									
28.	Data (Public Health)	20 I=4, L=5	RH	20	↔	Treat / Tolerate	15 I=3, L=5	10	6
	Links to SRR Risks: SRR 4.1 – Technology Disruption		Risk Description: LA requirements for data often not understood by external providers/national governing bodies which can cause delays in Information Sharing agreements or restrictions in data flows into public health for information required to deliver objectives.						
29.	Health Protection (Public Health)	20 I=5, L=4	RH	20	↔	Treat	12 I=4, L=3	8	4
	Links to SRR Risks: SRR 3.2 – Health Resilience		Risk Description: Public health protection capacity is limited to a consultant lead and single infection prevention control specialist (IPC). Three additional staff members (TB, screening and immunisation) are on temporary short-term contracts using external time limited funding.						
30.	Staffing and Recruitment - Internal (Public Health)	16 I=4, L=4	RH	16	↔	Treat	12 I=4, L=3	12	10
	Links to SRR Risks:		Risk Description:						

ORR Ref No.	Risk Title (Directorate) Links to SRR	Current Situation		Previous Situation		Risk Response Plan			
		Risk Score (I=Impact, L=Likelihood)	Risk Owners	Risk score at 31/01/26	Variance since last cycle	Risk Response Strategy (Tolerate, Treat, Transfer, Terminate)	Target Score with further actions & controls	No of Existing Controls	No of further Controls & Actions under implementation
	<i>SRR 2.2 - Workforce</i>		A key risk here is retention of Consultant in Public Health staff. One consultant recently left to take up a post within the NHS, where staff with equivalent qualifications and experience can earn approx. £20k to £30k more per annum.						
31.	Staffing and Recruitment - External (Public Health)	16 I=4, L=4	RH	16	↔	Treat / Tolerate	12 I=4, L=3	5	5
	<i>Links to SRR Risks: SRR 2.2 - Workforce</i>	Risk Description: A national skill shortage and recruitment crisis in conjunction with Leicester being a challenging area in comparison to neighbouring areas creates difficulties in securing appropriately trained professionals within commissioned services and / or partner organisations – in particular Public Health Nurses and Health Visitors, as well as sexual health specialists.							
32.	Commissioning (Public Health)	16 I=4, L=4	RH	16	↔	Treat / Tolerate	8 I=4, L=2	12	7
30	<i>Links to SRR Risks: SRR 2.3 – Financial Sustainability</i>	Risk Description: Reduced budget for services impacts on financial viability to suppliers at the tender stage who may deem package to be unviable leading to a lack of bids reducing competition or tender failing altogether. Suppliers may also not bid on tenders due to staff / skill shortages leaving them unable to meet requirements. This is exacerbated by tight financial envelopes and increased costs due to inflation.							

Key:

IMPACT (I)	SCORE	LIKELIHOOD (L)	SCORE
CRITICAL/ CATASTROPHIC	5	ALMOST CERTAIN	5
MAJOR	4	PROBABLE / LIKELY	4
MODERATE	3	POSSIBLE	3
MINOR	2	UNLIKELY	2
INSIGNIFICANT/ NEGLIGIBLE	1	VERY UNLIKELY / RARE	1

Risk scores:

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

Risk Owners:

ALS	-	Andrew L Smith	KG	-	Kate Galoppi
AO	-	Amy Oliver	PC	-	Peter Chandler
AS	-	Andrew Shilliam	RH	-	Rob Howard
CB	-	Chris Burgin	SA	-	Sean Atterbury
DE	-	Damian Elcock	SM	-	Sophie Maltby
KA	-	Kamal Adatia			

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SPPENDIX 4 - OPERATIONAL RISK REGISTER - as at 01 June 2026															
Risk Reference	Associated SRR Risks Based on links to causes and impacts	Risk Description What is the underlying risk? What is it caused by? Reasonable worst case scenario	Consequence / Impact What are the current and future impacts of this risk? Benchmark across impact assessment criteria (see scoring guide)	Existing Controls	Risk Score with Existing Measures			Response Strategy Summary Tolerate, Treat, Transfer, Terminate	Further Management Actions Ongoing or planned reviews, initiatives or pilots schemes that are in progress prior to permanent change. Details of these actions should be reflected within relevant action owners workplans.	Target Score			Risk Manager	Timeline of Response prediction	Date Added to ORR
					Impact	Likelihood	Rating			Impact	Likelihood	Rating			
STRATEGIC AREA - City Development and Neighbourhoods															
1	SRR 1.1 SRR 2.1 SRR 2.2 SRR 2.3 SRR 5.1	Housing - Budget Pressures - Increase in inflationary pressures have led to increasing pressures on the Housing Revenue Account and the Housing General Fund. The 2026/27 budget has been agreed, with the rent increase capped at CPI + 1% (4.8% for 26/27). A balanced budget has been set despite over £6m in cost pressures facing the HRA. - Ongoing and growing service demand pressures to meet legislative requirements such as Awaabs law which are creating increased service demand and financial budget pressures - Homelessness Financial risks amount primarily to increased demand on temporary accommodation forcing use of nightly paid and bed & breakfast in ever increasing numbers, as well as lack of move-on increasing length of stay and further impacting cost. However, additional pressure resulting from the need for an increased staffing base. Heavy reliance on grant funding. Increased burden on the city from the impact of immigration and asylum (See "Refugees").	Budget overspend. Insufficient budget to balance the budget without reducing service offer or capital investment Impact on the resilience of services and their ability to manage and adapt to further change. The erosion of service areas and what we can and can't do. Expectations will need to be managed in the face of potential impacts on services. Negative PR / reputational damage / potential increase in complaints / legal challenges and fines. - LCC Housing stock does not meet decent homes standard - Housing Regulator intervention	- Additional budget added to HRA budget for 26/27 towards Repairs service £2m, and staffing resources across Repairs & Districts - Senior Management Team (SMT) monitor and address financial challenges Quarterly & Year-end forecasting process with Finance team. - Heat metering and billing project (direct consequence of budget pressures on HRA) Managing and supporting the health and well being of staff as part of having to work within a financially constrained environment with the associated service delivery consequences. Homelessness financial pressure and controls: - B&B elimination plan developed and lodged with DLUCH. - Additional GF budget funding of £10m in 24/25 towards additional TA costs - Homelessness Prevention Grant - £1.07mil initially for 24/25 and increase in the HPG for 25/26 - Homelessness Strategy challenging supply and types of temporary accommodation - Ongoing continuous recruitment exercise in place alongside agreement to recruit over-establishment. Currently successfully up to 30 FTE HPOs - Maximising opportunities to bring in further funding - Exploring all avenues with different models of temporary accomm, incl established block booking arrangements and contacts re nightly paid accommodation to drive down B&B costs. - Touchdown beds established to absorb some pressure from Singles. - Focus on spending where will make biggest impact - prevention initiatives that prevent entry to TA. - Reviewing our projections (including financial) monthly, and ensuring all projections and tolerances are understood, including contingency measures which need to be implemented. should it be identified that we the authority is failing to maintain legal compliance and support vulnerable households. - Full Council approved an additional £45m to buy 225 units of accommodation, lease 125 units and add 25 staff & a further £50 in 26/27 to deliver 250 additional units of self contained TA and a further 33 staff and support for the PRS offer	4	4	16	Treat	- 5 and 30 year capital investment strategy being developed - FBR savings proposed in Housing GF proposals of savings of over £900k - Bidding to secure additional external funding towards existing costs - Ongoing external bidding for funding Homelessness financial pressure and controls: - Delivery of the £45m 225 TA units / 125 leases and 25 staffing ongoing & a further £50m of capital for 250 TA units in the GF budget for 26/27 PLUS additional funding of £1.8m for additional staffing and actions - Actions as set out in the Homelessness risk above, - Forecasting of the Homelessness budget pressures in tandem with projected New Housing delivery to identify next steps, - Longer term planning for Housing delivery beyond 2027 to ID a pipeline of delivery to continue to tackle this pressure - Additional steps to proactively tackle the Homelessness budget pressures through reducing down prices on TA units, increasing own TA units, further increasing staffing and access to PRS market.	4	3	12	Chris Burgin	Ongoing, 30/11/2026 review	Sep-22
2	SRR 2.1 SRR 2.2 SRR 3.1 SRR 3.2 SRR 1.1	Homelessness - summary We are a statutory service providing services to all residents of Leicester and those with Local connections to the city including any rough sleepers and those that are placed in the city as per Government requirements. Homelessness Services is facing significant pressures due to unprecedented demands (over 200% increase within the last decade) and Leicester like other LAs nationally continues to experience a housing crisis. External pressures including changes in Government policy and lack of funding and budgetary pressures further compound the situation i.e. Asylum pressures, LHA caps resulting in affordability issues, Landlords exiting rental market due to the introduction of the Renters Rights Act (RRA), losing Council stock due to RTB and lack of land or government funding to acquire and build housing. Reputational increases in legal challenges against the Council following homelessness decisions i.e. suitability of accommodation (TA or permanent offers) Duty of Care safeguarding and provision of critical services. Not being able to meet the needs of increasingly, chaotic, vulnerable and complex housing needs of customers due to the risks presented i.e. arson or failing to provide adequate support and safeguarding for vulnerable individuals or those at risk of Domestic violence resulting in serious case reviews / DHRs Reputational, Governance & People Due to significant demands staff caseloads remain high, creating a risk of error, maladministration, or unlawful practice leaving us open to legal challenge and Ombudsman enquiries and public interest reports. This could potentially lead or contribute to a death is cases are mishandled. Households remaining in TA for longer periods as the housing register wait times increase and lack of PRS solutions. Households remain in B&B for longer due to lack of self-contained TA Funding - Multiyear homelessness settlements under a new formula remains insufficient to support the ongoing need to provide effective Homelessness services. Council budgets are having to provide uplifts which may become unsustainable and result in global impact of Council budgets leading to S114 Legislative changes significant changes in legislation i.e. Renters Rights Act being introduced in support of PRS tenants, but this is resulting in landlords exiting rental market and serving S21s reducing the availability of PRS solutions Budgets & Finance - Significant financial pressures due to cost of TA. Potential for a rise in LGSCO cases where recommendations may include financial compensation adding to already stretched budgets	Coverage in Local press, or National press. Reputational damage with partners, leading to political lobbying. Inability to meet demand for preventative homelessness services impacting on crisis management, lowered prevention outcome, subsequently leading to increased costs of temporary accommodation and additional pressures in move-on demand for a large cohort of those accommodated. Failure to deliver statutory homelessness services under Part 7 of the Housing Act 1996 due to lack of move on options. Risk of harm to households in worst case scenario death or injury of customer. Reputational damage due to risk of legal challenges including financial burden due to associated costs. Current burdens causing pressures on staff leading to retention issues, further compounding available resources and pressures. 'Significant increase in numbers in temporary accommodation compounding Financial Risk (see below). The lack of suitable accommodation for applicants with high risks and complex needs. Inability to support Homelessness projects due to lack of funding meaning households in TA will be left with little or no support, further impacting their health, finances and lifestyle.	Continuous recruitment and finding ways to retain staff and increasing FTE within Housing Options & Transitions Workers. Intensive Caseload Reviews and case management meetings for officers with their manager, offering support and building team resilience Working collaboratively with partners and hosting events, workshops, identifying new approaches, initiatives Various Homelessness projects funding via HPG and HSF to support PRS move on, furniture packages and support for families in TA Funding and engaging with partners like (Help the Homeless) HTH to host events in support of families in TA to secure PRS solutions and other types of support Risk of Rough Sleeping assessment tool launched as of Dec 2024 to help reduce the number of rough sleepers and those at high risk in becoming entrenched rough sleepers causing risk to life Homelessness strategy launched with and an associated action plan Increased service provision with extended opening times, and more face to face service provision i.e. DC, Libraries and JCP PRS Strategy developed to enable more housing options and help to prevent and sustain current PRS households. This continues to be working progress. Call before you serve' for private landlords has commenced alongside enhanced PRS Prevention activity with PRS Tenants, leading to better outcomes for this cohort. To be extended and promoted Maximising use of LCC Council stock Work to develop and improve various pathways i.e. Prison Release & hospital discharge protocol Extended Private Rented Sector (PRS) landlords offer to attract more PRS accommodation for those facing Homelessness is now in effective operation - PRS Schemes reviewed upper operating limit increased to LHA+35%. Maximising use of HomeCome stock and PRS solutions for this cohort The additional £45m to buy 276 units of accommodation, lease 125 units and add 25 staff. Investments are completed, waiting to launch singles and families total units. Working alongside Advisors from MHCLG to discuss best practice, promote B&B elimination ideas and access additional funding streams where available Household Support Fund extended March 2025 to March 2026 supporting the prevention activities with over £1m towards Homelessness prevention activities Working to reduce the use of general needs TA for customers impacted by domestic abuse and separate risk assessments in place for this work. Review of Severe Weather Emergency Protocol Provision (SWEP) and launched a winter shelter to reduce financial burden of significant use of B&B during cold weather (sub-zero temperatures) Launch of newly revised PRS strategy Introduced a Homelessness Improvement Team to support the delivery of improvements within Homelessness services to negate the need for OR / SAR Training and support for staff from external consultants to minimise risk and error in the delivery of homelessness services £50m report pending approval at Full council to enable further investment in PRS, TA acquisitions, resources within Homelessness Services (March 2027) - report approved	4	4	16	Treat	Homelessness strategy launched with further amendments to be made following the Governments roll out of Children and Homelessness Strategy (September 2026) Build new Social Housing & acquire houses to use as Social Housing (ongoing) Ongoing collaborative arrangements with a range of internal, external and VCS partners to continue support for homeless households (Ongoing) Ongoing review delivery of B&B Elimination Plan with MHCLG Advisors, completely eliminate the use of B&B (On-going) Launch of TA charging policy and a Temp Accommodation and procurement policy (est June 2026) Promotion of PRS Schemes to manage and reduce expectations and pressures on social housing. (On-going) Deliver PRS Growth report actions and prepare for the RRA and associated regulations (Ongoing) Launch "one Hub" in support of Rough Sleepers or those at risk of rough sleeping and to reduce numbers of Rough sleepers (August 2026) Launch a newly revised Housing Allocations Policy (March 2027) Continue launching the self-contained TA Acquisitions, Breathe plus YOHO to reduce TA pressures and expenditure (Ongoing) Continue to identify patterns and trends particularly around complex needs and future plan to meet service needs (Ongoing) Continue building resilience across Homelessness services and support retention including appointing apprentices (Ongoing) Introduce performance management framework and quality audits to mitigate risks and errors to reduce legal challenges and reputational damage (August 2026) Maximize the use of the Crisis & Resilience Grant for Homelessness projects (March 2027) Utilise the Homeless & Rough Sleeping multi year settlement effectively and prioritise according to service need and maximise the use of CRF - 2027/2028/2029 £50m approved to deliver 250 self contained TA units along with the addition of 33 Homelessness staff and support for the PRS offer - 2026/2027	3	4	12	Chris Burgin	Ongoing, Individual dates shown for each item	Sep-23
3	SRR 5.1 SRR 2.3	Neighbourhood and Environmental Services - Ash Dieback - Epidemic of Ash Trees Caused by an introduced pathogen that most local ash trees are unlikely to have resistance to. It is anticipated that up to 95% of the tens of thousands of ash trees in the City will die. Perhaps 50% of the total will be the council's direct liability. Many trees are located on traffic routes or in areas of use and habitation. Dying and collapsing trees will present an injury and property damage risk, and present a hazard risk to staff during removal operations. Under normal conditions £135k per year is devoted to clearing similar problems across all species. It is anticipated this cost will multiply several times at the height of the epidemic.	- Injury to staff and residents, including highway users. - Damage to property including animal injury, buildings, parked and moving vehicles, various infrastructure and parks and street furniture. - Disruption to traffic routes and areas of high use during removal operations.	- Established teams, structures and systems will address problems in the early stages. These can be built on further as the problem starts to strain existing resources. There is no way to limit or control the establishment and spread of the pathogen as it is a windborne micro-organism. In essence management is a reactive process. - A capital bid of £130k for a elevated platform to allow working at height was approved in the 2023/24 programme and introduced in 2024. - Launch of the Ash Die Back Action Plan and on-line educational page on LCC website now live to make residents/ public aware of Ash Dieback. 26 trees felled in 2021/22, 276 felled in 2022/23, 72 felled in 2023/24, 380 felled in 2024/25 (YTD)	4	4	16	Treat	- Effective and timely reactive responses, utilising existing revenue budget and prioritising the Trees & Woodlands work programme. - Continue to monitor spread of disease and record on a central register, removal of trees which reach category 3/4 - Uplift in revenue budget to support management of ADB planned for 2026/27 to recruit an additional tree gang.	4	3	12	Sean Atterbury	Ongoing, 30/11/2026 review	Oct-19
4	SRR 3.5 SRR 2.3	Neighbourhood and Environmental Services - Decreasing availability of burial space Burial space is limited in supply and may run out if further provision is not provided before existing capacity is reached. Rates of death and grave sales have increased above average over the past 5 years. Financial losses from lack of new burial space reducing cemetery income (estimated £1m plus per annum).	- Significant distress to families requiring a burial if no new burial plots are available. - Some faith communities do not permit cremation as an alternative. - Damage to LCC reputation and significant negative press and community tensions arising from failure to meet needs. - Reduction in service provision.	- Burial Space Strategy 2014 identified the need for a new cemetery. - Consultation with planners regarding Local Plan provision in the city and outside the city undertaken. - EBS Capital Projects team commissioned to commence a new cemetery by 2026/27. One site identified for feasibility to date, potential for others being investigated by EBS. - £150k budget for feasibility studies agreed. - Mitigation action to reduce demand for graves without a burial proposed, until point of need. - Feasibility of extra deep graves is being explored.	4	4	16	Treat	- Identify alternative site/s for new burial space. - Secure capital funding (c£8m-£10m) and planning permission for new cemetery construction. - Public consultation on future needs. - Possibility to gain additional burial space by expanding the city boundary through LGR. - Meetings have been held with external partners. - Decision to put project on hold pending outcome of LGR and potential additional space in new City boundary.	4	3	12	Sean Atterbury	Planning permission. 2026	Sep-22
5	SRR 2.3	Neighbourhood and Environmental Services - Age and Condition of Infrastructure and assets Limitation to the ability to afford capital and leverage to potential borrowing this is likely to limit the ability to undertake critical end of life replacement. E.g. maintenance of neighbourhood centres, leisure centres and equipment, parks and open spaces fleets and street cleansing equipment, which has an adverse impact on service delivery, meeting customer expectations and achieving ambitious future income growth targets and FBR savings.	- Inability to run key services resulting in service closures or loss of provision of services	Condition surveys in place across the division, strategic assessments being undertaken, costs identified, key risks are costed. Client account plan in place, close working with EBS and Libraries and Communities Needs Assessment comprehensive review. - Currently have £1m to invest under capital programme.	4	4	16	Treat	Consolidate building to reduce overheads. Develop shared service plans for the division. Shared asset register Review divisional assets and ownership with a view to reduce	4	3	12	Sean Atterbury	Ongoing, 30/11/2026 review	Sep-23
6	SRR 2.3	Neighbourhood and Environmental Services - Budgets Insufficient funding for services to operate effectively.	- Reduction of service level and performance - Viability of service to continue to operate - Loss of reasonable service provision to communities - Inability to deliver statutory functions - Reduced community cohesion - Increased likelihood of services being delivered by community groups being handed back to the Council, including return of Community Asset Transfers	- Ensuring effective financial governance is in place, including programme boards - Building a culture of financial transparency - Engagement to understand community impacts - LLR Partnership working - New ways of working have been implemented to encourage entrepreneurial opportunities - External funding opportunities are routinely explored, for example HLF, DEFRA, Forestry Commission, Home Office	4	4	16	Treat	- Strategic management and analysis, promoting systems leadership and understanding the consequential impact of actions across the division alongside opportunities for further reductions.	3	3	9	Sean Atterbury	Ongoing, 30/11/2026 review	Sep-25

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Risk Reference	Associated SRR Risks <i>Based on links to causes and impacts</i>	Risk Description <i>What is the underlying risk? What is it caused by? Reasonable worst case scenario</i>	Consequence / Impact <i>What are the current and future impacts of this risk? Benchmark across impact assessment criteria (see scoring guide)</i>	Existing Controls	Risk Score with Existing Measures			Response Strategy Summary <i>Tolerate, Treat, Transfer, Terminate</i>	Further Management Actions <i>Ongoing or planned reviews, initiatives or pilots schemes that are in progress prior to permanent change. . Details of these actions should be reflected within relevant action owners workplans.</i>	Target Score			Risk Manager	Timeline of Response prediction	Date Added to ORR
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7	SRR 2.2	Planning Development and Transport - Recruitment and Retention of staff to deliver key projects, programmes and strategies. Lack of qualified experienced staff in market. Pay levels not commensurate with other councils. Various external factors impacting e.g. Reed are not a built environment / transport specialist agency so interim staff difficult to source via this single supplier contract, external job market etc. Pressures within HR contribute further service delivery issues.	- Failure to deliver key project/programme - Financial implications. - Poor service level. - Additional pressures on overtime and agency use, increased complaints, reputation issues, stress levels and sickness .	- Service specific progress monitoring meetings with Director. - Prioritising recruitment and replacement of staff as soon as they leave. - Extend Graduate programme. - Comprehensive Planning Workforce Action Plan / Conservation and Design and GIS elements now being progressed. Review consultation for C&D to commence in June to address the recruitment and retention issues in the service -funding secured. External consultants appointed where possible. - Organisational review of Transport Team underway - Succession planning for Transport & Highways in development - Highways service Management Structure Review being business case being finalised with focus in retention and recruitment objective. Looking to commence review in February/March 2026 subject to approvals. - Highways Engineers have been moved onto the Transport Professional Career Grade	4	5	20	Treat	- Escalation of risk reporting to higher management and political level. - Consultant and legal advice to minimise risk. Explore new options around capacity support other than via Reed - Expedite HR, Procurement, Legal and Financial processes.	3	4	12	Andrew L Smith	Ongoing, 30/11/2026 review	May-23
8	SRR 2.3	Planning Development and Transport - Availability of bitumen - core material for asphalt concrete, supply side issues due to Middle East crisis can have severe impact on programme and costs	Projects may need to be descoped, cancelled, or rescheduled at short notice - supply chain implications to other materials also forecast (e.g. Pre-fab cushions)	Ongoing engagement with supply chain and flagging with national agencies and representative groups.	5	4	20	Tolerate	None at this time	5	4	20	Andrew L Smith	Ongoing, 30/11/2026 review	May-26
9	SRR 2.3	Planning Development and Transport - Construction inflation - driven by material supply issues, exacerbated by conflict in the ME, and domestic energy rates leading to inflationary pressures on the sector	Projects may be severely impacted, and either need to run over agreed budget or be value engineered accordingly	Active monitoring, consideration of VfM at all stages of project delivery	5	4	20	Tolerate	None at this time	5	4	20	Andrew L Smith	Ongoing, 30/11/2026 review	May-26
10	SRR 2.1	Planning Development and Transport - Difficulty in securing suitable contractors. Managing compliance with new Procurement Regulations constraints and timelines.	- Delay to projects and programmes; cost increases; funding slippage; potentially politically sensitive on high profile projects	Reviewing options for securing contractors including through frameworks	4	4	16	Tolerate / Treat	Alternative procurement options are being considered	3	4	12	Andrew L Smith	Ongoing	Jan-25
11	SRR 1.2 SRR 3.5 SRR 5.1	Planning Development and Transport - Duty to Protect - Failure to ensure counter terrorism measures are incorporated into the built environment where required in order to meet our new statutory duties under the Duty to Protect legislation, e.g. new public realm schemes incorporating hostile vehicle mitigation measures.	- Council could be deemed at fault if a terrorist incident occurred that could have been prevented by appropriate CT measures/features in the built environment and day to day highway network management activities.	- Maintaining regular catch up meetings with CT Police Team. - Establish single point of contact for schemes with CT implications within the public realm. - Project records to include reference to compliance / agreement of alternatives / non agreement and associated rationale with CT Police requirements. - Training sessions being delivered - Need to ensure requirement for CT measures is considered and record all decisions. - City Centre PPZ Security measures being delivered in liaison with CT Police Team. - NEW PPZ security bollard system went live on 13th May 2025. Monitoring in process and additional work at Cheapside identified. - Corporate Protect and Prepare Group established to implement Martyn's Law and national guidance provided	5	3	15	Treat	- Consider inclusion of reference to CT measures in the revised Street Design Guide.	5	2	10	Andrew L Smith	Ongoing, 30/11/2026 review	Jan-23
12	SRR 2.1 SRR 2.3	Tourism, Investment & Culture- Market sustainability. Risk of market proving unviable arising from poor trading environment, poor trader mix, traders disengaging and changed customer behaviour.	Ongoing significant revenue budget pressure for the service as historic income targets remain and can't be met with current proposals. Manageable in 2025/26 and 2026/27 by cross subsidy but not sustainable longer term. If market can't be sustained there could also be a significant reputational risk for the council given the historical significance of the operation for the city.	Further revised scheme agreed for completion late 2026 or early 2027. Corporate funding agreed for 2025/26 and 2026/27 to manage during development.	4	4	16	Tolerate - keep under review	Need clarity on future plans and timescale for completion of development. To agree if additional funding can be deployed to support the scheme. To deliver the proposal quickly.	4	3	12	Peter Chandler	31/03/27	Jan-26

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STRATEGIC AREA - Corporate Resources															
13	SRR 4.1 SRR 4.3	Corporate Services - Loss of critical divisional systems or unreliable data Loss of critical divisional systems or unreliable data could disrupt service delivery, reporting and financial control. Outages lasting more than two days or data compromise would significantly affect operational resilience.	Potential consequences include: • Critical services, transactions, reporting or customer contact may be disrupted. • Staff may be unable to access systems, records or reliable data needed for decisions. • Financial control, payroll, HR, electoral or service reporting may be delayed or inaccurate. • Manual workarounds could increase error, delay and workload. • Data loss or compromise could trigger regulatory, legal and reputational consequences. • Recovery costs and supplier costs may increase, especially if outages are prolonged. • Confidence in business continuity, data quality and digital services may be weakened.	Existing controls include: • IT disaster recovery planning, backups and business continuity plans in place. • Desktop exercises used to test ICT loss scenarios and update plans. • Active-active data centre capability and high-availability arrangements being implemented for critical services. • Cyber security training, awareness and incident learning embedded. • Critical systems assessed through CAF/Future Councils work. • Core infrastructure testing completed and outputs used to close audit actions.	4	5	20	Treat	Further actions include: • Maintain peer-to-peer contact with other LGAs and third parties to share cyber and resilience learning. • Use external learning to improve staff awareness of cyber security responsibilities. • Develop the revised Digital Operating Model using the NCSC '10 steps to Cyber Security' framework. • Build measures into the operating model to improve organisational resilience and cyber maturity. • Complete outstanding network equipment installation to improve active-active data centre capacity. • Keep critical application-server resilience and recovery arrangements under review.	4	4	16	Andrew Shilliam	Q3 2026	May-24
14	SRR 2.2	Corporate Services - Staff shortages, capacity, key skills and knowledge Reduced capacity in HR, DDaT, Communications & Engagement and other corporate support areas, plus retirement/internal movement, may leave key skills and knowledge gaps. Limited specialist capacity due to changes to organisational structures, coupled with experienced/knowledgeable staff leaving from most areas with Corporate Services and with rising organisational-change demand due to the recent LGR announcement could affect resilience, advice quality and service delivery.	Potential consequences include: • Greater reliance on a small number of experienced staff and line managers. • Slower or poorer-quality HR, DDaT, communications and corporate advice. • Delays to organisational change, savings delivery and statutory/regulatory tasks. • Loss of corporate memory, inconsistent decisions and increased rework. • Higher interim, agency or consultancy costs. • Staff fatigue, reduced morale, sickness absence and further retention issues. • Reputational damage if service standards, member expectations or critical projects are not met.	Existing controls include: • Corporate workforce planning framework in place to aid identification of service-level capacity, skills and knowledge gaps. • Divisional action planning focused on Corporate Services workforce resilience. • Review of roles and services suitable for career pathways, internships and grow-your-own approaches. • Recruitment controls and prioritisation of critical roles. • Management oversight through DMT to monitor pressure points, vacancies and service resilience.	4	5	20	Treat	Further actions include: • Review the effectiveness and coverage of the corporate workforce planning framework. • Build clearer visibility of specialist posts, hard-to-recruit roles and key-person dependencies. • Identify postholders who may be flight risks and agree mitigation or succession arrangements. • Review workforce profile risks, including age, knowledge retention and single points of failure. • Use DMU internships, placements and grow-your-own routes to add capacity and build future talent. • Increase organisational awareness of the revised People Services structure, current pressures and the Business Partner role.	3	5	15	Andrew Shilliam	Q2 2026	Sep-22
15	SRR 4.1	Corporate Services - Cyber Increasingly capable cyber threat actors may bypass controls and compromise LCC systems, data or services. Threat actors are also utilising AI tools themselves to launch attacks, and threat actors themselves require less sophist acted understanding of how to undertake attacks because of this developing technology, meaning more people than before may be capable of this activity. A successful attack could cause data loss, service disruption, regulatory action and reputational damage.	Potential consequences include: • Unauthorised access to systems, data theft, data publication or ransomware disruption. • Loss of critical services, communications, productivity and public access to services. • Regulatory investigation, ICO action, contractual claims or legal liability. • Significant recovery, forensic, supplier and communications costs. • Harm to individuals if personal or sensitive data is exposed. • Staff stress and increased workload during response and recovery. • Long-term reputational damage and reduced trust from residents, partners and staff.	Existing controls include: • Enhanced technical cyber defences, endpoint protection and secure system standards. • Daily backups and major incident management processes in place. • Security Operations Centre monitoring and threat intelligence response. • Mandatory cyber security training, simulation and awareness activity underway. • Supply-chain cyber checks, including Cyber Essentials expectations. • CAF review and remediation planning used to strengthen cyber maturity. • SOC playbook updated to allow rapid action where threats are identified.	4	5	20	Treat	Further actions include: • Continually assess and implement new technology solutions to respond to changing cyber threats. • Monitor staff cyber security training, simulation results and maturity. • Ensure cyber security evaluation of partners and suppliers is consistently applied through procurement. • Work with other LGAs and third parties to improve staff awareness and share good practice. • Undertake Cyber Essentials assessment following criteria changes. • Use assessment outputs to update remediation planning and priority actions.	3	4	12	Andrew Shilliam	Ongoing action plan delivery with regular monitoring	Jan-18
16	SRR 4.3	Corporate Services - Adaptation of New Technologies Wider use of AI and new technologies may create risks around bias, privacy, security, misinformation, misuse and overreliance. Without clear governance, controls and human oversight, outputs may be unsafe, non-compliant or unsuitable.	Potential consequences include: • Biased, inaccurate or unsafe outputs could affect decisions, services or communications. • Personal, confidential or sensitive information may be exposed through inappropriate AI use. • Staff may over-rely on tools without sufficient checking, reducing accountability. • Unapproved tools could create security, procurement, records-management or FOIA issues. • Misinformation, hallucinated content or poor transparency could damage trust. • Uneven access or capability may widen productivity and skills gaps. • Regulatory, ethical or reputational issues may arise if governance and human oversight are weak.	Existing controls include: • Updated AI policy and guidance in place. • Existing governance processes, including DPIAs and risk assessments, used for AI adoption. • Workforce communications to clarify expectations and responsible use. • Human oversight required for AI models and outputs. • Staff education and awareness activity in place or being developed. • Technical controls being explored to restrict use to approved corporate AI tools where possible.	4	5	20	Treat	Further actions include: • Implement technical controls where available so only approved corporate AI tools are used. • Raise awareness of the risks of using non-corporate or unapproved AI tools. • Continue staff education on responsible, safe and appropriate AI use. • Confirm who is responsible for reviewing AI outputs before release or use. • Define service-level safeguards for AI-generated content and decisions. • Clarify how detailed FOIA requests about AI use will be handled and recorded.	3	4	12	Andrew Shilliam	Ongoing, 30/11/2026 review	Jan-26
17	SRR 4.1 SRR 4.3	Corporate Services - Data Loss Staff behaviour, human error or insider threat may lead to data loss or inappropriate disclosure. Weak classification, retention or technical controls could increase information governance and cyber exposure.	Potential consequences include: • Personal, confidential or commercially sensitive data may be lost, misdirected or misused. • ICO reporting, investigation, enforcement or compensation claims may follow. • Individuals could suffer harm, distress, identity risk or loss of trust. • Services may need to suspend activity while incidents are contained and investigated. • Staff time may be diverted to breach response, recovery and assurance work. • Weak retention or classification could make data harder to find, protect or dispose of. • Reputational damage may arise if preventable handling failures occur.	Existing controls include: • Existing data loss prevention tools used where available. • Communication channels used to raise staff awareness of information handling risks. • Risk assessments used to identify and manage data-handling weaknesses. • Information Governance considering corporate data classification options. • Retention and disposal arrangements being reviewed to reduce unnecessary stored data. • Additional technical controls and associated costs being investigated.	4	5	20	Treat	Further actions include: • Investigate available tools to strengthen data loss prevention and confirm associated costs. • Consider implementing a corporate data classification scheme. • Improve retention and disposal of data that no longer has business value or has exceeded retention periods. • Continue managing data-handling risk through assessments and targeted controls. • Use findings to prioritise technical, policy or awareness actions.	3	4	12	Andrew Shilliam	Ongoing, 30/11/2026 review	
18	SRR 4.1 SRR 4.2 SRR 4.3	Corporate Services - LGR Local government reorganisation could disrupt technology, contracts, data and service continuity if inherited systems and supplier arrangements are not mapped early. Integration complexity, legacy systems and cyber risk may increase cost, delay and operational impact.	Potential consequences include: • Statutory services may be disrupted during system, data, telephony or website transition. • Integration of inherited systems, contracts and infrastructure may cost more and take longer than planned. • Data migration or archiving issues could affect service records, reporting and legal compliance. • Supplier overlap, contract break clauses and renewal dates may reduce savings opportunities. • Legacy systems may create security, support and resilience weaknesses. • Staff productivity and morale may fall if ways of working, access or support arrangements are unclear. • Cyber, governance and service-continuity risks may increase if mapping and fallback plans are incomplete.	Existing controls include: • DDaT participation in LGR meetings with other councils to share learning and emerging good practice. • Early planning focused on identifying systems, contracts, suppliers, data and infrastructure dependencies. • Use of network/toolkit learning on websites, telephony, customer contact systems and LocalGov Drupal. • Existing cyber, business continuity and supplier management processes available to support transition planning. • Recognition that asset inventories, fallback plans and governance arrangements are required before major integration decisions.	4	5	20	Treat	Further actions include: • Create a comprehensive inventory of IT assets, systems, contracts, suppliers and data dependencies across affected councils. • Use the as-is analysis as the baseline for transition planning and decision making. • Develop fallback plans for delayed migrations, network access issues and critical data availability. • Agree governance for technology transition, milestones, risk management and stakeholder communication. • Audit contracts to identify renewal dates, costs, SLAs, break clauses and areas of supplier overlap. • Assess which systems and suppliers align with the future authority's technology roadmap. • Build cyber security, service continuity and data-integrity controls into each phase of transition.	3	4	12	Andrew Shilliam	Ongoing, 30/11/2026 review	Jan-26
19	SRR 2.3	Corporate Services - Loss of income Traded service income, particularly schools support, may reduce as competition, price pressure and limited business-development capacity weaken LCC's offer. A narrower service package could make remaining income streams more vulnerable.	Potential consequences include: • Reduced income to offset wider budget pressure. • Loss of market share to alternative providers and reduced future trading opportunities. • Weaker school/customer relationships and lower confidence in LCC services. • Pressure to reduce or withdraw services, with possible staffing and redundancy costs. • Less ability to invest in service improvement, marketing and business development. • Reputational damage if LCC's traded offer is seen as poor value or too narrow.	Existing controls include: • Business development capacity refocused on improving the HR traded offer to schools. • Ongoing review of traded service model, pricing, customer feedback and market position. • Continued engagement with schools to maintain relationships and understand demand. • Exploration of joined-up trading/account management arrangements across relevant services. • Work to shape a clearer support package that combines chargeable and wider LCC support.	4	4	16	Treat	Further actions include: • Complete competitive analysis of the traded service model, pricing, feedback, satisfaction and growth opportunities. • Clarify the HR traded service model and delivery approach. • Explore joint trading and account-management arrangements across relevant functions. • Refocus traded services into a clearer support package, including chargeable services and wider LCC support. • Strengthen business development focus so income opportunities remain visible and actively managed.	4	3	12	Andrew Shilliam	Q2 2026	Jan-26
20	SRR 2.3	Corporate Services - Budget pressures Budgets remain with the overall allocation, though because of previous saving requirements there is no room for growth which may eventually affect service capacity, delivery and quality. If income growth and any necessary cost controls/reductions are not adequate, statutory support, projects and workforce wellbeing may be affected.	Potential consequences include: • Reduced service capacity, quality and responsiveness across Corporate Services. • Delays to statutory, governance, transformation and savings work. • Greater pressure on existing staff, increasing sickness, stress and turnover. • Increased difficulty absorbing new demand, including LGR-related work. • Possible overspend, service reductions or unfunded pressures. • Reduced ability to invest in improvement, prevention and resilience. • Reputational impact if internal customers, members or residents experience poorer support.	Existing controls include: • Budget monitoring and outturn reporting in place across the division. • Recruitment and vacancy controls used to manage staffing costs. • Service restructures and management reviews used to maintain affordability. • Finance engagement on cost centres, savings options and income opportunities. • Oversight through divisional management to prioritise statutory, critical and transformation work. • Continued review of traded services and non-staffing expenditure.	4	4	16	Treat	Further actions include: • Hold 1:1 discussions on specific cost centres to identify budget risks and opportunities. • Review non-staffing expenditure for further reductions where appropriate. • Identify realistic income-growth opportunities. • Complete competitive analysis of the HR traded services model and delivery. • Clarify the traded service operating model so income, cost and capacity assumptions are understood.	3	3	9	Andrew Shilliam	Q3 2026	Sep-22

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21	SRR 1.2	Corporate Services - PSED/equality impact assessment Consultation, PSED/equality impact assessment and employment processes may be legally challenged if guidance, advice or manager compliance is inconsistent. This could delay decisions and increase legal, financial and reputational exposure.	Potential consequences include: • Delays to decisions, consultations, savings proposals and service changes. • Judicial review, employment tribunal or other legal challenge. • Additional legal, HR, equalities and communications workload and cost. • Decisions may need to be revisited, re-consulted on or withdrawn. • Financial exposure from compensation, settlements or failed implementation. • Reputational and media criticism, particularly where protected groups are affected. • Reduced public, member and workforce confidence in decision making.	Existing controls include: • Head of Communities & Equalities post established and Communities & Equalities Team in place. • Equality Impact Assessment process, templates and training available to services. • HR, Legal, Equalities, Consultation and Communications advice available for complex or high-risk decisions. • Monitoring of EIAs related to savings and cumulative impacts. • Regular review of EIA guidance and consultation practice. • Community engagement arrangements used to support wider PSED considerations.	4	4	16	Treat	Further actions include: • Refresh the Equality Strategy and supporting organisational approach. • Complete reflective analysis of organisational understanding, capability and current practice. • Maintain visibility of upcoming EIAs, consultations and employment claims on a prioritised basis. • Ensure the right HR, Equalities, Legal, Consultation and Communications resources are allocated early. • Strengthen working relationships between Equalities, HR/OD, Internal Communications and equality groups. • Review external best practice from other local authorities and partners and apply learning locally. • Refresh communications and guidance for managers for 2026/27. • Check corporate consultation practice and ensure best-practice guidance is understood by services.	3	3	9	Andrew Shilliam	Q3 2026	May-26
22	SRR 2.3	Corporate Services - Technology cost Rising software, cloud and support costs, together with limited ability to influence these because of global supply/demand forces, may result in the cost of these exceeding available IT revenue funding. Without rationalisation or recharge models, service scope, licences or cyber capability may need to be reduced.	Potential consequences include: • IT revenue budgets may be exceeded or require reprioritisation. • Service scope, licences, platforms or support levels may need to be reduced. • Cyber, resilience or digital improvement activity may be deferred. • Increased pressure to recharge costs to services, affecting service budgets. • Greater reliance on legacy systems or unsupported workarounds if upgrades are unaffordable. • Reduced ability to respond to new statutory, security or LGR-related technology demand. • Financial planning may become less certain where supplier pricing is volatile.	Existing controls include: • Forecasting undertaken with Finance to profile reserve-funded and revenue-funded IT costs. • Funding options considered through medium- and longer-term budget planning. • Microsoft licence estate reviewed for rationalisation opportunities. • Role-based device profiling implemented to align equipment with need. • Zero-usage mobile phone policy implemented. • Capital bid forecasting plan created to support forward planning.	5	3	15	Treat	Further actions include: • Consider a shared costing or recharge model for new platform-based services. • Rationalise and consolidate systems using Netcall Liberty platforms where appropriate. • Continue role-based device and licence profiling. • Review and reduce DD telephone lines where they are no longer required. • Rationalise the mobile phone estate. • Use financial modelling to understand the service impact of supplier price increases and consumption-based charging.	4	3	12	Andrew Shilliam	Ongoing, 30/11/2026 review	May-24
23	SRR 5.1	Corporate Services - Martyn's Law LCC may not be fully prepared for Martyn's Law counter-terrorism duties if national guidance, training and compliance arrangements are delayed. In-scope premises and events could face enforcement, cost and safety risks.	Potential consequences include: • In-scope premises or events may not be compliant when duties come into force. • Staff, visitors and the public may face increased safety risk in a terrorism incident. • Enforcement action, audit findings or reputational criticism may occur. • Additional unplanned cost for training, systems, assurance, security measures or estates work. • Services may apply inconsistent arrangements if corporate guidance is delayed. • Evidence of compliance may be incomplete, making assurance difficult. • Delivery of other safety or resilience work may be displaced by urgent compliance activity.	Existing controls include: • Internal PROTECT and PREPARE group overseeing Martyn's Law implementation. • Service area 1:1s completed to identify likely in-scope premises, events and policy changes. • Implementation plan and governance arrangements published. • Some services have embedded relevant preparedness, planning and risk-assessment actions. • Health and Safety Management Statement being prepared pending SIA guidance. • National training products being considered for integration into LCC systems.	5	3	15	Treat	Further actions include: • Await and review SIA guidance before finalising the Martyn's Law Health and Safety Management Statement. • Confirm responsibilities, training and audit arrangements within the statement. • Embed likely national training products within LCC IT systems so completion can be recorded. • Confirm compliance arrangements at least three months before legislation becomes live. • Keep in-scope premises, events and service responsibilities under review as guidance develops.	5	2	10	Andrew Shilliam	Dec-26	Jan-23
24	SRR 4.1	Finance - Unit 4 Finance System Implementation	The council does not have a finance system that enables, payments, collection of debt, reporting or has sufficient controls.	1. Full project in place for Re-implementation 2. Project Managers appointed 3. Timeline in place, and full communication across the service 4. Governance structure	5	3	15	Treat	Continued monitoring of the programme and corrective action taken to recover timelines.	3	2	6	Amy Oliver	Ongoing, 01/04/2027 review	Sep-25
25	SRR 1.2	Legal - Workloads & Pressure - Client Care Services within the Council are stretched with increased demands and pressures. Unrealistic deadlines at times can be set for major projects, procurement and contracts. There is a concern that whilst corporate policy is correct and general awareness of correct procedures/rules exists, it may not be implemented effectively within services.	- Timely legal advice from clients not sought. - Failure to comply with laid down guidelines. - Breach of regulations or law e.g. data protection. - Council found to act unlawfully. - Challenges to procurement processes. - Cost implications from requirements not being followed/deadlines being missed/ not delivering value for money for Council. - Award made against council etc. - Staff demotivated - Negative Press/Reputation of Council	- Reviewing practices to be improve flexibility of approach. - Channel Shift. - Raising awareness - corporate messages. - Early engagement - feeding into deadlines. - Attending project boards. - Projects to look at new ways of working. - Improved use of technology e.g. Electronic Signatures/Virtual Hearings.	4	4	16	Treat	- Review of practices. - Increase comms program/training and awareness of current practices (deadlines with project plan).	4	3	12	Kamal Adatia	Ongoing, 30/11/2026 review	Jan-19

APPENDIX 4 - OPERATIONAL RISK REGISTER - as at 01 June 2026

Risk Reference	Associated SRR Risks Based on links to causes and impacts	Risk Description What is the underlying risk? What is it caused by? Reasonable worst case scenario	Consequence / Impact What are the current and future impacts of this risk? Benchmark across impact assessment criteria (see scoring guide)	Existing Controls	Risk Score with Existing Measures			Response Strategy Summary Tolerate, Treat, Transfer, Terminate	Further Management Actions Ongoing or planned reviews, initiatives or pilots schemes that are in progress prior to permanent change. . Details of these actions should be reflected within relevant action owners workplans.	Target Score			Risk Manager	Timeline of Response prediction	Date Added to ORR
					Impact	Likelihood	Rating			Impact	Likelihood	Rating			
STRATEGIC AREA - Social Care and Education															
26	SRR 2.2	Children's Social Care and Community Safety - Workforce - availability Diminishing availability of experienced skilled social workers	- National shortage of qualified SW's impacting on local recruitment; recruitment challenges in other specialist roles e.g. psychiatrist, youth justice officers etc: - Increased reliance on agency staff to fill vacancies - Increased SW case loads - Increased budget pressures; - Lack of continuity of staff in roles	- Developing a workforce recruitment and retention strategy including international recruitment	4	4	16	Treat	ASYE Programme Apprenticeship Programme Grow our own Programme International Recruitment Phase 2; Frontline programme; Career progression scheme	3	3	9	Damian Elcock	Ongoing, 31/10/2026 review	May-22
27	SRR 1.1 SRR 1.2 SRR 2.3 SRR 5.1	Education, SEND and Early Help Impact of post-16 SEND transport policy implementation following consultation and decision making	Possible risk to life/reputational damage to the council/significant financial impact/legal challenges. Parents may not understand when they can apply if the policy has to change again. If the policy is challenged the overspent budget could contribute to s114 risk. Judicial review likely and may mean policy implementation is paused. Increase in parent complaints.	Current review of policy with review of independent travel training sufficiency to follow. System procurement to promote efficiency. Stakeholder communication re consultation and barrister guidance obtained. Policy now published and due to be implemented in next academic year unless prevented by JR.	4	4	16	Treat	Plans to mitigate and limit impact in place and considered in the planning stages. Most likely consequence is legal challenge.	4	2	8	Sophie Maltby	Ongoing, 30/11/2026 review	Jan-25
STRATEGIC AREA - Public Health															
28	SRR 4.1	Data LA requirements for data often not understood by external providers/national governing bodies which can cause delays in Information Sharing agreements or restrictions in data flows into public health for information required to deliver objectives. Self reported data that is difficult to verify for activity based contracts leads to uncertainty over financial position and potential over payments Updated NHS Patient Safety Incident Reporting Framework is incompatible with LLR Serious Incident Reporting Protocol negatively impacting data availability and workflow surrounding reporting of incidents. Risk that we lose sight of incidents / cases and are unable to assess provider quality and contract performance adequately. The English Devolution White paper which details the development of new Strategic Authorities and Mayoral responsibilities will involve reorganisation of local government, which may result in boundary changes which will impact Public Health Data sets. Interruption / unsuccessful in gathering local data and intelligence on the Health and Wellbeing of the local population via routine Health and Wellbeing Surveys because of timeliness of procurement of service.	- Delay or complete stoppage in obtaining information will restrict understanding of the local population characteristics, health outcomes and health inequalities required to make timely decisions for service users. This may result in outdated data that is not useful for commissioning and partnership work. - Distress to service users - Reputational damage to LCC - Potential financial burden or incorrect overspend for activity - Potential litigation claims for failure to deliver - Increased stress on LCC staff - Difficulties in workload management and timely production of existing reports and statutory functions as well as making capacity management difficult. - Impact on service delivery and response agility - Reduced data provision and indicators potentially being missed or identified later than they may have been delaying (or preventing) mobilisation. - Negative impact on our ability to both proactively and reactively manage NHS providers that we commission to deliver services due to reduction of oversight and visibility of issues arising in NHS providers for all of public health / LCC. Analysis and ongoing management of service quality is severely hampered without insight or access to incident data. - Obfuscation and extension of timelines for responses and investigations into serious incidents increase the likelihood of unsatisfactory outcomes for users as well as increased waiting times - Delay in gathering local intelligence and information via a local health and wellbeing survey. Unable to pursue new topics of interest. Potential budget implications if service needs to be carried into next financial year - Boundary changes will have data collection, analysis and trend implications, both locally and for online data sources. Data sets will require re-working to fit new boundaries.	- Work-around arrangements in place with key organisations to share basic information - Working with wider network of organisations to establish data sharing protocols and file transfers - Engagement with information governance to ensure that any risks of data sharing are identified and managed. - Increased relationship building and engagement across system partners - Continued close communication and engagement with Integrated Care Board / Leicestershire Health Informatics Service (LHIS) regarding the issues surrounding data availability and access. - Data sharing agreement recently secured with LHIS that will allow for direct access to anonymised GP data in order to better track performance and volumes. This is currently embedding with positive results on the payments aspect in terms of accuracy and assurance. Data streams for performance analysis are still being assessed to ensure accuracy and are expected to be available for use in the near term. An independent audit is underway to assess these workflows and processes. - Close working relationship with IT, procurement, and information governance to establish and maintain data sharing agreements with services external to LCC - Additional resource added to data function - Close working relationship with LPT as 0-19 provider with the aim of maintaining adequate management oversight with visibility of reports and attendance of weekly oversight meetings. Additional agreements have been built into the new Section 75 agreement with LPT to ensure robust governance is in place around serious incidents. This has been signed off by the Public Health Clinical Governance Group. - Close working with the successful provider and understanding of timeliness of delivery and suitability of fieldwork period.	4	5	20	Treat / Tolerate	- Ongoing engagement with information governance and partners to resolve existing and arising issues - Undertake an exercise to identify all organisations and data needs and perform gap analysis - Ongoing horizon scanning of other services where NHS Patient Safety framework changes could become an issue (potential to effect all NHS services and generate complications when commissioning procurement of new services). - Continue to work with providers to understand implications of NHS Patient Safety framework changes on services, and liaise with multi-agency partners to plan a way of managing this. Continued close contractual oversight with LPT to ensure current level of visibility for 0-19 contract is maintained - Agree a corporate LCC stance on NHS Patient Safety framework changes	5	3	15	Rob Howard	Ongoing, 30/11/2026 review	Sep-22
29	SRR 3.2	Health Protection Screening and immunisation uptake in Leicester is generally significantly lower than the national average and is a key contributor to health inequalities within the city. Vaccine preventable disease outbreaks continue to occur, particularly in areas of deprivation. ICB funding for both TB and screening and immis inequality work in the future is highly likely to be cut and/or managed regionally rather than locally. The lack of a permanent health protection team within the council impacts on a) our ability to respond to infectious disease outbreaks - working with our communities and local schools, driving up vaccination uptake, providing IPC support and advice to care homes and the care sector; b) improving the standard and quality of IPC procedures in the care sector ; c) develop meaningful and ongoing relationships with our communities to address vaccine hesitancy, low vaccination and screening uptake; d) work with communities and organisation stakeholders to raise awareness and knowledge, and reduce stigma around TB and so increasing access to testing and treatment; e) be prepared and have capacity to deal with a potential future pandemic. Low vaccination uptake increases the risk of future disease outbreak. Projection for TB rates show an increasing trend and Leicester currently has the highest rates in England. Low screening uptake widens inequalities around late cancer diagnosis and treatment.	-Widening inequalities including increased vaccine preventable disease outbreak, increased TB rates, increased late cancer diagnosis and treatment. Reduced ability to respond adequately to disease outbreaks leading to increased transmission and health impacts on the population. Reputational damage to the authority if outbreaks are poorly managed. IPC service objectives unable to be met leading to increased risk of outbreak in vulnerable settings, increasing potential for individual harm, reduced IPC standards leading to poor quality care and reputational damage to the authority. Pressure on sole member of staff to provide an unreasonable level of cover for one person. Ongoing and increasing vaccine hesitancy and mistrust in health systems reducing access to treatment for TB. Significant operational impact on division in the event of a scenario comparable to Covid 19. Potential serious impact on health and wellbeing of whole population, particularly those most vulnerable Static or widening health inequalities Needs increase over the longer term as a result of secondary impacts requiring increased (and sustained) resource and budget to tackle	Close working relationships with system partners including UKHSA and the ICB to pool resources where appropriate; use of internal resources including teams within public health (e.g. community wellbeing champions) and within the authority (e.g. comms and social care). Support/supervision of IPC staff member to manage workload; service objectives set within context of limited capacity. Training offered to social care staff to increase IPC knowledge. Monitoring of at risk health areas to determine level of future need. Regular training offered to all public health staff to increase health protection knowledge. Horizon scanning to be aware of potential future health protection risks. Governance structures in place for assurance and monitoring via LLR Health Protection Board. Building relationships with Secondary Care to audit risk factors, and delivering prevention focused campaigns in the community.	5	4	20	Treat	- Continue with existing controls - Increase capacity of HP team to enable more robust resilient response to current and emerging issues -Review workplans in light of likely cuts to ICB.	4	3	12	Rob Howard	Ongoing, 30/11/2026 review	Jan-23

APPENDIX 4 - OPERATIONAL RISK REGISTER - as at 01 June 2026

Risk Reference	Associated SRR Risks Based on links to causes and impacts	Risk Description What is the underlying risk? What is it caused by? Reasonable worst case scenario	Consequence / Impact What are the current and future impacts of this risk? Benchmark across impact assessment criteria (see scoring guide)	Existing Controls	Risk Score with Existing Measures			Response Strategy Summary Tolerate, Treat, Transfer, Terminate	Further Management Actions Ongoing or planned reviews, initiatives or pilots schemes that are in progress prior to permanent change. . Details of these actions should be reflected within relevant action owners workplans.	Target Score			Risk Manager	Timeline of Response prediction	Date Added to ORR
					Impact	Likelihood	Rating			Impact	Likelihood	Rating			
30	SRR 2.2	Staffing and recruitment - Internal A key risk here is retention of Consultant in Public Health staff. One consultant recently left to take up a post within the NHS, where staff with equivalent qualifications and experience can earn approx. £20k to £30k more per annum. An emerging recruitment crisis across a variety of sectors creates difficulty, both within public health and our commissioned services or system partners, in securing sufficient staff with the appropriate skills and experience to meet public health challenges. This is further compounded by the requirement for staff in certain posts to receive targeted training, which is not necessarily available in line with induction and probation periods. For example, Healthy Conversations Programme Officers are required to hold an HCS training qualification, which is only available once a year. Unsuccessful recruitment or approval to recruit delays for existing and new posts places capacity and timeframe pressures on ongoing delivery and rollout of new initiatives that would benefit from proceeding at pace. In addition key staff retiring, going on maternity leave, leaving the division or moving into new posts within the division creates disruption, the risk increases if there are multiple departures simultaneously. Potential risks to wider public health aims or outcomes if there are significant losses in other LCC service areas. Capacity increase within the public health division is being outpaced by the broadening of scope and increased need that is resulting from current societal context - this is exacerbated by financial pressures and difficulties in recruitment. LCC Pay Scales pay less for professional posts than other LAs in their region. This means that flight to authorities that pay more is also a real risk. e.g. Northants lead commissioner earns £12k p.a. more than LCC. PH manager in Notts earns £10k p.a. more.	- This is currently presenting with a number of senior roles being vacated and needing to be filled creating capacity and continuity pressures. While our existing plans, investment into staff and wider training, and support networks have significantly lessened the impact gaps in post are creating additional pressures. - Increased demand on remaining capacity impacting on team morale. The health and wellbeing of existing staff is impacted resulting in individual burnout or increased staff turnover. - Loss of key specialist skills, knowledge and expertise, and working relationships that are very difficult to replace due to national shortage of skilled workers - Significant loss of capacity means programme targets are delayed or not achieved, or need to be revised downwards to match ability to deliver. - Cover for posts splits capacity between existing workstreams negatively impacting both. - Backfilling posts on a fixed-term basis offers less stability than permanent cover. - If demand and workloads are consistently high for extended periods existing staff do not gain a breadth of public health experience. This could result in an under skilled workforce, or increased turnover as further development is sought after by individuals (with associated difficulty in sourcing adequate replacements for posts). - Negative impacts on delivery of work and an inability to meet emerging objectives of individual services as well as divisional strategic objectives. - Reduction in ability to front run issues and adequately assess complex situations before being required to act. - Loss of in-year funding available if staff / initiatives cannot be put in place in a timely fashion. - Delay in advertising / filling vacant posts exacerbating capacity issues - Gap in leadership / delivery of public health functions - Capacity issues may lead to elements of work being deprioritised. - Potential loss of staff with significant experience, skills and knowledge. - Capacity remains impacted until staff are trained and hold the specific qualifications required for their role.	- Close management and oversight of individual workloads and projects - General training and development opportunities and organisational development utilised - Upskilling team - public health supporting staff to undertake a Masters in Public Health and for staff to follow work based public health training pathways - Specific courses identified and allocated to appropriate staff. Mandatory and suggested training framework created and rolled out across the team. Reviewed and managed across the division to ensure all staff are in compliance with minimum training requirements and are encouraged to develop skills and knowledge as required. - Early identification of potential staffing needs / vacancies with early engagement with HR to ensure timeframes to recruit are sensible - Capacity in across the team increased and analysis of need ongoing. - Team restructure undertaken to more efficiently redistribute capacity and portfolios - Increased team awareness at all levels of importance of self care, with support offered necessary. Ongoing team building events / exercises in place to aid wellbeing and an internal pastoral support scheme has been implemented to ensure support pathways are available to those who require it. - Recruitment concerns escalated - Contracts staff are being trained and developed across the whole Public Health portfolio in order to reduce single points of failure and reduce impact of staff loss. This approach is also encouraged across commissioning teams. Handover plans are being developed for the HIAP portfolio. - Ongoing development of the PH workforce development action plan to provide high quality internal divisional opportunities for learning and professional and career development to support retention of staff - Review options to replace the market supplement arrangements for Consultants in Public Health (the only staff in the council on these supplements according to the Pay report 24/25) with an appropriate alternative grade that recognises the highly trained and specialist nature of these roles.	4	4	16	Treat	- Continual audit of needs and skills against public health key skills framework to identify and fill key knowledge and skills gaps across division - Produce a public health workforce strategy including succession planning. Task and Finish group working on this and we are linking in with regional and national Public Health workforce planning initiatives. - Business continuity plan review and update regularly scheduled to ensure succession planning and key staff availability plan is adequate. - Ongoing identification of single points of failure and planning / documentation to mitigate risk of project lead unavailability - Consideration within service plans for posts and building in long time scales for recruitment as standard practice to be considered in forward planning - Continued monitoring of capacity needs and fixed term recruitments to mitigate issues where appropriate - Continued focus on employee wellbeing and provision of adequate support where necessary - Centralising of important data and guides detailing workflow processes ongoing to minimise impacts of loss of key staff and knowledge and to increase pace of training new staff. - Partnership working with DMU has provided temporary additional support through an acting-up Consultant, who brings valuable expertise to the department.	4	3	12	Rob Howard	Ongoing, 30/11/2026 review	Sep-21
31	SRR 2.2	Staffing and Recruitment - External A national skill shortage and recruitment crisis in conjunction with Leicester being a challenging area in comparison to neighbouring areas creates difficulties in securing appropriately trained professionals within commissioned services and / or partner organisations - in particular Public Health Nurses and Health Visitors, as well as sexual health specialists. Disruption to workforce of NHS or other partners due to strikes or industrial action. Significant staff loss coupled with recruitment difficulties within commissioned services reduce capacity to the extent that statutory functions or contractual terms are not adequately maintained. Providers struggle to maintain staff levels due increasing payroll costs and budgetary pressures. ICB has to reduce running costs by approx.. 30% which will likely result in substantial redundancies. This will have an impact on the reach of public health projects, prevention and health inequalities as there will be fewer people in the ICB to work on these areas.	- Impact on front line service delivery of statutory functions - Knock-on impact on capacity and ability to deliver of non-participating staff impacted by strike action - Negative impact on service users - The ability of our commissioned services to provide adequate safeguarding is reduced, leading to an increased risk of support needs not being identified or met, or an increase in likelihood of serious incidents occurring. This could also present a risk of increase to the likelihood of serious incidents occurring leading to: - Serious injury or loss of life - Legal challenge - Severe reputational damage - Increased strain on existing staff leading to increased turnover, loss of embedded knowledge and experience, and fatigue impacting quality of work. Risk of entering a negative feedback loop (pressure causes staff loss, staff loss causes further pressure etc) further increasing difficulties in securing trained professionals	- Close monitoring and communication with commissioned services by Lead Commissioners and Group Manager - Scrutiny and support from contract management team - Commissioned children's service has introduced a skill mix framework to alleviate Health Visitor pressures whilst maintaining adequate safeguarding. This involves splitting post duties and allocating less skilled work to appropriate staff to ease pressure on caseleads and health visitors. - Ongoing work to make Leicester a more attractive location for Health Visitors to attract and retain skilled workers. - Providers to be queried over planned response specifically around occurrence of strike action and widespread loss of staff and holding of adequate BCP's to manage incidents. How will delivery be maintained / how will affected service users be captured and engaged etc.	4	4	16	Treat / Tolerate	- Continual oversight of supplier business continuity plans and engagement on current pressures / concerns - Continual internal public health business continuity plans review ongoing with consideration given to response in the event of risks presenting - Ongoing close monitoring of suppliers and skill / workforce concerns - Supplier business continuity plans audit to be undertaken in rolling fashion	4	3	12	Rob Howard	Ongoing, 30/11/2026 review	Jan-22
32	SRR 2.3	Commissioning Reduced budget for services impacts on financial viability to suppliers at the tender stage who may deem package to be unviable leading to a lack of bids reducing competition or tender failing altogether. Suppliers may also not bid on tenders due to staff / skill shortages leaving them unable to meet requirements. This is exacerbated by tight financial envelopes and increased costs due to inflation. In the context of increasing costs and reduced or static budgets, providers have raised concerns about the limited budget available for contract extensions, and could become unsustainable without an uplift or adjustment to the funding received from public health. In conjunction with the below concerning partner organisations and Risk 8 this increases the likelihood that suppliers will serve notice on contracts or be unable to deliver. Services commissioned on activity based contracts are difficult to predict in times of uncertainty and risk under / over provision each of which come with financial and logistical challenges and risks. Partner organisations we joint commission with are restructured or undergo a change in policy resulting in changes which negatively impact our work / agreements or ability of supplier to deliver services. Partners opting to leave or disengage from working agreements adds additional pressures to teams and services.	- Providers could become unsustainable and serve notice on contracts without an uplift or adjustment to the funding received from public health. Loss of existing contractors due to inability to reconcile increased costs within static or reducing financial envelope. - Failed tenders. Capacity required to assess and alter the specification / tender and go to market again, Disruption to, or reduced / ceased delivery of statutory services. Potential legal and governance implications for LCC if delivery ceased. - Dependent on service, retendering may be extremely difficult given the increased complexity of the landscape as well as the budgetary and time constraints we would be under. Risk of being without a service which would come with legal / governance implications, or having to pay inflated costs for interim delivery. - Our offer may not be attractive to new providers during tenders creating a risk of failed procurement or reduced competition and sub-optimal suppliers being awarded contracts to fulfil needs leading to sub-standard delivery - Loss or alteration of service provision and impact on community who require service leading to poorer outcomes, increased sickness rates and impact on NHS as demand increases for other services - Decreased morale and reputational damage to LCC - Funding gap leads to other programmes needing to be terminated to balance the budget. Immediate reduced provision and range of services to city residents with unknown long term impacts. - Underspenders result from reduced activity that do not reflect underlying / actual budget pressures that will resume when pre-existing baseline is re-established. Budget is reduced or removed based on lower activity costs creating business critical issues when this occurs - Increased costs due to reduction in economy of scale due to moving from a joint to solo re-procurement	- Strong forward planning, bespoke procurement methods, and robust internal governance - Clinical governance board in place for improved oversight and robust governance framework to ensure that commissioned services are robustly reviewed and monitored. - Performance review group provides oversight, early issue identification, and escalation process - Both of the above boards are having ToR and framework re-assessed to ensure optimal oversight of services - Lead Commissioners and contracts team within Public Health undertake regular performance and quality reviews with continual engagement and communication with providers and partners - Timely briefing of lead members to highlight potential risks and consequences - Expertise within team to assess choices, identify and profile future need in a proactive fashion, and inform management briefings / options appraisals - Advocacy by LCC Director of Public Health with national bodies - Provider negotiations - providers have continued to be paid regardless of performance due to the pandemic to ensure the suppliers (and the wider delivery chain) stay afloat - Based on joint analysis between the sexual health service provider (MPFT) and public health regarding financial pressures, continuity funding at 100% of the contract value will be issued and services amended to ensure viability and effective delivery, particularly to identified vulnerable populations. Additional monitoring and ongoing analysis will continue to be conducted. - Close working with internal departments (legal / procurement / contract management / finance) - Services jointly commissioned where possible / appropriate to increase efficiencies relating to economies of scale and cross border activity as well as available resource to mitigate issues - Relationships built and maintained with partnership organisations to retain collegiate working environment and aid flow of information. Public health consultant employed to stimulate engagement throughout and across the system. - Supplier business continuity plans review and audit ongoing to ensure continual sight of level of supplier resilience. Internal audit of this area by County colleagues is ongoing.	4	4	16	Treat / Transfer	- Continue with existing controls; - Continue to joint commission where appropriate (internal with LCC, and external with county and regionally) - Continued exploration of new and novel approaches to commissioning including encouraging consortium applications and use of section 75 - Continued monitoring and increased engagement of suppliers to pre-emptively identify potential issues - Regularly review Business Continuity Plans to ensure minimal service disruption in the event of supplier failure. - Use of small PH Grant increase to support and mainstream existing programmes could mitigate risk significantly. - The risk is scheduled for review by Public Health DMT prior to the April 2026 submission.	4	2	8	Rob Howard	Ongoing, 30/11/2026 review	Pre-2019

Governance and Audit Committee Report

LCC Interests in Third Parties

Lead director: Kamal Adatia, City Barrister & Head of
Standards

Date of Meeting: 16th September 2026

Useful information

- Ward(s) affected: All
- Report author: Kevin Carter
- Author contact details: kevin.carter@leicester.gov.uk
- Report version number:

1. Summary

- 1.1 The Council continues to maintain interests in a range of third-party organisations through shareholdings, memberships, trustee appointments, directorships and other governance arrangements. These interests support the Council's strategic objectives, partnership working and service delivery aspirations.
- 1.2 Previous reports to Audit & Risk Committee in March 2021 and Governance & Audit Committee in September 2024 identified a series of actions designed to strengthen governance arrangements, oversight and risk management in relation to the Council's third-party interests.
- 1.3 This report provides a further update on the implementation of those actions and seeks to provide assurance that appropriate governance arrangements continue to be maintained.
- 1.4 Overall, officers consider that governance arrangements remain appropriate and proportionate to the nature and scale of the Council's current interests. However, continued vigilance is required to ensure that risks are effectively managed, particularly where councillors and officers undertake governance roles on behalf of the Council.

2. Recommended actions/decision

It is recommended that the Committee notes the report, supports the proposed actions and makes any comments they consider relevant.

3. Scrutiny / stakeholder engagement

None.

4. Background and options with supporting evidence

- 4.1 A report was presented to Audit & Risk Committee in March 2021 following national concerns regarding governance failings and financial losses arising from local authority companies. That report reviewed the Council's involvement in third-party organisations and proposed a number of improvements to governance and oversight arrangements.
- 4.2 A subsequent report was presented to Governance & Audit Committee in September 2024 which reviewed progress against those actions and confirmed the establishment of a number of governance measures, including a register of third-

party interests, training arrangements and proposals for a more formal approval process for future appointments and organisational involvement.

4.3 This report provides a further update on developments since September 2024.

(I) Formalised training for officers & councillors acting as directors and/or trustees, covering key areas such as legal requirements, best practice and conflicts of interest.

4.4 Training was delivered by an external firm of solicitors in October 2022 on the topic “Formal Duties of a Director or Trustee under the Companies Act & Charities Act”.

4.5 Further training is being organised for this autumn to cover the following topics:

- Managing the interface between duties owed to the third-party organisation and responsibilities as a councillor or officer.
- Identifying and managing actual, potential and perceived conflicts of interest.
- Situations in which the interests of the organisation and those of the Council may diverge, and how such circumstances should be approached.
- Recent legal, regulatory and governance developments affecting directors and trustees.
- Lessons learned from governance failures, regulatory investigations or disputes involving public bodies, charities or local authority-related entities.
- Effective governance behaviours, challenge and oversight within boards and trustee bodies.
- Information-sharing, confidentiality and privilege issues arising from dual roles.
- Questions and discussion arising from attendees' practical experiences.

4.6 The training will be delivered remotely so that a recording of the session and a slide set will then be available on InterFace as a resource for those involved in third party organisations to access and return to as needed.

4.7 The Committee is asked to endorse the importance of training and is also invited to put forward any topics or themes which the training should cover.

(II) Where we are a member of a Company or Shareholder (and it is not wholly owned) ensuring those companies have an appointed Council officer (who is not a director) who will receive communications intended for shareholders/members, and where appropriate may attend the Annual General Meeting to represent the Council's interests.

4.8 Officers have continued work to strengthen oversight arrangements, including where appropriate, retention and review of governance documents and key constitutional information along with improved central record keeping. Officer contacts for these companies are identified in the final column in the Appendix.

4.9 Further work is being undertaken to ensure a consistent approach across all relevant organisations.

(III) If a dormant partly or wholly owned company were to become active, then the governance arrangements would require review and a report back to the Committee.

- 4.10 As described in the previous report, in this scenario the relevant company would already have governance documents in place, which would require review. Such review would include ensuring the strategic rationale for the company, clarity on the required roles and responsibilities and ensuring sufficient skills are held for commercial decision-making. In addition, re-activating a company may justify a new business case.
- 4.11 There have not been any instances of a dormant partly or wholly owned company becoming active since the original report in 2021.
- (IV) A register of third parties in which the Council has an interest is established and maintained.
- 4.12 The register established following the 2021 report continues to be maintained. The current version is set out in the Appendix and shows there remains a mix of councillors and officers in roles.
- 4.13 The register is split into two sections: firstly, those organisations in which members/ officers have been appointed to decision-making roles, and secondly those where roles are non-decision making, such as where the Lord Mayor holds honorary positions. It shows that the Council currently has decision-making roles in twenty different organisations and advisory/ non decision-making roles in seven. Both decision-making and non decision-making roles are held in two organisations, being Leicester Theatre Trust Limited (Curve Theatre) and Leicester Arts Centre Limited (Phoenix Cinema).
- 4.14 The governance structure of each organisation is included in the register and show a range of structures including non-profitable and charitable companies, registered charities, trusts and unincorporated associations. It should be noted that those identified as a “Charitable Company” are dual registered with Companies House (as companies limited by guarantee) and the Charity Commission (as registered charities).
- 4.15 It should also be noted that any subsidiaries of these companies are not included in the list. For example, some charitable companies have wholly owned ‘trading arms’ for their non-charitable activities. Firebird Trading Ltd, which is a wholly owned subsidiary company of Leicester Arts Centre Ltd, is a corporate subsidiary through which activities such as catering services and venue hire are routed.
- 4.16 A number of third party interests have ended since September 2024, including:
- Forge Health Ltd (which was wholly owned by the Combined Fire Authority), Fosse Energy Ltd, Housing Leicester Ltd and The Leicester DNA Centre Ltd have been wound up as they were no longer required.
 - The New College Leicester Trust was dissolved in February 2026.
 - The Council no longer has a director on the board of BID Leicester Ltd (however, a Council representative now attends board as an observer).
 - The Council’s entitlement to a directorship of Leicestershire County Cricket Club ceased when the Cricket Club fully repaid their loan last year.
- (V) Ensure we have appropriate indemnity cover for appointed directors/trustees to protect against potential liability claims.

- 4.17 The Committee previously received assurance in the 2024 report regarding the availability of indemnity and insurance arrangements for councillors and officers appointed to external bodies. However, indemnities will not cover every situation.
- 4.18 As set out in the 2024 report, it is important that appointments are considered on a case-by-case basis with support from Insurance Services to provide appropriate protection or insurance given that different types of third parties carry different types and levels of risk.
- (VI) Ensure there is a formal process to approve new organisations that the council wishes to establish (whether it is wholly or partly owned) or join (where it is an existing company) or appoint trustees/directors to. Including ensuring we have appropriate governance arrangements.
- 4.19 Where the Council seeks to establish a new organisation or join an existing one in which it is going to have a formal governance role, a business case process is followed which requires the approval of the Chief Operating Officer in consultation with the Section 151 Officer and Monitoring Officer. Although internal guidance could be developed, it is more beneficial for the approval process to be appropriate to the particular circumstances and proportionate to the level of potential risk involved.
- 4.20 A recent example of this is EM Lawshare, which is a public sector legal services consortium (unincorporated association) that enables the Council and other local authorities, as well as other public bodies, to access value for money specialist external legal services through a shared framework arrangement, while also providing training and development for in-house legal teams. The business case process described above was followed and the requisite approvals obtained.
- 4.21 Where appropriate, an Executive Decision is sought and the decision to establish a new organisation or join an existing one is reported back to this Committee for information to support transparency. The 2024 report referred to the Council becoming a member of Veritau Public Sector Ltd. This remains the most recent example.
- 4.22 The appointment, or revocation, by the Council of a councillor to any third party office is made by the City Mayor. Appointments of officers are made by the Chief Operating Officer or relevant director following appropriate consultation.
- 4.23 For clarity, this is not intended to cover situations such as where councillors or officers become school governors or undertake other voluntary roles in the community where such appointments and roles are in a personal capacity rather than being appointed on behalf of the Council. In such circumstances, councillors need to comply with their Code of Conduct, including declaring the interest on appointment, and officers remain subject to their employment contract and HR policies.
- 4.24 For councillors and officers who hold roles as directors it is important to note that they carry a number of statutory duties to their company under the Companies Act 2006 and they are expected to be familiar with these duties, particularly those which could lead to a potential, actual or perceived conflict with their role at the Council (e.g. the duties to promote the success of the company, to exercise independent

judgement, and to avoid conflicts of interest). Similarly, trustees of charities are subject to separate, albeit sometimes overlapping, duties. Where the organisation is both a charity and a company, the councillor/ officer will be required to be cognisant of and abide by both governance regimes.

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

5.1 Financial implications

There are no financial implications arising directly from this report. However, good governance of the Council's third-party interests minimises any associated risks.

Signed: Claire Gavagan, Assistant Director of Finance

Dated: 3 September 2026

5.2 Legal implications

As noted earlier in the report, there is a wide variety of organisations in the Appendix and it should be noted that the nature of them will dictate the extent to which the Council has a role or control of the organisation. The report does not provide a detailed legal position on each.

There are a range of statutory powers available to the Council to participate in third parties, including councillor or officer participation such as:

- general power of competence in Section 1 of the Localism Act 2011.
- power to trade in Section 95 of the Local Government Act 2003.
- 'incidental' power in Section 111 of the Local Government Act 1972.
- other powers to participate in companies for specific purposes.

In addition, local authorities are empowered by Section 139 of the Local Government Act 1972 to receive and hold gifts on charitable trusts.

Further legal implications are set out in the body of this report.

Signed: Kevin Carter, Head of Law (Commercial, Property & Planning)

Dated: 1 September 2026

5.3 Equalities implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act, 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. There are no equality impacts arising directly from the recommendations in this report. It is important to ensure the Council is transparent and is as open and engaging with all its local communities through in its governance practices.

The proposed training should, where relevant, reinforce the importance of equality, inclusion and accessibility in decision-making, particularly where third-party organisations deliver services, activities or facilities used by Leicester residents.

Signed: Surinder Singh, Equalities Officer, Ext 37 4148

Dated: 1 September 2026

5.4 Climate Emergency implications

This report relates to governance arrangements for the Council's interests in third-party organisations and does not propose any changes that would have direct climate emergency implications. Any climate impacts associated with the activities of individual organisations would be considered separately through relevant decision-making processes.

Signed: Phil Ball, Sustainability Officer, Ext 372246

Dated: 2 September 2026

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:

'LCC Interests in Third Parties' paper to Audit & Risk Committee, 17th March 2021: [Executive decisions \(leicester.gov.uk\)](#)

'LCC Interests in Third Parties' paper to Governance and Audit Committee, 18th September 2024: [Executive decisions](#)

7. Summary of appendices:

Appendix - Leicester City Council's interest in third parties.

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.

Third Party	Name	Role in third party	Governance	Summary	LCC Officer contact
DECISION-MAKING ROLES					
Bradgate Park & Swithland Wood Charity (The)	Cllr Eily Cutkelvin, Cllr Vi Dempster & Sean Atterbury	CM is Vice Chair; Trustees	Charitable Trust	Charity responsible for conserving and managing Bradgate Park and Swithland Wood for education, recreation and public enjoyment	Sean Atterbury/ Mandeep Rai
CLETA (City of Leicester European Twinning Association)	The Lord Mayor and Cllr Deepak Beja	The Lord/ Lady Mayor is President & Director of Finance is Honorary Treasurer	Unincorporated Association	Voluntary organisation that promotes cultural, educational and community links between Leicester and its European twin cities through exchanges, events and international partnership activities.	Haroon Sacranie
Craven Recreation Ground	Leicester City Council	Corporate Trustee	Charitable Trust	Charitable trust maintaining public recreational open space and sports facilities for community use.	Sean Atterbury
The Friends of the Museum of Technology for the East Midlands Trust	Leicester City Council	Corporate Trustee	Charitable Trust	Charity supporting Abbey Pumping Station Museum through fundraising, heritage preservation and educational activities.	David Orton
Fullhurst Learning Partnership	Vacant	Director/ Trustee	Company Limited by Guarantee (CLG)	Foundation school trust associated with Fullhurst Community College; currently dormant.	Kevin Carter
Great Central Railway PLC	n/a	Shareholder	Public Limited Company (PLC)	Heritage railway company operating historic rail services, preservation projects and tourism attractions.	Andrew Shilliam
Homecome Limited	Cllr Eily Cutkelvin	Director	Company Limited by Guarantee (CLG)	Not-for-profit property management company established to provide and manage affordable housing.	Chris Burgin
Leicester And Leicestershire Enterprise Partnership Limited (LLEP)	Cllr Adam Clarke	Director	Company Limited by Guarantee (CLG)	Previously a strategic partnership that promoted economic growth, business support, skills and infrastructure investment across Leicester and Leicestershire; currently dormant and expected to be wound up.	Peter Chandler
Leicester Arts Centre Limited (Phoenix Cinema)	Cllr Adam Clarke	Director/ Trustee	Company Limited by Guarantee (CLG)	Charity operating Phoenix, Leicester's centre for independent cinema, digital arts, exhibitions and creative learning.	Peter Chandler
Leicester Theatre Trust Limited (Curve Theatre)	Cllr Adam Clarke	Director/ Trustee	Charitable Company	Charity operating Curve Theatre, producing and presenting performing arts alongside education and community programmes.	Peter Chandler
National Space Centre	Andrew Shilliam	Director/ Trustee	Charitable Company	Educational charity and visitor attraction promoting space science, STEM education and public engagement through exhibitions and outreach.	Andrew Shilliam
Newark Houses Museum	Leicester City Council	Corporate Trustee	Charitable Trust	Museum charity preserving Leicester's social and military history through collections, exhibitions and public education	David Orton
North Memorial Homes City of Leicester (The)	The Lord Mayor	The Lord/ Lady Mayor is an Honorary (Ex-Officio) Governor.	Charitable Trust	Charitable housing trust providing accommodation primarily for disabled veterans, former service personnel and others in need.	Kevin Carter
Procon Leicestershire Limited	Andrew L Smith	Director	Company Limited by Guarantee (CLG)	Not-for-profit membership organisation supporting the property and construction sector through networking, events and professional development.	Andrew L Smith
School Development Support Agency (The)	Sophie Maltby	Director	Company Limited by Guarantee (CLG)	Education support organisation providing school improvement, training, project management and children's services support.	Sophie Maltby
SDSA Leicester	Sophie Maltby	Director	Company Limited by Guarantee (CLG)	Not-for-profit company established to support the commissioning and delivery of education, school improvement and children's services projects for Leicester City Council and partner organisations.	Sophie Maltby
SDSA Foundation	Sophie Maltby	Trustee	Charitable Company	Educational charity that supports projects and initiatives aimed at improving educational outcomes, inclusion and wellbeing for children and young people.	Sophie Maltby
Wygestons and Trinity Almshouse (aka Wygestons Hospital)	Cllr Dr Susan Barton.	The Lord/ Lady Mayor is the Honorary (Ex-Officio) Governor.	The Corporate Trustee is a Company Limited by Guarantee (CLG)	Corporate trustee of a historic charity providing almshouse accommodation, sheltered housing and care services for older people.	Kevin Carter
Veritau Public Sector Ltd	Stuart McAvoy	Director	Company Limited by Guarantee (CLG)	Public sector-owned assurance company (part owned by LCC) providing internal audit, counter-fraud, risk management, information governance and data protection services to local authorities and other public sector bodies.	Stuart McAvoy
EM Lawshare	Kevin Carter	Board member	Unincorporated Association	Public sector legal services consortium that enables local authorities and other public bodies to access specialist external legal services through a shared framework arrangement, while also providing training and development for in-house legal teams.	Kevin Carter
ADVISORY/ NON DECISION-MAKING ROLES - NOT NECESSARILY COMPLETE					
Leicester Cathedral Revealed	Stuart McAvoy	Advisory	Project Management Board	Heritage and education project focused on the restoration, enhancement and interpretation of Leicester Cathedral, promoting public access, learning and community engagement.	Stuart McAvoy
Leicester Community Sports Arena Ltd	Vacant	May attend board meetings as an observer	Company Limited by Shares (Ltd. Co.)	Not-for-profit company operating the Mattioli Arena and delivering community basketball and outreach activities.	Amy Oliver
Leicester Literary and Philosophical Society	The Lord Mayor	Honorary role	Registered charity association, number 1047498	Educational charity that advances knowledge and public understanding of literature, science, history, philosophy and the arts through lectures, publications and educational activities.	None.
Leicestershire Archaeological and Historical Society	The Lord Mayor	Honorary role	Charitable Incorporated Organisation (CIO)	Educational and heritage charity that promotes the study, preservation and public understanding of the archaeology, history and historic environment of Leicestershire and Rutland through research, publications, lectures and grants.	None.
BID Leicester Limited	Peter Chandler	Board observer	Company Limited by Guarantee (CLG)	Business Improvement District for Leicester city centre, funded by local businesses to improve the city centre environment, safety, marketing and economic vitality.	Peter Chandler
Leicester Theatre Trust Limited (Curve Theatre)	Peter Chandler	Board observer	Charitable Company	Charity operating Curve Theatre, producing and presenting performing arts alongside education and community programmes.	Peter Chandler
Leicester Arts Centre Limited (Phoenix Cinema)	Peter Chandler	Board observer	Company Limited by Guarantee (CLG)	Charity operating Phoenix, Leicester's centre for independent cinema, digital arts, exhibitions and creative learning.	Peter Chandler

Annual Corporate Complaints Report 2025/26

Lead Member briefing: 20th July 2026

Tenant Scrutiny Panel: 29th July 2026

City Mayor Briefing: 6th August 2026

Housing Scrutiny Committee: 7th September 2026

Governance and Audit Committee: 16th September 2026

Assistant Mayor: Cllr Elly Cutkelvin

Lead Director: Chris Burgin

Useful information

- Ward(s) affected: All
- Report author: Helen McGarry, Programme Manager (Housing)
- Author contact details: 0116 454 5219
- Report version number: v2.1

1 Summary

- 1.1 This report provides an annual update on the Council's Corporate Complaints service, which excludes complaints about:

- Statutory Adult Social Care
- Statutory Children's Social Care
- Elected officials

these complaints are handled by separate teams and have different reporting arrangements.

- 1.2 Leicester City Council serves around 380,000 citizens and manages high levels of customer contact. During 2025/26 the Council received 1,435 formal complaints from customers in relation to service delivery. As the Council takes its responsibility for managing complaints seriously, this annual report sets out how these complaints have been handled, what we have learnt from the complaints we have received and what service improvements we have implemented (or are implementing) as a direct result of these complaints.

2 Recommended actions/decision

- 2.1 The purpose of this report is to provide an update to Members on the delivery of the Corporate Complaints Service for 2025/26.
- 2.2 Members of the Governance and Audit Committee are asked to review the report and provide a feedback statement on its content and the Council's approach to complaint handling, so these can be published as part of the self-assessment report. This is a requirement placed upon us by the Housing Ombudsman.

3 Scrutiny / stakeholder engagement

- 3.1 Complaint performance related to Housing Ombudsman cases was presented to the Tenant Scrutiny Panel on the 29th July 2026.
- 3.2 Housing Ombudsman complaints performance for 2025/26 was presented at the Housing Scrutiny Commission on the 7th September 2026.
- 3.3 This report will be subject to scrutiny at the Governance and Audit Committee on the 16th September 2026.

4 Complaints Policy

4.1 The Council operates a Corporate Complaints Policy which can be found at [Leicester City Council corporate complaints policy | Leicester City Council](#)

4.2 A review of the Complaints Policy took place during 2025/26; this has been scrutinised by the Housing Ombudsman, who have confirmed that the revised Policy meets their Complaint Handling Code, which we must adhere to in relation to complaint handling.

4.3 The definition of a corporate complaint is:

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

This may include but is not limited to such things as unreasonable behaviour or conduct by a council employee, poor quality service provision, unexpected delay for agreed actions, a policy or procedure not being followed or poor-quality work undertaken. Generally, issues brought to the council’s attention 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 dissatisfied with our response to the service request.

4.4 The Corporate Complaints 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, which includes:

- A new request for a service, or a report of an issue that we have not previously been made aware of
- Statutory Adult Social Care complaints, such as a delay in the Council making arrangements with a care agency following an assessment of social care needs. A separate team within Adult Social Care deal with these complaints
- Statutory Children’s Social Care complaints, such as where a social worker may have failed to progress actions recommended at a child protection conference. We also have a dedicated team who handle these complaints
- Complaints about elected officials, these are handled by the Council’s Monitoring Officer and the Standards Committee

4.5 As with many other local authorities the complaints we are receiving are becoming longer more complex in nature, particularly due to the increasing use of AI generated complaints, and investigations requiring involvement from more than one service area. Due to this, it is taking longer to investigate and provide a comprehensive response to complaints, and we cannot always respond within the

target times, reflected in our current performance. This is something we are looking to address as part of our improvement plans.

5 Housing Complaints (under the jurisdiction of the Housing Ombudsman)

- 5.1 The Housing Ombudsman specifically deals with complaints made by social housing tenants and leaseholders in relation to the housing services we provide as a social housing landlord, such as repairs, rents, service charges and anti-social behaviour.
- 5.2 A total of 1,435 corporate complaints were received in 2025/26, of which 787 (55%) were Housing Ombudsman related matters. The highest number of complaints were in relation to repairs to council homes.
- 5.3 For these complaints we have a two-stage process in place. At stage one we acknowledge the complaint within five working days and advise the tenant how we will deal with it. The issues will be investigated and Complaint Officers within the Corporate Complaints Team will provide a response to the issues raised. Our Policy states we have 10 working days to provide this response, following the issuing of the complaint acknowledgement. However, the Housing Ombudsman's Complaint Handling Code enables us to extend this response date by a further 10 working days if the issues raised are complex or we have good reason to do so.
- 5.4 Of the 787 stage 1 Housing Ombudsman complaints received, 499 (63.1%) were responded to within timescale. Performance against this indicator for all local authorities for 2025/26 will be published by the Housing Regulator in the Autumn. However, the 2024/25 national average for local authorities for this indicator was 75%. This shows that most local authorities are struggling to meet the Ombudsman response targets. The main challenges are ongoing budget pressures across the sector and an increase in the length and complexity of complaints received due to complainants using AI to write complaints. We are committed to improvement our response timescales and have already increased resourcing in the Complaints Team and are actively implementing a new IT system to help manage complaints which will improve efficiencies.
- 5.5 If the tenant is dissatisfied with the response to their stage 1 complaint, they have the right to escalate this to stage 2 of our complaints process for a review. Our Policy states we have 20 working days to provide a response to this. However, the Housing Ombudsman's Complaint Handling Code enables us to extend this response date by a further 20 working days if the issues raised are complex or we have good reason to do so.
- 5.6 118 out of the 787 stage 1 complaints progressed onto stage 2 of the process and 79 (67%) of these were responded to within timescale. When looking at the 2024/25 results for this indicator the national average among local authorities was 72.5%.
- 5.7 If the complainant remains dissatisfied after the stage 2 process, they can escalate their complaint to the Housing Ombudsman for an independent investigation of the issues raised and of our response to these.

5.8 The Housing Ombudsman has not formally published figures for 2025/26, however they have provided their provisional figures which are discussed below.

5.9 Between 1 April 2025 to 31 March 2026, 57 complaints were determined by the Housing Ombudsman. Of these, 5 were closed without investigation because they did not fall under the remit of the Housing Ombudsman, as such the Housing Ombudsman made determinations on 52 complaints.

5.10 Of the 52 complaints determined:

- 12 cases were found to have no maladministration and not upheld
- 40 cases were upheld with the determination being:
 - 17 cases of service failure (minor failing)
 - 22 cases of maladministration (moderate to high failing)
 - 1 case of severe maladministration (significant / serious failing)

5.11 The maladministration rate is 76.9% (40 cases out of 52), a lower percentage is typically seen as better and the national average for similar sized authorities in 2024/25 was 80%.

5.12 This also means that just 5.1% (40 out of 787) of Housing complaints received resulted in the Housing Ombudsman determining maladministration.

5.13 Complaints determined related to:

Theme	Number of cases
Communication and managing relationships	22
Repairs	13
Anti-social behaviour/abuse/nuisance	7
Estate management	5
Moving home	1
Occupancy rights	1
Health and safety	1
Information and data management	1
Financial issues	1

5.14 Under the Housing Ombudsman Scheme, the Housing Ombudsman can make orders, including orders to pay compensation. Social landlords are expected to comply with those orders, and the Housing Ombudsman has powers to issue Complaint Handling Failure Orders and make findings of non-compliance where a landlord fails to do so. This amount totalled £8,227 in 37 cases with individual payments ranging from £50 to £1,152.

5.15 The Housing division provides well over 100,000 services and interactions each year and the fact that the Housing Ombudsman found fault in only 40 cases shows that the Council is delivering good quality services in most cases, although there is continual learning to improve services as a direct result of complaints and feedback.

- 6 Corporate Complaints (under the jurisdiction of the Local Government and Social Care Ombudsman)**
- 6.1 Local Government and Social Care Ombudsman (LGSCO) complaints relate to all other non-social housing services provided by the Council.
- 6.2 A total of 1,435 complaints were received by the corporate complaints team in 2025/26, 648 (45%) of these were Local Government and Social Care Ombudsman related matters. Areas with the highest number of these complaints were in relation to:
- housing applications and homelessness
 - housing benefit and council tax support
 - roads, pavements and streetlighting
 - waste collection, rubbish and recycling
- 6.3 During 2025/26 there was a one stage process in place for dealing with these complaints. When we receive a complaint, this is acknowledged within five working days. The issues will be investigated and Complaint Officers within the Corporate Complaints Team who will provide a response to the issues raised. Our Policy states we have 10 working days to provide this response, following the issuing of the complaint acknowledgement. However, we can extend this response date by a further 10 working days if the issues raised are complex or we have good reason to do so.
- 6.4 442 (68%) of Local Government and Social Care Ombudsman complaints were responded to within timescale.
- 6.5 During 2025/26, if the complainant remained dissatisfied after the response, they could escalate their complaint to the Local Government and Social Care Ombudsman for an independent investigation of the issues raised and our response to these.
- 6.6 Although the stage 1 process has been in place for several years, the Local Government and Social Care Ombudsman has brought in a new requirement from the 1st April 2026, for Local Authorities to now have a 2-stage process in place, similar to that of the Housing Ombudsman. Our Complaints Policy has been reviewed to reflect this new arrangement and working practices have been in place since the 1st April 2026 to manage this.
- 6.7 Between 1 April 2025 to 31 March 2026 the Local Government and Social Care Ombudsman dealt with 143 complaints referred to them in relation to the council. Of these:
- 43 were closed because they did not fall under the remit of the Ombudsman.
 - 79 were closed requiring no further action following their initial assessment
 - 21 were progressed to a full investigation

- 6.8 Of the 21 complaints fully investigated, 15 complaints were upheld in favour of the complainant, which equates to 71% of complaints that were investigated being upheld. This compares with an average 85% upheld rate of other similar local authorities. Complaints upheld related to:
- School transport (2)
 - Special Educational Needs (6)
 - Social care support (1)
 - Safeguarding actions (1)
 - Housing applications and homelessness (4)
 - Delays in processing a business invoice (1).
- 6.9 This also means that just 2.3% (15 out of 648) of LGSCO complaints received resulted in the Ombudsman determining maladministration.
- 6.10 Unlike the Housing Ombudsman, the Local Government and Social Care Ombudsman cannot make legally binding orders. Instead, it may recommend remedies, including the payment of compensation. Whilst such recommendations are not legally binding, councils are generally expected to comply with them and any decision not to do so would require careful consideration and justification. The Council paid compensation in 8 of the 15 upheld cases, which amounted to a total of £11,900.
- 6.11 Leicester City Council provides thousands of services and interactions with the public each day and with only 15 cases being upheld by the ombudsman, this demonstrates that the Council is providing good services on a regular basis.
- 6.12 Further information about cases investigated by the Local Government and Social Care Ombudsman in 2025/26 can be found at [Leicester City Council - Local Government and Social Care Ombudsman](#)
- 7 Learning from complaints and service improvements resulting from complaints**
- 7.1 As a large local authority delivering a vast number of services to the residents of Leicester each year, it is inevitable, that on some occasions we get things wrong. When this happens, we welcome complaints, so we have an opportunity to put things right. A fundamental part of the complaint management process is to learn lessons from complaints investigated internally as well as from the failings identified by the Ombudsman through their external investigation of cases. Since the complaints team joined the Housing division in 2025, we have undertaken a review to identify common themes around the complaints we have received. We then use this information to implement service improvements where appropriate.
- 7.2 During 2025/26, 55% of complaints related to issues covered by the Housing Ombudsman and the majority of these were related to Housing repairs. Our key areas for learning have therefore been focused on these cases; however, the intention is then to broaden the learning out to other areas moving forwards. There

are 5 key learning themes from the complaints we have investigated, and service improvements have been implemented to help address these. The 5 key themes are:

- Time taken to complete repairs to council tenant homes
- Quality of repair work in council tenant homes
- Communication
- Meeting the needs of vulnerable tenants
- Complaint handling

Time taken to complete repairs to council tenant homes

7.3 These complaints relate to missed targets or delays to work being completed. We know at the start of 2025 we had a high volume of out of category repairs, and this resulted in a backlog which meant we were unable to complete repairs as quickly as we would like.

7.4 As a result of this we undertook the following actions:

- significant additional funding and staffing resources have been assigned to our repairs service
- implemented a re-structure of how some complex repairs are managed
- implemented a single supplier framework for materials, ensuring we have a stable supply of items needed to complete repairs more quickly
- improved our reporting information to better inform us of the demand on the repairs service and provide future projections

7.5 These actions have already had a positive impact on the repairs service, and we have seen a reduction in outstanding responsive repairs from 12,709 at 31st March 2025 to 9,467 at 31st March 2026, and this number continues to drop.

7.6 Reducing the number of outstanding repairs helps us to reduce the backlog which in turns helps complete newly reported repairs within our target timescales. While significant progress has been made, there is further work to do to reduce our outstanding repairs, but plans are in place to continue this during 2026/27. Further actions that will take place include:

- reviewing our categorisation of repairs, to reduce our target timescales
- implementing a new IT solution for repairs, allowing for more efficient scheduling
- further resources in targeted areas to manage ongoing demand
- communication to raise tenant awareness of the impact on the service when we attend to undertake a repair and we cannot gain access to their property to complete the work

Quality of repair work in council tenant homes

- 7.7 These complaints are in relation to the quality of repair work undertaken, for example issues not fully put right. We have taken the following action to address this:
- increased resources within the Quality Control Team. This team sample checks jobs once they are completed to ensure the quality of work. This means any outstanding issues can be addressed and any performance related issues with our workforce are identified and training and guidance is provided.
 - reviewed the questions we ask in our repairs satisfaction survey we send to tenants after a repair is completed. This is helping to identify and resolve issues before a formal complaint needs to be raised.
 - implemented a single supplier framework for materials, ensuring we have quality materials needed to complete repairs to the appropriate standard.
 - established a learning from complaints workshop for repairs, to discuss complaints
- 7.8 We are committed to ongoing learning and improvement, in addition to the above we will:
- fully embed our learning from complaints for the repairs service. Regular workshops will be held with our Repairs Managers to review a sample of repair complaints received to capture learning and to agree service improvements.
 - once this structure has been embedded within the repairs service, we will roll out these learning workshops to other service areas within Housing and then the wider Council.

Communication

- 7.9 Communication issues are raised in most complaints we investigate. This can include not being kept up to date with the progress of a service request, delays in being provided with information or being provided with the wrong information. We know that improved communication with our tenants is a key service improvement required of us and the following steps have been taken to address this:
- We have improved the information we give to tenants prior to a repair's appointment, through telephone calls, text and email messages.
 - Tenants have told us that they want more face-to-face communication with our housing staff. As a result of this we have put in place "pop up" housing offices on our estates where tenants can discuss the resolution of issues before these are escalated to formal complaints.
 - We have established and consulted with the Tenant Scrutiny Panel to understand what information tenants want communicating to them, the frequency of this and their preferred methods of contact.

7.10 We acknowledge there is further work to be done, this includes:

- funding from the Housing Revenue Account has been allocated to fund a new Information and Knowledge Co-Ordinator post, who will start in the summer of 2026, specifically tasked with ensuring our communication is appropriate, in terms of content, timescale and communication channel.
- this postholder will lead on further developing our communication with tenants, taking on board the consultation feedback we have received from the Tenants Scrutiny Panel.
- the Information and Knowledge Co-ordinator will review the housing information we publish on our website, develop a tenant's newsletter and other communications, regular updates will be sent to tenants via email, text and in the post.
- the implementation of a new IT system for repairs will enable to us provide more real-time updates via email / text to tenants to confirm appointment details.

Meeting the needs of vulnerable tenants

7.11 There are processes and structures already in place to provide substantial support to vulnerable council tenants through our Supporting Tenants and Residents (STAR) team, our Income Management Team and through our Housing Officers. However, we have learnt, that on occasion, we don't always make appropriate reasonable adjustments to assist vulnerable tenants with their service delivery. This learning has been identified from some of the complaints that were investigated and upheld by the Housing Ombudsman during 2025/26. As a result of this we have:

- implemented a Vulnerable Person Policy that has been communicated to all staff.
- improved reporting on tenant demographics to ensure our services are being accessed by all.

7.12 We are committed to further improving in this area, and will:

- review the level of detail we hold on vulnerabilities within our IT systems, so we can ensure reasonable adjustments are undertaken for individual tenant's needs
- the implementation of a new IT system for repairs will allow us to provide our repairs staff with more information around reasonable adjustments required for our tenants

Complaint handling

7.13 Since April 2025 the Corporate Complaints Team has been managed within the Housing Division. Since this time, through the handling of complaints we have learnt

that our approach to this needs to be improved. The key learning identified that has now led to service improvements include:

Learning	Service improvements
The staffing structure within the Complaints Team was insufficient to manage the volume of complaints received	Additional funding has been allocated for a new Corporate Complaints Manager role and an additional 1.5 FTE Complaints Officers. These new roles have now been recruited to.
The Complaints Policy did not meet all the requirements set down in the Housing Ombudsman's Complaint Handling Code	A full review of the Complaints Policy has taken place. Confirmation has been received from the Housing Ombudsman that the Policy is now compliant with their Code. Complaint information on the website has also been reviewed to ensure this reflects the revised policy and our complaints process is clear to residents
We needed to introduce a 2 stage complaints procedure for Local Government and Social Care Ombudsman complaints, as required by this Ombudsman from 1 st April 2026	This procedure was put in place from 1 st April 2026, and our Complaints Policy reflects the new 2 stage approach. Residents are now able to have their stage 1 complaint response reviewed, prior to escalating issues to the Ombudsman
We established that our IT Complaint Management System was not fit for purpose. This has meant that we have not been able to extract robust complaint performance management information from the current system	Approval has been granted to develop a new IT Complaints Management System. During 2025/26 our requirements for this have been scoped out and DDaT are currently developing the new system for implementation over the summer. We anticipate that enhanced complaint reporting will start to become available from the Autumn 2026.
We learnt that our template response letters to complaints were not fit for purpose and left out key information we needed to include.	We have reviewed all our template response letters, particularly to ensure complainants are clear on the next steps to take if they are not satisfied with the complaint response and to provide information about the relevant ombudsman
There were gaps in the knowledge in terms of effectively managing, investigating and responding to complaints	All Complaint Officers have received formal training on effective complaint handling, provided by an external organisation, Housing Quality Network. This training incorporated good practice guidelines in relation to complaint investigation and responses. This learning is now embedded in our working practices. On going support and training is now being provided by our Corporate Complaints Manager.
Each month the Housing Ombudsman produces a report with their learning from	A quarterly report now goes to the Housing Senior Management Team meeting to

all Social Landlord cases where they have determined severe maladministration has occurred. There were no structures in place to consider this learning or to implement our own service improvements from this learning.	enable discussion on this learning. Actions required are identified and a log in kept, to monitor the completion of these actions.
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7.14 Although we have made these service improvements as a result of our learning from complaint handling, we know there is still more work to do, and we have a Complaints Service Improvement Plan in place. Key actions we will be progressing from this learning in 2026/27 includes:

- Implementation of the new IT Complaints Management System
- Enhanced complaints performance information for managers, the Tenant Scrutiny Panel, our wider tenants and political governance
- The development of a Complaints Remedy and Compensation Policy which will ensure appropriate action is taken as a result of upheld complaints
- Embed our structured approach to learning from complaints and implementation of service improvements resulting from the learning
- Undertake transactional surveys of residents submitting complaints to establish their satisfaction with the complaint handling process. Their feedback will help to identify further service improvements we can make
- Review our communications to ensure information about how to make a complaint is widely available
- Complete the review and implement of our Unacceptable Customer Behaviour Policy. This will provide guidance on what constitutes unacceptable behaviour, including those who make vexatious complaints. The policy will also state the actions available to the Council when managing unacceptable customer behaviour, but still ensuring these customers have access to the services they need.

7.15 While individual complaints relate to specific services, the broader picture shows that there are common themes in complaints across the Council:

- service accessibility
- communication failures
- delays in service delivery
- complex processes

7.16 Additional learning and actions have taken place for specific cases that fall under the jurisdiction of the Local Government and Social Care ombudsman. An overview of the main cases is provided below.

7.17 We identified the need to set up more robust checking processes for Education, Health and Care Plans. This led to the setting up of a process to ensure all sections within Education, Health and Care Plans are checked to enable additional funding requests to be considered in a timely manner. Also to ensure measures are put in

place to ensure children with Speech and Language provision in an EHC Plan receive that provision while on a waiting list for an NHS therapist

- 7.18 The Council's response to a special educational needs and disability (SEND) school transport appeal lacked the detail required by the statutory guidance. A review of the SEND school transport policy and procedures took place to ensure it complies with the statutory guidance.
- 7.19 We identified that reasonable adjustments were not always considered when dealing with a service request in housing benefits. Guidance was given to staff to consider and provide reasonable adjustments to service users, specifically regarding how service users may require assistance to provide relevant information that may affect their benefit entitlement.
- 7.20 We identified there were sometimes delays in issuing accurate business invoices. A review of processes took place to ensure no ongoing delays to issuing accurate invoices.
- 7.21 We are already analysing complaints received between 1st April and 31st July 2026 to identify additional areas for learning, which is likely to include:
- Housing applications and homelessness
 - Housing benefit and council tax support
 - Waste, streets and environmental services

8 Housing Ombudsman Complaint Handling Code – Self-Assessment

- 8.1 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](#)
- 8.2 The findings from our 2026 self-assessment can be found in Appendix A. It is a legal requirement to include this in our annual report to the Governance and Audit Committee.
- 8.3 There are 73 individual requirements set out in the Complaint Handling Code. Our 2025 self-assessment established that we were not fully compliant in 10 of the requirements. Improvement work has taken place to address most of these and our 2026 self-assessment has evidenced that there are now only 2 requirements with further work required:
- (Appendix A, 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. An action has been added to our Complaints Improvement Plan to review the surveys we undertake with Council Tenants to ensure this information is made clear.

- (Appendix A, 3.5) The Complaints Policy must explain how the landlord will publicise details of the complaints policy, including information about the Ombudsman and this Code. Our Complaints Policy states we will publicise how people can make a complaint in our public buildings. An action has been added to our Complaints Improvement Plan to review our approach to this to ensure the requirement is met.

9 Financial, legal, equalities, climate emergency and other implications

9.1 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 2025/26, the Housing Ombudsman required payments totalling £8.27k and the Local Government & Social Care Ombudsman £11.9k. It is essential that we minimise the need for such payments, all of which need to be managed in current budgets.

Signed: Jade Draper, Principal Accountant

Dated: 15th July 2026

9.2 Legal implications

There are no direct legal implications arising from this report although it should be noted that effective complaints management can assist in some circumstances to mitigate the likelihood of legal action against the Council.

Signed: Kevin Carter, Head of Law – Commercial, Property and Planning

Dated: 18th July 2026

9.3 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 2025/26. 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).

The revised complaints policy, the introduction of a two-stage process for Local Government and Social Care Ombudsman complaints, and the work to improve reasonable adjustments and complaint information will help ensure the process remains fair, accessible and responsive to residents' needs.

Signed: Equalities Officer, Surinder Singh, Ext 37 4148

Dated: 10th July 2026

9.4 Climate Emergency implications

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

Signed: Phil Ball, Sustainability Officer, Ext 37 2246

Dated: 14th July 2026

10 Background information and other papers: N/A

11 Summary of appendices:

Appendix A – Housing Ombudsman Complaint Handling Code Self-Assessment

12 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

13 Is this a “key decision”? If so, why? No

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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	This definition is stated in our 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	Yes	Complaints Policy	We take this approach and this is confirmed within our Complaints Policy

	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.		Leicester City Council corporate complaints policy Leicester City Council	
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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	We clarify the difference between service requests and complaints within our Complaints Policy
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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	This approach is taken and confirmed within our Complaints Policy
1.6	An expression of dissatisfaction with services made through a survey is not defined as a complaint, though wherever possible, the person	No		We do not take dissatisfaction raised through a survey as a complaint. However, we

	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.			need to review our survey forms over the next 12 months to ensure information is provided on how to make a complaint
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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 complaint must be considered on its own merits	Yes	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Complaints are accepted unless they meet our exclusion criteria within the Complaints Policy
2.2	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:	Yes	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Complaint exclusions, including those quoted in the Complaint Handling Code are included in our Complaints Policy

	• 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.			
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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Our Complaints Policy states we will accept complaints received within the issue occurring or the resident becoming aware of the issue. The Policy also states we will apply discretion for complaints received outside of this timeframe
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	Yes	Template response documents	When we do not accept a complaint we advise the resident of the reason. We also provide information about contacting the Ombudsman

	the exclusion has been fairly applied, the Ombudsman may tell the landlord to take on the complaint.			
2.5	Landlords must not take a blanket approach to excluding complaints; they must consider the individual circumstances of each complaint.	Yes	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	We do not take a blanket approach to excluding complaints, these are considered on an individual basis. Complaints are excluded only when they meet our exclusion criteria within the Complaints Policy

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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	We have a range of ways people can make complaints e.g. online, by telephone, in person. These and our approach to making reasonable adjustments is contained in our Complaints Policy

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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Our approach to this requirement is contained within our Complaints Policy
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	Not applicable	We do not consider high volumes of complaints as a negative
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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Our Complaints Policy is published on our website, paper copies are available and in other formats / languages on request.
3.5	The policy must explain how the landlord will publicise details of the complaints policy, including information about the Ombudsman and this Code.	No	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Information about how we will publicise complaint information is contained within our Complaints Policy. During 2026 / 27 we intend to provide more information

				about making a complaint to be displayed in our Council buildings
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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	This opportunity is stated in our Complaints Policy
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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council Template complaint responses	Information is contained in our Complaints Policy. We also provide information about the Ombudsman when we provide responses to complaints

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	Yes	Corporate Complaints Team	We have a dedicated Corporate Complaints Team that is responsible for complaint handling and liaison with the Ombudsman

	'complaints officer'. This role may be in addition to other duties.			
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	Complaint case records	The Corporate Complaints Team liaises with officers at all levels to facilitate the resolution of 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	Yes	Learning from complaint information	A dedicated Corporate Complaints Team is in place. Work has started to put structures in place to more robustly learn from complaints and this will be further developed during 2026/27

Section 5: The Complaint 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	Yes	Complaints Policy	We have a single Complaints Policy

	not be treated differently if they complain.		Leicester City Council corporate complaints policy Leicester City Council	
5.2	The early and local resolution of issues between landlords and residents is key to effective complaint handling. It is not appropriate to have extra named stages (such as 'stage 0' or 'informal complaint') as this causes unnecessary confusion.	Yes	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	We do not have informal or additional complaint stages, that sit outside of the Complaint Handling Code
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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	We only have a two stage complaints process in place
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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	This is confirmed in our Complaints Policy. Where a complaint refers to a third party our Complaints Officers will liaise directly with them. Residents are not expected to resolve their complaint directly with the third party
5.5	Landlords are responsible for ensuring that any third parties handle complaints in line with the Code.	Yes	Complaints Policy	When a third party is involve the Complaints Officer will ensure the Complaint

			Leicester City Council corporate complaints policy Leicester City Council	Handling Code requirements are met
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	Complaint response examples	The complaint definition is provided in all our complaint responses. An internal process is in place to seek clarification about the complaint from the resident if this is needed.
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	Complaint response examples Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Our Complaints Policy states that this approach is taken
5.8	At each stage of the complaints process, complaint handlers must: 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;	Yes	Complaint case records	Complaint Officers are trained to ensure this requirement is met through their investigations and complaint responses

	c. take measures to address any actual or perceived conflict of interest; and d. consider all relevant information and evidence carefully.			
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	Complaint case records Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	When this happens we liaise directly with the resident to agree timescales for keeping them informed about their complaint. This is also confirmed in 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 reasonable adjustments must be kept under active review.	Yes	Complaint case records Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	This occurs on a case-by-case basis. Our commitment to making reasonable adjustments is stated in our Complaints Policy
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	Yes	Complaint case records	All requests for complaints to be escalated are accepted

	set out these reasons, and they must comply with the provisions set out in section 2 of this Code.			
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.	Yes	Complaints IT system	Information is recorded on our Complaints IT system. Work is taking place to develop a new IT system for managing complaints which will enhance our record keeping
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	Complaint case records	Our focus is to resolve issues raised in complaints at stage 1 but we will continue to seek remedies if the complaint is escalated to stage 2
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 must keep restrictions under regular review.	Yes	Unacceptable behaviour policy	We have a policy in place and a monitoring system that records reasons, restrictions and reviews

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.	Yes	Unacceptable behaviour policy Case records	Restrictions on contact are considered on a case by case basis and a range of options are available. This is to ensure residents can still access services they require
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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	Complaint case records	All complaints are assessed when they are received to establish whether they can be addressed straight away or require more in-depth investigation
6.2	Complaints must be acknowledged, defined and logged at stage 1 of the complaints procedure <u>within five</u>	Yes	Complaint case records Complaints Policy	These timescales are defined in our Complaints Policy

	<u>working days of the complaint being received.</u>		Leicester City Council corporate complaints policy Leicester City Council	
6.3	Landlords must issue a full response to stage 1 complaints <u>within 10 working days</u> of the complaint being acknowledged.	Yes	Complaint case records Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	These timescales are defined in 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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	This approach is defined in 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	Complaint response examples	The Ombudsman contact details are provided on all correspondence we have with complainants

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	Complaint response examples Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Our commitment to this is referenced in our Complaints Policy
6.7	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	Complaint response examples	Information is provided on a case-by-case basis when this information is 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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Our approach to this requirement is stated in our Complaints Policy
6.9	Landlords must confirm the following in writing to the resident at the completion of stage 1 in clear, plain language:	Yes	Complaint template letters Responses to complaints	Our complaint response templates include the

	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.			requirement for this information to be provided
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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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	This approach is confirmed in our Complaints Policy

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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Our commitment to this is detailed in our Complaints Policy
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	Complaint case records	We do not require residents to explain why they want to escalate their complaint to stage 2 of the process
6.13	The person considering the complaint at stage 2 must not be the same person that considered the complaint at stage 1.	Yes	Complaint case records	Internal processes are in place to ensure a different Complaints Officer considers stage 2 complaints, to the officer dealing with the case at stage 1
6.14	Landlords must issue a final response to the stage 2 <u>within 20 working days</u> of the complaint being acknowledged.	Yes	Complaint case records Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	These timescales are defined in 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	Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	This approach is defined in 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	Complaint response examples	The Ombudsman contact details are included in all our correspondence with complainants
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	Complaint response examples Complaints Policy Leicester City Council corporate complaints policy Leicester City Council	Our commitment to this is referenced in our Complaints Policy
6.18	Landlords must address all points raised in the complaint definition and provide clear reasons for any decisions,	Yes	Complaint response examples	Information is provided on a case-by-case basis when this information is required

	referencing the relevant policy, law and good practice where appropriate.			
6.19	Landlords must confirm the following in writing to the resident at the completion of stage 2 in clear, plain language: 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	Complaint template letters Responses to complaints	Our complaint response templates include the requirement for this information to be provided
6.20	Stage 2 is the landlord's final response and must involve all suitable staff members needed to issue such a response.	Yes	Complaint case records	Complaint Officers ensure all relevant staff are involved to investigate and respond to the stage 2 complaint

Section 7: Putting things right

Code provision	Code requirement	Comply: 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, or intends to take, to put things right. These can include: • 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.	Yes	Complaint case records	This approach is taken on a case-by-case basis. The actions taken will vary, dependant on the complaint investigation outcome

7.2	Any remedy offered must reflect the impact on the resident as a result of any fault identified.	Yes	Complaint case records	This approach is taken on a case-by-case basis. The actions taken will vary, dependant on the complaint investigation outcome
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	Complaint case records	This approach is taken on a case-by-case basis. The actions taken will vary, dependant on the complaint investigation outcome
7.4	Landlords must take account of the guidance issued by the Ombudsman when deciding on appropriate remedies.	Yes	Complaints case records	We consider the Ombudsman guidance when considering remedies. We are currently reviewing our internal remedy policy to ensure it is fit for purpose

Section 8: Self-assessment, reporting and compliance

Code provision	Code requirement	Comply: Yes / No	Evidence	Commentary / explanation
8.1	Landlords must produce an annual complaints performance and service improvement report for scrutiny and challenge, which must include:	Yes	Annual complaints performance and service improvement report Annual complaints performance and service improvement report	Our complaints performance and service improvement report is produced annually

	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; e. any annual report about the landlord's performance from the Ombudsman; and f. any other relevant reports or publications produced by the Ombudsman in relation to the work of the landlord.		2024-2025 Leicester City Council	
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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 on the section of its website relating to complaints. The governing body's response to the report must be published alongside this.	Yes	Annual complaints performance and service improvement report Annual complaints performance and service improvement report 2024-2025 Leicester City Council	The annual report is presented to the Governance and Audit Committee. The Committee's in relation to the report are published on the website, alongside the annual report
8.3	Landlords must also carry out a self-assessment following a significant restructure, merger and/or change in procedures.	Yes	Not applicable	We are committed to this requirement, but no circumstances have arisen over the last 12 months where this has been required
8.4	Landlords may be asked to review and update the self-assessment following an Ombudsman investigation.	Yes	Not applicable	We are committed to this requirement, but no circumstances have arisen over the last 12 months where this has been required
8.5	If a landlord is unable to comply with the Code due to exceptional circumstances, such as a cyber incident, they must inform the Ombudsman, provide information to residents who may be affected, and publish this on their	Yes	Not applicable	We are committed to this requirement, but no circumstances have arisen over the last 12 months

	website Landlords must provide a timescale for returning to compliance with the Code.			where this has been required
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Section 9: Scrutiny & 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.	Yes	Complaint case notes	Lessons learnt are identified on a case-by-case basis. Further work is taking place to enhance our approach to learning from complaints
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.	Yes	Complaint case notes	Issues are identified on a case-by-case basis. The implementation of the new Complaints IT system over the summer of 2026 will enable us to have more robust intelligence information to enhance our approach in this area
9.3	Accountability and transparency are also integral to a positive complaint handling culture. Landlords must report	Yes	Lead Member briefings Annual Report to Tenants	A piece of work is currently taking place to enhance our approach to this

	back on wider learning and improvements from complaints to stakeholders, such as residents' panels, staff and relevant committees.			requirement. This will include more robust reporting to managers, Lead Members, the Housing Scrutiny Commission, our Tenants Scrutiny Panel and information for our wider tenants
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	Not applicable	This role is fulfilled by the Director of Housing
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	Not applicable	The Lead Member for Housing fulfils this role
9.6	The MRC will be responsible for ensuring the governing body receives regular information on complaints that provides insight on the landlord's	Yes	Annual Complaint report Annual complaints performance and service improvement report	The annual complaints report is presented to the MRC for approval, prior to being submitted to the

	complaint handling performance. This person must have access to suitable information and staff to perform this role and report on their findings.		2024-2025 Leicester City Council	Governance and Audit Committee meeting
9.7	As a minimum, the MRC and the governing body (or equivalent) must receive: 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 d. annual complaints performance and service improvement report.	Yes	Lead Member briefings	A reporting schedule for the MRC is in place. The information contained in these reports will be enhanced during 2026/27 when enhanced reporting can be extracted from our new complain handling IT system
9.8	Landlords must have a standard objective in relation to complaint handling for all relevant employees or third parties that reflects the need to:	Yes	Complaint case records	This requirement is adopted throughout our complaint handling processes

	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 complaints as set by any relevant professional body.			
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Review of Whistleblowing Policy

Report of the City Barrister & Head of Standards
(Monitoring Officer)

Governance and Audit Committee

Date of meeting: 16 September 2026

Lead director/officer: Kamal Adatia

Useful information

- Ward(s) affected: All
- Report author: Kamal Adatia
- Author contact details: kamal.adatia@leicester.gov.uk
- Report version number: 1

1. Summary

The Whistleblowing Policy has been reviewed jointly by Legal Services, Human Resources and the Council's external assurance provider, Veritau. The policy remains founded upon the protections available under the Public Interest Disclosure Act 1998. The purpose of the report is to present the Whistleblowing Policy for comment; to highlight the principal changes made since the previous version of the policy and to inform the Committee of planned training and awareness activities to support implementation of the revised policy

2. Recommended actions/decision

The Governance and Audit Committee is recommended to:

1. Approve the revised policy attached at Appendix A, subject to the necessary consultations with the Unions.
2. Note the proposed programme of staff and manager training to support implementation of the revised policy

3. Scrutiny / stakeholder engagement

4. Background and options with supporting evidence

4.1 Background

Whistleblowing arrangements are an important component of the Council's governance framework. They enable employees and other workers to raise concerns regarding suspected wrongdoing, malpractice or misconduct in the public interest and provide assurance that such concerns will be considered appropriately and without fear of reprisal.

As part of a periodic review of governance policies, the Whistleblowing Policy has been updated to ensure it remains fit for purpose, reflects current organisational arrangements and accords with emerging good practice.

4.2 Key Points

There are not many changes in the Policy since 2022.

4.2.1 Introduction of Veritau as an Independent Reporting Route

The policy now expressly identifies Veritau as an independent (parallel) reporting route for whistleblowing concerns where an employee does not feel able to report concerns through management channels or directly to the Monitoring Officer. Contact details for Veritau have been incorporated within both the reporting section and contact appendix. This amendment strengthens confidence in the process by providing an additional independent route through which concerns may be raised.

4.2.2 Clarification of scope

The definition of a "protected disclosure" now explicitly includes disclosures about sexual harassment. This means that any worker who reports past, ongoing, or likely future sexual harassment will be covered by whistleblowing protections. Previously, disclosures about sexual harassment could potentially be protected if they fell under existing categories, which include criminal offences, breaches of legal obligations, or endangering health and safety, but this could be ambiguous.

With this legal change any ambiguity has been removed by specifically listing sexual harassment as a protected category.

4.2.3 Training and Awareness

The Committee should note that the effectiveness of any whistleblowing policy depends not only upon the policy itself but also upon staff awareness and confidence in the reporting arrangements available.

Veritau has developed dedicated whistleblowing e-learning packages for employees and managers and has offered to work with the Council to roll out a bespoke training package based upon the revised July 2026 Whistleblowing Policy.

The training programme will seek to:

- increase staff awareness of what constitutes whistleblowing;
- distinguish whistleblowing concerns from grievances and other complaints procedures;
- explain the protections available to genuine whistleblowers;
- promote confidence in the Council's reporting arrangements;
- raise awareness of the parallel reporting route available through Veritau

4.2.4 Whistleblowing Disclosures

The Council's HR system is capable of recording disclosures, and the policy directs managers to HR when disclosures are received. The new relationship with Veritau affords an opportunity to create another reporting-in route for whistleblowers and we will use this opportunity to ensure that disclosures from each route are captured in a coordinated manner.

4.2.5 Assurance Regarding Compliance and Good Practice

The revised policy has been reviewed against relevant legislative requirements and recognised good practice principles.

The policy:

- reflects the protections afforded by the Public Interest Disclosure Act 1998;
- promotes a culture of openness, accountability and ethical conduct;
- provides multiple routes for reporting concerns;
- includes access to an independent reporting channel through Veritau;
- provides appropriate assurances regarding confidentiality and protection from detriment;
- recognises the importance of independent advice through Protect;
- includes arrangements for recording, monitoring and oversight of disclosures; and
- provides flexibility to appoint independent investigators where circumstances warrant this.

The Monitoring Officer is therefore satisfied that the revised policy is consistent with current legal requirements and aligns with recognised national good practice in the management of whistleblowing concerns.

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

5.1 Financial implications

There are no direct financial implications associated with the recommendations of this report

Signed: Stuart McAvoy - Head of Finance

Dated: 7th September 2026

5.2 Legal implications

The Term of Reference for the Governance & Audit Committee state that it shall:

review and approve, on a triennial basis (unless significant changes in legislation or circumstances dictate otherwise), the Council's policy and procedures for:

- *Anti-Fraud (including Bribery and Corruption)*
- *Disclosure (whistleblowing)*
- *Money Laundering*

The policy has been reviewed by Legal Services. The revised arrangements support compliance with the Council's obligations under the Public Interest Disclosure Act 1998 and contribute to the Council's wider governance and assurance framework.

Signed: K Adatia

Dated: 07.09.2026

5.3 Equalities implications

Under the Public Sector Equality Duty (PSED) (Section 149 of the Equality Act 2010), the Council must have due regard to the need to eliminate unlawful discrimination, harassment, and victimisation; advance equality of opportunity; and foster good relations between individuals who share a protected characteristic and those who do not.

The Whistleblowing Policy applies equally to all council employees, casual staff, agency workers, and consultants, regardless of protected characteristics.

No adverse equalities implications have been identified arising from the proposed revisions. To ensure equitable access, training and guidance materials should be provided in accessible formats

Signed: Equalities Officer, Surinder Singh, Ext 37 4148

Dated: 7 September 2026

5.4 Climate Emergency implications

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

Signed: Phil Ball, Sustainability Officer, Ext 372246

Dated: 7th September 2026

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

6. Background information and other papers:

N/A

7. Summary of appendices:

Appendix A – Revised Whistleblowing Policy

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)?

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

N/A

Whistleblowing Policy

July 2026

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1. Policy statement

1.1 Leicester City Council is committed to conducting its business with honesty and integrity and expects all staff to maintain high standards of conduct. All organisations, however, face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring or to address them when they do occur.

1.2 The aims of this policy are:

- (a) To explain what constitutes a whistleblowing complaint.

- (b) To explain how to raise a whistleblowing complaint and how it will be dealt with.
- (c) To encourage staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate and that their confidentiality will be respected.
- (d) To explain what protection is afforded to a legitimate whistle blower and to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

2. Scope

- 2.1 This policy applies to all employees of Leicester City Council and to consultants and casual/agency workers engaged by the council (collectively referred to as 'staff' in this policy) except those employed/engaged by schools.

3. What is whistleblowing

- 3.1 A qualifying whistleblowing disclosure is one made in the public interest by a member of staff who has a reasonable belief any of the following activities are either occurring, have taken place or are likely to:
 - (a) criminal activity;
 - (b) failure to comply with any legal obligation;
 - (c) miscarriage of justice;
 - (d) danger to health or safety;
 - (e) damage to the environment;
 - (f) sexual harassment;

(g) the deliberate concealment of any of the above matters.

3.2 A whistleblower is a person who raises a genuine concern relating to any of the above.

4. What is NOT Whistleblowing

4.1 This policy should not be used for the following:

- (a) Raising concerns that relate to a staff member's own personal circumstances such as the way they have been treated at work. Such concerns should be raised in the first instance informally with line management who will attempt to resolve them. If no resolution is possible refer to the [grievance procedure](#) for next steps.
- (b) Raising concerns as a member of the public. The procedure for the public to raise [comments, compliments and complaints](#) can be used for this purpose.
- (c) Raising concerns about Councillors. The [complaints about councillors](#) form can be used for this purpose.

4.2 If a staff member is uncertain whether something is within the scope of this policy, they should seek advice from their manager or Human Resources.

5. Raising a whistleblowing concern

5.1 We hope that staff will be able to raise concerns with their line manager. They may tell them in person or put the matter in writing if preferred. They may be able to agree a way of resolving the concern quickly and effectively. Where a staff member does not feel they can do this then they should raise their concern with a manager above their immediate manager. Employees considering

raising concerns can also seek advice from a trade union representative (see contacts below).

- 5.2 If staff feel that their line manager has not addressed their concern, or they have a compelling reason why they cannot raise it with them or their manager, they should raise their concern either with Veritau (an external assurance provider via whistleblowing@veritau.co.uk) or directly with the Monitoring Officer. Contact details are set out at the end of this policy. The Monitoring Officer will consider issues such as whether (i) the allegation can properly be dealt with by another manager and/or (ii) the whistleblower's identity does/does not need protecting, and will discuss their view with the whistleblower. It is, in most cases, likely that the Monitoring Officer, in dealing with the concern, will liaise with line management (or someone in the management chain) regarding its progression.
- 5.3 In all cases the manager will email their HR Team Manager so that it can be recorded as a "whistleblowing concern".

6. Anonymity

- 6.1 It is hoped that staff will feel able to voice whistleblowing concerns openly under this policy. Anonymous disclosures are not encouraged. Proper investigation may be more difficult, or impossible, if further information cannot be obtained from a whistleblower. It is also more difficult to establish whether allegations are credible. If a whistleblower is concerned about their identity being revealed this should be raised when the disclosure is made and appropriate measures, such as protecting their identity, can be taken where appropriate and possible.

7. External disclosures

- 7.1 The aim of this policy is to provide an internal mechanism for reporting, investigating, and remedying any wrongdoing in the workplace. It is preferable to raise a concern internally so it can be investigated without undue delay and therefore, in most cases, staff should not find it necessary to alert anyone externally.
- 7.2 The law recognises that, in some circumstances, it may be appropriate for staff to report their concerns to an external body such as a regulator. We strongly encourage staff to seek independent whistleblowing advice from [Protect | Speak Up, Stop Harm](#) before reporting a concern externally. Raising such a concern externally, if this cannot be justified, may be a breach of terms and conditions of employment.

8. Investigation and outcome

- 8.1 Once a concern has been raised, an initial assessment will be undertaken to determine what, if any, steps should be taken and to consider whether the concern falls within the scope of this policy. Staff may be requested to attend meetings in order to provide further information.
- 8.2 Following the initial assessment an investigation may be undertaken. It may be appropriate for a line manager or another Council officer to undertake the investigation. Questions of potential conflict of interest will be considered in determining the appropriateness or otherwise of any particular officer carrying out an investigation. Where a potential, or actual, conflict of interests exists for a particular officer they should not carry out the investigation. In exceptional circumstances, or where specific expertise is required, an external investigator may be appointed.

- 8.3 It may be appropriate to instigate a further procedure, following the conclusion of any investigation, such as the disciplinary procedure. Any such action falls outside the scope of this policy.
- 8.4 The investigator will decide what details, if any, should be provided to a whistleblower regarding the investigation. The need for confidentiality may prevent the provision of information. If such information is provided this should be treated as confidential unless expressly agreed otherwise.
- 8.5 If it is concluded that a whistleblower has made false allegations maliciously, in bad faith (i.e. not merely mistakenly) or with a view to personal gain, the whistleblower may be subject to disciplinary action.

9. Protection and support for whistleblowers

- 9.1 The law protects workers from detrimental treatment or victimisation from their employer if they have made a protected disclosure, as defined in paragraph 3 above. It is understandable that a whistleblower may be worried about possible repercussions. The Council aims to encourage openness and will support staff who raise genuine concerns under this policy, even if they turn out to be mistaken.
- 9.2 Staff must not suffer any detrimental treatment as a result of raising a concern. Detrimental treatment includes dismissal, disciplinary action, or other unfavourable treatment because of raising a concern. If a member of staff believes that they have suffered any such treatment they should inform their line manager or HR immediately who will assess what steps, if any, should be taken. If, for any reason, it is not believed to be appropriate to raise this with the line manager, they should inform the next line of management. Where matters have been disclosed anonymously then a member

of staff can speak with the Monitoring Officer. If staff feel they have suffered a detriment they may raise this under the grievance procedure.

10. Responsibility for the success of this policy

10.1 The Monitoring Officer has overall responsibility for this policy and will review it as appropriate.

11. Contacts

Contact	Method
Veritau	whistleblowing@veritau.co.uk 0800 9179 247
Monitoring Officer	monitoring-officer@leicester.gov.uk
Protect – independent whistleblowing charity	Protect Speak Up, Stop Harm Tel: 0203 117 2520
GMB Trade Union	GMBLeicesterservices@leicester.gov.uk Tel: 0116 454 2020
Unison Trade Union	unison.leicestercity@gmail.com Tel: 0116 299 5103
Unite Trade Union	Ty.Denton@leicester.gov.uk Tel: 07941 002095

Internal audit progress report 2026/27

Governance & Audit Committee

Decision to be taken by: N/A

Date of meeting: 16 September 2026

Lead director/officer: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Connor Munro, Director – Internal Audit (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 2026/27, up to 4 September 2026.

2. Recommended actions/decision

- 2.1 The Governance & Audit Committee is recommended to:
- 2.1.1 Note the progress made in delivering the 2026/27 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 2026/27 internal audit work programme was approved by this committee at its meeting on 16 March 2026.
- 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 scheduled for the remainder of the year. It also reports on outcomes from the follow-up of actions agreed in previous audit reports.
- 4.5 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: Claire Gavagan, Assistant Director of Finance

Dated: 1 September 2026

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 2026

5.3 Equalities implications

The Council has responsibility for establishing and maintaining appropriate risk management processes, control systems and governance arrangements. 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.

The report is an update on the delivery of the 2026/27 internal audit work programme and does not propose any direct changes to council policies, services, staffing arrangements or the allocation of resources. Therefore, no direct equality impacts have been identified. Where individual audits identify potential impacts on people with protected characteristics, these should be considered and addressed by the relevant service area as part of its management action.

Signed: Surinder Singh, Equalities Officer

Dated: 27 August 2026

5.4 Climate Emergency implications

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

Signed: Phil Ball, Sustainability Officer

Dated: 28 August 2026

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 2026/27

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 2026/27

Date: 16 September 2026

APPENDIX 1

CONTENTS

3	Background
3	Internal audit progress
4	Follow up of agreed actions
5	Annex A: Internal audit work in 2026/27
11	Annex B: Current audit priorities
15	Annex C: Audit opinions and finding priorities
16	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 2026/27 was agreed by this committee in March 2026.
- 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 audit activity up to 4 September 2026, and to outline current plans for delivery over the remainder of the year.

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 Four audits have been finalised, and one audit has reached draft report stage since the last report to this committee in July 2026.
- 9 Annex A summarises critical or significant findings from the four completed audits (where applicable) and includes actions agreed with management to address identified control weaknesses.
- 10 12 audits are in progress the time of reporting. These are in various stages of the audit lifecycle, with most being in the fieldwork stage. We expect the outcomes from ongoing audits to be reported to the committee at its January meeting.
- 11 We have also begun initial planning for audits scheduled for quarter three, to proactively commence them with officers from October. The work programme has also seen audits added, removed, and reprioritised based

on service needs and coverage requirements, in line with our dynamic approach to work programme planning and delivery.

- 12 In addition to the audits mentioned in paragraphs 8-10, we have also continued to support the council by providing support and advice on matters of risk management, governance, and control, and by certifying central government grants.
- 13 The volume of consultative work undertaken has seen a marked increase in 2026/27 compared to previous work programmes. This represents our purposeful shift towards delivering a proactive, dynamic and value-added service.
- 14 A total of four consultative engagements have been completed so far this year. Three of these were connected to high-profile grants that the council is administering and the other involved an efficiency review of the council's community languages service.
- 15 More information about other work we have delivered is provided in Annex A.
- 16 The 2026/27 work programme, showing current priorities for internal audit work, is included in Annex B.
- 17 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



- 18 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.
- 19 A summary of the current status of follow up activity is included in Annex D.

ANNEX A: INTERNAL AUDIT WORK IN 2026/27

Audits in progress

Audit	Status
School capital allocation programme	In draft
Home to school transport	Fieldwork
Housing regulatory compliance: EICRs	Fieldwork
Awaab's law compliance	Fieldwork
Accounts preparation and closedown	Fieldwork
Special Guardianship Order allowance	Fieldwork
Adult social care cost mitigation programme	Fieldwork
VAT Accounting	Planning
Unaccompanied Asylum Seeker Children	Planning
Private Finance Initiative (PFI) schools	Planning
Housing benefits	Planning
Food standards and inspections	Planning
Service charges and fees (estates)	Planning

Final reports issued

Audit	Reported to committee	Opinion	Count of findings by priority			
			Critical	Significant	Moderate	Opportunity
Planning performance	September 2026	Reasonable Assurance	0	1	5	0
Recruitment, selection and onboarding	September 2026	Reasonable Assurance	0	2	5	0
Adult social care debt management	September 2026	Reasonable Assurance	0	2	3	0
Cyber security (user awareness and training)	September 2026	Reasonable Assurance	0	2	0	0
Contract management: CDN	July 2026	Substantial Assurance	0	0	3	0
Adult social care joint commissioning	July 2026	Reasonable Assurance	0	2	3	0
Housing rents	July 2026	Substantial Assurance	0	0	0	1
Democratic governance and decision making	July 2026	Substantial Assurance	0	0	0	1
ICT supplier management	July 2026	Reasonable Assurance	0	0	3	0

End user IT policies	July 2026	Substantial Assurance	0	0	2	1
Business continuity management	July 2026	Substantial Assurance	0	0	3	1
Housing allocations	July 2026	Reasonable Assurance	0	2	3	0
Grant-funded schemes: compliance	July 2026	Substantial Assurance	0	0	2	0

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

Audit		
Planning performance		
Finding priority & title	Finding summary	Agreed action(s) and timescale(s)
Significant	Controls to ensure that planning application fees are correctly calculated and validated are not operating consistently. In one instance, the validation and review processes had not captured that an incorrect fee category had been applied. This led to a significant underpayment of a statutory planning fee. The correct fee was later recovered.	Training will be delivered to officers involved in the process, supplemented by a mandatory note introduced within the portal to ensure case officers review and confirm the fee at assessment stage. 30 September 2026
Application fees and accuracy		
Recruitment, selection and onboarding		
Finding priority & title	Finding summary	Agreed action(s) and timescale(s)

Significant	The council lacks sufficiently robust procedures and guidance relating to conflicts of interest. The audit identified that procedures could be strengthened by defining what classes as a conflict, developing a procedure for where a panel chair identifies a conflict, and including a stage where panel members are prompted to declare conflicts. Furthermore, no log exists to record identified conflicts and mitigating actions.	Guidance will be updated to include a definition of perceived conflicts of interest, and requirements for how panel members should identify and mitigate them. <i>30 November 2026</i>
Conflicts of interest procedures		
Significant	Narrative justification is not currently required alongside scoring for selection responses. There is a decentralised approach to recording supporting evidence from shortlisting and interviews, with some managers uploading documentation to the central system and some retaining elsewhere, leading to inconsistency across recruiting managers.	Guidance for shortlisting and interviewing will be reviewed and updated to set clear expectations. 30 November 2026 A quality assurance process will be introduced to review four recruitments per month, prioritised by role significance and recruiting frequency. <i>28 February 2027</i>
Record-keeping practices		
Adult social care debt management		
Finding priority & title	Finding summary	Agreed action(s) and timescale(s)
Significant	Management information and wider debt monitoring arrangements do not provide a complete, clear, and meaningful view of adult social care debt performance. Key indicators such as a breakdown of debt by age profile and high-value debtor analysis, are not included in reporting. Furthermore, formal reporting of adult social care debt has reduced in recent years, from quarterly narrative-based updates to twice-yearly high-level updates.	A revised reporting framework will be developed to improve visibility of debt trends, aged debt, recovery performance, and key risks. Reporting will be strengthened through enhanced validation and regular management review to support informed decision-making. <i>31 March 2027</i>
Monitoring and oversight of overall debt performance		
Significant	Debt recovery cases are not being actively monitored and	A dedicated ASC debt recovery team and

Insufficient recovery action prior to write off	progressed in a timely manner. Delays were identified in a significant number of cases reviewed during the audit, including gaps in recovery action of up to three years and lack of evidenced follow-up / investigation prior to write off.	additional management capacity have been approved to improve oversight, consistency, and recovery outcomes. Processes, controls, case management, and reporting arrangements will be reviewed and enhanced. <i>31 March 2027</i>
Cyber security (user awareness and training)		
Finding priority & title	Finding summary	Agreed action(s) and timescale(s)
Significant		
Completion and follow-up of mandatory cyber security training	The overall completion rate for the first twelve months of the council's mandatory cyber security training programme was 65%, with 105 users at 0% completion. There was no formalised follow-up process to remind non-compliant users to complete the required training.	Reminder emails addressed to the line managers of staff who do not complete mandatory modules will be introduced. <i>31 October 2026</i>
Significant		
Follow-up on negative simulation results	A follow-up process for users who have failed several phishing simulation exercises had not yet been implemented. At the time of the audit, a process was being developed.	A follow-up process will be implemented to target users who have failed phishing simulation exercises. <i>31 October 2026</i>

Other work in 2026/27

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

- ▲ Follow up of agreed actions
- ▲ Grant certifications:
 - ▲ Core Growth Hub
- ▲ Consultative engagements:
 - ▲ Adult Skills Fund: readiness review
 - ▲ Community Languages Service (workflow efficiency)
 - ▲ Connect to Work (accountable body arrangements review)
 - ▲ Crisis and Resilience Fund (payment controls and fraud risk mitigation)
- ▲ Support and advice:
 - ▲ Unit4 reimplementation project support (ongoing throughout 2026/27)
 - ▲ AI strategy and governance

ANNEX B: CURRENT AUDIT PRIORITIES

Audit / Engagement		Rationale
Strategic / corporate & cross cutting		
Do now		
Pride in Place (consultative)		Identified in consultation as a key risk area in relation to grant funding.
Service charges and fees (estates)		Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 2.3).
Leaseholder statement of accounts (consultative)		Annual certification on the leaseholder statement of accounts. Links to strategic risk (SRR 3.3).
Do next		
Polygamous working (consultative)		Identified in consultation with members of this committee.
Procurement pipeline and forward planning		Provides coverage of key assurance area.
Subject access requests (children's services)		Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 5.1).
Do later		
Procurement Act compliance		Provides coverage of key assurance area. Links to strategic risk (SRR 5.1).
Physical information security		Provides coverage of key assurance area. Links to strategic risk (SRR 4.3).
Hybrid and flexible working		Identified in consultation with officers as an area requiring assurance due to recent policy changes. Links to strategic risk (SRR 2.2).
Financial systems		
Do now		

Fundamental financial controls (consultative)	Provides coverage of a number of key financial controls. Links to strategic risk (SRR 2.3).
Accounts preparation and closedown	Provides coverage of a key assurance area. Links to strategic risk (SRR 2.3).
VAT Accounting	Provides coverage of a key assurance area. Links to strategic risk (SRR 2.3).
Housing benefits	Provides coverage of a key assurance area. Links to strategic risk (SRR 3.1).
Do next	
Council tax and NNDR	Provides coverage of a key assurance area.
Treasury management	Provides coverage of a key assurance area. Links to strategic risk (SRR 2.1).
Do later	
-	-
Service areas	
Do now	
Home to school transport	Emerging risk area.
Direct payments and overnight provision	Identified in consultation with officers as a key risk area.
Unaccompanied Asylum Seeker Children	Emerging risk area. Links to strategic risk (SRR 3.4).
Special Guardianship Order allowance	Identified in consultation with officers as a key risk area.
Adult social care cost mitigation programme	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 3.1).
Private Finance Initiative (PFI) schools	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 2.3).

Awaab's Law compliance	Emerging risk area.
Housing regulatory compliance: EICRs	Emerging risk area.
Selective licensing designation (consultative)	Identified in consultation with officers as a key risk area.
Food standards and inspections	Identified in consultation with officers as an area requiring assurance due to recent process changes. Links to strategic risk (SRR 3.2).
Do next	
School themed audit: SFVS returns	Identified in consultation with officers as a key risk area.
School themed audit: Financial forecasting	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 2.3).
Direct payments (adult social care)	Identified in consultation with officers as a key risk area.
Payments to care providers	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 3.2).
Right to buy	Identified in consultation with officers as a key risk area.
Complaint handling	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 4.3).
Ward community funding	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 1.2).
Changing futures	Identified in consultation with officers to review controls ahead of phase 2.
Partnership working (Health & Wellbeing Board)	Identified in consultation with officers as a key risk area.
Do later	
Safeguarding (adult social care)	Identified in consultation with officers as a key risk area.
SEND commissioning	Emerging risk area. Links to strategic risk (SRR 3.1).

Section 17 payments	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 3.2).
Acquisitions (homelessness)	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 3.3).
Housing regulatory compliance: HHSRS	Emerging risk area.
Housing repairs	Identified in consultation with officers as a key risk area.
Savings delivery	Identified in consultation with officers as a key risk area.
Technical / projects	
Do now	
-	-
Do next	
IT: access controls	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 4.3).
LLBSP Project management (consultative)	Identified in consultation with officers as a key risk area.
Do later	
ICT server administration and security	Identified in consultation with officers as a key risk area. Links to strategic risk (SRR 4.1).

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.

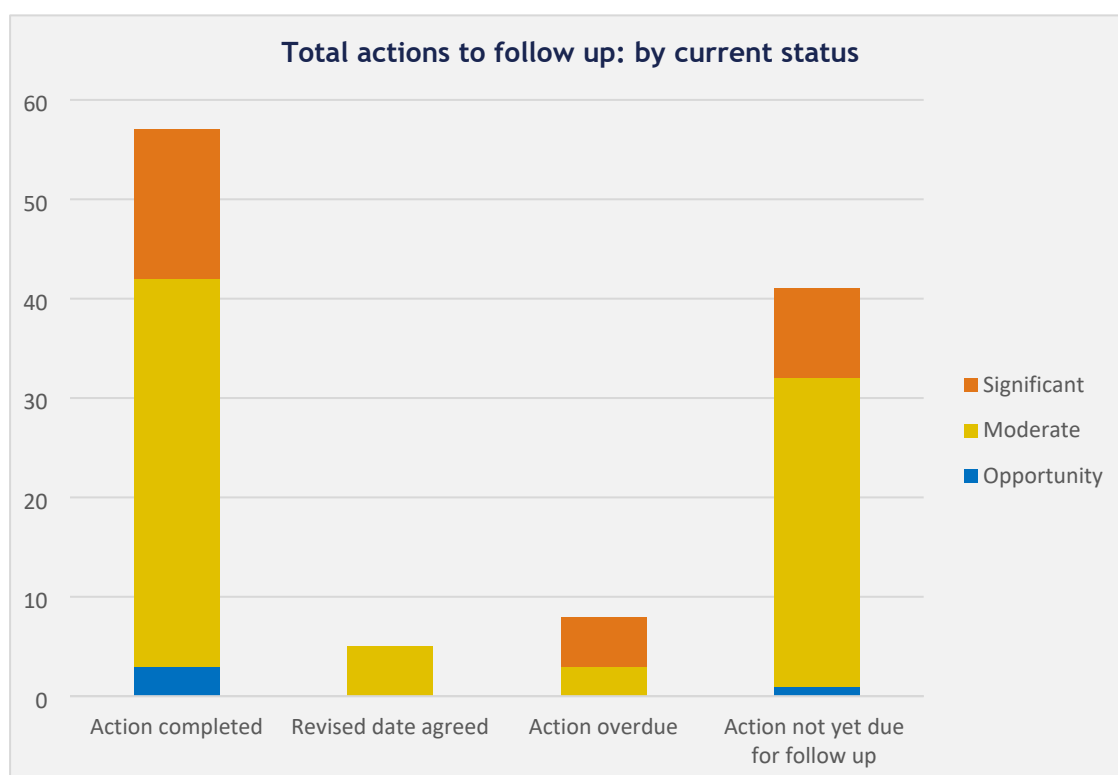
Opinion	Assessment of internal control
Substantial assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable assurance	Overall, satisfactory management of risk 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 in the last 12 months¹ 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

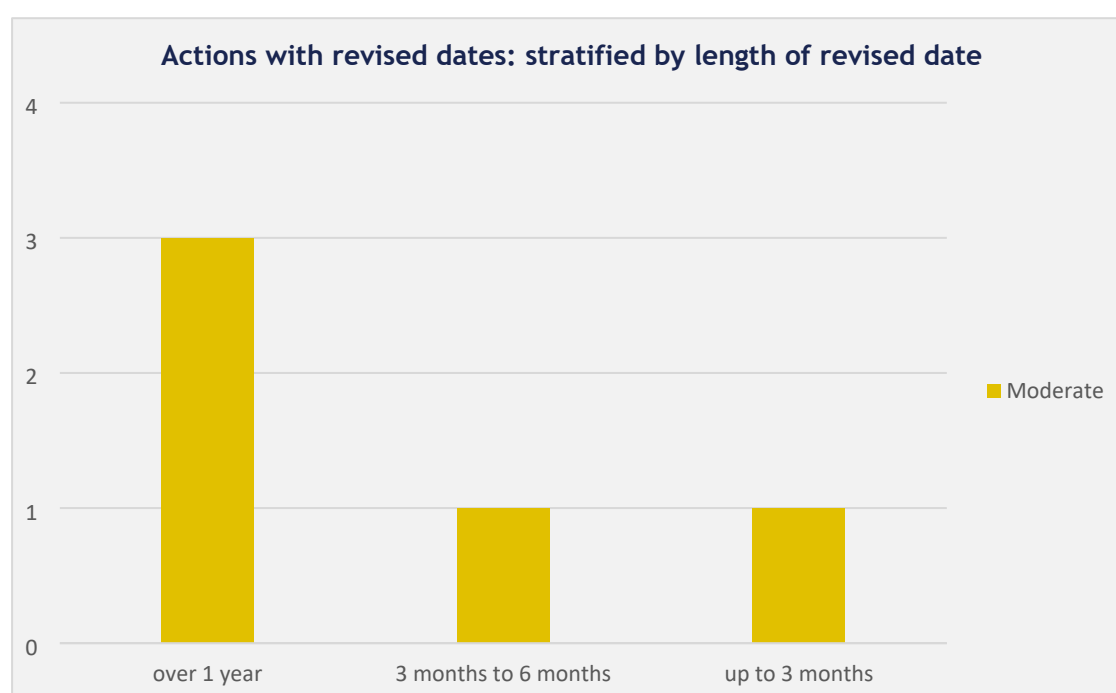


- 6 A total of 70 actions have been followed up so far this year. Of these, 57 have been satisfactorily implemented. 41 actions are not yet due for follow-up as their original implementation date has not passed at the time of reporting.

¹ Effective 1 April 2025, follow-up data has been reported on a rolling 12-month basis.

- 7 A total of 5 actions have had their original implementation timescale extended, with a revised implementation date being agreed with the action owner.
- 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 Figure 2, below, shows how long dates have been revised from the original implementation date.

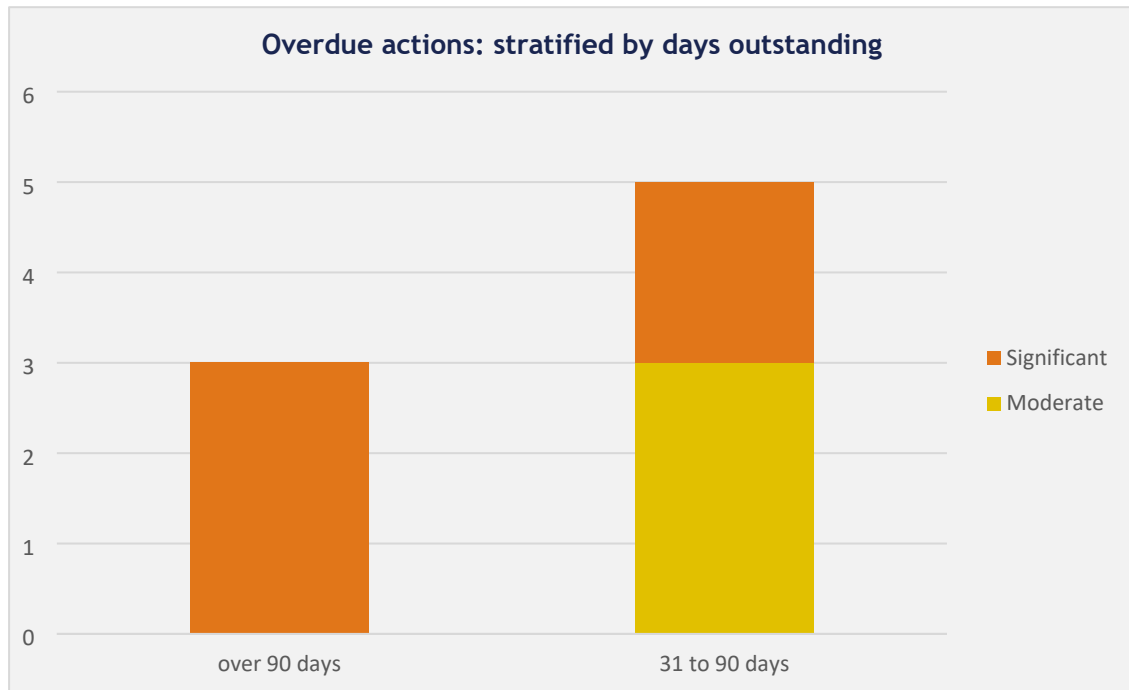
Figure 2: Length of revised dates agreed for action implementation



- 10 At the time of reporting, 8 actions are overdue². This is shown in figure 3, on the following page.
- 11 For all 8 actions that are overdue we have received a response from officers. In these cases, the process of following up the action and drawing conclusions is ongoing.
- 12 There will usually be some instances like this at any point in time. It can be due to ongoing communication with the responsible officers to obtain evidence confirming completion of the action. It can also be due to instances where the action taken is not exactly as agreed and further work is being undertaken to assess whether the action taken does satisfactorily address the risk or because there are ongoing discussions about whether to agree revised dates for the action.

² Four of the overdue actions relate to the high needs funding audit, and three relate to the school traded services (educational psychology) audit.

Figure 3: Length of time actions have been overdue



13 At this stage, no overdue actions are being escalated to the committee.

External Audit Progress Report 2025/26

Governance and Audit Committee

Decision to be taken by: N/A

Date of meeting: 16th September 2026

Lead director: Amy Oliver, Director of Finance

Useful information

- Ward(s) affected: All
- Report author: Ben Matthews
- Author contact details: Ben.Matthews@leicester.gov.uk
- Report version number: 1.0

1. Summary

- 1.1. To present an update on the progress of the external audit of the Council's 2025/26 statement of accounts and the Auditor's Value for Money work.

2. Recommendations

- 2.1. The Committee is asked to note the contents of the report and make any comments.
- 2.2. The Committee is asked to consider the:
 - 1.1.1. External Audit Progress Report 2025/26 at Appendix 1.

3. Background

- 4.1. The external audit commenced on 29 June 2026. Any recommendations made will be reported to this committee, along with any alterations required to the draft Statement of Accounts.
- 4.2. Due to the issues being experienced in the local authority audit sector, the usual statutory deadlines have been extended and the final audited accounts are not required to be completed until the 31st January 2027. However, the Council and the auditors have been working proactively together and are aiming to present a final set of accounts by the end of November, although it should be noted that the accounts cannot be completed until the Leicestershire County Council Pension Fund has been audited.

5. External Audit Progress Update 2025/26

- 5.1. Grant Thornton has provided its progress report on the audit of the Council's 2025/26 Statement of Accounts and Value for Money arrangements. The report notes that there are currently no significant issues or risks to the planned audit timetable and identifies improvements in the timeliness and transactional data provided by the Council compared with the previous year. The report also notes that the majority of detailed audit testing, including significant risk areas, will be undertaken during the next phase of the audit.
- 5.2. The Value for Money work is progressing as planned and remains on track for reporting to the Committee later in the year. In addition, the report highlights a number of wider sector issues, including Local Government Reorganisation and ongoing financial pressures across local government.

5.3. The positive position reported by the auditors reflects the actions taken by the Council to strengthen our financial reporting and audit readiness to enable the Council to deliver audited accounts within the planned timetable. This includes permanent recruitment to two key finance posts, ongoing recruitment to vacancies arising from internal progression, agency support in the meantime and investing in staff development by signing up to the Grant Thornton training programme, to support both the Corporate and the wider accountancy team. The Council will continue to work closely with the auditors to support delivery of the audit within the planned timetable.

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

6.1 Financial implications

This report is exclusively concerned with financial issues.

Claire Gavagan, Assistant Director of Finance
3 September 2026

6.2 Legal implications

There are no direct legal implications arising from this report.

Kevin Carter, Head of Law (Commercial, Property and Planning)
3 September 2026

6.3 Equalities implications

There are no direct equalities implications arising out of this report.

Equalities Officer, Surinder Singh, Ext 37 4148
3 September 2026

6.4 Climate Emergency implications

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

Phil Ball, Sustainability Officer
4 September 2026

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

N/A

7. Background papers:

None.

8. Summary of Appendices:

Appendix 1 – Grant Thornton Leicester City Council 2025/26 Audit Progress and Sector Update.

10. 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

11. Is this a “key decision”? If so, why? No

Leicester City Council

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Audit progress report and sector updates

1 September 2026

Agenda

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Audit Progress Report

Introduction

This paper provides the Governance and Audit Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a series of sector updates in respect of emerging issues which the Committee may wish to consider.

Members of the Governance and Audit Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:

[Local government | Grant Thornton](#)

If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.



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Progress as of September 2026

Financial Statements Audit

As communicated in our Audit Plan, we are working towards an audit deadline for 2025/26 of 30 November 2026, putting us in a strong position ahead of the backstop formally moving to 30 November 2027 for future years (2026/27 onwards).

We agreed with management that the audit would be split into two phases to allow time for audit evidence to be collated in between audit fieldwork dates, and to improve efficiency.

145 There are no significant issues or risks to the planned timetable to bring to the Governance and Audit Committee's attention at this stage.

This is reflective of the stage of the audit given the detailed testing, including the work on significant risk areas, is concentrated in Phase 2 and is still in progress. We note that there have been improvements in the timeliness of working papers and transactional data provided to us so far, compared to the previous year.

Events

We provide a range of workshops and network events.

On 2nd July 2026, we hosted a webinar on how the local government Governance and Audit Committee functions within a wider governance landscape. Insights from our webinar can be found here: [Supporting Effective Governance and Audit Committees in a Changing Local Government Landscape | Grant Thornton.](#)

On 25th September 2026, we will be hosting a webinar on grants delivery, unpacking how to tackle funding certainty; achieve consistency; reduce administration friction; and build capacity. To attend, members and officers can: [Register here.](#)

Value for Money

We have progressed the Value for Money work, including following up on risks of significant weakness. We have held meetings with key contacts in the Council including the Director of Finance, Monitoring Officer and Director of Housing.

We are on track to issue the Annual Auditor's report for the Governance and Audit committee in November.

Audit timeline for final accounts audit



Audit Deliverables

Below are some of the audit deliverables planned for 2025/26

2025/26 Deliverables	Planned Date	Status
Audit Plan We are required to issue a detailed audit plan to the Governance and Audit Committee setting out our proposed approach in order to give an opinion on the Council’s 2025/26 financial statements.	June 2026	Completed
Audit Findings Report The Audit Findings Report will be reported to the Governance and Audit Committee.	November 2026	On track
Auditor’s Report This includes the opinion on your financial statements.	November 2026	On track
Auditor’s Annual Report This report communicates the key outputs of the audit, including our commentary on the Council's value for money arrangements.	November 2026	On track

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Sector Updates

Local government reorganisation (LGR)

Governance and Audit Committees need to be aware of latest announcements and useful guidance.

On 16th July 2026 the Government LGR decisions for 14 areas of England. Together with decisions already announced for Surrey, Essex, Hampshire, Norfolk and Suffolk, this takes the total programme to 134 existing councils being replaced by 38 new unitary authorities.

Areas covered by the decisions on 16th July were:

- 149 ❖ Derbyshire and Derby;
- ❖ Devon, Plymouth and Torbay;
- ❖ East Sussex and Brighton and Hove;
- ❖ Gloucestershire;
- ❖ Hertfordshire;
- ❖ Kent and Medway;
- ❖ Lancashire, Blackpool & Blackburn with Darwen;
- ❖ Leicestershire, Leicester and Rutland;
- ❖ Lincolnshire, North & Northeast Lincolnshire;
- ❖ Nottinghamshire and Nottingham;
- ❖ Oxfordshire (plus part of West Berkshire);
- ❖ Staffordshire and Stoke-on-Trent;
- ❖ Warwickshire; and
- ❖ Worcestershire.

All changes are subject to Parliamentary approval, but the common timetable across all areas is: Shadow authority elections in May 2027, with new councils formally taking over service delivery (“vesting day”) on 1 April 2028.

In the meantime, [Rewiring the State](#) was published on 31st July 2026, setting out the government’s wider plan to fundamentally rewire the state by shifting power, funding and accountability from Whitehall to local leaders.

Helpful guidance from Grant Thornton:

For our learning from the eight new unitary councils that were created between 2019 and 2024, see [Learning from the new unitary councils](#).

- ❖ For insights into how best to prepare for the new changes now to come, see three recent publications from July and August 2026:
- ❖ [Why agreeing the balance sheet split early matters](#).
- ❖ [The financial planning process and Medium-Term Financial Strategy for newly created unitary councils](#).
- ❖ [Managing assets through Local Government Reorganisation](#).

Governance and Audit Committee members are also encouraged to visit our LGR hub for additional information on how their council can successfully navigate change: [Local Government Reorganisation | Grant Thornton](#).

Adult Social Care



Governance and Audit Committees should seek to understand how risks surrounding Adult Social Care are mitigated within their Council.

CQC findings:

On 14th July 2026, CQC published key findings from their assessment programme of all 153 local authorities in England with adult social care responsibilities.

CQC highlighted that the majority of local authorities are rated 'good', but are mainly at the lower end of the scoring threshold for 'good'. Key themes in the report act as a roadmap for strengthening the sector:

- ❖ Prevention
- ❖ Safeguarding
- ❖ Transitions from Children's to Adult's services
- ❖ Unpaid carers
- ❖ Equity in experience and outcomes
- ❖ Co-production (partnerships with voluntary, community, faith and social enterprise organisations)
- ❖ Commissioning.

Other recent developments in relation to the Adult Social Care sector:

- ❖ **29th July 2026** – The Prime Minister set out his commitment to reform adult social care and deliver a National Care Service.
- ❖ **29th July 2026** – Baroness Casey launched a “big conversation on care”, an online survey intended to inform work to develop a National Care Service.
- ❖ **4th August 2026** – ADASS published Learning from Safeguarding Adults Reviews: How can they have national impact?



Children's Social Care

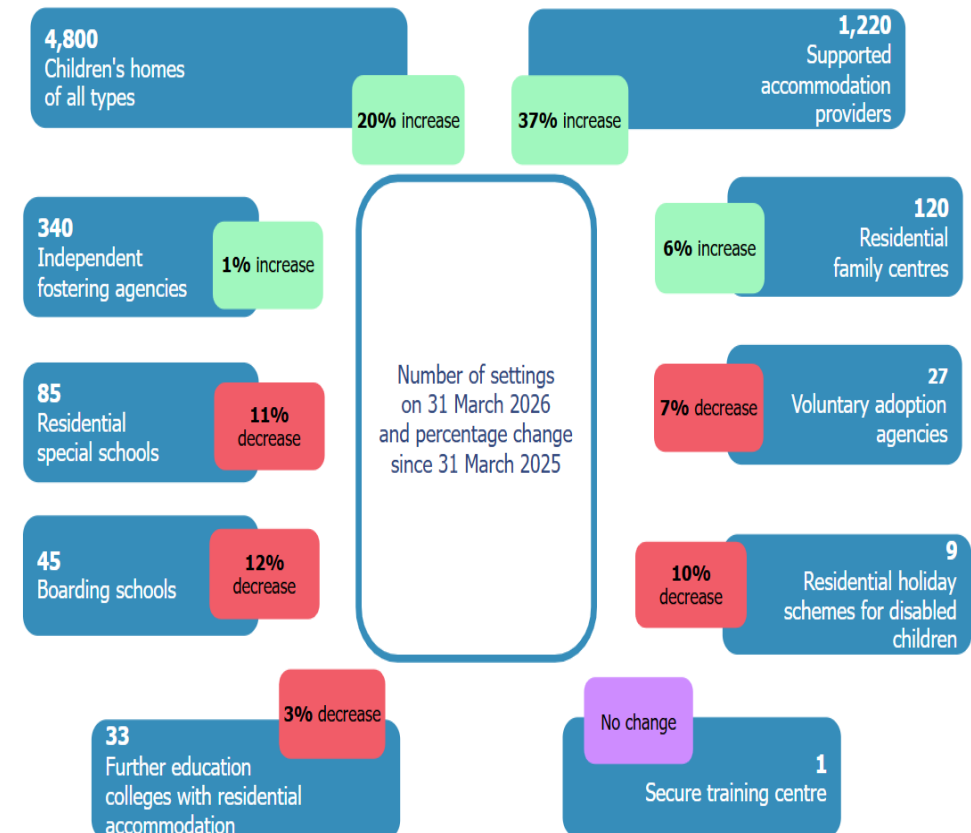
Governance and Audit Committees should seek to understand how the risk of unregistered placements is being mitigated by their

Tackling dependency on unregistered children's homes

Supply and demand pressures in recent years have forced many local authorities to rely on placing children in unregistered homes, which offer less protection than they are entitled to. Pressure to prevent this practice is escalating, but Council's overall need more children's homes that they used to, putting them at risk of malpractice:

- 151 ❖ **2nd July 2026** – Ofsted published [research on sufficiency of children's homes places in England](#) – highlighting that issues with workforce capacity, affordability of housing and lack of foster carers has contributed to a sharp growth in local authorities' use of unregistered children's homes.
- ❖ **7th July 2026** – Ofsted launched an [open consultation](#) on proposals to improve how it inspects and regulates children's social care providers. The original proposals aimed, amongst other things, at tackling the “shadow system” of children living unprotected in illegal settings.
- ❖ **30th July 2026** – [Ofsted's official statistics](#) show that there was a 20% increase in the use of children's homes overall in 2026.
- ❖ **5th August 2025** – Ofsted won its first successful prosecution of an illegal children's home provider.

Source: [Ofsted main findings: children's social care in England 2026](#) – GOV.UK



Making the Annual Governance Statement matter

Governance and Audit Committees are responsible for approving the AGS (sometimes with Full Council too) and should seek assurance it reflects a robust review against the CIPFA/SOLACE principles, a well-developed Code of Corporate Governance, and a clear assessment of effectiveness.



An evidence-based, candid view of strengths, weaknesses and planned improvements



Effectiveness is a qualitative judgement — not just a policy checklist



The review and drafting of the AGS should always be internally led



Senior officers must show genuine ownership, directed by members



An organisation-wide understanding of how governance works in practice

“

The AGS is a key indicator of the effectiveness of a council’s governance framework and a potential early warning sign of wider governance weaknesses.

Grant Thornton UK, July 2026

[Read our full article →](#) Published 20 July 2026

Best Value – have your say

New consultation to take part in

The Ministry of Housing, Communities and Local Government (MHCLG) is currently seeking views on revised statutory guidance for local and strategic authorities in England on compliance with the Best Value Duty.

A new consultation opened on Citizen Space on 15th July 2026, and will remain open until 11:59pm on 7th October 2026. This follows the government's March 2026 publication of Lessons learnt from best value interventions 2025. All local authorities are encouraged to take part in the new consultation, to help shape guidance going forward.

153 There has been a significant increase in the number of councils entering best value intervention since 2020. The government is aiming to learn from direct council experiences to improve policy, practice, and central government's relationship with local government. For the first time, MHCLG has undertaken structured engagement with all councils in statutory and non-statutory interventions exploring their challenges, recovery actions, and outcomes.

To have your say on the revised guidance and what should happen next, follow this link:

[Consultation on revised Best Value guidance - Ministry of Housing, Communities and Local Government - Citizen Space](#)



Governance and Audit Committee resources

Commentary from Grant Thornton on recovering the accounts preparation and audit timetable:

[Local audit reset: What comes after the backstop? | Grant Thornton](#)

Latest guidance and learning from Grant Thornton on local government reorganisation and devolution:

[Navigating the future: The dual challenge of local Government reorganisation and devolution | Grant Thornton](#)

154 [Dual delivery - How can areas successfully reorganise local government and implement devolution at the same time?](#)

[Learning from the new unitary councils](#)

Grant Thornton learning on procurement and contract management:

[Local government procurement and contract management](#)

Governance and Audit Committee and organisational effectiveness in local authorities (CIPFA):

<https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees>

LGA Regional Audit Forums for Governance and Audit Committee Chairs

These are convened at least three times a year and are supported by the LGA. The forums provide an opportunity to share good practice, discuss common issues and offer training on key topics. Forums are organised by a lead authority in each region. Please email ami.beeton@local.gov.uk LGA Senior Adviser, for more information.

CIPFA Application Note: Global Internal Audit Standards in the UK Public Sector

[Global Internal Audit Standards in the UK Public Sector | CIPFA](#)

CIPFA Good Governance

[Delivering Good Governance in Local Government Addendum](#)

The Three Lines of Defence Model (IAA)

<https://www.theiia.org/globalassets/documents/resources/the-ias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf>

Risk Management Guidance / The Orange Book (UK Government):

<https://www.gov.uk/government/publications/orange-book>



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