

**North
Herts**
Council

Annual Governance Statement

2025/26

www.north-herts.gov.uk

Executive Summary

North Hertfordshire District Council (NHC) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

NHC also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, NHC should have proper arrangements for the governance of its affairs in place. It is legally required to review arrangements and prepare an Annual Governance Statement ('AGS'). It should prepare this Statement in accordance with proper practices set out in the Chartered Institute of Public Finance and Accountancy (CIPFA)/the Society of Local Authority Chief Executives and Senior Managers (SOLACE) Delivering Good Governance in Local Government: Framework 2016. This year's Statement has also been prepared with reference to the Addendum approved by CIPFA in May 2025 for application to Annual Governance Statements from 2025/26 onwards.

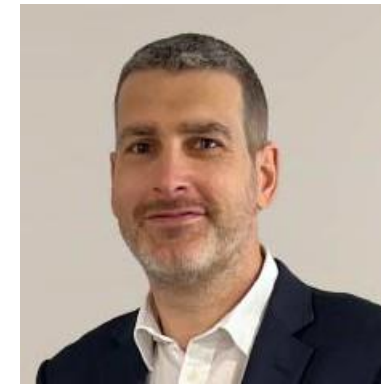
This AGS explains how NHC has complied with these requirements. The Finance, Audit & Risk (FAR) Committee Members have been informed of progress on producing this AGS and will review it and evaluate the robustness of the underlying assurance statements and evidence. FAR Committee approves the final AGS and monitors the actions identified.

Drawing on the sources of assurance available, our review of effectiveness indicates that the council's core governance arrangements were fit for purpose during the 2025/26 period and are generally operating effectively and aiding the achievement of intended outcomes. The council remains committed to further strengthening its governance arrangements. Key areas identified which form part of our action plan for 2026/27 include ensuring reporting on the council's companies and on civil parking enforcement; completion of Regular Performance Reviews; ensuring effective 1:1s; cyber preparedness; and updating the fraud prevention policy.



V. A. Bryant

Cllr Val Bryant,
Leader of the Council



A J Roche

Anthony Roche,
Chief Executive

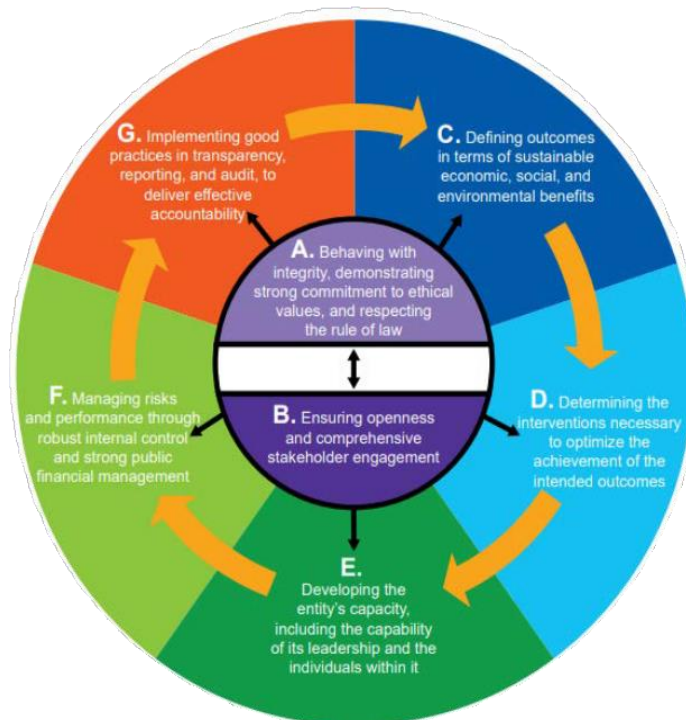
Delivering good governance

The Governance Framework comprises of systems, processes, culture and values, by which the authority is directed and controlled. It enables NHC to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The Delivering Good Governance in Local Government: Framework (CIPFA/Solace, 2016) applies to AGS prepared for the 2016/17 financial year onwards. The Principles are further supported by examples of what good governance looks like in practice.

The Principles are set out in the diagram below:

Achieving the intended outcomes while acting in the public interest at all times



Key Elements of the Governance Framework:

- Council, Cabinet and Strong Leader model that provides leadership, develops, and sets policy.
- A decision-making process that is open to the public and decisions are recorded / available on the NHC website.
- An established Shared Internal Audit Service (SIAS) that undertakes detailed reviews.
- An established Shared Anti-Fraud Service (SAFS) that is responsible for any proactive or reactive counter-fraud activity at the council.
- Risk Management and performance procedures that enable risks to be identified and these to be monitored by the Leadership Team and Members on a quarterly basis.
- Overview & Scrutiny (O&S) Committee reviewing performance and policies.
- An effective Finance, Audit, and Risk (FAR) Committee as the Council's Audit Committee that reviews governance and financial arrangements.
- The Council has a strategic officer Leadership Team which meets weekly. This includes the Head of Paid Service (Managing Director) and Directors (which includes all statutory officers).
- The Statutory Officers also meet quarterly.

How NHC complies with the 2016 Governance Framework:

NHC has approved and adopted:

- a [Local Code of Corporate Governance](#) in March 2026 which incorporate the Framework 2016 Principles.
- a number of specific strategies and processes for strengthening corporate governance.

Set out below is a summary of some of the central ways that NHC complies with the 2016 Framework Principles. The detailed arrangements, and examples are described / links provided in the Leadership AGS self-assessment document on the [Corporate Governance page](#).

Principle A: Behaving with integrity, demonstrating strong ethical values, and respecting the rule of the law

2025/26 examples:

- In March 2026, the Overview and Scrutiny Committee endorsed the updated Councillor Learning and Development Protocol and resolved that the Committee would schedule an Annual Report on Councillor Training for future years. This is to ensure the Protocol is current, relevant, and includes clear reporting on the completion rate of compulsory Member Training, given recent concern about this. The Overview and Scrutiny Committee will be responsible for monitoring.
- The [Standards Matters Report of March 2026](#) highlighted how the council has strengthened its own arrangements in this area, including adoption of the Monitoring Officer Protocol in January 2026; Standards Committee approval of and recommendation to Full Council the adoption of Guidance to Councillors on Outside Bodies to ensure Councillors are equipped with knowledge regarding their liabilities based on the type of organisation to which they are appointed and the risks associated with these appointments; and keeping the complaints procedure under review to ensure consistency with the LGA Model Code and encourage proportional and informal resolution where appropriate.
- During the 2025 calendar year, 20 complaints against Members were received. This reflects a slight increase in complaints against Members compared to 2024 when there were 19

complaints received. This stands in comparison to 11 complaints in 2023, 30 in 2022, and 52 in 2021.

- A new Reserve Independent Person was recruited and trained in January 2026.
- In 2025/26, a new electronic mechanism was introduced for the annual declaration letter. It now forms a mandatory e-learning module. This has allowed for more efficient automatic reminders and made monitoring easier. In 2025/26 98% of staff completed their annual declaration letter, compared with 86% in 2024/25.
- The new anti-bribery module is planned for release in 2026/27 and completion rates will be reported following that.
- In 2023, A Corporate Peer Challenge focused on the role and performance of the scrutiny panels, Overview & Scrutiny (O&S) and Finance, Audit, and Risk, was conducted. An action plan was developed with each committee responsible for taking forward their action plan. O&S were advised at their September 2025 meeting that the action plan was complete and would therefore no longer be updated on as part of the meeting. The FAR Committee were advised in June 2025 that all the recommendations (except consideration of the role of the Committee in relation to finance reports) had been completed and in place on an ongoing basis where relevant. It was decided that the outstanding action would not be actioned.
- The 2025 [Gender Pay Gap Report](#) highlighted that the mean and median gender pay gap has reduced compared to previous years. The mean gender pay gap in 2025 was 12.2% compared to 14.6% in 2024 and 15.5% in 2023, while the median gender

pay gap in 2025 was 8% in 2025, compared to 13.1% in 2024 and 14% in 2023.

- The Gender Pay Gap Action Plan was reviewed and updated following analysis of the 2025 Gender Pay Gap data. The 2026 action plan includes unconscious bias training, developing confidence in female employees and continuing to embed flexible working at all levels of the organisation. The Gender Pay Gap Subgroup (subgroup of the Inclusion Group) continues to meet to progress the action plan.
- The [North Herts Community Safety Action Plan](#) for 2025-26 was developed to address the strategic priorities in this area. The Strategic Priorities for 2025-26 were: Anti-social behaviour (including in open spaces, criminal damage, and environmental crime); Violence against women and girls (including stalking and harassment, and night-time economy safety); and Protecting vulnerable people (including scams and frauds, online safety, drug crime, and child safeguarding).
- The annual review of the Building Control company did not occur in 2025 due to resourcing issues. The latest review went to the Cabinet Subcommittee in November 2024. The next review will take place by the end of 2026, to enable the Subcommittee to fulfil its role as shareholder.
- No Section 5 Local Government & Housing Act 1998 reports have been issued by the Monitoring Officer during 2025/26 and no Section 114 Local Government Finance Act 1988 reports have been issued by the Chief Finance Officer (Section 151 officer) during 2025/26.

- The Financial Regulations underwent a full review by Full Council in January 2026. A [document](#) outlining all the proposed changes and the reasons for these was reviewed, and Full Council approved the adoption of the updated regulations.
- The [Shared Anti Fraud Service \(SAFS\) Anti-Fraud Report 2024/25](#) was presented to FAR Committee in September 2025. The report stated that during 2024/25 there had been 113 'referrals' (allegations) of fraud affecting council services. It was reported that this was very similar to the previous year where there were 117 referrals, but higher compared to pre-pandemic levels. The main type of fraud being reported in the 2024/25 period was related to housing benefit and council tax, with this accounting for 78 referrals.

- At the March 2026 FAR meeting SAFS presented the proposed [Anti-Fraud Plan for 2026/27](#). The Committee approved this.

Annual Assurance Statement for 2025/26

- Assurance opinion on internal control: Based on the internal audit work undertaken at the Council in 2025/26, SIAS can provide the following opinion on the adequacy and effectiveness of the Council's control environment.



- Assurance opinion on Corporate Governance and Risk Management: SIAS has concluded that the corporate governance and risk management frameworks substantially comply with the CIPFA/SOLACE best practice guidance on corporate governance. This conclusion is based on the work

undertaken by the Council and reported in its draft Annual Governance Statement for 2025/26. Although no specific reviews of corporate governance or risk management were carried out by SIAS during the year, risk management arrangements are considered during annual audit planning and delivery of individual assignments.

- In providing the above annual assurance opinion, it is important to recognise that this is based on the evidence and explanations provided by management for the areas selected for review during 2025/26 and is limited to the systems in place at the time of completing the respective audit reviews. As such the opinion is not intended to be a comprehensive statement of all weaknesses that may exist, or of all the improvements that may be required across all Council systems and processes. It is the responsibility of management and officers to maintain and apply robust and effective governance, risk management and control frameworks in practice, and in instances where such arrangements are not maintained the likelihood and risk of the non-achievement of core objectives would increase accordingly.
- In respect of the progress of management in implementing high priority internal audit recommendations, two remained outstanding at the end of 2025/26, with revised implementation dates provided by management. These will continue to be monitored and reported to senior management and the Council's FAR Committee through our quarterly progress reports during 2026/27.
- The outcomes from our annual self-assessment of conformance with the Global Internal Audit Standards confirmed that the Council operate in accordance with the

standards. Required actions arising from the concluded assessment will be reported to the Council's FAR Committee in June 2026 within our Chief Audit Executive's Annual Assurance Opinion report for 2025/26. Our last External Quality Assessment (EQA) was conducted in 2021, providing an opinion of 'generally conforms' following the implementation of revisions to our Audit Charter, with our next EQA due to take place in quarter four of 2026.

- SIAS confirm that during 2025/26, there had been no matters that threatened the independence of the Internal Audit function or inappropriate scope or resource limitations that would have impacted on the delivery of the agreed audit plan.

Principle B: Ensuring openness and comprehensive stakeholder engagement

2025/26 examples:

- The annual request figure for Freedom of Information was 820 in 2025.
- The [Air Quality Annual Status report for 2025](#) is available on the website.
- Staff and councillor workshops were held in October 2024 and March 2025 to discuss plans for the Design Code in March 2025. Feedback from these workshops has been referenced and taken forward, as well as being further incorporated through a Consultation that closed on the 3rd April - [Design Code Supplementary Planning Document](#).
- A Waste Collection Change Consultation took place in 2022 with changes implemented in August 2025 following feedback from residents.
- The Council engaged with other Hertfordshire authorities to share a consultation on the proposals for Local Government Reorganisation in March 2026.
- The full list of consultations that took place in 2025/26 are available on the [Consultations webpage](#).
- The Local Plan Consultation list was most recently used for consultation on North Herts Design Code in March 2026, Call for Sites for the Local Plan in September 2025, and Developer Contributions SPD and Town Centre Strategies in December 2025. The Local interest groups continue to be engaged with on relevant topics and networks on a regular basis, often 6 weekly.
- The latest Leader's [Annual Report on Cases of Special Urgency](#) was taken to full council in May 2025.
- The Council's digital community Hub, accessed via the consultations page of our website, consists of a climate change page 'North Herts Climate Hive' that has proved successful in engaging residents on topical climate projects, tips and news, the page has over 1000 subscribers. The 'Communities' Hub page is also being updated and plans to be used to engage residents on more topics. The Budget Page is no longer utilised due to improved financial outlook and upcoming Local Government Reorganisation. The Churchgate Regeneration page will be utilised further as the project progresses.
- The Council participated in National Customer Service Week in October 2025.
- There have been no alleged offences by Councillors referred to Hertfordshire Constabulary for this period.
- The latest version of [Outlook](#) was distributed in December 2025.

- The Hertfordshire Growth Board’s six missions remain the same and are progressing, a lot of the work will pass onto the new authorities when Local Government Reorganisation begins and the Strategic Authority is created
- North Herts continues to be part of the Hertfordshire Climate Change and Sustainability Partnership. Work in 2025/26 focused on pushing forward the retrofit agenda.
- North Herts is part of Hertfordshire Futures, with an updated vision accompanied by the new Hertfordshire Economic Strategy 2026-2036.
- The Shared Anti-Fraud Service (SAFS) presented the [Anti-Fraud Progress Report 2025/2026](#) to FAR committee in March 2026.
- Hertfordshire County Council continue to host a Joint Strategic Needs Assessment (JSNA) central website with the latest assessments being completed on Attention Deficit Hyperactivity Disorder (ADHD), Adults Experiencing Multiple Disadvantages, and Adverse and Extreme Weather JSNA.
- The last community survey ran until February 2025. There are no plans to run these type of surveys again due to LGR but we will continue to consult residents on specific topics.
- Community Grants were awarded to numerous groups during 2025/26, with the full list available on the [website](#).
- The Council passed a [Digital Inclusion motion](#) at Full Council in November 2024. This resolved that reports brought to Council that propose any element of public consultation must explicitly

consider non-digital access provision for both communicating the consultation and obtaining feedback. It also resolved that the relevant Executive Member is instructed to develop a Digital Inclusion Strategy. The Digital Strategy was reviewed and updated in February 2026, and digital inclusion incorporated.

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

2025/26 examples:

- The staff RPR process and form is currently being updated to ensure further engagement and effectiveness for employees which includes the implementation of a completion window.
- Regular staff surveys are undertaken. There was a staff Commuting Survey conducted in September 2025 which was intended to better understand our travel-related emissions. 160 officers answered the survey which represents 44% of staff. There was also a staff survey held in March 2026 focused on how staff are feeling around LGR and how HR can best support people as a result. The response rate was just below 50%.
- The Council has a new [Sustainability Strategy 2025-2030](#) and an [Action Plan](#) which replaces the previous Climate Change Strategy. The Strategy was approved at Cabinet in June 2025. Progress on the strategy is monitored at quarterly Sustainability and Climate Change officer meetings and thereafter reported to the Political Liaison Board.
- The latest Annual Cumulative Equalities Assessment can be found on the [website](#).
- The latest Annual Cumulative Environmental Assessment can be found on the [website](#).
- There is a Risk Management Framework, incorporating a Policy Statement, Policy, and Strategy, which ensures that the Council identifies, assesses, manages, reviews and reports its risks. This was last updated in January 2026 after approval at [Cabinet](#).
- The Customer Service team track whether phone calls are answered within 45 seconds. For the 2025-2026 period, the performance was 54% with a target of 80%.
- The Council procured an app called the [North Herts Council App](#) in October 2025. The app is intended to support the move to 3-weekly bin collections with features such as: customisable bin day alerts for each bin type, push notifications, service disruption updates and a comprehensive recycling guide. The app currently has over 18000 downloads across the Apple App Store and Google Play App Store.
- The Council produced Outlook Magazine which was delivered to residents in [June 2025](#) (Summer edition) and [December 2025](#) (Winter edition).

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

2025/26 examples:

- This year's [calendar of council meetings](#) was approved at Annual Council on 22nd May 2025.
- In the [2024/25 Annual Assurance Statement and Internal Audit Report](#) presented to FAR in June 2025, SIAS concluded that the corporate governance and risk management frameworks substantially comply with the CIPFA/SOLACE best practice guidance on corporate governance.
- The 2025 review of the Risk Management Framework was reported on at FAR on [7th January 2026](#) and agreed by Cabinet on [20th January 2026](#). The agreed changes can be found in section 8.1.2 of the linked reports. The updated framework and policy are available for staff on the internal Staff Hub.
- In June 2025, Cabinet received the [year-end update on risk management governance](#) for 2024/5. In January 2026, Cabinet received the [mid-year update on risk management governance](#) for 2025/26. The most recent new and archived risks can be found in section 8.4 of the mid-year update on risk management governance for 2025/26.
- The latest update to council key performance indicators can be found in the [Q3 update](#) of the Council Delivery Plan 2025-

26, reported on at O&S committee on 24th March 2026. The Q1 update went to O&S in September 2025, and the Q2 update went to O&S in January 2026.

- The [Investment Strategy](#) (Capital Programme and Treasury Strategy) was considered by FAR committee in June 2025, and approved by Council in July 2025.
- Budget workshops took place in November 2025 to plan for the 2025/26 budget. The [2025 Budget Survey](#) ran from 6th June to 1st August 2025.
- In January 2026, Cabinet agreed an expansion of the Council Tax reduction scheme to include support provided to residents with a terminal illness. This was presented as part of a report reviewing the effectiveness of the scheme - [The Council Tax Reduction Scheme \(Effectiveness And Proposals For 2026/27\)](#). This is an example of where the Council is balancing priorities, resource constraints, and resident and community feedback.
- The [Council Delivery Plan](#) highlights the effective board structures and groups for key projects and the role of these in progressing and optimising projects such as Churchgate; Leisure Centre Decarbonisation; and Decarbonisation of Council Buildings during 2025-26. Boards have member representation for good practice governance.

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

2025/26 examples:

- During the 2025/26 period, the council agreed a shared service arrangement with Hertfordshire County Council for health and safety, with HCC now providing NHC with professional health and safety advice.
- In 2025 the council administered the Sustainable Communities Grant. It gave £78,777 to local sustainability organisations and projects to help deliver the council's sustainability goals.
- Progress and an [update](#) on the Digital Transformation Strategy was brought to O&S committee in February 2026.
- Some staff have copilot licences, and the free version has been highlighted to those without a license. Guidance is available on the Hub around how to use co-pilot productively, responsibly, and to increase efficiency. Co-pilot drop-in sessions were also available for staff to attend in March 2026 for further support. A Copilot Acceptable Use Policy has also been developed and shared among staff, and can be found on the internal hub page.
- The 2026 Gender Pay Gap Action Plan was developed in reference to the 2025 Gender Pay Gap Report and actions include unconscious bias training and increasing the confidence of female employees.
- In February 2026, a Neurodiversity Network was hosted for staff as a space where staff could share their experiences and perspectives. The theme was the impact of change on neurodiverse colleagues, in order to find out how to best support them through the Local Government Reorganisation process.
- New starter briefings for 2025/26 occurred in May, September and December 2025.
- A new Sustainability e-learning module was launched for staff in November 2025. The completion rate is 81%. 14 officers also undertook Carbon Literacy training during 2025/26, facilitated by Hertfordshire County Council.
- The guidance for the May and November 2025 Personal Development mornings was for staff to complete their mandatory e-learning. Other themes of Personal Development Days in 2025/26 have been feeling safe at work; switching off over the holidays; meeting skills; productivity and time management; and stress management and resilience.
- An update to the Corporate Peer Challenge Action Plan was reported to Cabinet in September 2025, and a follow-up report was taken to O&S committee in February 2026 after the peer team conducted a one-day follow-up visit in December 2025. The peer team's subsequent report can be found at [Appendix A](#).

Principle F: Managing risks and performance through robust internal control and strong public financial engagement

2025/26 examples:

- Corporate Risks have most recently been reviewed in the [Risk Management Governance \(Mid-year update\)](#) presented to the Finance, Audit and Risk (FAR) Committee and Cabinet in January 2026 and the [Council Delivery Plan 2025-26 \(Quarter 3 Update\)](#) presented to the Overview & Scrutiny Committee (March 2026) and Cabinet (April 2026). Both reports highlighted the most significant risks.
- The Risk Management Framework is reviewed regularly and most recently in January 2026 at the Finance Audit and Risk Committee. This was approved by Cabinet in January 2026. [Risk Management Governance \(Mid-year update\)](#).
-
- Progress on the [Corporate Peer Challenge Action Plan](#) was presented to Overview & Scrutiny Committee and Cabinet in February 2026.
- SIAS' [Annual Assurance Statement and Internal Report](#) were presented to the June 2025 FAR meeting. 21 audits were completed in 2024/25, 0 had substantial assurance, 9 had reasonable assurance, 2 had limited assurance, 6 were not assessed, 2 unqualified, and 2 not complete. This generally indicates that the Council has satisfactory systems of internal control for a wide range of areas. 7 high priority recommendations and twenty-eight medium priority

recommendation and 25 low/advisory recommendations were made across these audits. Whilst the issues raised in the High priority recommendations and Limited assurance reports are significant, the audit conclusions on their own are insufficient to reduce the overall annual assurance opinion for the Council.

- SIAS provided an [interim update](#) on their progress of internal audits to FAR in March 2026. At the time of the report, 82% of the 2025/26 audit days had been delivered, including 6 final internal audit reports issued.
- The [Internal Audit Plan for 2025/26](#) was presented by SIAS to the meeting of the FAR committee on 12th March 2025. The plan complies with the UK PSIAS, including the assessment of the risk maturity of the Council. SIAS then determines the extent to which information contained in the Council's risk registers informs the identification of potential audit areas, with regular updates provided. Recommendations are detailed in the June 2025 SIAS report to FAR committee.
- The [Procurement Strategy 2025-28](#) was approved by Cabinet in November 2025, and reflects updates to the Procurement Rules from September 2024.
- The [Authority Monitoring Report for 2024-25](#) is available on the website. The 2025/26 report will be ready in the autumn 2026.
- A grants database to enable easier administration and monitoring of grant applications was launched in November 2025 with Community Partnerships Team officers and authorising managers trained.

- An O&S Task and Finish Group completed a [review](#) of North Herts' application of the Section 106 mechanism for securing developer contributions from new development and identified recommendations. O&S resolved to recommend 8 of the report's recommendations to Cabinet at their March 2026 meeting.
- The SAFS North Hertfordshire District Council [Anti-Fraud Plan 2025/26](#) was approved by FAR on the 12th March 2025. This plan was designed to meet the recommendations of the Fighting Fraud and Corruption Locally Strategy (FFCL) with the five 'pillars of Protect, Govern, Acknowledge, Prevent and Pursue'. SAFS have adopted the FFCL checklist as a 'To-do' list and will use this to track responsibility for each action/objective to review the Council's performance.
- SAFS shared a generic Executive Report for all SAFS Partners around the risk of fraud associated with 'Public Facing Bank Accounts', making a number of best practice recommendations for review by senior management. The council therefore contacted its bank and implemented all the practical recommendations.
- FAR Committee considered and approved an improved [Local Code of Corporate Governance](#) at their March 2026 meeting. The new code reflects best practice as outlined in CIPFA training and guidance and includes the specific core governance arrangements of North Herts Council. The code is based on the (2016) CIPFA/ SOLACE Framework Delivering Good Governance in Local Government Framework 2016 Edition principles. The Code acts as the basis for this assessment of governance arrangements and for the Annual Governance Statement for the 2025/26 period.
- The Council's retention schedules for the Customers and Governance directorates were updated in 2025. Retention schedules for other directorates were last updated in 2023. [Retention Schedule | North Herts Council](#)
- The Council implemented a new Information Case Management System in January 2026 to deal with FOI requests. All activity occurs within the new system which allows officers to see case progress through a dashboard and to see previous cases they have responded to. Officers are also able to reallocate tasks to other officers, and automatic reminders are sent while cases are open to help ensure responses within the required timeframes. Training on using the new system was provided to officers by the Information and Data team in January 2026.
- In the 2025 calendar year, there were 820 FOI/EIRs. 496 were granted and the information released. 53 were partially released (some data exempted). 30 were withheld due to exemption or exception. 12 were on hold, awaiting clarification from the requestor. 52 were requesting information that was available elsewhere (e.g the website), and in 177 cases the information was not held. 97.23% were dealt with within the legislative timeframe.
- The most recent budget monitoring reports were presented to the FAR committee in March 2026: [Third Quarter Revenue Budget Monitoring 2025/26](#) [Third Quarter Capital Budget Monitoring 2025/26](#)

- There were no Section 114 reports in 2025/26.

Principle G: Implementing good practises in transparency, reporting and audit to deliver effective accountability

2025/26 examples:

- Documents on the [website](#) are records of Delegated Executive and certain Non-Executive Decisions made by council officers in 2025.
- Decisions for the 2025/26 period can be found using the search function on the [website](#).
- At the February 2026 meeting of FAR committee, the following documents were approved: Annual Governance Statement 2024/25 and Action plan 2025/26; Statement of Accounts, including the KPMG Annual Report; Year End Report; and Management Representation Letter.
- The year end report on [Risk Management Governance](#) was brought to FAR Committee in June 2025. The report noted the highest strategic risks as the four over-arching risks of Financial Sustainability, Resourcing, Cyber, and Local Government Reorganisation and Devolution, as well as the project risks for Churchgate, Engaging the Community on our Finances, Waste and Street Cleansing Contract, and Leisure Centre Decarbonisation.
- Council Delivery Plan 2025-26 Monitoring Reports went to O&S Committee in September 2025, January 2026, and March 2026
- Following the 2024 Corporate Peer Challenge, a follow-up visit took place in December 2025 to assess progress. The [peers' progress report](#), the council's own [Progress Review Statement](#), and an [action plan update](#) were reported to the February 2026 Cabinet. This helped to ensure that the Council was responding to the matters identified within the Corporate Peer Challenge process and that the benefits of the process were realised. Overall, the peers feedback on the council's progress was positive.
- The Council undertook a public consultation exercise during development of its Sustainability Strategy in the summer of 2025. A [Consultation Response](#) document was subsequently published alongside the finalised Strategy to provide transparency regarding responses received and the council's approach to feeding these into the Strategy.

Review of Effectiveness

The Council uses a number of ways to review and assess the effectiveness of its governance arrangements. These are set out below:

Assurance from internal and external audit

- One of the fundamental assurance statements the Council receives is the Head of Internal Audit's Annual Assurance Opinion on the work undertaken. During 24/25 SIAS reported on 21 areas of which 0 received a Substantial assurance, 93 a Reasonable assurance, 2 a limited assurance, 6 not assessed, 2 unqualified, and 2 not complete. The limited assurance opinions related to Estates and Houses in Multiple Occupation. Seven high priority recommendations were made within work carried out during 2024/25.
- The [Assurance Statement and Internal Audit Annual Report 2024/25](#) presented at the June 2025 FAR meeting highlighted an overall assurance opinion of Reasonable Assurance, meaning a generally sound system of governance, risk management, and control was in place. It stated that the corporate governance and risk management frameworks substantially comply with the CIPFA/SOLACE best practice guidance on corporate governance.
- As per the [Internal Audit Plan Report 2025/26](#) (which was presented to FAR in March 2025), SIAS audit plans included the following for 2025/26:
Corporate audits: LGA Corporate Peer Challenge Action

Plan; Local Authorities as Charity Trustees; Purchase cards
Operational audits: New Finance System; and Environmental Protection – Statutory Nuisance
Project Audits: Leisure Centre Decarbonisation; Churchgate – Project Assurance; and UK Shared Prosperity Fund
IT Audits: Digital Transformation Programme

- The Council's external auditors provide assurance on the accuracy of the year-end [Statement of Accounts](#), the consistency of the Annual Governance Statement and the adequacy of value for money (VFM) arrangements. In February 2026, KPMG provided an [Annual Report for 2024-25](#). A full Value for Money review was carried out which found no significant weaknesses. As the Council's auditors for 2024/25, have completed the work that they are going to undertake on those accounts. They have therefore issued their draft reports on the Accounts. As the 2022/23 audit opinion was disclaimed, it was not possible for KPMG to undertake enough audit work to issue an unqualified opinion. Instead, they have issued another disclaimed opinion. However, an increased amount of work has been undertaken and there is progress being made towards issuing an unqualified opinion in the future. It should be noted that delays in the statement of accounts work and disclaimed opinion are not the fault of the council and are instead the result of the national issues around local audit backlog. This is outside of the Council's control.

Assurance from self-assessment

- The review of effectiveness is informed by the work of the Senior Managers within the authority who have responsibility for the development and maintenance of the governance environment. Each Service Director is

responsible for producing their own assurance statements and where relevant for mitigating identified risks and governance weaknesses as part of the Service Planning process. The areas of governance reviews include but is not limited to: legislative compliance, project management, risk management, conduct, and conflicts of interest. Key points identified in this year's assurance statements included managing the ongoing risks around cyber security, the importance of effective 1:1s and Regular Performance Reviews to deal with any emerging conduct issues early on, and risk assessment completion across directorates. The Action Plan for 2026/27 reflects these areas.

- The AGS self-assessment follows the CIPFA/SOLACE recommended self-assessment process of reviewing the Council's arrangements against the 2016 Framework Principles/sub-principles and providing examples. This is undertaken during March - June and taken to a Leadership Team meeting so that Leadership can confirm satisfaction that the appropriate governance arrangements are in place. The AGS Action Plan is developed to work on areas for governance improvement. The detailed AGS self-assessment will be available on the Corporate Governance page
- The [Council Delivery Plan 2025-26 Monitoring Reports](#) provide assurance that projects which advance the council's vision and priorities are progressing as planned.

Assurance from the Shared Anti-Fraud Service (SAFS)

- The Shared Anti-Fraud Service (SAFS) are responsible for all proactive and reactive counter-fraud activity at North Herts

Council (NHC), and keep the Council informed of any actual, suspected or alleged fraud affecting the Authority. Where there is an impact on internal audit work, there is a mutual exchange of information to ensure that the control environment is strengthened. The knowledge of actual, suspected or alleged fraud is summarised in the regular progress reports from SAFS to the Council's Finance Audit & Risk Committee.

- The [SAFS Anti-Fraud Plan for 2025/26](#) was approved by the FAR committee in March 2025, while the [Plan for 2026/27](#) was approved at the March 2026 meeting. The anti-fraud plan is designed to meet the recommendations of the Fighting Fraud and Corruption Locally Strategy (FFCL) including activities associated with the five pillars of Governance, Acknowledge, Prevent, Pursue, and Protect. The plan includes objectives, activities, and key performance indicators that support the strategy and meet the best practice guidance / directives from Department for Levelling Up, Housing and Communities (DLUHC), the National Audit Office (NAO), the Local Government Association (LGA) and the Chartered Institute for Public Finance and Accountancy (CIPFA).
- SAFS presented the [Anti-Fraud Report 2024/25](#) to the September 2025 meeting of FAR committee. The report stated that during 2024/25 there had been 113 'referrals' (allegations) of fraud affecting council services. It was reported that this was very similar to the previous year where there were 117 referrals, but higher compared to pre-pandemic levels. The main type of fraud being reported in the 2024/25 period was related to housing benefit and council tax, with this accounting for 78 referrals. Fraud

related to housing was second most frequent type of fraud with 19 cases.

Assurance from Risk Management

- Projects, risks, and performance indicators have been amalgamated into the Council Delivery Plan which is taken to Overview & Scrutiny Committee each quarter. This is to ensure a more integrated corporate approach. In the Mid-Year Risk Governance update reported to Finance Audit and Risk Committee in January 2026, the top risks (scoring a 9 on the risk matrix) for the Council were Financial Sustainability, Local Government Reorganisation, and Resourcing. Other risks scoring highly on the matrix (8s) are: the Churchgate Project; Leisure Centre Decarbonisation; and Cyber Risks.
- Financial Sustainability is an ongoing top risk which is reported through the Council Delivery Plan. The MTFs, budgets and capital programme are, however, noted as soundly based and designed to deliver the Council's strategic objectives. Resourcing has remained as a score of 9 on the risk matrix, having previously been rated as an 8 in 2022/23. It refers to issues around additional tasks/ actions and the knock-on impact this may have on delivery of projects within the Council Delivery Plan. It also refers to staff shortages and difficulties in recruiting to some areas.
- The risk around Local Government Reorganisation reflects the scale of the related project and the significant changes that will be required. This includes the current uncertainty around what the new structure will be, the demands on officer time to prepare for and implement the new structure, achieving the right balance between short-term and long-

term decision making leading up to implementation, related impacts on staff wellbeing throughout the project, and ensuring stakeholders' views continue to be heard during and after the transition process.

- The Churchgate project refers to plans to regenerate a shopping centre and the surrounding areas. It is a high-rated risk, with the risk relating to the affordability of the regeneration, and the possibility of failing to meet the expectations of stakeholders.
- Cyber Risks refers to the possibility of disruption to or failure of IT systems and infrastructure as a result of breaches of cyber security, resulting in inability to deliver projects/ services.
- The risk around Leisure Centre Decarbonisation includes a financial risk around loss of revenue due to full or partial closure of the Council's leisure centres while the decarbonisation and gym extension (Royston) works take place.

Assurance from Scrutiny

- During 2025/2026 the O&S Committee considered and recommended action on a range of issues, including the 3 Cs Full Year Update; Council Delivery Plan Monitoring Reports; Draft Town Centre Strategy; Leisure and Active Communities Contract One Year Review; Solar for Business Scheme; Effectiveness of Council Tax Reduction Scheme and Proposals for 2026/27; LGA Corporate Peer Challenge Follow-Up; Local Plan Review; Lease on Letchworth Multi-

Storey Car Park; Councillor Learning and Development Protocol; and S106 Task and Finish Group Report.

- The [Annual Overview and Scrutiny Report](#) presented to Council in July 2025 noted that throughout 2024/25, the O&S Committee considered a total of 40 items at its scheduled meetings and made 44 recommendations on 21 topics to Cabinet. At every meeting, the Committee also considered the resolutions previously made and the work programme. No written questions were submitted during 2024/25. The report also provides details and outcomes of call-ins, and details of task and finish group work. The Annual Report for 2025/26 will be due at Council in 2026.
- The Decisions and Monitoring Tracker (previously called the Resolutions) of the Overview and Scrutiny Committee highlights the committee's recommendations to Cabinet and the outcome from Cabinet: [June 2025](#); [November 2025](#); [January 2026](#); [February 2026](#).

Assurance from Finance, Audit, and Risk

- The [Finance, Audit and Risk Committee's Annual report for 2024-25](#) was presented to Council in July 2025. This helps to highlight the governance work undertaken and the effectiveness of the Committee. The report notes the committee's consideration of its own effectiveness through gathering feedback from members and officers on what worked well and where improvements were needed. The overall conclusion was that the committee was operating effectively with strong engagement and governance oversight, but that areas to strengthen include member training, taking a more strategic approach, and making more

use of opportunities to meet with internal and external auditors.

Assurance from Peer Review

- The Council participated in a 2024 Corporate Peer Challenge, with a follow-up visit taking place in December 2025 to assess progress. The peers' progress report, the council's own Progress Review Statement, and an action plan update were reported to the [February 2026 Cabinet](#) and provide assurance that progress is being made in the areas identified for improvement.

Assurance from Complaints Outcomes

Local Government Ombudsman

- The updated [Comments, Compliments, and Complaints \(3Cs\) Policy 2025-2028](#) reflects a recommendation made as part of a previous LGO complaint.
- The Comments, Compliments, and Complaints (3Cs) summary for the full period of 2024/2025, was presented to Overview and Scrutiny Committee in June 2025. The number of complaints received by both the Council and our contractors increased from 384 in 23/24 to 591 in 24/25 (a 54% increase). Of the total 591 complaints, 391 (66%) relate to services delivered by our key contractors including our waste and recycling contract (21) and the leisure centres (370). This is in comparison to 53.4% of complaints relating to key contractors during 23/24, with 77 complaints around waste and recycling and 128 around leisure centres in that period. This increase in complaint volume for the leisure

centres may relate to the change in leisure contract which commenced in April 2024, and which saw the new contractor make changes to some of the ways in which the centres operated.

- The [3Cs summary](#) noted that the percentage of stage 1 complaints resolved within 10 days had risen from 86% in 23/24 to 91% in 24/25, which is comfortably above the target of 80%.
- The 3 Cs summary noted that the LGO received 5 complaints in the full 2024/25 period. 3 were closed with no further action after initial enquiries. 2 were upheld. In these cases, the council implemented the recommendations of the LGO and the LGO recorded a compliance outcome of ‘remedy complete and satisfied’ for both.

Standards Complaints involving Councillors

- The [Standards Matters Report of March 2026 highlighted](#) that during the 2025 calendar year, 20 complaints against Members were received. This reflects a slight increase in complaints against Members compared to 2024 when there were 19 complaints received. This stands in comparison to 11 complaints in 2023, 30 in 2022, and 52 in 2021. The report also notes the complaint outcomes. At the point of the report, one complaint had so far been received in 2026.

Whistleblowing Complaints

- In line with the published Whistleblowing Policy, we received no complaints / concerns during the 2025-26 period.

Information Commissioner’s Office (ICO)

- The legislative time frame to respond to FOI/ EIR requests is 20 working days and during the 2025 calendar year the Council completed handling of 97.23% of the 820 requests within that timeframe. There were 7 reviews, 5 of which were successful and the information released, and 2 of which were unsuccessful.
- In respect to requests for information under the Data Protection Act – 295 requests were received (including 42 Data Subject Access Requests) in 2025, of which 92.5% were responded to within the required deadlines. Deadlines vary depending on the type of request e.g one calendar month for data subject access requests, but for others there is a deadline of 24 hrs.
- During the 2025 calendar year, there were 0 ICO complaints. We were informed that a case had been logged with the ICO in 2025, however the ICO are yet to formally engage us on this matter.

How we have improved our governance arrangements

- Our most recent [update on the 2025/26 AGS Action Plan](#) was presented to FAR committee in February 2026. This highlights the actions we have taken to improve our governance arrangements in this period. By way of further update, the cyber table-top exercise was held with Leadership Team; IT; Communications; and Resilience officers. It served to test the council’s Cyber Incident Business Continuity Plan. For ongoing cyber preparedness, similar exercises will be run with individual services to test

Business Continuity Plans. Most actions from the 2025/26 Action Plan are complete. The 2026/27 Action Plan picks up those areas where actions were not yet complete from the previous plan.

Forward look on governance

- The action plan for 2026/27 aims to address the key areas for improvement and the governance challenges identified. As such we have proposed actions around cyber security, fraud prevention, performance reviews, and ensuring reporting on civil parking enforcement, the council's companies, and the Sustainability Strategy. We are continuing to work towards devolution and local government reorganisation, and are engaging with partners to ensure that appropriate governance arrangements are in place for any new authorities created so that they are safe and legal when they launch.

Conclusion

- The review of effectiveness was conducted through identifying key examples of our core governance arrangements in operation as they relate to the seven principles, and compiling these into a self-assessment document with each sub-principle scored. This was then reviewed by the Leadership Team. The information provided through our various sources of assurance was also evaluated to help reach a conclusion as to effectiveness of our arrangements. No significant governance issues have been identified as a result of the review of effectiveness for the 2025/26 financial year. Arrangements, including those identified in the council's Local Code, are in place and operating effectively to support each of the principles of good governance, as well as the delivery of planned outcomes and our responsibilities around ensuring value for money. The Council is satisfied that overall it has appropriate arrangements in place. Where gaps or risks were identified, the Council proposes over the coming year to take action as set out in the Action Plan 2026/27 to strengthen its arrangements. Implementation will be monitored through the Finance Audit and Risk Committee.

Action Plan 2026/27

- 1) Agree and oversee a process to ensure outstanding Civil Parking Enforcement Annual Reports are completed and approved. (Director – Place)
- 2) Update the Fraud Prevention Policy following SAFS draft [last updated 2022]. (Director – Resources)
- 3) Implement the Green Procurement Checklist for procurements over £100,000 and a process for tracking outcomes; evaluate the effectiveness of the checklist 6-12 months after launch (Policy & Strategy; Climate Change Project Manager)
- 4) Develop public reporting on the Sustainability Strategy progress (Policy & Strategy; Climate Change Project Manager).
- 5) Review the Equality Strategy Objectives and provide progress updates on an annual basis alongside the service plan update (Policy and Community Manager)
- 6) Provide updated guidance on completing Environmental and Equality Impact Assessments and a process training session for staff (Policy & Strategy Team)
- 7) Produce a short Project Management Guide (especially for those overseeing small projects) and use that to promote awareness of requirements (Director- Resources)
- 8) Monitor completion of Regular Performance Reviews (RPR) to ensure all staff have an RPR (Leadership Team & HR)
- 9) Ensure all staff are receiving regular 1:1s and provide manager training on effective 1:1s (Leadership Team & HR)
- 10) Develop further plans for engagement of residents via the online Churchgate Hub (Enterprise)
- 11) Develop annual reporting to Cabinet Sub-committee on all of the council's companies (Director – Enterprise; Director – Place; Director – Resources)
- 12) Continue to provide training and guidance to staff and councillors on cyber security, and run cyber exercises with key individual services to test business continuity plans as part of cyber preparedness (Cyber Board; IT)
- 13) Run financial training session for Service Managers ahead of LGR as part of efforts to upskill (Director – Resources)
- 14) Review the Protocol for Recordings of Council meetings. Make updates if needed. (Committee Services and Legal)
- 15) Complete the SIAS Health and Safety audit and implement resulting recommendations, including those relating to training and risk assessment completion where identified (Director – Enterprise)