

# ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2026

## 1. Scope of responsibility

- 1.1 Uttlesford District Council ('the Council') has a duty under the Local Government Act 1999 to make arrangements that ensure continuous improvement in the way it works in terms of economy, efficiency and effectiveness. This includes a responsibility to ensure that Council business is conducted in accordance with the law and that public money is safeguarded and properly accounted for.
- 1.2 To fulfil this responsibility, the Council must put in place proper arrangements for the governance of its affairs and carrying out its functions, which include arrangements for managing risk.
- 1.3 The Council has approved and adopted a Code of Corporate Governance which is consistent with the seven principles of the CIPFA/SOLACE framework *Delivering Good Governance in Local Government 2016*.
- 1.4 This statement explains how the Council has complied with the Code. It also meets the requirements of Regulation 6 (Part 2) of the Accounts and Audit Regulations 2015 in relation to the publication of an Annual Governance Statement. In line with the CIPFA/SOLACE framework, this statement is "an open and honest self-assessment", which:
  - describes key elements of the Council's governance arrangements, covering key corporate systems and the range of activities for which the Council is responsible.
  - describes processes applied in reviewing their effectiveness, and
  - lists actions proposed to deal with significant governance issues identified.

## 2. The purpose of the governance framework

- 2.1 The governance framework comprises:
  - the systems, policies, processes, culture and values by which the Council is directed and controlled; and
  - the Council's activities through which it accounts to, engages with and leads the community.
- 2.2 The framework enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.3 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control, is based on an on-going process designed to:

- identify and prioritise the risks to the achievement of the Council's policies, aims and objectives.
- evaluate the likelihood of those risks being realised and the impact should they be realised; and
- manage those risks efficiently, effectively and economically.

2.4 The governance framework outlined in this document has been in place at Uttlesford District Council for the year ended 31 March 2026.

### 3. The Governance Framework

3.1 The Council's Governance Framework has been set up over successive years and is reviewed annually to ensure its continuing effectiveness regarding the seven CIPFA/SOLACE principles of delivering good governance (as updated in 2016).

- **Core Principle A** – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law
- **Core Principle B** – Ensuring openness and comprehensive stakeholder engagement
- **Core Principle C** – Defining outcomes in terms of economic, social and environmental benefits
- **Core Principle D** – Determining the interventions necessary to optimise the achievement of the intended outcomes
- **Core Principle E** – Developing the entity's capacity, including the capability of its leadership and the individuals within it
- **Core Principle F** – Managing risks and performance through robust internal control and strong public financial management
- **Core Principle G** – Implementing good practices in transparency, reporting and audit to deliver effective accountability

3.2 Key highlights from the Governance Framework in place at Uttlesford District Council are shown against each of the seven principles below. Further evidence of compliance with the principles can be found in the [Members Handbook S2 Part 5 Layout 1](#)

### 4. Local Government Reorganisation and Devolution

4.1 Local Government Reorganisation (LGR) became a major issue in the 2025/2026 year. Uttlesford District Council debated the issue at full Council and established a clear policy position. As the LGR process proceeded, Uttlesford remained close to the process, including playing a leading role in the development of one particular option for future council alignment across Essex around a 5 unitary council option. This was in line with the criteria set out by Government to best meet Uttlesford policy objectives, providing for a future council serving local residents that was not too large and remote; which matched sensible economic and social geographies (such as travel to work patterns and investment opportunities); and

which would be financially sustainable to deliver high quality public services into the future.

At the conclusion of the process in which four such future alternative options were developed, Uttlesford formally considered an options appraisal comparing and contrasting the four choices.

This option appraisal confirmed that all four options were valid and workable, with a range of strengths and weaknesses. Uttlesford ultimately determined to support the 5UA model it had been part of developing, and supported its formal submission to Government, making it one of ten (out of fifteen) Essex councils supporting this model.

Following a Government-led consultation exercise and doubtless-careful examination of the four alternatives submitted, Government chose the 5UA model that Uttlesford had jointly submitted towards the very end of the 2025/26 financial year. Work duly began on implementing Government's chosen model, with Vesting Day due on 1 April 2028.

Good Governance Principle	Uttlesford Council Key Elements 2025/26
<p><b>Principle A</b>  <b>Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law</b></p>	<ul style="list-style-type: none"> <li>✓ In line with Public Sector Equality Duty the Council has been reviewing its approach to Equalities Impact Assessments with the aim of simplifying the process and gaining better buy-in. Options for a refreshed approach to staff training are also being explored. UDC is also taking a more proactive approach to understanding how residents wish to access services and this being piloted by the Housing Team, with the aim of identifying how this can be rolled out across the wide range of council services.</li> <li>✓ Members' Code of Conduct forms part of the Council's constitution. Code of Conduct complaints are handled by the Monitoring Officer via engagement with our Independent Persons and the Audit and Standards Committee where appropriate.</li> <li>✓ Declarations of Interest remain a standing item on all Committee, Cabinet and Full Council agendas. New for this year is the addition of a flowchart to committee papers which helps members understand whether they have a declarable interest in each meeting.</li> <li>✓ The Counter-fraud strategy was approved by GAP in March 2022 and reviewed in 2024. The strategy remained valid, but the action plan was updated in November 2024. Next update to Audit &amp; Standards Committee will be June 2026. The Council's Counter Fraud Working Group meet on a quarterly basis, this is led by the Audit Manager and provides operational oversight of the Council's counter-fraud activities across all service areas.</li> </ul>

Good Governance Principle	Uttlesford Council Key Elements 2025/26
	<p>✓ The Contract Procedure Rules demonstrate good practice and compliance with legislation. These were reviewed and amended in line with the new Procurement Act 2024 which came into effect in February 2025.</p> <p>The annual review letter <a href="#">Annual Review Letter 2024/25</a> from the Local Government Ombudsman and an annual summary of complaints and compliments relating to the Council's services, was presented to Cabinet on 15 July 2025 and Audit and Standards Committee on 25 September 2025.</p> <p><a href="#">Report to Audit &amp; Standards</a>  <a href="#">Appendix A - complaints decided</a>  <a href="#">Appendix B - UDC complaints and compliments.</a></p>
	<p>✓ Audit and Standards Committee receives an annual Information Governance Report which covers data protection and information governance, including any instances of data breaches and the position with regard to Freedom of Information responses. Due to resourcing issues, the 2024/25 report was not presented to the Audit and Standards Committee. The 2025/26 summary report will be presented to Committee during 2026/27.</p>
<p><b>Principle B</b>  <b>Ensuring openness and comprehensive stakeholder engagement</b></p>	<p>✓ The Council publishes information in line with Local Government Transparency Code 2015, including:</p> <ul style="list-style-type: none"> <li>• <a href="#">Business Rates Transparency Information</a></li> <li>• <a href="#">Councillor Allowances</a></li> <li>• <a href="#">Decision Records and Notices</a></li> <li>• <a href="#">Expenditure Data</a></li> </ul> <p>✓ The Council sets out its <a href="#">Access to Information</a> policy on its website.</p> <p>✓ Comprehensive information relating to the <a href="#">Council's Finance and Accounts</a>, including Statement of Accounts, Budget information, Fees and Charges, supplier spend over £250 and Council Investments. is available online.</p> <p>✓ Council, Cabinet and Committee meetings are open to the public, and guidance on attending and speaking at public meetings is available online. As speaking rules differ for a number of meetings, specific instructions are provided in the agenda papers for each public meeting. Meetings are broadcast live and available to watch via the council's website.</p> <p>✓ The Council continues to use the Modgov system to ensure that timely reports are submitted, approved, published and distributed to ensure Member's information needs and relevant statutory deadlines are met.</p>

Good Governance Principle	Uttlesford Council Key Elements 2025/26
	<ul style="list-style-type: none"> <li>✓ The Council continues to publish a full record of decisions made in and supporting material presented to Committees, Cabinet and Full Council online.</li> <li>✓ Notices of Key Decisions, Executive Decisions and Urgent Decisions are issued in advance/made available online as appropriate.</li> <li>✓ The Council continues to be making improvements to systems and processes in its development management function, both across officer and elected member level activity.</li> <li>✓ The Council remains an active participant in the range of partnership bodies ranging from the ICB/West Essex Health and Care Partnership, the Community Safety Partnership, the Health and Wellbeing Board, and the various National (LGA and LCN), Local Government East/Essex-wide/North Essex inter-council partnerships.</li> <li>✓ The Council convenes quarterly meetings with our 57 parishes, as well as regular engagement with individual parishes, the voluntary and community, and business sectors.</li> </ul>
<p><b>Principle C</b>  <b>Defining outcomes in terms of sustainable economic, social and environmental benefits</b></p>	<ul style="list-style-type: none"> <li>✓ The Council has a Climate Change Action Plan and has been delivering against the Plan over the course of the year. This included the publishing of a Solar energy strategy in January 2026.</li> <li>✓ The Council was successful in obtaining £3.8M funding to help make improvements to our stock of council owned homes after a bid to the social housing decarbonisation fund. Work had commenced on 177 properties by the 31 March 2026 grant deadline for starting work. By the conclusion of the scheme, 59 properties had been fully completed with an additional 26 part completed. Allocation has been made within the 2026/27 HRA budget for the completion of the 26 and for a further 44 properties to be fully updated.</li> <li>✓ The Council was successful in obtaining over £600,000 from the public sector Decarbonisation Fund to enable works to massively reduce the carbon footprint of our London Road offices. The work includes the installation of air source heat pumps, PV panels and additional insulation and secondary double glazing in the old hospital building. The contract was let in the final quarter of 2025/26 with completion expected in autumn 2026.</li> </ul>

Good Governance Principle	Uttlesford Council Key Elements 2025/26
	<ul style="list-style-type: none"> <li>✓ Sustainable Uttlesford, a community led organisation that will share best practice and learning on sustainability issues was established at the end of March 2025 and its first annual event was held in March 2026.</li> <li>✓ In March 2026, Planning Policy and Climate officers completed and published the UDC Enhanced Biodiversity Duty Report and action plan <a href="#">Biodiversity Duty Report</a></li> <li>✓ Key progress has been made across multiple sustainability initiatives. The Council has advanced its fleet decarbonisation, agreeing a business case to replace four vans with EVs by March 2026, with four more planned for 2026/27. Community engagement has been strengthened through the Zero Carbon Communities grant scheme, awarding 17 projects, and ongoing support to Sustainable Uttlesford, which has grown to over 120 members and delivered events, partnerships and its first AGM. Work to tackle fuel poverty has progressed through partnership with Essex County Council on the Warm Homes grant scheme, while environmental awareness has been raised through a district-wide school pollution project delivered to 10 schools.</li> <li>✓ Kerbside collection of waste electrical items was rolled out to all households across the district diverting valuable materials from disposal.</li> <li>✓ Working with Essex County Council, we delivered three targeted recycling initiatives to measure the impact of proactive resident engagement on recycling behaviour. These projects focused on expanding recycling services to flat complexes, increasing participation in food waste recycling, and improving overall service uptake. The food waste trial in flats significantly reduced the proportion of food in residual waste bins from 29% to 16%. A door-knocking campaign further boosted engagement, increasing participation in recycling services by 5%, with 30% of households requesting food caddies as a result. Collectively, these interventions contributed to an overall increase in the Council's recycling rate of approximately 1.5%.</li> <li>✓ As of January 2026, Council diesel vehicles including waste collections lorries and grounds maintenance vans switched from diesel to hydro-treated vegetable oil (HVO). This change is expected to cut the council's carbon emissions from these frontline services by around 34%.</li> <li>✓ The Uttlesford Health and Wellbeing Board provides strategic leadership and partnership coordination to improve local health outcomes, reduce inequalities, and support integrated,</li> </ul>

Good Governance Principle	Uttlesford Council Key Elements 2025/26
	<p>place-based working across council services, the NHS, and community partners. The Board operates in an advisory capacity within a defined governance framework. The Board receives funding from Essex County Council Public Health to support delivery of key priorities. These priorities are primarily set out in the Essex Joint Health and Wellbeing Strategy (2026–2029) and associated public health plans, including Healthy Weights and Spatial Planning and Health. They are complemented by local priorities outlined in the Uttlesford Health and Wellbeing Strategy 2023–2028.</p> <ul style="list-style-type: none"> <li>✓ Independently chaired, the Board provides strategic oversight of three themed working groups, Start Well, Live Well, and Age Well which focus on improving outcomes for residents across the life course.</li> <li>✓ A Domestic Abuse Forum has been set up following the adoption of the Domestic Abuse Policy in March 2025 and a recommendation from a Domestic Abuse Consultants report. Uttlesford District Council has a statutory duty to work in partnership with Essex County Council to implement and support the priorities of the Southend, Essex and Thurrock (SET) Domestic Abuse Board Strategy, ensuring these are effectively delivered at the local level. The forum meets quarterly, and the inaugural meeting took place on 2<sup>nd</sup> March 2026, with attendees from public bodies and the voluntary and community sector that offer advice, information and support locally.</li> <li>✓ In partnership with Essex Police J9 training has been provided throughout the district, to create Accredited Safe Spaces for people experiencing domestic abuse which are now operating in Newport, Thaxted and Great Dunmow, with plans for other locations in the district.</li> <li>✓ The Council undertakes Equality Health Impact Assessments (EQHIAs) on its policies, functions, strategies, and procedures to ensure that it does not discriminate in the delivery of its services or employment practices. Through this process, the Council also seeks to identify opportunities to actively promote equality, diversity, and good relations within the community, including for minority and underrepresented groups.</li> </ul>
	<ul style="list-style-type: none"> <li>✓ The Council’s Economic Development Plan, presented and approved by members in January 2025, sets out the priorities for the district over four years, aligning with the corporate plan priority ‘Encouraging Economic Growth’. Members receive twice yearly updates at both Scrutiny and Cabinet on the priorities delivered during 2025/26 these were focused</li> </ul>

Good Governance Principle	Uttlesford Council Key Elements 2025/26
	<p>particularly on town centres, rural economy, and business support. <a href="#">Economic Development End of Year Report 2025/26</a></p>
<p><b>Principle D</b>  <b>Determining the interventions necessary to optimise the achievement of the intended outcomes</b></p>	<ul style="list-style-type: none"> <li>✓ The 2025/26 MTFP and annual budgets for the General Fund, Capital Programme and Housing Revenue Account along with the associated Strategies for Investments, Capital and Treasury Management were reviewed by Scrutiny Committee prior to approval by Council in February 2025. Financial position and predicted outturn, for the Capital and Revenue net expenditure is reported to Cabinet on a quarterly basis.</li> <li>✓ Cabinet working groups were considered by Cabinet on 19 June 2025 in order for Terms of Reference to be re-approved and membership for 2025/26 to be established.</li> <li>✓ The Council adopted the Local Plan at an Extraordinary Council meeting on 25 March 2026. The 2021-2041 Local Plan now has full weight in the determination of planning applications. <a href="#">Local Plan 2021-2041</a></li> <li>✓ The <a href="#">Corporate Plan</a> is in place with updates on progress against key objectives reported regularly to Scrutiny Committee. The updated Corporate Plan was approved by Full Council on 13 February 2025 and discussed by Scrutiny Committee in July 2025, November 2025 and March 2026.</li> </ul>

Good Governance Principle	Uttlesford Council Key Elements 2025/26
	<ul style="list-style-type: none"> <li>✓ The council is committed to achieve full compliance against the Regulatory Standards for social housing. Following a two-year service improvement programme a mock inspection was commissioned in 2025, and the council is working towards a clear set of actions as identified through this process, with the aim of achieving a C1 grading in a regulatory inspection. The main areas of focus are on tenant engagement and repairs. The improvement actions form part of the wider Uttlesford Housing Futures business transformation programme currently in progress. A detailed audit plan is produced annually and consists of a cyclical approach to all key areas and systems relating to governance and financial and management controls. The audit plan priorities are informed by the corporate and operational risk registers, alongside any areas which have previously had limited or no assurances.</li>   <li>✓ Uttlesford Norse Services Ltd (UNSL), the joint venture between Uttlesford District Council and the Norse Group, ceased delivering services on 31 March 2025. This decision followed a member resolution to transition to a fully contracted repairs service. The new arrangements commenced on 1 April 2025, with Axis Europe procured to deliver the primary elements of the service, alongside separate contracts awarded for mechanical and electrical works.</li>   <li>✓ Following the mobilisation of the Axis contract, we encountered several operational, performance, and delivery challenges. These issues ultimately led to the early cessation of the contract and the decision to implement an In-House Maintenance Service, which went live on 1 April 2026.</li> </ul>
<p><b>Principle E</b>  <b>Developing the Council's capacity, including the capability of its leadership and the individuals within it</b></p>	<ul style="list-style-type: none"> <li>✓ The role of Chief Operating Officer (COO) was created to provide additional support to the Chief Executive (CEX) during Local Government Reorganisation (LGR). This role strengthens delivery by providing focused oversight of day-to-day operations and transformation programmes. The COO ensures service continuity, coordinates cross-cutting work, and manages risks, enabling the Chief Executive (CEX) to concentrate on strategic leadership, stakeholder engagement, and shaping the future authority.</li>   <li>✓ The council has added resilience to the housing leadership team, including two full-time interim Assistant Directors. This has enabled the council to focus on business as usual, including developing the new insourced repairs services whilst continuing to address the transformation actions.</li>   <li>✓ The Council has undertaken staff surveys during the year which have provided useful feedback to plan our future training, development and wellbeing support of our employees in line with delivering corporate priorities and customer needs.</li> </ul>

Good Governance Principle	Uttlesford Council Key Elements 2025/26
	<ul style="list-style-type: none"> <li>✓ The council’s Workforce Plan and Action Plan 2023 – 2027 sets out the council priorities to support and develop our workforce. This plan provides a framework for all staff by providing direction on; workforce planning, performance, learning and development, leadership and management, engagement, reward and wellbeing.</li> <li>✓ A new Learning and Development Lead was appointed in September 2025 and has since led the implementation of a broad range of learning, development, and staff wellbeing initiatives. These include the introduction of a new e-learning platform hosting over 2,000 courses, achieving to date a 97% compliance with mandatory training, and enhancing onboarding, induction, and staff engagement processes.</li> <li>✓ In addition, a Wellbeing Champions network has been established, with progress being made towards both the Essex Working Well accreditation and a Smokefree Employer award. The apprenticeship levy has also been effectively utilised to support service areas in developing trainee pipelines, including within Planning.</li> </ul>
	<ul style="list-style-type: none"> <li>✓ The council provides an employee support scheme, a free, confidential, 24-hour counselling and advice service which can help with work and non-work related matters. The scheme is available to all Uttlesford District Council staff and their families.</li> <li>✓ A Member Development Strategy was approved by Full Council in March 2025, following which a permanent working group was established. This working group has reviewed take-up of member training opportunities and recommended a member training programme for 2026/27, which was approved at Audit &amp; Standards Committee in March 2026. <a href="#">Member Development Strategy</a></li> <li>✓ A Task and Finish Group of the Scrutiny Committee, working with senior officers, reviewed the Council’s operational resilience. The group identified areas of potential weakness and risk. A comprehensive list of critical activities within service areas was developed, along with mitigating actions to address these vulnerabilities. The group presented its final report to Scrutiny Committee in November 2025. <a href="#">Operational Resilience Scrutiny Report</a></li> </ul>
<p><b>Principle F</b>  <b>Managing risks and performance through robust internal control and strong financial management</b></p>	<ul style="list-style-type: none"> <li>✓ In response to Internal Audit recommendations (2024–25) and the LGA Corporate Peer Challenge (2024), the Council strengthened governance of project delivery. A Head of Transformation and Projects was appointed in April 2025 to lead improvements in project oversight and programme management. In Autumn 2025, Corporate Management Team approved a business case to expand the resource for Transformation and Projects to strengthen programme and business analysis capacity. The key activities in 2025/26</li> </ul>

Good Governance Principle	Uttlesford Council Key Elements 2025/26
	<p>focused on;</p> <ul style="list-style-type: none"> <li>• The Council’s Corporate Programme (aligned to the Corporate Plan)</li> <li>• The Devolution and Local Government Reorganisation (LGR) programme</li> </ul> <p>✓ Blueprint Uttlesford was launched in February 2022 and was UDC’s change programme focusing on the next five years and beyond. It was the mechanism to deliver the Council’s bold and wide-ranging ambitions for improving outcomes for residents and delivering the best services possible as set out in the authority’s annually reviewed 5 Year Corporate Plan, and to do so sustainably within available resources, as set out in the council’s annually reviewed 5-year Medium Term Financial Plan (MTFP) and annually set Budget. It sits alongside broader multi-agency strategies and partnerships in which the council is a participant, contributing to their delivery, reflecting their priorities and shaping their strategic direction.</p> <p>✓ The advent of Local Government Reorganisation, leading towards abolition of the authority in March 2028, has materially shifted the parameters on which Blueprint Uttlesford was constructed and operated, so this change programme has flexed accordingly to refocus its activity accordingly, still ensuring the MTFP savings requirements are addressed and this has been incorporated within the Corporate Programme, under the new workstream Blueprint 2.0.</p> <p>✓ The Director of Finance, Revenues and Benefits presents regular reports to Cabinet on the financial position, this includes budget setting and monitoring medium term forecasts, the final outturn annual report and the statement of accounts, plus any other financial matters that impact the Council. Corporate Management Team also reviews all reports quarterly.</p> <p>✓ The new risk management process is in place, during 2024/25 the Corporate Risk Register was presented to both Cabinet and Audit and Standards. During 2025/26 the Cabinet received assurance on the status of risk and organisational resilience and delegated the oversight of this solely to the Audit and Standards Committee.</p> <p>✓ The Council conforms to the governance requirements of the 2016 CIPFA Statement on the Role of the Chief Financial Officer in Local Government. The current year accounts have been managed and prepared in line with the updated standards and principles set out in the CIPFA financial management standards.</p> <p>✓ The Director of Finance, Revenues and Benefits presents regular reports to Cabinet of the financial position, this includes budget setting and monitoring medium term forecasts, the final outturn annual report and the statement of accounts, plus any other financial</p>

Good Governance Principle	Uttlesford Council Key Elements 2025/26
	<p>matters that impact the Council. The Corporate Management Team reviews all reports prior to these being presented to Cabinet.</p> <p>✓ Cyber Security, the council predominantly continued to work from home through 2025/26 and managed and maintained the same level of IT access and system security for staff. There is now a more hybrid way of working with hot-desking available over our 3 sites. Additional security measures have been introduced and current measures expanded to ensure the protection of Council property and data by UDC IT in line with the guidance from the National Cyber Security Centre.</p>
<p><b>Principle G</b>  <b>Implementing good practices in transparency, reporting, and audit, to deliver effective accountability</b></p>	<p>✓ As detailed above and in the Local Code of Corporate Governance, a vast array of information is accessible to the general public via the Council's <a href="#">website</a>.</p> <p>✓ The Annual Governance Statement is presented to the Leader and Chief Executive, approved by Audit and Standards Committee and published alongside the Statement of Accounts.</p> <p>✓ Audit and Standards Committee receives the Local Government Ombudsman's Annual Review Letter. At the same time, the committee receives an annual summary of complaints and compliments received by the Council. This report went to the September 2024 A&amp;S Committee meeting.</p> <p>✓ Audit and Standards Committee receives an annual Information Governance Report which covers data protection and information governance, including any instances of data breaches and the position with regard to Freedom of Information responses. No report was produced for 24/25 due to resourcing issues. The 25/26 outturn position will be presented to Committee during the 26/27 year, again resources permitting.</p>

## 5 Review of effectiveness

- 5.1 The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by:
- Corporate Management Team has responsibility for the development and maintenance of the governance environment.
  - the work of Cabinet and the Committees, including the Governance, Audit and Performance Committee and Scrutiny Committee
  - the Internal Audit Annual Report
  - comments made by the external auditors and other inspection agencies.

5.2 As well as the annual review, the governance and control frameworks are maintained and reviewed by a series of comprehensive processes throughout the year. These include:

- A **robust Internal Audit function** where the planned work is based on identified key risk areas. The Council's Internal Audit Service arrangements should conform to Public Sector Internal Audit Standards
- An **embedded reporting system for internal audit issues** ensures that senior managers and members are fully briefed on key issues, which includes regular reporting to the Audit and Standards Committee.
- A **comprehensive budget monitoring process** that is reported monthly to budget holders, quarterly to Corporate Management Team and Cabinet.

### 5.3 Effectiveness of Other Organisations

**Uttlesford Norse Services Ltd (UNSL)** - the joint Venture between UDC and the Norse Group for the provision of planned and responsive repairs for Housing along with facilities and cleaning services, ceased delivering services on 31 March 2025 following the Member decision to move to a fully contracted repairs service.

**Axis Europe** - The new arrangements went live on 1 April 2025, following the procurement of Axis Europe to deliver the main element of the service with separate contracts are being awarded for mechanical and electrical works. Following the mobilisation of the Axis contract, we encountered several operational, performance, and delivery challenges. These issues ultimately led to the early cessation of the contract and the decision to implement an In-House Maintenance Service, which went live on 1 April 2026.

**Uttlesford Leisure PFI** - on behalf of UDC, 1Life Management Solutions Limited part of Parkwood Leisure operate three leisure centres under the Uttlesford Leisure PFI Contract: Lord Butler Leisure Centre; Great Dunmow Leisure Centre and Mountfitchet Romeera Leisure Centre. The authority finances the PFI agreement through a Unitary Charge which is paid to the Project Company (Linteum Uttlesford Limited) in monthly instalments throughout the duration of the contract. The contract runs for 33 years and is due to expire in August 2035.

The Governance structure incorporates monthly liaison meetings with all partners and quarterly principal board meetings. Members received an annual update in December 2025.

The Leisure Centres have had continued investment over the last year of £245,000, which included a full gym refurbishment at the Lord Butler and pool-side sensory play equipment for children and families to enjoy, the installation of a pool lift to assist disabled users independent access as well as the conversion of an under-utilised squash court into a dedicated Spin studio at Great Dunmow.

**Aspire (CRP) Limited** – a joint venture, since 2017, between Aviva Investors and Uttlesford District Council (through its wholly owned subsidiary Aspire (CRP) Limited). The joint venture owns and runs Chesterford Research Park, a life sciences park in the district which forms part of the London, Oxford, Cambridge life sciences triangle. The joint venture delivers jobs in the district, additional business rates as well as a financial return for the Council.

## 5.4 Internal Audit Opinion

The annual opinion categories range from No Assurance, Limited Assurance, Moderate Assurance and Substantial Assurance.

For the year ended 31<sup>st</sup> March 2026 the opinion is that the adequacy and effectiveness of the Council's arrangements is Moderate Assurance.

The Internal Audit opinion is based on the audits and follow-up work completed since the last annual report and opinion to Audit and Standards Committee in May 2025. Internal Audit considers that corporate governance, risk management and internal control processes have improved in 2025/26, sufficiently to raise the overall opinion from "limited" to "moderate". [Annual Audit Report and Opinion 2025/26](#)

In 2025/26, 11 internal audits were completed with two receiving a substantial opinion, five moderate, three limited and one with no assurance. Internal audit recommendation tracking shows that most of the historic issues have been cleared (90 recommendations were closed in 2025/26).

## 5.5 External Audit

In accordance with Government guidelines, KPMG completed the 2024/25 audit by the backstop date of 27 February 2026.

The external auditors commended the Council for a good quality set of financial statements for 2024/25 at the February 2026 Audit & Standards Committee meeting but gave a disclaimed opinion as the opening balances were still subject to their government prescribed additional 'Building Back Assurance' audit work.

## 5.6 Other Inspectorates

For the year 2025/26 one breach met the criteria for reporting to the ICO as being High risk to the data subject(s). The ICO was content with the actions taken by the Council post event and no further action was taken.

The Council's Building Control Service was inspected by the National Building Safety Regulator during 2025. A small number of areas for improvement were highlighted and have since been actioned to the satisfaction of the Inspector.

A Driver and Vehicle Standards Agency registered auditor undertook a review of transport operations in March 2026. The review examined 65 separate criteria and classified 6 categories as 'unsatisfactory'. The recommendations to enhance procedures related to CO<sub>2</sub> emissions, driver eye tests and vehicle safety. All actions are scheduled for completion by the end of July 2026.

The council commissioned a mock inspection by the Regulator of Social Housing during 2025/26; this inspection gave the council a 'C2' rating. The rating scale for inspections ranges from C1 to C4 with C1 being the highest rating.

## 5.7 Review of Actions from 2024/25 Annual Governance Statement:

2024/25 AGS	Action taken in 2025/26 to address the issue
The Council should promptly respond to enquiries made by KPMG.	Service Managers have been reminded of the importance of timely responses to requests from the External Auditor.
Update the risk register and risk policy and present to cabinet for approval to ensure senior managers refer to the register as part of their service planning and risk appraisals where applicable.	The corporate risk register and the service risk register alongside the operational resilience register are reviewed formally by Corporate Management Team (CMT) quarterly. Service managers have been provided with training via a workshop on aligning service plans and risks and the requirement to review these on a regular basis to be incorporated into the CMT quarterly reviews. The Risk Policy has been updated and published in accordance with the Scrutiny on Operational Resilience referred to early in this statement.
To agree Terms of Reference for a new Responsible Authorities Group and the new Uttlesford Strategic Partnership	Carried forward as an action to 2026/27
To make improvements to always ensure compliance with operator licence requirements.	The service has now recruited a full Management Structure; the Transport and Workshop Manager is the nominated person for the operator licence. The Director of Environmental Services plus two other staff members are trained and have the appropriate qualification (Certificate of Professional Competence in Road Haulage) to enable them to act as Transport Manager in case of absence.
To review the council's scheme of delegation to include finance and Environmental Health	Carried forward as an action for 2026/27 as a number of other changes are required to the scheme of delegation due to updated Senior Management roles and responsibilities.

## 5.8 Areas for improvement or monitoring during 2026/27

Area	Action to be taken in 2026/27	Responsible Officer
<b>Communities</b>	Ensure Terms of Reference for the Responsible Authorities Group (RAG) are formally agreed by all partners (Fire and Rescue, Police, Local Authorities, Health Partners and Probation Service)	Strategic Director of Housing and Communities
<b>Planning</b>	Review and update the Statement of Community Involvement, identifying key stakeholders, aligning to the Corporate Plan and Planning Policy.	Strategic Director of Planning and Building Control
<b>Legal</b>	Development process for handling Whistleblowing concerns to accompany new policy. Ensure communication with all on new process via Litmos training module.	Monitoring Officer/Head of Legal
<b>Legal</b>	Review and update procedure for recording gifts and hospitality. Ensure communication to all staff on updated requirements	Monitoring Officer/Head of Legal
<b>Legal</b>	Update the Constitution to align with current organisational structures	Monitoring Officer/Head of Legal

## 6 Certification

To the best of our knowledge, the governance arrangements, as defined above, have been effectively operating during the year. We did not find any matters that needed addressing during our review other than those that were previously identified and have been progressed.

Signed ..... Leader of the Council

Signed ..... Chief Executive

Date: 25 June 2026