

**SLOUGH BOROUGH COUNCIL**  
**ANNUAL GOVERNANCE STATEMENT**  
**2022/23**

## Scope of Responsibility

Slough Borough Council (the Council) 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. In 2021 the Council was found to have failed in its best value duty under the Local Government Act 1999, which requires it to make arrangements to secure continuous improvements in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In delivering its statutory functions, the Council is responsible for putting in place proper arrangements for the governance of its affairs, which includes having appropriate systems of internal control, including arrangements for managing risk.

The Council acknowledges its responsibility for ensuring that there is effective governance within the Council and updated its Policy Statement on Corporate Governance in 2021. This Policy Statement is consistent with the seven core principles of the CIPFA and SOLACE guidance “Delivering Good Governance in Local Government framework – 2016 Edition”. A copy of this policy is part of the Council’s Constitution, which is accessible on the Council’s website. This policy will be subject to a detailed review in 2023.

This annual governance statement explains how the Council has complied with its Policy Statement in the financial year 2022/23 and sets out the areas the Council needs to focus on in 2023/24. It would be usual practice to update on action plans from previous annual governance statements, however due to the delay in approval of the statements of accounts for previous years, the previous annual governance statements, where approved, have been subject to review. In addition, there have been significant changes in relation to the risk profile and issues since approval of these statements. The Council has published its improvement and recovery plans and actions to address previous failures, these include reports to Cabinet, Council and Audit and Corporate Governance Committee. This statement does not seek to replicate these updates.

The responsibility for leading and directing the annual review of the effectiveness of the Council’s governance arrangements and providing ongoing oversight and robust challenge lies with the Council’s statutory officers, comprising the Chief Executive, Chief Finance Officer (s.151 officer) and Monitoring Officer. The findings have been reported and agreed by the Audit and Corporate Governance Committee, who are also responsible for monitoring compliance with the action plan.

## What is Governance?

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

Good governance should ensure the Council is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner. Good governance leads to effective:

- Leadership and management

- Performance and risk management
- Stewardship of public money; and
- Public engagement and outcomes for our residents, taxpayers and service users.

## What is the Annual Governance Statement?

The Council is required by the Accounts and Audit Regulations 2015 to prepare and publish an Annual Governance Statement, in order to report publicly on the extent to which it has complied with its own Policy Statement on Corporate Governance, including how the effectiveness of the arrangements have been monitored and reviewed. The Annual Governance Statement is a valuable means of explaining to the community, service users, taxpayers and other stakeholders the governance arrangements and how the controls that are in place have managed risks of failure in delivering on intended outcomes.

In this document the Council:

- Acknowledges its responsibility for ensuring there is a sound system of governance;
- References the effectiveness of key elements of the governance framework and the roles and responsibilities of individuals and bodies within that framework;
- Provides an opinion on the level of assurance that the governance arrangements can provide and their fitness for purpose;
- Produces an action plan showing actions taken, or proposed, to deal with significant governance issues;
- References how issues raised in the previous year's annual governance statement have been resolved;
- Commits to monitoring implementation as part of the next annual review.

The Annual Governance Statement is normally approved in conjunction with the Council's statement of accounts for the relevant year and it will be published alongside this statement of accounts. However, the Council is unlikely to have its statement of accounts for 2022/23 approved for some months due to a failure to close its accounts and have them audited for a number of financial years. The failure to promptly close off the statement of accounts is not a reason to delay the preparation and approval of the Annual Governance Statement. However, the accounts process may mean that new information will come to light which requires the Annual Governance Statement to be updated in due course.

## Significant external documents published in 2022/23

During 2022/23, the Council received several reports from external bodies and its appointed Department of Levelling Up, Housing and Communities (DLUHC) commissioners, which are relevant to the effectiveness of governance arrangements:

### June 2022

First report of the DLUHC Commissioners – the report was dated 9 June 2022 and published on DLUHC’s website on 28 July 2022. The report referred to the failed restructure and lack of stability at corporate leadership level, as well as the dismissal of the former chief executive. The report confirmed that a lawful budget was able to be set due to a “minded to” letter agreeing to capitalisation directions. Some of the issues leading to the financial situation, related to an overly ambitious capital programme and lack of understanding or application of the rules on minimum revenue provision and use of capital. There was deemed to be a lack of oversight at member level and a poor leadership culture. As a result of specific concerns about recruitment and retention, an additional power of direction was requested (and approved by the Secretary of State) in relation to recruitment of the top three tiers.

### September 2022

The Local Government and Social Care Ombudsman issued a public interest report on the Council’s failure to properly implement a system of allocating disabled facility grants and that such fault caused injustice. The recommendations were reported and responded to by Cabinet in September 2022 and the Council approved an updated housing assistance policy at the same meeting. Learning from this report was included in the Cabinet report and includes that there was insufficient oversight of complaints by the Monitoring Officer, complaints data was not being regularly reported to CLT or members, policies were not always being approved at elected member level, the Council’s scrutiny function requires a review to ensure it is effective, performance data reporting needs improving and partnership working with local housing associations should improve.

### February 2023

Grant Thornton published its Audit Findings for Slough Borough Council for year ending 31 March 2019. This highlighted that the process for auditing the 2018/19 accounts commenced in July 2019 but was unable to complete during this year due to a number of significant issues. At the time management were focused on pushing for the audit to complete rather than providing appropriate audit evidence. The significant issues identified included inadequate processes and controls over journals, inadequate record keeping and audit trails and significant material misstatements. The scale and size of the issues identified led to a disclaimer of opinion. The report was reported to Audit and Corporate Governance Committee and Full Council.

## February 2023

Grant Thornton published a decision and statement of reasons in relation to an objection to the accounts 2018/19 and made two statutory recommendations. This related to the Council's decision to purchase Observatory House in 2018. Grant Thornton found that the Council had the legal power to acquire the property, but raised some concerns about the decision-making processes following in the exercise of those legal powers, particularly in relation to the information made available formally to members to inform their decision and the use of the Lead Member and Directors group to provide a "steer" on the favoured option. Grant Thornton made two statutory recommendations, which were reported to Audit and Corporate Governance Committee and Full Council and accepted.

## March 2023

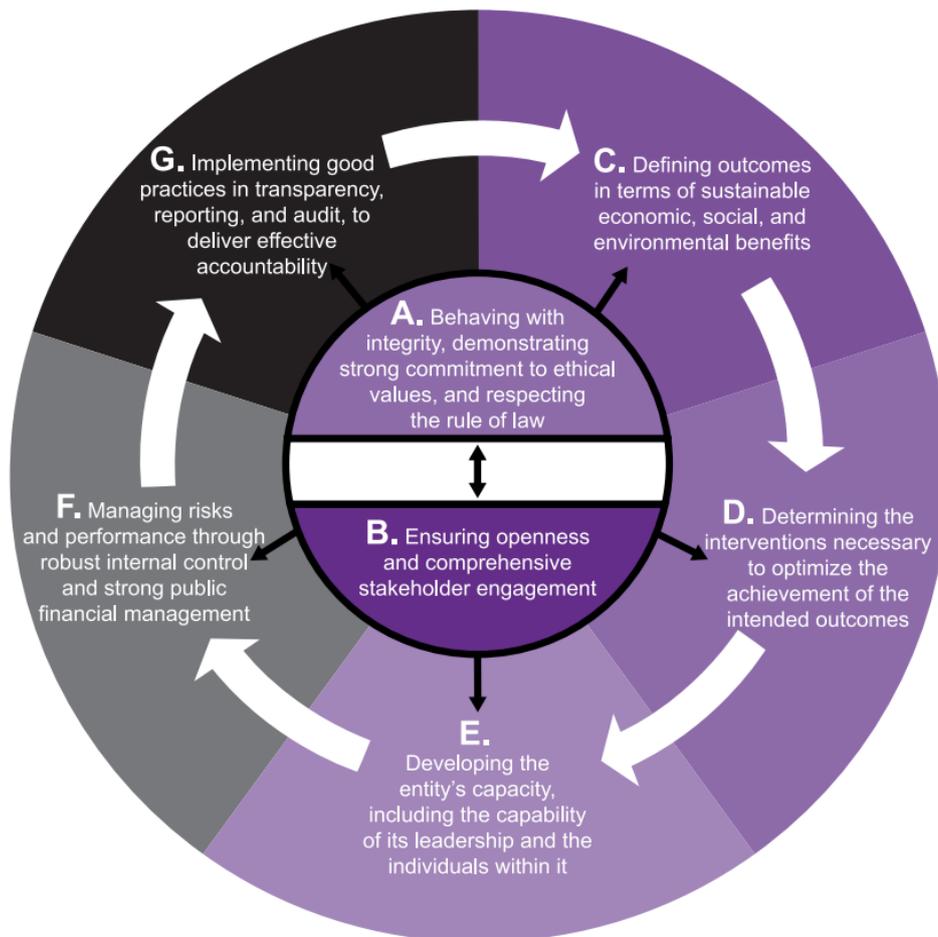
Ofsted published its report on its inspection of children's services. The overall effectiveness was found to be requires improvement to be good, with impact of leaders found to be inadequate. The overall quality of practice was found to be at the same level as in 2019 and several areas of improvement identified as not being successfully tackled. Scrutiny by senior leaders of the Council and governance arrangements, impact of leaders and managers, including the corporate parenting board were areas particularly highlighted for the Council to improve.

## March 2023

Second report of the DLUHC Commissioners – the report was dated 22 December 2022 and published on DLUHC's website on 16 March 2023. The report referred to a lack of progress on culture change despite the work of hard-working individuals, In the majority of Direction areas, work by officers was evident, but this had not always been reported or approved at commissioner or member level. The report noted the delay in reporting the outcome of a CfGS review, although it noted that the Chair and Deputy Chair had more recently been involved. Significant progress in identifying and risk assessing financial savings was noted, although it confirmed the challenge was significant and subject to national pressures even if approval was given for a 9.99% council tax increase. The letter flagged significant concerns about some procurement and asset acquisition practices in the past and decision-making around this, which were drawn to the external auditors' attention. This was evidenced by reference to the decision to acquire the Akzo Nobel site in 2021. Reference is made to the need to improve company governance, including for Slough Children First and the need for increased member reporting. Finally reference is made to the need for senior leadership at political and officer level to focus on performance management to ensure the improvements are made and for scenarios to be tested to identify whether the Council is a viable entity moving forward.

## What is the Council's Governance Framework

The Council has adopted the seven core principles of good governance set out in the CIPFA/ SOLACE framework in its Policy Statement on Corporate Governance.





**Respecting the rule of law**

being taken to increase uptake, particularly in the Place and Community directorate. The staff survey includes questions on culture and awareness of whistleblowing procedures.

- The Council has improved its processes in relation to procurement and contract management, which include introducing a contracts register and providing more detail on its annual procurement plan. This enables officers to better plan for re-commissioning of services allowing tender processes and contracts to include requirements for adherence to the Council's ethical framework. The Council has commissioned training on contract management from an external body.
- Historically decision-making has been poorly supported by legal and financial advice. New clearance deadlines and an increased focus on this at CLT has led to some improvements.
- As part of its accounts process for 2018/19, the Council's external auditors made a statutory recommendation in relation to the decision to purchase Observatory House in 2017. The recommendation related to ensuring there was better information to support decision-making and that the informal lead member and directors group was not used as a substitute for the formal decision-making processes. Council officers and members supported the recommendations and accepted that the historic decision report did not have sufficient information within it. Since that decision, significant improvements have been made in relation to decision-making at member level, including increasing the amount of information put in Part 1 (public) reports, improving the evidence base for decisions, delivering officer training on decision-making processes and report writing, improvements in data collection and analysis and requiring business cases for specific decisions.
- The Council's current financial situation is partly due to decisions to purchase assets without understanding the full costs of borrowing and risks involved in such acquisitions. Historically these decisions were not always made in a transparent manner, nor informed by detailed analysis and advice. The Council set up a new Cabinet Committee for Asset Disposals in 2022. The Committee reviewed and recommended approval of a new Asset Disposal Strategy, approved the list of properties for disposal and recommended approval of disposals for those properties that required a full Cabinet decision. Lessons learned were captured in update reports, including a report to the Committee in January 2023 highlighting a lack of record keeping, external lawyers being instructed with no internal oversight and wide delegations being given to single officers with no requirement to consult other officers or elected members.
- There are regular meetings between the three statutory governance officers and between the Monitoring Officer, Head of Governance and Head of Legal to ensure any issues are shared, discussed and action taken in response. The Head of Legal attends CLT alongside the Monitoring Officer to ensure that legal issues are considered by the corporate officer team.
- Any suspicion of corruption or fraud is investigated by the Corporate Anti-Fraud Team. A report was taken to Audit and Corporate Governance Committee in March 2023. This confirmed that the last annual counter fraud report was presented to members in 2018 and the policies were last reviewed in 2021. It is intended there will be a full review in 2023. The team is effective

in responding to referrals, however there is less evidence of a preventative approach and it is proposed that a fraud risk assessment is undertaken in 2023. Regular reporting will also be undertaken to the Audit and Corporate Governance committee.

**CORE PRINCIPLE B Ensuring openness and comprehensive stakeholder engagement**

**Sub principles**

**Assessment of the effectiveness of key elements of the council's governance processes during 2022-23**

**Openness**

- Historically the Council has relied too heavily on fully Part 2 reports and some member level reports have not contained sufficient information to justify the decision, with more detailed information only being taken to internal, informal boards. There has also been confusion as to the decision-making function of such boards. For instance, the Our Futures board consisted of senior officers and elected members, but had no decision-making power and a single delegation was being relied upon to make significant decisions. The Council has improved its use of split Part 1 / Part 2 reports, allowing it to put a much information in Part 1 as possible, whilst accepting that some information cannot be published. Where information cannot be published for time sensitive reasons, the Council has taken reports back to future meetings once publication is permissible. This is particularly relevant for property disposals when there is public interest in the value achieved on a sale, but this information cannot be put in the public domain until the deal has completed.
- The Council's internal auditors conducted an audit of delegated decision-making and in response the Council has reviewed and amended its significant officer decision-making processes. Systems and training to ensure these are complied with will be put in place in 2023/24.
- The Council has systems in place to take urgent decisions at officer and member level, which are subject to call-in. The decisions are not taken in public but are publicised on the Council's website.

**Engaging comprehensively with institutional stakeholders**

- The Council needs to make significant improvements in the way it works with its partners, including ensuring that partnership forums are effective and evidence the value they add. This has been highlighted in external reviews and reports, including in the Ofsted inspection report as well as highlighted in reports completed by scrutiny members.
- The Council's Scrutiny function undertook task and finish groups on contract management and workforce strategy for Slough Children First. The reports for these were taken to Cabinet which accepted the recommendations in full. The new Corporate Improvement Scrutiny Committee needs to ensure there is evidence that these recommendations were acted upon.

**Engaging with individual citizens and service users effectively**

- The Council has had an external review on its corporate parenting panel, which includes representatives from other agencies. This has resulted in new terms of reference being agreed and the Executive Director of Children’s Services will be working with the panel to improve its effectiveness in 2023/24.
- The Council received a critical SEND report in conjunction with the CCG. There has been a lack of progress on the Written Statement of Action and the pace of improvement needs to increase significantly. A new Executive Director of Children’s Services and new Director of Education were recruited in early 2023 which will help increase the pace of improvement.
- The Council has established links with the voluntary and community sector and has produced helpful guidance on issues such as support for those impacted by the cost of living crisis. To support an effective voluntary sector, the Council has recommissioned an arrangement with Slough Community and Voluntary Services to provide 2nd tier support to the sector.
- The Council has systems in place to consult its residents on statutory and non-statutory issues. It has moved to one consultation platform and utilised this for significant consultations, such as the consultation on changes to children’s centres. The level of expertise on resident engagement is limited and relies on a relatively small number of officers. This is an area of risk which should be considered in the senior officer restructure.
- The Council has commenced annual reporting of its complaints data to its Audit and Corporate Governance Committee. This includes detailed of learning and trends as well as numbers and type of complaints. Following receipt of a public interest report, the Council reported to Cabinet on the learning and the actions being taken in response. The Council’s Head of Legal reviews all complaints referred to the LGSCO on behalf of the Monitoring Officer.
- The Council’s scrutiny panel set up a task and finish group to look at complaints handling, including visiting other authorities to learn from their processes. This will result in a change to the complaints process to be implemented in 2023/24. Quarterly reports are now taken to CLT on complaints data to ensure that the Council is listening and learning from complaints.
- The Council has undertaken a residents’ survey through an independent research company and these results have been reported to CLT. The results have not yet been reported formally to elected members.
- The corporate communications team has pulled together a communications plan to better manage communications activity.
- The Council communicates to its stakeholders through various communication channels including Twitter, Instagram, Facebook, LinkedIn, and YouTube.

**CORE PRINCIPLE C - Defining outcomes in terms of sustainable economic, social, and environmental benefits**

Sub principles	<b>Assessment of the effectiveness of key elements of the council's governance processes during 2022-23</b>
<p><b>Defining outcomes</b></p> <p><b>Sustainable economic, social, and environmental benefits</b></p>	<ul style="list-style-type: none"> <li>▪ The Council's strategic vision for Slough was outlined in its Council Plan – Doing Right by Slough. Due to timing this plan was not subject to public consultation, nor taken through Cabinet prior to its approval by Full Council. The Council is in the process of refreshing the Corporate Plan, following the whole council elections. This plan will be subject to public consultation with a view to it being adopted in Autumn 2023.</li> <li>▪ Historically some council officers have purported to approve strategies and policies without these being approved by Cabinet or the appropriate member forum. There have been some improvements on this, with two strategies for education being approved by Cabinet in 2022/23.</li> <li>▪ The previous Medium Term Financial Strategy (MTFS) was unsustainable as identified in the s114 notice. A revised MTFS is being developed and each directorate will need to plan out how it will deliver the outcomes relevant to its area of work through revised business plans and a much-reduced financial envelope in the context of the agreed budget for the year ahead and the 5-year medium term financial planning.</li> <li>▪ The Council needs to make significant improvements to its performance reporting arrangements, including agreeing a new set of corporate key performance indicators and ensuring these are regularly reported to Cabinet and that performance indicators influence decision-making.</li> <li>▪ In the light of its financial situation the Council has stripped its Capital programme back to the minimum alongside a significant asset disposal programme, which will be required to achieve future financial plans.</li> </ul>

**CORE PRINCIPLE D - Determining the interventions necessary to optimise the achievement of the intended outcomes**

Sub principles	<b>Assessment of the effectiveness of key elements of the council's governance processes during 2022-23</b>
<p><b>Determining interventions</b></p> <p><b>Planning interventions</b></p> <p><b>Optimising achievement of</b></p>	<ul style="list-style-type: none"> <li>▪ The Council's governance mechanisms for considering significant decisions have found to be inadequate and lacking in evidence/advice about options before taking a decision. Financial and legal implications have not always been fully understood or considered when making key decisions and in some cases there were inadequate options appraisals. The template cabinet report requires an options section to be completed, as well as clearance processes for finance and legal officer to review and amend reports. The reports are timetabled for review by CLT before being considered by cabinet members at an informal meeting and finally reported</li> </ul>

**intended  
 outcomes**

formally to cabinet at a public meeting. The evidence base for decisions is improving, but the Council needs to ensure that it has the data to support its decisions and priorities. Some elements of the Council have robust data systems, including public health, whilst other areas need to make significant improvements in this area. The Council intends to adopt a new data strategy in 2023/24 and to make use of technology to deliver efficiencies. For instance, the Council is investing in its new housing software to ensure its housing management and housing needs data is accurate and reliable.

- The Council has failed to utilise a robust business case model. This has led to decisions being taken that have been unaffordable; not based on accurate information and, in some cases, possibly unlawful. Reviews are in place to identify and rectify the impact of some of these decisions and to implement more robust financial modelling in future.
- The Council's approach to governance of its companies has been poor in the past. Whilst there have been some improvements on regularising loan arrangements, taking decisions on financial support and formally reviewing and reporting on governance, this is still an area of challenge and the terms of reference of the Asset Disposal Committee of Cabinet were expanded in order to enable the Committee to review the governance of the companies.
- The Council's strategic procurement board reviews business cases for procurement, an improved annual procurement plan has been taken to Cabinet in 2022 and a contracts register has been put in place. Financial regulations were updated in 2022 and set out approval levels for virement and budget management responsibility. Budget monitoring reports have been taken to Cabinet on a regular basis, however the Period 9 report was not reported until February 2023 and no further updates on 2022/23 budget have been reported in-year.
- The Council's budget setting process including opportunities for scrutiny to review savings proposals, however, there was no opportunity for public consultation.
- External audit's VFM conclusion has not been issued for 3 years due to the accounts not being completed. Plans are in place to rectify this position.
- The Council's revised budget-setting process requires the revenue and capital implications of all major projects to be considered including external funding options.
- The priorities sought through the responsible procurement are aligned to the social value priorities.
- Whilst Cabinet has received some update reports, the Council is generally poor at reporting on whether its strategies and policy decisions achieve the intended strategic aims.

**CORE PRINCIPLE E - Determining the interventions necessary to optimise the achievement of the intended outcomes**

<b>Sub principles</b>	<b>Assessment of the effectiveness of key elements of the council's governance processes during 2022-23</b>
<p><b>Developing the entity's capacity</b></p> <p><b>Developing the entity's leadership</b></p> <p><b>Developing the capability of individuals within the entity</b></p>	<ul style="list-style-type: none"> <li>▪ Council performance reporting to a member forum ceased in 2021. This needs to be urgently resolved so that Cabinet members receive performance reports and debate these in a public forum. This will also allow scrutiny members to review performance data when determining their work programme.</li> <li>▪ Cabinet has received regular reports on ICT improvements and priorities and investment has appropriately been targeted to this area.</li> <li>▪ The Council belongs to a number of partnerships, however there is no central record of these and in some cases it is not clear what legal documentation is in place to govern these arrangements. There is a lack of reporting on the effectiveness of partnerships and whether they are achieving their strategic aims and adding value.</li> <li>▪ The Council needs to dispose of a number of assets to reduce its borrowing. It has to date disposed of investment assets, however, it needs to approve a strategy to allow it to rationalise its operational assets and look at opportunities to dispose or utilise these differently.</li> <li>▪ The Council completed a senior leadership restructure in 2022/23 and has recruited to its executive leadership team which has created stability. The Council is in the process of a further restructure which needs to be delivered at pace to further stabilise the organisation.</li> <li>▪ The Council has undertaken regular reviews of its constitution, focusing on the decision-making aspects, such as financial procedure and contract procedure rules, executive decision-making and officer scheme of delegation.</li> <li>▪ The Employment and Appeals Committee received a report on learning from performance management of senior officers and agreed a new system for setting objectives for the chief executive, which reflects that fact the chief executive works for the whole council and not just the executive.</li> <li>▪ The Council has received support from the LGA, CfGS and external persons on building up the capability of senior officers and elected members. This has included responding to a review by CfGS on its scrutiny function, including a complete review of the structure and procedures for scrutiny, governance workshops utilising the CfGS governance framework, training for Audit and Corporate Governance Committee members, mentoring and coaching support for cabinet and scrutiny members and reviews on commissioning processes and corporate parenting.</li> </ul>

**CORE PRINCIPLE F**

**Managing risks and performance through robust internal control and strong public financial management**

**Sub principles**

**Assessment of the effectiveness of key elements of the council's governance processes during 2022-23**

**Managing risk**  
**Managing performance**  
**Robust internal control**  
**Managing Data**  
**Strong public financial management**

- A Risk Management strategy was approved in 2022 and sets out the Council's approach to controlling risk and how it is considered as part of decision making. Risk management processes did not operate continuously during 2022/23. Going forward, all risks will be scored by departmental risk leads. The Risk and Audit Board was recently reinstated and now reviews and escalates the corporate risks to CLT. This is an area recognised as needs further improvement. Risk registers are maintained at a corporate and individual service department level. Risk and risk management is now a standing agenda item for senior management teams and reported quarterly to the Audit and Corporate Governance Committee.
- All Internal Audit reports identify the risks and implications associated with audited activity. The Audit and Corporate Governance Committee agree the internal audit plan annually each year. The outsourced internal audit contract ended in 2023 and a new internal audit team has been recruited with detailed handover processes in place. The Annual Internal Audit Assurance statement was qualified for 2022/23 due to the wide range of control weaknesses identified and a lack of response to IA recommendations. Processes are being strengthened to ensure more timely and comprehensive response to all IA recommendations. This process will continue to develop in 2023 including more regular updates from management and regular review by the Risk and Audit Board and CLT. Regular audits of the corporate risk management process, commissioned by Internal Audit, are carried out. The corporate risk function was audited by RSM in 2022. The Council received a 'unsatisfactory' rating with areas for improvement highlighted. IA review the service risk registers as part of their annual planning exercise and discuss risks with the appropriate CLT when identifying the audits to be undertaken and timing.
- The Council historically used Management Assurance Statements to provide additional assurances to the Committee, but these have not been routinely completed in the past three years. It is important that senior managers recognise their responsibilities for corporate governance and attest as such on an annual basis.
- The Council is a registered Data Controller as set out in its Fair Processing Notice on its website. The Council's Information Management Team manages information governance, security, and records management and has access to specialist legal support where required.
- The Council's systems, records and processes for financial management have found to be significantly flawed, leading to a disclaimer of opinion by its external auditors for the 2018/19 accounts. Whilst improvements were put in place in 2021, there are still issues with budget coding. This is an area of focus for the new senior leaders in finance and regular reports on financial action plans have been regularly reported to elected members.

**CORE PRINCIPLE G**

Implementing good practices in transparency, reporting, and audit to deliver effective accountability

**Sub principles**

**Assessment of the effectiveness of key elements of the council's governance processes during 2022-23**

**Implementing good practice in transparency**

**Implementing good practices in reporting**

**Assurance and effective accountability**

- The Council has improved its use of split Part 1/2 reports to ensure more information is put in the public domain. The Council has also improved its report writing to allow reports to be understood by the public, however this is still an area for improvement. Striking a balance between providing sufficient information and not making the process too onerous or the reports too over-whelming is something the Council needs to focus on in 2023/24.
- External audit recommendations were reported to the Audit and Corporate Governance Committee and where required, to Full Council. The Council officers have a good working relationship with the external auditors, who have also attended a number of member level meetings.
- The Committee have also during 2022/23 begun monitoring the implementation of internal audit recommendations at a detailed level to ensure that actions are being implemented as required. A large number of internal audit recommendations have been identified as requiring action by management and a concerted effort is being made to reduce the number outstanding. This is being reported to the Committee on a quarterly basis. Internal audit have unrestricted access to Senior Management and elected members if required and a new in-house team started in post in early 2023.

## Key roles of those responsible for developing and maintaining the Governance Framework

<b>The Council</b>	<p>Approves Policy and Budget Framework</p> <p>Approves the Constitution</p> <p>Elects Leader and sets terms of reference for committees, including appointing chairs for committees.</p>
<b>Cabinet</b>	<p>Makes most policy and strategic level decisions.</p> <p>Each lead member has a portfolio responsibility, but no single decision making permitted except by the Leader under urgency provisions.</p>
<b>Audit and Corporate Governance Committee</b>	<p>Provides independent assurance to the Council on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control environment.</p> <p>Approves or recommends to Council annual statement of accounts and annual governance statement</p>
<b>Standards Committee</b>	<p>Promotes high standards of member conduct and ethical framework</p>
<b>Overview and Scrutiny function</b>	<p>In 2022/23 there was a main Overview and Scrutiny Committee and three panels without overall responsibility for reviewing the Council's policies and holding Cabinet members and officers to account for performance.</p>
<b>Corporate Leadership Team</b>	<p>Implement policy and budgetary framework set by the Council and policies and strategies set by Cabinet.</p> <p>Provide advice to Cabinet and other member forums on the development of future policy.</p>
<b>Statutory governance officers</b>	<p>Chief Executive – Head of Paid Service</p> <p>Executive Director Finance and Commercial – Chief Finance Officer / s.151 officer</p> <p>Monitoring Officer</p> <p>Have specific statutory responsibilities and duty to report issues relating to staffing structure, adequacy of financial arrangements and contraventions of law or maladministration.</p>
<b>Internal Audit</b>	<p>Provides independent assurance and annual opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework.</p> <p>Delivers an effective programme of risk based audit activity, including counter fraud and investigation activity.</p> <p>Makes recommendations for improvements in the management of risk.</p>
<b>External Audit</b>	<p>Audit, review and report on the Council's financial statements, providing an opinion on the accounts and use of resources, concluding on value for money.</p> <p>Has the right to make statutory recommendations and issue a public interest report.</p>
<b>Managers and staff</b>	<p>Responsible for developing, maintaining and implementing the Council's governance, risk and control framework.</p> <p>Contribute to the effective corporate management and governance of the Council by use of professional skills and knowledge.</p>

## **What are the key 2022/23 Governance matters identified**

### **Action 1 - Council Plan and compliance with DLUHC Directions**

The Council needs to approve a corporate plan that reflects the new administration's priorities, is subject to public consultation and has affordable, delivery plans beneath it. The plan should link to the DLUHC statutory direction and ensure that the recovery activities required as part of that direction is appropriately prioritised. Each priority should have a named senior responsible officer and appropriate programme management support. There should be regular reporting mechanisms to ensure that plans deliver on the outcomes and any savings targets and are delivered on budget and to agreed timescales. Key decisions should be made at member level, with appropriate update reports on progress.

### **Action 2 - Children's Social Care**

The Council's plans and strategies should be appropriately focused on children and families to reduce the pressure on children's social care and ensure families receive the right support at the right time. Responsibility for children should be a whole council responsibility. The Council must improve its corporate parenting role at both an officer and member level. The Council must support Slough Children First to deliver effective and cost efficient services within an agreed budget.

### **Action 3 - SEND services**

The Council needs to significantly improve its services to children and young people with SEND and their families. This requires improved partnership working with health and Slough Children First as well as other agencies, including schools. Council officers should provide regular updates to Cabinet and ensure that any new policies are subject to appropriate scrutiny, informed by good performance data and best practice elsewhere and approved at a member level. The Council should continue its focus on reducing the overspend on its high needs block as part of the Department for Education's safety valve programme.

### **Action 4 - Financial management/sustainability**

The Council will introduce more regular and robust financial monitoring arrangements during 2023/24 and will simplify the presentation of financial information to aid transparency. The review and management of delivery of savings will be fully integrated into the regular budget monitoring processes. Following the calculation of the outturn position for 2022/23, a revised medium term financial model will be produced, including an update of the Capitalisation Direction modelling, to ensure that a balanced 3 year medium term financial plan can be approved by March 2024.

### **Action 5 - Asset disposal project**

The Council needs to demonstrate that it receives best consideration reasonably obtainable having regard to valuations obtained. Reports to members will include all relevant information, including information about the value of the property being sold and an assessment as to whether it is the opportune time to proceed with the disposal.

### **Action 6 - Closure of statement of accounts**

The Council will work with its External Auditors to move forward as swiftly as possible to catch up on the backlog of work around the closure of statement of accounts. Recognising that given the very historic nature of some of the accounts, although the Council may not be able to ensure that the

audit options for financial years from 2019/20 through to 2021/22 will be able to be unqualified and are likely to continue to be disclaimed due to the historical poor record keeping, the Council will endeavour to show a continued improvement in the supporting evidence it is able to provide. The learning from the historic weaknesses will be used to ensure that from this point forwards, that record keeping adheres to good practice and standards of accounting practice are adhered to.

### **Action 7 - Housing management**

The Council needs to complete implementation of its new housing software to improve its record keeping and allow good quality performance data to inform decision-making. The Council should review its housing policies and strategies and seek approval from members for any significant amendments. The Council should have a plan to ensure compliance with the Regulator for Social Housing's Home Standard and Tenant Involvement and Empowerment Standard. Once approved, regular reporting should be provided to members on progress.

### **Action 8 - Company governance arrangements**

The Council must improve its governance of its controlled companies. In addition to having named senior officers to represent the Council as owner, the Council must ensure it has competent and effective board members with regular reporting to elected members at the Asset Disposal Committee of Cabinet on achievement against strategic aims. There should be clarity on what decisions can be made by the company board and what are reserved, and for reserved matters when these need to be made at a member level.

### **Action 9 – Supporting new and inexperienced members**

The Council should implement and review the effectiveness of its member induction and development programme, including providing training, guidance and support to new members to enable them to effectively discharge their duties. This should include utilising the support of external bodies such as the Local Government Association and Centre for Governance and Scrutiny where appropriate. Members should be supported to understand their role and the formal decision-making processes, including the need to have sufficient information and evidence to support decisions and to take account of professional advice when making decisions.

### **Action 10 - Organisation and culture**

The Council should implement its restructure of the top three tiers and seek to permanently recruit where appropriate. The Council should review its induction and development programmes to ensure they provide the right information and support to allow officers to do undertake their responsibilities in an effective manner. The Council must have an effective performance management system that includes setting clear objectives and measuring performance against these and taking appropriate action where performance is not to an adequate level.

### **Action 11 - Resident engagement**

The Council should improve its approach to resident engagement, including ensuring that residents' views are sought for significant decisions and where it is not possible to seek views, that representative bodies or external data on impact is utilised to inform decisions. Opportunities to co-design new ways of working should be explored, including working with voluntary and community groups on service delivery. The Council should consider adopting a resident engagement strategy setting out its expectations for resident engagement. When making decisions that will impact residents, the Council should be open and transparent about the decision and the reasons for it. The

Council should be open and receptive to complaints and should use complaints data to continuously improve its services.

### **Action 12 - Performance and risk management**

The Council must ensure basic systems and controls are in place to ensure that performance is managed and risk appropriately identified, reported and monitored. Performance data should measure the quality of services for users, use of resources and value for money. Performance indicators should be set drawing on sector wide data sets from various organisations including the Local Government Association and CIPFA.

The Council's policy and systems are based on the "Three Lines of Defence" model which relies upon risk owners ensuring an effective control environment, maintenance of a risk management framework and internal and external audit taking an independent view of the application of risk management. The system of reviewing risks at an internal risk board and reporting corporate risks up to CLT and Audit and Corporate Governance Committee on a regular basis must continue to ensure effective risk management.

## Assurance Statement 2022-23

We have reviewed the Annual Governance Statement for 2022-23 and to the best of our knowledge, the governance arrangements, as defined above and within the Council’s Policy Statement of Corporate Governance, have been effectively operating during the year with the exception of those areas identified above. The Council still has significant improvements to make to its governance arrangements and its historic record keeping and lack of corporate memory in some directorates mean that there may need to be further updates to this statement as the process of approving historic statements of accounts progress. We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation during the year and as part of our next annual review.

Position	Signed	Date
<b>Leader</b>		
<b>Chief Executive</b>		
<b>Monitoring Officer</b>		
<b>Executive Director of Finance</b>		

We have reviewed the Annual Governance Statement in our role as appointed commissioners for the Department for Levelling Up, Housing and Communities. We are satisfied that the Council is focused on the right areas for improvement and will continue to support and constructively challenge officers and elected members to ensure improvements to governance arrangements continue to be made.

Position	Signed	Date
<b>Lead Commissioner</b>		
<b>Commissioner</b>		
<b>Commissioner</b>		