



# Slough Borough Council

Management Responses to Interim Auditor's Annual Report  
Year ending 31 March 2025

6 November 2025

# Local context and background

Slough Borough Council (the Council) has been subject to a statutory Best Value intervention since December 2021, following serious concerns about the Council's financial management, governance failures, and poor service delivery. In response, the government appointed commissioners to oversee the Council's operations and ensure compliance with its Best Value Duty. Throughout 2022 and 2023, the Commissioners worked to support the Council stabilise its finances and improve governance. Key developments included the adoption of a Corporate Plan in 2023 and changes in senior leadership aimed at driving cultural and operational reform.

In October 2024, the Department for Levelling Up, Housing and Communities extended the intervention until November 2026, citing ongoing concerns about the Council's capacity to deliver efficient and economical services. The Council's Chief Executive was appointed to a dual role of Managing Director Commissioner to accelerate the pace of change.

Recent Commissioners' reports acknowledged improvements in governance and regional collaboration but highlighted persistent challenges, particularly in financial sustainability and service transformation. The Council's Improvement and Recovery Plan for 2025–2026 outlines targeted programmes addressing workforce culture, digital transformation, and financial resilience. It also incorporates responses to separate interventions by the Department for Education concerning children's services and SEND provision.

It is within this context that we set out our commentary on the Council's arrangements to deliver value for money in 2024/25. In doing so, we update on the progress made against previous Key and Statutory recommendations we have issued in recent years, and make new recommendations based on developments during the year.

We issued our Interim Auditors Annual Report (IAAR) to the Council in August 2025 setting out our VFM assessment and commentary for 2024/25 and presented this to Audit and Governance Committee on 10 September 2025. The Council requested additional time to prepare a comprehensive response to the recommendations raised within our IAAR action plan and final responses were received from the Council on 6 November 2025. This supplementary report only contains a summary of the initial findings from the IAAR, along with full details of the received management responses to the action plan.

A final version of our Auditors Annual Report will be presented to the Audit and Governance Committee in January 2026, to take account of the Council's arrangements and final outcomes for the preparation of its 2024-25 financial statements. At the time of issue of this report, the Council has yet to publish its draft 2024-25 financial statements for public inspection and audit. The statutory deadline for publication of draft 2024-25 financial statements is 30 June 2025.

# 01 Summary of findings

# Summary of significant weaknesses

This section summarises the significant weaknesses identified in relation to the Council's arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. Further detail on recommendations raised in relation to these significant weaknesses are listed on pages 5-6.

	Statutory/Key Recommendation ref.
<b>Financial Sustainability</b>	
1. The Council is not financially sustainable, and its savings plans and asset disposal programme supporting its ongoing liquidity remains off track.	KR1, KR2
2. The Council does not have an adequate level of reserves and requires continued central government support through capitalisation directions.	SR1
3. The Council has not developed its long-term transformation plan and is unable to demonstrate that financial planning assumptions, both in 2024-25 and the medium-term, are consistent with other strategies and plans.	KR3
<b>Governance</b>	
1. The Council has yet to develop comprehensive plans for the preparation of accounts and significant weaknesses also remain in the adequacy of the Council books and records and internal control environment.	SR3
2. The Council does not have effective financial governance and monitoring arrangements for its group relationships and subsidiary companies supporting service delivery.	SR4, KR5, KR6
3. The Council did not have effective internal audit arrangements in place during all of 2024/25, undermining wider assurance and improvement activity.	KR8
4. Inadequate arrangements are in place to maintain the permanence of the senior leadership team. This also includes the second tier of posts.	KR7

# Summary of significant weaknesses (continued)

This section summarises the significant weaknesses identified in relation to the Council's arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. Further detail on recommendations raised in relation to these significant weaknesses are listed on pages 5-6.

## Improving economy, efficiency and effectiveness

## Statutory/Key Recommendation ref.

1.	The Council has inadequate arrangements in place to foster a positive culture and capacity around data quality in order to support robust service planning and reporting, based on high-quality data, including benchmarking.	KR10
2.	The Council has inadequate arrangements in place to ensure effective service delivery to its citizens consistently across the Council.	KR11, KR12,
3.	The Council has inadequate arrangements to ensure it effectively delivers its role within significant partnerships.	KR13
4.	The Council needs to significantly improve its arrangements for overseeing its procurement and commissioning of services to ensure these deliver effective value for money.	KR14

# Financial sustainability – recommendations

This page summarises any new Statutory and Key recommendations in relation to the Council’s arrangements for financial sustainability, and the status of recommendations raised in prior years. Further detail on each, along with management’s response, is set out on pages 9-16.

## Statutory recommendations (summarised)

### Status

SR1      The Council should take urgent action to address its low levels of unearmarked and earmarked revenue reserves.	Retained
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## Key recommendations (summarised)

KR1      Officers and members should continue to work together to deliver financial sustainability in the medium term.	Retained
KR2      The Council must review the basis of the Asset Disposal Programme to ensure that is based on robust, appropriate and reasonable assumptions. The Council should ensure transparency in its reporting around the impact of underperformance in asset disposals, budget delivery and savings targets on its day-to-day liquidity position.	Retained – and updated
KR3      The Council must devise a transformation programme which is supported by adequate and defined funding which has the ultimate goal of the Council exiting intervention and securing its best value duty.	Retained

# Governance – recommendations

This page summarises the Statutory and Key recommendations in relation to the Council’s arrangements for governance, including the status of recommendations raised in prior years and new recommendations. Further detail on each, along with management’s response, is set out on page 18-33.

## Statutory recommendations (summarised)

		Status
SR2	The Council should put in place robust arrangements for the production of the 2019/20 and 2020/21 financial statements.	Closed
SR3	The Council should develop a comprehensive project plan for the preparation of [its] accounts.	Retained
SR4	The Council should review and implement effective financial governance and monitoring arrangements for its group relationships.	Retained
SR5	The Council should put in place arrangements to address the issues raised by the S151 officer as set out in his section 114 report.	Closed
SR6	The Council should develop a comprehensive project plan for the [required] improvement in governance arrangements.	Closed
SR7	Ensure that for important (in financial or strategic terms) decisions, sufficient and adequate information is made available to members within the formal governance processes to support the decisions made, including a comprehensive business case.	Closed

## Key recommendations (summarised)

KR4	The Council should improve its governance arrangements for key decisions.	Closed
KR5	The Council should ensure it effectively manages Slough Children First Ltd (SCF).	Retained
KR6	The Council should ensure it effectively manages all its subsidiaries and winds up those subsidiaries which are not delivering value.	Retained
KR7	The Council and Commissioners should aim to maintain the permanence of the senior leadership team.	Retained
KR8	The Council should ensure it has a fully-resourced Internal Audit function.	Added - new

# Improving economy, efficiency and effectiveness – recommendations

This page summarises our Key recommendations in relation to the council’s arrangements for improving economy, efficiency and effectiveness, including the status of recommendations raised in prior years, and any new recommendations. Further detail on each, along with management’s response, is set out on page 35-42.

## Key recommendations (summarised)

		Status
KR9	The Council should develop its corporate oversight to ensure it delivers improvements in economy, efficiency and effectiveness	Superseded
KR10	The Council needs to improve data quality and foster a positive culture and capacity around data quality to support robust service planning and reporting, based on high-quality data, including benchmarking.	Added - new
KR11	The Council should develop a plan to strengthen the performance of its housing service, to meet the requirements of the Regulator of Social Housing’s (RSH’s) Standards.	Added - new
KR12	The Council should develop a plan to strengthen its leadership, oversight and contribution through partnership working in relation to the Slough Youth Justice Service, to drive the significant improvement in quality expected by HM Inspectorate of Probation and ensure the improvement required by the Council is reflected in its AGS.	Added - new
KR13	The Council should make all the necessary steps to continue to work with the Department for Education to improve performance in children’s services and SEND.	Retained
KR14	The Council should significantly strengthen its arrangements to oversee procurement and deliver value for money from when it procures and commissions services.	Added - new

# 02 Management responses and action plan



# **Financial Sustainability**

# Statutory recommendations

This section summarises progress made in relation to all Statutory recommendations relating to Financial Sustainability arrangements, which were in place following our last report in February 2025. No new statutory recommendations have been added in this report.

Type	Date Raised	Criteria impacted	Status
Statutory	May 2021	Financial Sustainability	Retained

## Recommendation (SR1)

The Council should take urgent action to address its low levels of unearmarked and earmarked revenue reserves through:

- Developing a clear, sustainable medium term financial plan to significantly replenish reserves to a level that enable it to respond to any significant unexpected events or manage its position effectively where its savings programmes are not fully achieved.
- Reviewing its medium-term savings plans to ensure that clear proposals are developed to achieve savings requirements in line with the revised MTFP and reserves strategy
- Ensuring agreed savings are owned across the Council by officers and lead members to ensure clear ownership and accountability for delivery
- Ensuring it puts in place a clear and transparent savings monitoring and reporting process, in order to ensure that council departments are held to account for delivery of required savings

## Developments in 2024/25

Arrangements for the maintenance of an appropriate level of reserves remains a significant concern, and the Council's financial challenges remain acute. The Council's reserves are very low in context of the Council's financial challenges.

## Management response 2024/25

The Council recognises the need for adequate levels of useable reserves, and it is clear that when taking account of the financial risks the Council is exposed to, that a level appropriate for many local authorities is unlikely to be prudent for Slough. It is also recognised that in the context of both local legacy and ongoing funding pressures that the Council's financial and budgetary controls, its medium-term financial planning and budget setting arrangements need to continue to improve. As part of this a quantified risk-based approach is required for determination of a prudent level of reserves and a realisable medium to longer term timeline for delivery.

# Statutory recommendations (continued)

Type	Date Raised	Criteria impacted	Status
Statutory	May 2021	Financial Sustainability	Retained

## Management response 2024/25 (continued)

The reserves strategy will be developed as part of the 2026/27 budget and medium-term planning process for inclusion in the budget report as submitted to Full Council, for approval, March 2026. Furthermore, the Councils Financial Procedures, as part of the constitutional arrangements will be updated to strengthen the responsibilities and accountabilities of Executive Directors and Lead Members in budget management and ownership of agreed savings. (March 2026).

### Actions:

1 – Approval of Reserves Strategy by Full Council – March 2026

2 – Update of the Councils Financial Procedures – March 2026

SRO – Executive Director Corporate Resources

# Key recommendations

This section summarises progress made in relation to all Key recommendations relating to Financial Sustainability arrangements, which were in place following our last report in February 2025. No new Key recommendations have been added in this report but one has been updated.

Type	Date Raised	Criteria impacted	Status
Key	May 2024	Financial Sustainability	Retained

## Recommendation (KR1)

Officers and members should continue to work together to deliver financial sustainability in the medium term. This will be achieved by:

- increasing its level of reserves (earmarked and general reserves)
- progressing the sale of assets under the capital direction
- delivering recurrent savings
- continuing to work with the Schools Forum and partners to ensure full delivery of the agreed Dedicated Schools Grant (DSG) management plan in order to stop the increase in the DSG deficit.

## Developments in 2024/25

The Council continues to face a number of very significant financial challenges in the short and medium term including in relation to service pressures, a continued reliance on capitalisation directions, progress with the asset disposal programme and delivery of planned savings.

## Management response 2024/25

A 2026/27 MTFS update was presented to Cabinet on 21 July 2025 setting out a range of figures on the estimated budget gap for 2026/27 and up to 2029/20. Officers will report again, with a further iteration at the 15 December 2025 Cabinet meeting, which will also incorporate forecast DSG pressures. A balanced position will not be achieved on either fund without additional financial support. The Council is seeking to move to a more integrated planning approach to align strategic priorities within transformation and medium-term financial planning, but it is recognised that significant additional savings will need to be identified and delivered in advance of key transformational change.

The need for a reserves strategy as part of the 2026/27 budget and medium-term financial planning process is set out in the response to SR1 above, and progressing the sale of assets referred to in the response to KR2. The medium-term financial plan to be finalised in February 2026 will also incorporate a longer-term capital strategy and strategic asset strategy and management plan which together will facilitate delivery of the updated treasury management and debt repayment strategies. Each of these will be key components of the MTFP (March 2026).

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	May 2024	Financial Sustainability	Retained

## Management response 2024/25 (continued)

The Council acknowledges there is still significantly more work to be done in the context of significant General Fund and DSG forecast overspends reported in the first quarter 2025/26 but remains committed to delivery of a balanced MTFs by March 2026. It is recognised that can only be achieved by significantly reducing net GF spend further, both through transformational change and, in all likelihood, reducing further net expenditure on discretionary services, and increasing income through fees and charges. (March 2026).

### Actions:

- 1 – 2026/27 Budget and 2027/28 to 2029/30 Medium Term Financial approved by Full Council (March 2026), to include;
- 2 – Updated Treasury Management and Debt Repayment Strategies

SRO – Executive Director Corporate Resources

# Key recommendations

Continued.

Type	Date Raised	Criteria impacted	Status
Key	October 2024	Financial Sustainability	Retained - and updated.

## Recommendation (KR2)

The Council must review the basis of the Asset Disposal Programme to ensure that is based on robust, appropriate and reasonable assumptions. This review must include collaborative working between the finance function and the asset disposals/property expertise to ensure that financial implications are considered in the final programme.

Furthermore, the Council should ensure transparency in its reporting around the impact of underperformance in asset disposals, budget delivery and savings targets on its day-to-day liquidity position.

## Developments in 2024/25

The Asset Disposal Programme is the means by which the Council will finance the capitalisation direction by capital receipts. A detailed asset disposal review has identified that previous assumptions were not realistic within the assumed timetable, both for financial and operational reasons. During Q4 2024/25 the pace of disposals was behind programme delivery dates and a refresh of the programme is expected to be considered by Cabinet later in the Autumn.

The July 2025 Cashflow forecast provided by management shows a cash opening balance of £13.57 million at 1 April 2025 and closing balance of (£84.04) million at 31 March 2026 without further additional debt refinancing, which means that the Council will need to borrow to fund day to day expenditure at an additional cost to the revenue account to maintain adequate liquidity. The Council does not routinely report its working cashflow forecasts to Members and should include this in future finance reports to highlight the impact of service overspending, undelivered savings and delayed asset disposals on cash flow and consequent new borrowing requirements.

## Management response 2024/25

A financial and operational review of General Fund assets was undertaken during 2024 which highlighted the need for a significant downward revision of disposal assumptions from those assumed in the 2021 debt reduction strategy. Those revised assumptions were reflected in the 2025/26 Treasury Management Strategy. However, it is recognised that further disposals will be required as part of the Council's transformation programme and emerging service delivery model. Consequently, a re-evaluation is now required of those revised assumptions as part of a wider Strategic Asset Strategy and Management Plan including both General Fund and HRA assets. This will be completed in tandem with the medium-term financial planning process and concluded by March 2026.

# Key recommendations

Continued.

Type	Date Raised	Criteria impacted	Status
Key	October 2024	Financial Sustainability	Retained - and updated.

## Management response 2024/25 (continued)

It is recognised that greater transparency in reporting of performance on asset disposals and quarterly reporting to the Cabinet Committee has now commenced. Reporting will also be reflected in the regular Treasury Management update reports to Audit and Corporate Governance Committee and Council. In addition, regular finance monitoring reports to Cabinet will incorporate the cashflow position and forecasting as part of wider balance sheet reporting (January 2026).

### Actions:

1 – Strategic Asset Strategy and Management Plan agreed (March 2026)

SRO - Executive Director for Regeneration, Housing and Environment

2 – Financial Monitoring reports to Cabinet to incorporate cashflow position, analysis and forecasting (January 2026)

SRO – Executive Director Corporate Resources

# Key recommendations

Continued.

Type	Date Raised	Criteria impacted	Status
Key	October 2024	Financial sustainability	Retained
<p><b>Recommendation (KR3)</b></p> <p>The Council must devise a transformation programme which is supported by adequate and defined funding which has the ultimate goal of the Council exiting intervention and securing its best value duty. The programme must include how the Council is addressing the recommendations raised from previous reviews or these must be tracked centrally to ensure resolution.</p>			
<p><b>Developments in 2024/25</b></p> <p>The Council has a savings programme for 2024/25 and 2025/26 to address the funding gaps identified in the short term. The Council has begun the process of developing its transformation approach but this is at an early stage. A transformation team has been established, but investment for transformation remains a key risk.</p>			
<p><b>Management response 2024/25</b></p> <p>An improvement and recovery programme was agreed by Cabinet in March 2025 and in response to the extension of the intervention in November 2024, and the existing and new directions set by Best Value commissioners. The plan maps recommendations from the AGS, Best Value Audits and Peer Review to ensure that improvement and recovery work is focused on one composite set of improvement actions.</p> <p>The Council now has set up a Programme Office to ensure that the workstreams are able to move at an appropriate pace and deliver effectively. An update on improvement and recovery was presented to Cabinet in September 2025. This work is focused on the basic improvement work to become a Best Value Council.</p> <p>The Council engaged Boston Consulting Group to develop the operating model picture and supporting analysis. They have synthesised data on the “as is” position of the Council with resident insight, including from polling, outreach and focus groups with staff and Member perspectives and benchmarked data. Their work will be integrated into the overall Transformation Plan. The recommendation is for an operating model based on an enabling Council.</p>			

# Key recommendations

Continued.

Type	Date Raised	Criteria impacted	Status
Key	October 2024	Financial sustainability	Retained

## Management response 2024/25 (continued)

**Service Improvement and Transformation Opportunities** – Alongside the above work there has also been activity undertaken by a newly formed Transformation Team to analyse data, processes and user journeys across multiple service areas to identify opportunities that can be prioritised and initiated as improvement projects to deliver cost savings, process efficiencies and improvements to resident experience.

Additionally, a paper is due to Cabinet in Autumn 2025 to set out the next stage of developing the Council's Target Operating Programme (TOM) within a comprehensive Transformation Plan. The paper will bring together the analysis and discovery work that has been completed and will recommend a clear delivery plan. The Operating Model set out will recognise the diverse services provided and phased implementation, as opposed to a top down, one size fits all approach. Additional funding will need to be identified through the budget process to support transformation delivery and enabling costs.

### Actions:

1 – Cabinet approves development of the Council's Target Operating Model within a comprehensive Transformation Plan (December 2025)

SRO – Director of Strategy, Change and Resident Engagement

2 – Transformation savings and funding to be set out in agreed Medium Term Financial Plan (March 2026)

SRO – Executive Director Corporate Resources

**Governance**

# Statutory recommendations

This section summarises progress made in relation to all Statutory recommendations relating to Governance arrangements, which were in place following our last report in February 2025. No new statutory recommendations have been added in this report.

Type	Date Raised	Criteria impacted	Status
Statutory	May 2021	Financial Sustainability & Governance	Closed

## Recommendation (SR2)

The Council should put in place robust arrangements for the production of the 2019-20 and 2020-21 financial statements and going forward, which meet statutory requirements and international financial reporting standards. In order to achieve this the Council should:

- Ensure sufficient resources and specialist skills are available to support the accounts production;
- Ensure the finance team has the skills and capacity to enable effective financial management arrangements and support the production of technically sound financial statements,
- Ensure finance officers are provided with additional training, to ensure all staff involved in the accounts production process have the necessary technical knowledge of the CIPFA Code.

Introduce appropriate project management skills to oversee the timely production of the financial statements and supporting working papers.

## Developments in 2024/25

The Council has now prepared, published and audited its 2019/20, 2020/21, 2021/22 and 2022/23 accounts and had a permanent finance team and finance leadership in place in 2024/25 and consider there sufficient progress with this specific recommendation to propose closure. The key root cause contributing to ongoing challenges affecting the Council's finalisation and publication of the 2023/24 and the 2024/25 accounts, more specifically relate to ongoing concerns around the adequacy of the Council's books and records and poor audit trail due to legacy matters **covered under Statutory Recommendation SR3 (see next page).**

## Management response 2024/25

Not required – recommendation closed.

# Statutory recommendations

Type	Date Raised	Criteria impacted	Status
Statutory	May 2021	Financial Sustainability & Governance	Retained

## Recommendation (SR3)

The Council should develop a comprehensive project plan for the preparation of the accounts which ensures that:

- the entries in the accounts are supported by good quality working papers which are available at the start of the audit
- the financial statements and working papers have been subject to robust quality assurance prior to approval by the S151 officer there is clear ownership and accountability for tasks across service areas to support the timely production of the financial statements.

## Developments in 2024/25

Following publication of the (disclaimed) final Statement of Accounts for 2022/23 in February 2025, the Council has conducted a more detailed review of historic balance sheet items following identification of legacy accounting issues during preparation of the 2023/24 accounts. The 2023/24 provisional accounts were presented to the Audit and Governance Committee on 23 July. The restated provisional accounts reflect a net adverse position on the Comprehensive Income and Expenditure Accounts of £14.750m. Further external assurance work is being commissioned prior to the publication of the draft 2023/24 accounts and the production of the 2024/25 accounts. It should be noted that the 2024/25 accounts will be the first since 2018/19 to be subject to a full external audit.

We will revisit progress with this recommendation once we have both received and audited the 2023/24 and 2024/25 accounts.

## Management response 2024/25

Whilst a comprehensive project plan for the preparation of accounts was put in place for both the 2023/24 and 2024/25 accounts, the identification of significant issues relating to 2023/24 has meant a significant delay with regard to their publication and highlights that despite the progress made, there is still much to improve upon. The absence of audited accounts for a number of years has posed significant financial risks, as highlighted by the issues identified as part of preparation of the 2023/24 statements.

The Council recognises that it requires robust financial controls and assurance mechanisms across the organisation to provide assurance of the integrity of the financial statements, and the Council's financial standing. External audit of the 2024/25 accounts will provide independent review of the progress made, but it is acknowledged significant further improvements are required to ensure adequacy of accounting records and clear audit trails for accounting entries, as well as continued review of balance sheet items. Those improvement actions form part of the Council's ongoing Finance Improvement Plan.

# Statutory recommendations

Type	Date Raised	Criteria impacted	Status
Statutory	May 2021	Financial Sustainability & Governance	Retained

## Management response 2024/25 (continued)

The detailed project plan for the 2025/26 accounts will be completed prior to the end of the financial year and will include appropriate resources to enable quality assurance reviews by senior management. (February 2026)

### Actions:

- 1 – Final statement of accounts 2024-25 (February 2026)
- 2 - Publication of detailed project and resourcing plan for completion of the 2025/26 accounts (February 2026)

SRO – Executive Director Corporate Resources

# Statutory recommendations

Type	Date Raised	Criteria impacted	Status
Statutory	May 2021	Governance	Retained

## Recommendation (SR4)

The Council should review and implement effective financial governance and monitoring arrangements for its group relationships to mitigate exposure to additional financial risk.

As a commercial entity subject to separate legal, tax and accounting considerations, there should be clear separation financial transactions of Slough Council and James Elliman Homes, in a separate financial ledger, with clear and distinct financial controls and monitoring in place for both the Council and the company.

The Council should review its overall approach to using council officers on the boards of its group companies and other similar organisations. This should be informed by a full understanding of the role of and legal requirements for company board members.

When allocating roles on Council-owned organisations to individual officers, the Council should ensure that the scope for conflicts of interest is minimised, with a clear divide between those in such roles and those responsible for holding them to account or overseeing them.

The Council should ensure it is actively and routinely monitoring the financial performance of its group entities to consider and protect any unintended financial exposure on the Council's financial position

## Developments in 2024/25

The Council has acknowledged that much more progress is required in to improve the governance arrangements for subsidiaries, recognising this as a key corporate risk. The Council's oversight has not led to a point where JEH files accounts in a timely manner, creating a risk of the company being struck off Companies House. An Options Appraisal has been deferred to October 2025.

## Management response 2024/25

The Council approved a new Part 5.9 Company / Connected Entities' Protocol in May 2025 setting out the expected reporting cycle for Council companies. This sets out the approval process, roles and responsibilities and conflict of interest protocol for council owned and connected entities. The Council does not have any elected members on its company boards and has increased the use of independent non-executive directors to bring in additional expertise.

# Statutory recommendations

Type	Date Raised	Criteria impacted	Status
Statutory	May 2021	Governance	Retained

## Management response 2024/25 (continued)

A shareholder panel has been set up and meetings diarised, with agendas. The purpose of the Shareholder Panel is to provide officer oversight of all entities where the council has an interest in, act as a liaison between the company and council and review, evaluate and challenge company and board performance to gain assurance that the entities strategic aims and objectives are being met and remain aligned to the council.

The improvement in financial governance on JEH means the Council is now clearer on the financial risks of loan arrangements and has taken steps to secure its loans whilst medium term plans are put in place to identify the future strategic direction for the company. Steps have commenced on separating the financial ledger with a company decision pending on finance system to enable transferring of balances. Taxation matters have been addressed.

For GRE5, whilst the risk of the loan not being fully repaid remains, the quantum of the risk has reduced by effective management by the board of litigation, grants and construction projects. The company is in the process of onboarding two external Non-Executive Directors.

James Elliman Homes (JEH) Limited have now filed their accounts for 2023/24 meaning that both JEH and Ground Rent Estates 5 (GRE5) are up to date with Companies House requirements. Both companies have commenced their external audit for 2024/25. Companies are expected to present their business plans for approval no later than December 2025 Cabinet.

### Actions:

1 - 2026/27 Business Plans for Slough Childrens First, James Elliman Homes and Ground Rent Estates 5 approved by Cabinet (December 2025)

**SRO** – Executive Director Children’s Services (Slough Childrens First) and Executive Director Regeneration, Housing and Environment (JEH and GRE5)

# Statutory recommendations

Type	Date Raised	Criteria impacted	Status
Statutory	July 2021	Governance	Closed

## Recommendation (SR5)

The Council should put in place arrangements to address the issues raised by the S151 officer as set out in his section 114 report. In our view the Council should:

- Report progress against the action plan to full Council at every meeting
- Support the S151 officer's root and branch review of all aspects of the Council's finances
- Invest significant extra resource in finance capacity, internal audit and risk management to ensure robust processes are brought into place across all of the Council's financial and budget management arrangements to meet statutory financial obligations.

## Developments in 2024/25

The Council has produced a Finance Improvement Plan (FIP) as the output of a detailed review of its financial position. The Council also now has mechanisms and monitoring arrangements in place to report progress regularly to Cabinet and Full Council. **Note that while this recommendation is now closed, we have raised a new Key recommendation in relation to Internal Audit (KR8) and retain a previous Key recommendation related to senior management capacity,**

## Management response 2024/25

Not required – recommendation closed.

# Statutory recommendations

Type	Date Raised	Criteria impacted	Status
Statutory	July 2021	Governance	Closed

## Recommendation (SR6)

The Council should develop a comprehensive project plan for the improvement in governance arrangements:

- Commission/learn from any external governance review undertaken with regular reporting through the Audit Committee
- Strengthen Scrutiny and Audit Committee arrangements with external support to members
- Establish a separate Finance Committee to monitor financial performance on a monthly basis.

## Developments in 2024/25

While there are significant improvements to be made to governance arrangements, the Council has developed a clear plan for improvement. The Council has undertaken a comprehensive review of its governance arrangements. The 2024/25 Annual Governance Statement identifies areas for improvement and any significant breaches of internal control as we would expect and sets an action plan. This is supported by a more effective Audit and Corporate Governance Committee and the CISC.

## Management response 2024/25

Not required – recommendation closed.

# Statutory recommendations

Type	Date Raised	Criteria impacted	Status
Statutory	February 2023	Governance	Closed

## Recommendation (SR7)

Ensure that for important (in financial or strategic terms) decisions, sufficient and adequate information is made available to members within the formal governance processes to support the decisions made, including a comprehensive business case.

## Developments in 2024/25

Based on our review in 2024/25, the Council can now demonstrate that key decisions are supported by detailed papers to ensure that sufficient challenge and debate. There is still an ongoing challenge for the Council to ensure that decisions are based on accurate and complete data, reflected in a new Key recommendation within the Improving Economy, Efficiency and Effectiveness section of this report.

## Management response 2024/25

Not required – recommendation closed.

# Key recommendations

This section summarises progress made in relation to all Key recommendations which were in place following our last report in February 2025 or that have been added in this report.

Type	Date Raised	Criteria impacted	Status
Key	May 2024	Governance	Closed

## Recommendation (KR4)

The Council should improve its governance arrangements for key decisions, made by members or made under the Council’s scheme of delegation, to ensure that decisions:

- follow the Council’s decision making procedures
- are made either by a formally constituted committee, or a Director who has delegated authority
- are supported by adequate information, which includes the full cost and risks in relation to the decision, such as a comprehensive business case
- are formally recorded and publicly available to promote openness and transparency.

For investment decisions the Council should assess that those making a decision have appropriate information to make the decision but also have the capacity and skills to make the decision.

## Developments in 2024/25

Similarly to SR7, above, we note that based on our review in 2024/25, the Council can now demonstrate that key decisions are supported by detailed papers to ensure that sufficient challenge and debate. **There is still an ongoing challenge for the Council to ensure that decisions are based on accurate and complete data, reflected in a new Key recommendation (KR10) within the Improving Economy, Efficiency and Effectiveness section of this report.**

## Management response 2024/25

Not required – recommendation closed.

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	May 2024	Governance	Retained

## Recommendation (KR5)

The Council should ensure it effectively manages Slough Children First Ltd (SCF), the wholly owned company which from April 2021 delivers its children's social care services, so that the Council is able to demonstrate that the services provide both quality and value for money services to families and children in Slough.

## Developments in 2024/25

The Company delivered well on many of its performance expectations during 2024/25 and delivered ahead of its savings proposals for the year, including repayment of its loan facility back to the Council. There are some governance matters to continue to develop, scrutiny reporting and oversight is showing progress and received positive acknowledgement from Commissioners. However, as set out above, the Council's children's social care statutory functions, including youth justice, have been delegated to Slough Children First (SCF) and the company's Chief Executive chairs the YJS management board. In January 2025, Slough YJS partnership, received an "inadequate" rating from His Majesty's Inspectorate of Probation in - only the third rating of 'Inadequate' given to a YJS since 2020. We therefore retain this recommendation pending development of an action plan in response to this aspect of the company's role.

## Management response 2024/25

The Council note that the external auditors retained this recommendation following the Youth Service Inspection Outcome and development of an action plan. Full Council approved the Slough Youth Justice Plan 2025, setting out key priorities, achievements and risks and issues. Progress against the youth justice action plan is monitored at the Youth Justice Partnership Board. In addition, the report and actions taken have been scrutinised by the SCF improvement board, then chaired by the DfE Commissioner and the Corporate Improvement Scrutiny Board. Other contractual performance indicators are reported to contract management meetings

On 16 June 2025, Cabinet received a report on the Ofsted Inspection outcomes for the fostering and Breakaway short breaks children's home, which were good and outstanding respectively.

In September 2025, Cabinet received a report on SCF Annual Report and the outcome of an external review by Mutual Ventures. The external review explicitly covers value for money, business improvement planning, financial sustainability and governance.

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	May 2024	Governance	Retained
<b>Management response 2024/25 (continued)</b>			
<p>In September 2025 Audit and Corporate Governance Committee received an annual update report on governance improvements in SCF. This included an update against the Governance Action Plan based on the Local Partnerships Guidance and an assessment against the framework in the new Constitutional Company / Connected Entities Protocol.</p> <p><b>Actions:</b></p> <p>1 – SCF Business Plan for 2026/27 approved by Cabinet (December 2025)</p> <p>2 – Review of Board Composition and Articles of Association (December 2025)</p> <p><b>SRO</b> – Executive Director Children’s Services</p>			

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	May 2024	Governance	Retained

## Recommendation (KR6)

The Council should ensure it effectively manages all its subsidiaries and winds up those subsidiaries which are not delivering value to the Council.

## Developments in 2024/25

The Council has acknowledged that much more progress is required to improve the governance arrangements for subsidiaries, recognising this as a key corporate risk. The Finance Improvement Plan sets out the Council's intent to fully review governance of subsidiaries but this has not yet been completed.

## Management response 2024/25

The Council approved a new Part 5.9 Company / Connected Entities' Protocol in May 2025 setting out the expected reporting cycle for Council companies.

Shareholder panel meetings have now been diarised, with agendas set. Progress is expected to be reported to Cabinet Committee and business plans presented to Cabinet for each company by the end of December 2025.

For JEH, accounts have now been filed to 2023/24. Whilst an interim business plan has been approved, a planned options appraisal aligned to the wider housing strategy is required. Preliminary steps have now been taken to commission this, with a view to an update being presented to Cabinet in December 2025. An external consultancy has been sourced to conclude the options appraisal for the future strategic direction of the company which is scheduled to report to February 2026 Cabinet.

For GRE5 there is an approved business plan, and this is due to be refreshed in December 2025. Two new directors have been recruited with expertise in managing a residential property holding company. Leaseholders have set up a management company and therefore focus is on ensuring warranties and liabilities are correctly novated, records are transferred, ground rent is collected and an exit strategy formulated to allow the Council to consider disposal of the company.

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	May 2024	Governance	Retained

## Management response 2024/25 (continued)

### Actions:

- 1 – Update of the housing strategy presented to Cabinet (December 2025)
  - 2 - 2026/27 Business Plans for Slough Childrens First, James Elliman Homes and Ground Rent Estates 5 approved by Cabinet (December 2025)
  - 3 – Options appraisal for strategic direction of James Elliman Homes presented to Cabinet (February 2026)
- SRO - Director Regeneration, Housing and Environment

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	October 2024	Governance	Retained

## Recommendation (KR7)

The Council and Commissioners should aim to maintain the permanence of the senior leadership team so far as is reasonably practicable. This should also include the second tier of posts.

## Developments in 2024/25

The Council has made progress in developing the stronger senior leadership it needs to increase the pace of improvement during 2024/25 but needs to ensure this is sustained. There remains work to develop capacity through the wider leadership tiers of the organisation to move plans forward.

## Management response 2024/25

Throughout the last year we have seen a permanency in Corporate Leadership Team (CLT) members, following internal promotion of a director into the position of DASS. The permanent S151 remained in post 9 months, although in post as an interim prior to this period. However this has allowed us to revisit the remit of the role, with a view to recruit permanently by close of 2026. In the tiers below, several new Directors have joined the organisation, and we have recently appointed two permanent Directors of Finance, replacing two long standing interims. Of 21 posts comprising the Senior Leadership Team, as at end September 2025, 86% (18) were filled by permanent staff, compared to 67% the previous year.

Due to the stability of the CLT, there has been an investment in group coaching, with the deployment of tools such as Strengthscope, offering the permanent team a deeper understanding of their team dynamics. For the tiers below, we continue to offer leadership development meetings once a quarter, inviting guest speakers, to engage and inspire them. For the remainder of the organisation and for anyone in a line manager position, we have partnered Bucks Academy to deliver a line manager programme, supporting managers to understand the impact of leading themselves and others through change. For all staff below line manager level, we have launched our career pathways, supporting their learning over the next 18 months with a view to supporting their development within the organisation.

## Actions:

- 1 – Review scope of Exec Director Corporate Resources role, prior to permanent recruitment process (February 2026)
- 2 – Review of 2026 staff survey results to assess improvements in leadership, trust and visibility (June 2026)

**SRO** – Director of HR and Workforce Transformation

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	September 2025	Governance	Added – new

## Recommendation (KR8)

The Council should ensure it has a fully-resourced Internal Audit function, capable of proving essential assurance challenge to the Council and of delivering a full and robust annual internal audit programme each year.

## Developments in 2024/25

Internal Audit (IA) faced major disruption in 2024/25. The Council’s previous Head of Internal Audit (HoIA) left in November 2024, with much of the programme for the year undelivered at this stage. Following this, the Council appointed an interim, external HoIA, whose arrival added impetus and clarity on the improvements and plans necessary within the IA service. This allowed a short-term plan to be delivered in Q4. As a result of the earlier lack of delivery and a number of limited assurance reports arising from the short-term plan for the remainder of the year, the new HoIA’s Annual Opinion for 2024/25 was “No Assurance”. The 2024/25 Annual Governance Statement (AGS) outlines a number of actions to stabilise the team. The absence of a fully-functioning internal audit team and insufficient coverage and delivery of assurance work in 2024/25 represents a significant weakness in arrangements during the year.

## Management response 2024/25

The Internal Audit team is currently headed by an experienced Interim Head of Internal Audit, commissioned from CIPFA, and recruitment for the permanent role will commence by November 2025. An options appraisal has been carried out to inform future service delivery and an in-house model identified as the preferred model, and this model and its resourcing was endorsed by Audit and Corporate Governance Committee in June 2025.

An Internal Audit Plan has also been presented to and approved by Audit and Corporate Governance Committee, which was informed by the Council’s risk reports and engagement with senior officers. The plan for 2026/27 will be finalised by March 2026.

Following the issuance by the interim Head of Internal Audit ‘no assurance’ opinion for the 2024/25 financial year, largely based on minimal audit coverage, that has provided significant and robust challenge to those charged with governance. 2025/26 audits completed at the mid-year was already in excess of that achieved for the whole of 2024/25, and in excess of 40 audits are forecast to be completed across the whole year. This will provide more comprehensive assurance coverage with which to inform the Head of Internal Audit’s opinion for 2025/26. The current interim Head of Internal Audit will provide the assurance opinion for 2025/26.

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	September 2025	Governance	Added – new

## Management response 2024/25 (continued)

Whilst a self-assessment has been undertaken against the GIAS standards, The Council will commission an external review before the end of the current financial year. (March 2026)

### Actions:

1 – 2026/27 Audit Plan approved by Audit and Corporate Governance Committee (March 2026)

2 – Recruitment of permanent Head of Internal Audit (March 2026)

3 – 2025/26 Head of Internal Audit independent assurance opinion reflected in the Annual Governance Statement, and reported to Audit and Corporate Governance Committee (June 2026)

SRO – Executive Director Corporate Resources



**Improving Economy,  
Efficiency and  
Effectiveness**

# Key recommendations

This section summarises progress made in relation to all Key recommendations related to arrangements for Improving Economy, Efficiency and Effectiveness, which were in place following our last report in February 2025 or have been added in this report.

Type	Date Raised	Criteria impacted	Status
Key	May 2024	Improving economy, efficiency and effectiveness	Superseded

## Recommendation (KR9)

The Council should develop its corporate oversight to ensure it delivers improvements in economy, efficiency and effectiveness and address the following weaknesses:

- Lack of understanding and cost comparisons with other similar local authorities
- Inadequate arrangements to ensure the Council effectively delivers its role within significant partnerships
- Inadequate procurement arrangements.

## Developments in 2024/25

We have updated this recommendation to reflect the Council's current progress and challenges, based on our review in 2024/25.

There an ongoing challenge for the Council to ensure that decisions are based on accurate and complete data, and robust service plans including benchmarking where appropriate (see new KR10).

Furthermore, we raise a specific Key recommendations in relation to the Council's work to oversee it contribution to key partnerships (new KR12) and its procurement arrangements (new KR14).

## Management response 2024/25

Not required – recommendation superseded.

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	September 2025	Improving economy, efficiency and effectiveness	Added - new

## Recommendation (KR10)

The Council needs to improve data quality and foster a positive culture and capacity around data quality to support robust service planning and reporting, based on high-quality data, including benchmarking.

## Developments in 2024/25

In previous AARs we have noted improvements in the Council's corporate performance reporting. However, underlying data quality and analytical capacity remain significant risks, particularly at the service level and Commissioners have expressed concern that a lack of good quality data and analytical capacity could undermine service planned or key information for decision-making, such as business cases.

## Management response 2024/25

The Council is developing a data strategy this year, guided by the Local Government Association Data Maturity Model. Key areas for decision – and then implementation – will include:

- Where responsibilities for aspects such as data quality, data analysis and data exploitation are placed in the organisation
- The skills development and performance monitoring arrangements necessary to ensure these are effectively discharged. Where process improvements, process automation and application rationalisation can eliminate multiple overlapping datasets with risk of inconsistency (data relating to Temporary Accommodation has been a significant example and a focus for process improvement: technical solutions are being assessed).

In parallel with this, work to develop the Council's technical data warehousing and analytics capabilities is in train.

Development in management dashboards is continuing with early implementation been done in Housing, Adult Social Care and the corporate performance team. This includes improving data quality. Finance related and HR data reports are now routinely sent from the council's ERP system to all budget holders enabling data quality issues to be resolved and provides data to support decision making and managing performance.

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	September 2025	Improving economy, efficiency and effectiveness	Added - new

## Management response 2024/25 (continued)

The Council has refreshed its corporate performance indicators, and these are benchmarked against relevant national data. The Corporate Performance Indicators have been refreshed to provide benchmarking data with statistical neighbours, however there may be an opportunity to further improve this. As part of their brief, as diagnostic partner working on the operating model, Boston Consulting Group undertook a benchmarking exercise with statistical neighbours.

This work is being used to instigate a more robust quarterly performance framework was agreed by corporate leadership and in September 2025. The approach and priorities have subsequently been discussed with each directorate management team, so that a first deep dive will be presented to CLT before the end of the calendar year 2025.

### Actions:

1 - Improved quarterly performance framework implemented (December 2025)

SRO – Director Strategy, Change and Resident Engagement

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	September 2025	Improving economy, efficiency and effectiveness	Added - new

## Recommendation (KR11)

The Council should develop a plan to strengthen the performance of its housing service, to meet the requirements of the Regulator of Social Housing's (RSH's) Standards. The current non-compliance with the Standards should be reflected in the Council's Annual Governance statement.

## Developments in 2024/25

Following its inspection, the RSH applied a "C3" rating, which indicates "serious failings in the landlord delivering the outcomes of the consumer standards and significant improvement is needed." The current non-compliance with regulatory standards was not noted in the Council's Annual Governance Statement for 2024/25 but we consider it is relevant to the assessment of arrangements in that year.

## Management response 2024/25

The RSH's judgement was issued on 25 June 2025. An Annual Governance Statement 2024/25 Q1 progress update was presented to the Audit and Corporate Governance Committee in September 2025, with a recommendation to include an additional recommendation in the AGS to commission an external audit of risk of fraud in the housing directorate, including considering the effectiveness of internal controls. A separate update report is being presented to the Committee on risk of housing fraud.

Other concerns raised by RSH inspection are reflected in wider recommendations, including adoption of a data strategy, improve compliance with Housing Ombudsman complaints (a standalone report is presented to Audit and Corporate Governance Committee in September 2025 on this) and a resident engagement strategy. An improvement plan has been agreed with the RSH, and progress reported monthly since July 2025.

## Actions:

- 1 – Delivery of the Year 2 Resident Engagement Strategy Action Plan (March 2026)
- 2 – Quarterly AGS update reports to Audit & Corporate Governance Committee (ongoing)

SRO - Executive Director Regeneration, Housing and Environment

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	September 2025	Improving economy, efficiency and effectiveness	Added - new

## Recommendation (KR12)

The Council should develop a plan to strengthen its leadership, oversight and contribution through partnership working in relation to the Slough Youth Justice Service, to drive the significant improvement in quality expected by HM Inspectorate of Probation and ensure the improvement required by the Council is reflected in its AGS.

## Developments in 2024/25

Following its inspection of the Slough Youth Justice Service, in which the Council is a key statutory partner, the HMIP applied an inadequate rating – only the third such rating by the inspectorate since 2020.

## Management response 2024/25

On 14th April 2025, Cabinet received a report on the HMIP inspection of Slough's Youth Justice Service, Outcome Improvement plan. On 24th July 2025 Full Council received the annual Slough Youth Justice plan, which is mandatory for all Youth Justice Services, setting out key priorities, achievements, risks and issues.

The AGS assessment for 2024/25 referenced the outcome of the Youth Justice Inspection. The action plan includes a theme of partnership governance and key actions in relation to statutory partnerships. This will provide a mechanism for progress and improvements to be reported to and scrutinised by the Audit and Corporate Governance Committee in 2025/26.

## Actions:

1 – Quarterly AGS update reports to Audit & Corporate Governance Committee (ongoing)

SRO – Assistant Director Legal and Governance

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	October 2024	Improving economy, efficiency and effectiveness	Retained

## Recommendation (KR13)

The Council should make all the necessary steps to continue to work with the Department for Education to improve performance in children’s services and SEND.

## Developments in 2024/25

Children’s Social Care in Slough is still managed by Slough Children First (SCF) and remains under Government statutory direction, ongoing for over a decade. Ofsted’s latest inspection rated the service as “Requires Improvement”, but there are positive signs of progress and the DfE-appointed Commissioner reported in March 2025 that the pathway to a “Good” rating is clearer. The Council received a ‘good’ rating from its recent Ofsted inspection of Fostering Services.

SEND services have remained under statutory intervention during the period of review. An Ofsted inspection took place in July 2025, and the final report is awaiting publication.

## Management response 2024/25

The update under KR5 covers improvements in children’s social care.

The Council has recently had an inspection of the local area arrangements for children with special educational needs and disabilities. The outcome is still embargoed. There have been quarterly reports to Cabinet on progress made against the DfE’s Written Statement of Action. The DfE have appointed a new DfE Commissioner to support this work with a refreshed Improvement Board and action plan. The latter requires an improvement in data collection and analysis to be successful. There are improvements needed to data collection and analysis and the outcome of the inspection must be taken into account to inform future improvement plans.

The budget monitor in September 2025 noted that the Dedicated Schools Grant was forecasting an overspend of £11.978m, solely relating to the high needs block and clearing the historical backlog of EHCPs. In July Cabinet received a report on the SEND Sufficiency Strategy, and it is due to receive a report on a Capital Programme for schools in October 2025.

**SRO** – Executive Director Children’s Services

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	September 2025	Improving economy, efficiency and effectiveness	Added - new

## Recommendation (KR14)

The Council should significantly strengthen its arrangements to oversee procurement and deliver value for money from when it procures and commissions its services.

## Developments in 2024/25

The Council's procurement, contract management and commissioning functions face significant challenges, with improvement progress slowing due to key personnel changes and an overreliance on key individuals. The Council does not have a procurement strategy or policy. Internal Audit returned a “partial assurance” opinion on the Council’s arrangements during the year. Commissioners have indicated that they expect to see sustained improvement and a clear trajectory of progress.

## Management response 2024/25

The Council recognises the need to significantly strengthen its arrangements for ensuring its commissioning, procurement and contract management functions contribute to the Council achieving its best value duty, and this is reflected within the Council’s emerging transformation plan, with a clear need to better align these functions. A Strategic Commissioning Board, comprising of senior officers across the Council has been set up to improve governance arrangements, and review commissioning plans with the aim of delivering more joined up thinking across the Council and with key partners. Supporting the Strategic Commissioning Board, the Council will also improve its governance arrangements for contract approval and management across the Council, including a standardised performance management framework. (December 2025).

Procurement is a significant component of the Council’s Finance Improvement Programme, using the both the Local Government Association’s Procurement Strategy for Local Government, and the Government’s Continuous Improvement Assessment Framework as a template for improvement actions and to measure progress. Whilst work to fix the foundations is in progress, significant further work is required to ensure sound procurement process and effective planning.

# Key recommendations

Type	Date Raised	Criteria impacted	Status
Key	September 2025	Improving economy, efficiency and effectiveness	Added - new

## Management response 2024/25

Development of a Procurement Strategy was delayed in order to focus resources on compliant implementation of the Procurement Act 2023, and to ensure its requirements are fully reflected in the strategy. It is now in development with a target date for approval in parallel with the medium-term financial strategy. It will align to the Council's Operating Model and the National Procurement Policy Statement priorities, delivering best value and improved social value and community benefit outcomes. (February 2026).

### Actions:

1 – Procurement Strategy agreed by Cabinet (March 2026)

2 – Medium Term commissioning and procurement pipeline for strategic contracts developed aligned to Procurement Strategy and Transformation programme (June 2026)

SRO – Finance Director (Corporate and Commercial)

# 03 Appendices

# Appendix A: Responsibilities of the Council

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Council's Chief Finance Officer is responsible for preparing the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Finance Officer is required to comply with CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



# Appendix B: Value for Money Auditor responsibilities

Our work is risk-based and focused on providing a commentary assessment of the Council’s Value for Money arrangements

## Phase 1 – Planning and initial risk assessment

As part of our planning, we assess our knowledge of the Council’s arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period.

## Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements, we will undertake further work to understand whether there are significant weaknesses. We use auditor’s professional judgement in assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

## Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations.

 **A range of different recommendations can be raised by the Council’s auditors as follows:**

**Statutory recommendations** – recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.

**Key recommendations** – the actions which should be taken by the Council where significant weaknesses are identified within arrangements.

**Improvement recommendations** – actions which are not a result of us identifying significant weaknesses in the Council’s arrangements, but which if not addressed could increase the risk of a significant weakness in the future.

## Information that informs our ongoing risk assessment

Cumulative knowledge of arrangements from the prior year	Key performance and risk management information reported to Cabinet or full Council
Interviews and discussions with key stakeholders	External review such as by the LGA, CIPFA, or Local Government Ombudsman
Progress with implementing recommendations	Regulatory inspections such as from Ofsted and CQC
Findings from our opinion audit	Annual Governance Statement including the Head of Internal Audit annual opinion

# Appendix C: Follow up of 2023/24 improvement recommendations

This page summarises the improvement recommendations previously raised in relation to the Council’s arrangements in 2023/24 and provides a management update on implementation.

## Improvement recommendations

	Criteria impacted	Recommendation
IR1	Governance	The Council should include the follow up of internal audit actions and recommendations at every directorate leadership team meeting (DLT) as well as Corporate Leadership Team (CLT).
IR2	Governance	The Council should: <ul style="list-style-type: none"> <li>ensure the Audit and Corporate Governance Committee considers how it has complied with the mission statement and improves the level of reporting in the annual self-assessment of its effectiveness using the CIPFA (2022) guidance on audit committees;</li> <li>develop an appropriate training programme for audit committee members to be delivered in a timely and meaningful manner;</li> <li>ensure that the audit committee remains apolitical and does not overlap with the roles of other committees e.g. scrutiny.</li> </ul>
IR3	Improving economy, efficiency and effectiveness	The Council should create a Procurement Strategy to set the strategic direction of the procurement function in relation to its organisational support role.

## Management response

**IR1** – Outstanding audit actions are expected to be considered at each “assurance” Directorate Leadership Team (DLT) and the Head of Audit provides a regular monthly update on all internal audit matters, including progress against outstanding actions, to the Corporate Leadership Team (CLT). Progress reports for services areas are also reported regularly to Audit and Corporate Governance Committee.

**IR2** – The Audit and Corporate Governance Committee reports on its activities annually, in line with its Terms of Reference, and that for 2024/25 was considered in June 2025. It contains the self-assessment which is undertaken in accordance with the CIPFA guidance. The report sets out the annual training programme for 2025/26. Significant progress has been made over the last 18 months to ensure the Committee fulfils its function on a cross-party basis and avoids duplication with other committees.

**IR3** – This is addressed under KR14 above, and the Procurement Strategy is scheduled for approval by March 2026 (Finance Director Corporate and Commercial).



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