

Slough Borough Council

Report To:	Audit and Corporate Governance Committee
Date:	11 March 2026
Subject:	Annual Governance Statement 2024/25 – End of Year Progress Update
Chief Officer:	Will Tuckley – Chief Executive
Contact Officer:	Sarah Wilson – Assistant Director – Legal and Governance
Ward(s):	All
Exempt:	No
Appendices:	Appendix 1 – End of Year Progress Update - AGS 2024/25 Action Plan

1. Summary and Recommendations

1.1 This report presents the end of year progress update against the actions set out in the Annual Governance Statement 2024/25 (AGS).

Recommendations:

Committee is recommended to:

- (a) Review, comment and note progress against actions in the AGS 2024/25 Action Plan.

Reason:

Good corporate governance is an essential in any organisation, but in particular in public sector bodies. Significant governance failings attract huge attention and inevitably lead to expense being required to correct the failings. Local authorities are complex organisations and vitally important to taxpayers and service users. It is necessary to have in place effective systems, people and culture to meet the highest standards and ensure that governance is sound and seen to be sound.

Commissioner Review

This report is outside the scope for pre-publication commissioner review; please check the [Commissioners' instruction 5 to CLT to sign off papers](#) for further details.

2. Report

Introductory paragraph

2.1 Slough Borough Council is responsible for ensuring that its operations are conducted in accordance with the law and proper standards, that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. To achieve this the Council should ensure its governance framework supports a culture of transparent decision making.

Options considered

1. **Present an end of year progress update to Committee.** This is the **recommended option**. The Council has received updates on progress against actions throughout the year for the two previous years and the CIPFA guidance recommends that the annual governance assessment contains details on progress on the previous year's action plan.
2. **Do not report progress in public to Committee.** This is **not recommended** as it deprives the committee of receiving an end of year update prior to the governance assessment being presented for 2025/26.

Background

2.2 The AGS 2024/25 Action Plan contains 50 actions under 12 governance themes. The Action Plan has been updated to reflect the updated external auditor recommendations.

2.3 The AGS should be used as a key improvement tool, ensuring that issues are captured, lessons learned are properly disseminated and will assist the Council to improve its corporate governance.

2.4 Appendix 1 contains a progress update against actions. The RAG rating is based on the level of risk that the action will not be fully completed during the financial year. It is not uncommon for the RAG ratings to contain more red and amber ratings earlier in the year. There is also a significant risk that some of the actions require work to take place over multiple years and therefore even if good progress is made during the financial year, it may not be sufficient to remove the action from a future AGS. The RAG ratings are summarised below:

Date	Red	Amber	Green	Complete	Unknown / Additional
Quarter 1 update - September 2025	21	22	6		2
Quarter 2 update – November 2025	12	21	16	1	
		Orange – area of focus	Purple – substantial completion	Blue - Complete	
End of Year Progress Update		31	11	8	

2.5 Those marked blue or purple are areas where further improvements are likely to move to business as usual activity, although in a couple of areas it is anticipated that the annual assessment may lead to new actions linked to the service area. Those marked orange mean the action will continue to be an area of focus in a future AGS action plan. This does not mean that progress has not been made and in some areas progress has been satisfactory, but some of the areas require multi-year activity to demonstrate satisfactory progress.

2.6 The broad areas from the 2024/25 action plan that will continue to be area of focus in a future action plan are:

- Compliance with CIPFA's Financial Management Code. Following work to set a three year MTFs, the finance team now have capacity to focus on the Finance

Improvement Plan and embed further improvements to processes to meet the requirements of the Code.

- Workforce planning within finance – the directorate is still reliant on interim capacity across the directorate, despite significant improvement in resilience at a senior level.
- Accounts closure processes – with the accounts closure being up to date, the team can focus on the 2025/26 accounts to ensure a full audit in a timely manner. This will be a significant achievement, however focus will need to remain on this area to ensure appropriate resources both to produce the accounts and to support the audit.
- Reviewing the budget setting process and medium-term financial strategy to increase scrutiny and resident engagement activities. It is positive that a medium-term financial settlement from central Government can allow the Council to plan over the medium-term. The Council needs to ensure strong management of the budget throughout the year to avoid the situation in 2025 when overspends were identified and required mitigation late in the year and the budget setting process for 2025/26 commenced later than envisaged, leading to a lack of opportunities for member and resident engagement.
- Reserves position – whilst the Council has approved a new reserves strategy, this requires the Council to replenish its reserves and it is still reliant on exceptional financial support to do so. The Council will need to remain focused on prudent financial management to deliver its aim of not being reliant on Government support from 2028/29.
- Democratic governance improvements – further work is required to improve the quality of reports to members and to improve timeliness of publication. There is an improved process of reviewing the forward plan and individual reports at member and CLT level, however further work is required to understand the barriers to meeting statutory deadlines and whether urgency procedures are being used appropriately. This also requires a review of the number and type of reports being presented to members. This leads into a review of internal boards, including boards with elected members involvement and to an audit of officer decision-making reports to ensure compliance with statutory and constitutional requirements and the level of officer decision.
- Member development – a member development programme update was provided to Standards Committee, however a better system to capture feedback and impact would assist in evaluating the success of training and development activity. Work on this next year should focus on a member development programme to support elected members following the May 2027 election. Linked to this is an analysis of the effectiveness of support and training for officers to ensure that they are operating effectively in a politically led organisation. There is a natural link here to the role of the Standards Committee and how it is assessing its effectiveness.
- The Council's approach to scrutiny has been an area of focus for some time, with changes in chairing and membership leading to changes in approach. The single committee is meeting frequently alongside informal briefings, however there remains dissatisfaction with members in relation to its effectiveness. A review by the Centre for Governance and Scrutiny will assist with identifying further improvements.
- There remains a lack of transparency on approval and review of statutory policies, although improvements have been made in-year.
- Transformation programme – due to the scale of the programme and issues in the past with delivery of such large scale programmes, it is recommended that this remains an area of focus to ensure that improvement activities are aligned and managed and there is proper member oversight on delivery and cost. This activity

links with improvements required on service planning and business case development.

- Property asset management – the Council needs to consider the use of its physical assets and ensure this fits with its new operational model and opportunities to reduce the size of its estate are considered. In addition it needs to ensure it has information on the condition of its stock to inform an asset management plan.
- Company governance has been an area of focus for some time. There have been improvements this year to internal governance and member reporting, however setting a medium term strategy for specific companies has been a challenge, alongside getting into a cycle of performance reporting and ensuring clarity on roles and responsibilities.
- Risk reporting has improved in recent years, however this is fragile with reliance on a single, interim officer and a need for a refreshed strategy. A particular area of concern in relation to risk management has been lack of a corporate system for both emergency planning and business continuity. A further area of concern is around effective management of fraud risks. These areas will remain a focus in future.
- Information governance has been an area of concern previously, however significant improvement has been made. A future focus will be on FOI and SAR compliance including learning from other authorities on approach to respond to increased volumes, partly due to increased use of AI. Use of data to inform decision-making, whilst not specifically an information governance issue, is an area of focus and requires appropriate systems and reporting mechanisms to be in place.
- DSG and SEND service delivery have been areas of focus and whilst there is improved reporting to members, these will remain an area of focus with the outcome of the local area inspection known
- Procurement and contract management have been an area of focus following internal audit reports. The Council has yet to adopt a Procurement Strategy and despite having an approved procurement pipeline, there are still issues with contracts being extended due to lack of time to run a competitive process. A procurement pipeline and forward plan is reliant on a comprehensive understanding of existing contracts and an up to date contracts register is required to ensure compliance with the Procurement Act. This will continue to be an area of focus.
- Use of capital – the Council has an internal board for review of capital projects, however this committee asked for assurance on appropriateness of spend and approval and oversight of projects and assurance has not yet been forthcoming, therefore this will remain an area of focus.
- External partnerships allow the Council to work as part of a wider system. There are examples of good practice, however as changes are made to other parts of the public sector, ensuring that these partnerships are effective and that there is public member oversight of this is important to demonstrate good governance.

3. Implications of the Recommendation

3.1 *Financial implications*

3.1.1 There are no direct financial implications resulting from this report. However, a failure to respond to actions in the AGS is likely to result in a failure of financial governance and a risk that the Council makes decisions that are not in its financial interests.

3.2 *Legal implications*

3.2.1 There is a legal requirement to prepare an AGS and for this to be incorporated in the Council's financial statements.

3.2.2 The Council has a best value duty under the Local Government Act 1999 and this includes making arrangements to secure continuous improvement in the way in which its functions are exercised. The draft best value guidance states that authorities should be transparent in their AGS about how they are delivering improvements over time against any recommendations, including those made by external parties. A characteristic of a well-functioning authority is one whose AGS is prepared in accordance with the CIPFA / SOLACE Good Governance Framework, is the culmination of a meaningful review designed to stress test both the governance framework and the health of the control environment.

3.3 *Risk management implications*

3.3.1 The AGS is a statutory document. Failure to respond to the action plan could increase the risk of financial exposure as a result of poor decision-making and lack of action to make improvements. The quarterly review allows members to question officers on progress and to consider whether focus and resource should be allocated differently. The Committee is permitted to report to other member bodies if it is concerned about lack of progress.

3.3.2 Several of the matters highlighted in the action plan also appear on the Council's corporate risk register. Members should review this document to establish whether appropriate mitigations are in place.

3.4 *Environmental implications*

3.4.1 There are no environmental implications as a result of this report.

3.5 *Equality implications*

3.5.1 Improvement in the control environment will ensure that decisions are informed by evidence. This should include information on impact on residents and service users with protected characteristics. One of the actions relates to resident engagement and progress includes engagement on equality objectives and updates on engagement activities and strategies with key groups, including older persons, carers, people with learning disabilities, children and young people and housing tenants.

4. Background Papers

None