Slough Borough Council

Report To:	Audit and Corporate Governance Committee
Date:	22 July 2026
Subject:	Audit and Corporate Governance Committee - Annual Report 2025/26
Chief Officer:	Sarah Wilson, Monitoring Officer
Contact Officer:	Sarah Wilson, Monitoring Officer
Ward(s):	All
Exempt:	NO
Appendices:	Appendix A – Draft Annual Report of the Audit and Corporate Governance Committee

1. Summary and Recommendations

1.1 This report sets out a draft annual report for the Audit and Corporate Governance Committee for the committee to consider and approve. The report will be presented to Full Council and follows a self-assessment by the committee.

Recommendations:

1.2 The Audit and Corporate Governance Committee is recommended to:

- Consider and approve the draft report for submission to Full Council for noting.

Reasons

1.3 The committee's function is critical to the Council, helping it to achieve its objectives by evaluating the effectiveness of governance, risk management and internal control arrangements and promoting good corporate governance. Reviewing what has gone well and what areas there are for focus in the new municipal year are an important part of the committee's role.

1.4 To inform this annual report, committee members for the committee in 2025/26 were invited to a self- assessment workshop, utilising CIPFA evaluation toolkit. This assessment has been used to inform the training and work programme for this municipal year.

Commissioner Review

The primary purpose of the Audit and Corporate Governance Committee's Annual Report to the Council, is to provide assurance that it fulfils its purpose and can demonstrate its impact.

The work of the committee is built on its membership, understanding their role and remit in the governance structure, and intrinsically the culture within the wider Council. The report illustrates that the committee has made good progress in 2025/26 in addresses prior-year weaknesses, demonstrating a positive trajectory by transforming how it works and its focus on the Council's improvement journey. Systemic governance and control weaknesses remain in the Council and will require ongoing rigorous monitoring. The committee in 2026/27 will need to sustain the progress made, drive continuous improvement and added value.

Background

1.1 On an annual basis, the Audit and Corporate Governance Committee should report on their activities during the municipal year including consideration of the areas that they will focus on in the next year too. The Committee's Terms of Reference state that to ensure accountability the Committee should publish an annual report on its work.

1.2 CIPFA has produced guidance and an evaluation framework to assess the impact and effectiveness of an audit committee. This guidance states that the effectiveness should be judged by the contribution it makes to and the beneficial impact it has on the Council's business. Since the Committee is primarily an advisory body, it can be more difficult to identify how it has made a difference. Evidence of effectiveness will usually be characterised as "influence", "persuasion" or "support". Committee members were also asked to complete individual self-assessments.

1.3 The framework includes ten key principles to inform the evaluation and suggests questions in relation to how proactive the Committee is in seeking assurance and responding to aspects of governance, risk, control and audit that need change or improvement.

1.4 The report contains details of attendance of committee members at formal meetings and training events. There has in general been an improvement in attendance, with all but one member attending at least 50% of meetings and good cross party attendance. Group leaders have been reminded of the knowledge and skills required of committee members for this committee and the nominations for the committee in 2026/27 provide a good mix of new and existing committee members, as well as new members, including co-opted members, with relevant experience.

1.5 Some of the issues and next steps for this year's work programme include:

- Ensuring the leader and cabinet members attend committee when required to show ownership of governance issues and understanding of risks.

- Require annual assurance report for each owned entity to improve company governance.

- Consider how the council is gaining assurance on the effectiveness of external partnerships, including corporate entities, joint ventures and joint committees.

- Increased reporting on procurement, including reporting on use of waivers and no compliance with contract procedure rules.

- Ensuring senior officer attendance from directorates with corporate risks to allow committee oversight and assurance on how risks are being managed. This could include "deep dives" into key risks, with lead member and senior officers in attendance.

- Ensure reporting on corporate assurance systems, tested against best practice elsewhere. This can link to updates on the annual governance statement action plan.

- Receive external assurance on the effectiveness of internal audit function and assurance that the service is conforming to GSIAS standards.

- Ensure regular reporting on assurance for the transformation programme, including use of capital funding.

- Ensure assurance reporting on effectiveness of anti-fraud mechanisms, considering how such assurance is provided taking account of the fact that this is managed by the Head of Internal Audit and therefore another form of assurance may need to be sought.

1.6 Committee members now have the opportunity to review the draft annual report, which includes a draft work programme and training schedule and recommend it to Full Council for noting. It is accepted that the work programme and training plan are draft plans and are likely to evolve and adapt over the year.

3. Implications of the Recommendation

3.1 **Financial implications**

3.1.1 There are no direct financial implications to this draft annual report

3.2 **Legal implications**

3.2.1 The work and effectiveness of the Audit and Corporate Governance Committee is critical to the Council's improvement journey and to it meeting its best value duty. As stated in its Terms of Reference, the Committee is a key component of the Council's corporate governance. It should provide an independent and high-level focus on the audit assurance and reporting arrangements that underpin good governance and financial standards.

3.3 **Risk management implications**

3.3.1 Having in place an annual review process of the work of the committee ensures there is an opportunity to consider any improvement and learning opportunities for the future. This guards against the potential failure to operate an inadequate governance and control framework.

3.4 **Environmental implications**

3.4.1 There are no direct environmental implications in this report.

3.5 ***Equality implications***

3.5.1 *Section 149 of the Equality Act 2010 requires public bodies to have due regard to the need to:*

- eliminate unlawful discrimination, harassment, victimisation, and any other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and people who do not share it; and

- foster good relations between people who share a protected characteristic and people who do not share it.

Background Papers

None