Slough Borough Council

Information needed	Details
Report To:	Audit and Corporate Governance Committee
Date:	22 July 2026
Subject:	Finance Improvement Programme Update
Chief Officer:	Ian O'Donnell, Chief Operating Officer
Contact Officer:	Vicki Palazon, Finance Consultant – FIP and Companies
Ward(s):	All
Exempt:	NO
Appendices:	Appendix A – Evidence supporting reported progress Appendix B – Project progress tracker

1. Summary and Recommendations

1.1 This report provides the Committee with an update on progress made on the Finance Improvement Programme since the previous report considered in November 2025. It summarises the current position of the programme, the principal areas of progress achieved, the key delivery challenges that remain and the next steps required to maintain momentum and embed improvement.

Recommendations:

Committee is recommended to:

a) Note the progress made on the Finance Improvement Programme since the report presented to the Committee in November 2025.

Commissioner Review

The Finance Improvement Programme is an iterative medium to long term programme with milestones and actions required to rebuild systems, strategies, procedures and practices. The programme is of significant scale with many of the workstreams interrelated but mutually self-supporting.

A strong project approach has been taken, to address the urgent elements required to re-build financial discipline, credibility and reliability of financial information across the Council. A robust framework has been developed to monitor progress and provide oversight to senior leaders, members and commissioners. The self-assessment indicates that incremental progress continues to be achieved and the programme has delivered several substantial milestones since its commencement. However, the overall control environment still has weaknesses requiring sustained improvement.

Commissioners note the progress made and recognise the importance of this programme in the Council's improvement journey. Further work is required to achieve regulatory compliance, improve financial data quality and develop a strong financial culture across the Council. With a programme of this scale, continued prioritisation will be required to prevent there being an unmanageable volume of actions, leading to resource overextension and diluted accountability. The right focus will be required (systems, people and process), learning from others, with a culture of no complacency and greater accountability.

A fundamental risk for a council that has significant financial challenges is that the investment, resourcing and discipline required to deliver the improvements, are overlooked or underestimated. It is essential that the priority work is appropriately resourced and supported across the Council, changes sustained and embedded to provide confidence as the Council moves forward.

Commissioners are content for this report to be considered, noting that independent assurance on areas of this programme will follow from internal and external audit, and external reviewers. These will provide objective evaluations and additional assurance on whether the programme has achieved the desired impact and sustained benefits.

2. Report

Summary

2.1 Since November 2025, the overall direction of travel has remained positive with 34 projects characterised into nine core themes and having been prioritised to deliver first on regulatory and legal compliance, then financial management improvement and finally financial health.

2.2 Progress has been made in strengthening financial reporting, treasury management, budget monitoring, risk management and programme oversight. However, progress has not been uniformed across all projects, with some projects remaining static during periods of peak operational activity reducing operational capacity to support projects, projects where technical specialist support has completed further diagnostics and projects subject to governance and decision-making. These risks have now been identified, escalated and monitored more systematically than was the case at the time of the previous report, providing stronger management grip and clearer visibility of areas requiring intervention.

2.3 Programme management arrangements have continued to mature. This has included clearer project scoping, improved project controls, regular highlight reporting, strengthened risk and issue management and greater visibility of delivery dependencies. Additional programme management capacity has also been introduced, supporting a more structured approach to planning, monitoring and escalation. Collectively, these changes have strengthened assurance over delivery by improving the quality of reporting, clarifying accountabilities and increasing confidence that delivery risks are being identified and managed in a timely way.

2.4 Between the reporting periods, three projects have been formally closed by the Finance Improvement Board. Project closure reports provide a summary of the project, objectives and deliverables with tracked evidence, delivery against key recommendations and action plans, lessons learned, future steps and continuous improvement and recommendations for closure supported by any activity, risks or issues that transition to operational practice. Closure reports provide a strong framework and handover from project management to business as usual.

Progress by key theme

2.5 This section of the report provides progress of projects within the key themes. Further detail can be seen in appendix A. Appendix B provides a visual project progress through a GANNT chart by mapping timelines and project status.

1. **Financial Planning and Budget Setting**

   Further progress has been made in strengthening the council's medium-term financial planning framework. A balanced budget for 2026/27 has been developed, supported by an updated Medium Term Financial Strategy, clearer assumptions, strengthened governance and improved alignment between reserves, debt planning and wider financial strategy. This includes an approved capital strategy and debt repayment strategy. Treasury management arrangements have also improved, with stronger reporting, clearer roles and responsibilities and enhanced use of cashflow information to support operational and strategic decision-making.

2. **Financial Business Partnering and Budgetary Control**

   Since November 2025, monthly reporting and management information for budget holders has improved, alongside the development of more structured savings monitoring. This has strengthened visibility of financial pressures, performance and delivery of savings plans. While further work is required to embed best practice consistently across the organisation, the council is in a stronger position than it was in late 2025 to identify variances earlier, improve accountability and support a more strategic business partnering model. Work is underway to ensure that the respective responsibilities of Finance, Directors and Budget holders are clearly expressed, understood and reinforced, as the basis of future training.

3. **Revenues and Benefits Transformation**

   Strong progress made in areas with 28 actions completed and a further 18 in progress. Customer journey improvements have been observed, and feedback from DWP on the action plan is positive. Work undertaken to standardise processes and introduce quick win's is resulting in improved outcomes for customers and the service have logged a formal compliment within the reporting period.

4. **Systems, Controls, Reconciliations, Policies and Procedures**

   Progress has continued in strengthening the council's control environment. Work on reconciliations, balance sheet assurance, procurement controls, cost centre management and management reporting has moved forward, supported by recommendations arising from previous external reviews and internal assurance work. Development of finance system and related processes remains a significant component of the programme. While this area continues to carry delivery risk, there is now clearer understanding of the scale of work required, a more structured improvement approach and stronger alignment between technical solutions, control requirements and service processes.

5. **Final Accounts and Financial Reporting**

   One of the most significant areas of progress since November 2025 has been the continued recovery in financial reporting and accounts production.

The council has continued to publish and progress multiple years of accounts, with the final set of backlog accounts for 2024/25 published in February 2026 prior to the statutory backstop date set by government.

Since then, work switched to producing the 2025/26 accounts which was published by the 30 June statutory deadline following a review by the Commissioner and S151 Officer. Work progressed well against the timetable which incorporated an external review from sector experts sought on challenging areas such as the HRA, collection fund, schools, group accounts and financial instruments.

Alignment of the Annual Governance Statement and strengthened disposals monitoring have also contributed to the wider improvement in financial governance.

6. Procurement and Contracts

An external specialist was commissioned to deliver a diagnostic piece of work to assess the strengths and weakness of the current procurement processes across the Council and how they align with best practice.

The output was an improvement plan for a fundamental reset to establish a clearer operating model, commercial governance and assurance framework, enhancing capability and increasing support for contract management.

This was completed in April 2026 with a detailed plan for the implementation of 25 recommended actions including what is required to deliver them, how long it will take and whether specialist resources are required to enable delivery.

Internal engagement with procurement leads, DLT and CLT's is planned for July 2026 to ensure the benefits of the improved procurement service is shared with the wider Council so they can see how it will benefit the wider Council and ensure value for money is at the forefront of all procurements.

7. Culture, Capability and Resourcing

Training, awareness and resourcing activity has also continued across finance and wider services. Although organisational culture change and sustainable capacity remain medium-term challenges, the programme is helping to establish a firmer foundation for accountability, financial awareness and improved governance behaviours.

8. Risk Management and Value for Money

Risk management is starting to mature, with clearer corporate and programme-level reporting and a stronger framework for identifying, escalating and monitoring issues. This is providing a firmer basis of assurance that finance improvement activity is appropriately linked to governance, internal control and value for money expectations, and that areas of residual risk are more visible to management and Members.

Value for Money external audit recommendations actively managed through project management including the agreed actions and an internal assessment framework designed around the external audit annual report. Regular reporting provided to the leadership team and Finance Improvement Board. Actions include short, medium and longer term action to discharge recommendations.

9. **Companies and Group Governance**

Since November 2025, governance of council-owned companies has become more structured, including clearer reporting cycles, strengthened oversight and continued development of company-specific plans and decision points. Cabinet approved an exit strategy for GRE5 in March 2026 and approved preparing a business case on two options for JEH at their Cabinet meeting in June 2026.

Closed Projects

2.6 The following three projects have been completed during the period:

Theme and Project	Project Objectives	Notable Achievement
Final Accounts and Financial Reporting Project 15 Disposals Review and Monitoring Fixed Asset Register Closure Report	✓ 15.1 Identify and prioritise council-owned assets for disposal ✓ 15.2 Dispose of assets in line with council policy, legal requirements and best value principles ✓ 15.3 Dispose of assets in line with council policy, legal requirements and best value principles ✓ 15.4 Revised assessment of Disposal Strategy and Programme to create new baseline ✓ 15.5 Confirm to Finance when the Fixed Asset Register can be updated ✓ 15.6 Commissioner visibility of Disposals Programme performance	To date the council has recognised £227.8m of GF disposal receipts in the Statement of Accounts against the Capitalisation Direction. A further £79.4m of GF sales are expected over the 3 years of the MTFS (2026/27 – 2028/29).
Risk Management and Value for Money Project 36 Adequacy of Insurance Assurance	✓ 36.1 Conduct a comprehensive review of current insurance requirements and risk financing to optimise the insurance programme ✓ 36.2 Carry out optimisation analysis of our current insurance programme to identify actual needs or risks ✓ 36.3 Update report on broker appointment process ✓ 36.4 Make strategic recommendations for future policy coverage and procurement ✓ 36.5 Establish assurance processes and monitoring controls ✓ 36.6 Engage stakeholders in the review and future requirements	For the first time since 2019, the Council competitively retendered its insurance programme, strengthening assurance and securing a circa 25% reduction in premiums compared with FY2025/26, delivering significant value for money while ensuring

Theme and Project	Project Objectives	Notable Achievement
	✓ 36.7 Final Project Closure Report	appropriate cover aligned to its insurable risk
Financial Planning and Budget Setting Project 16 – Treasury Management	✓ 16.1 Review and update the Treasury Management Strategy, policies, and procedures ✓ 16.2 Review and update Treasury Management Practices (TMPs) and oversight framework ✓ 16.3 Review adequacy and quality of reporting ✓ 16.4 To ensure roles and responsibilities are clearly documented and understood. Treasury Management ways of working guide ✓ 16.5 Align processes and governance framework with CIPFA standards ✓ 16.6 Treasury Management training (Staff) ✓ 16.7 Forecasting cash flow guidance and roles and responsibilities ✓ 16.8 Management of accounting reconciliation (accurately and on time-monthly monitoring report) ✓ 16.9 Recommendation GT KR1: Updated Treasury Management and Debt Repayment Strategies	The project embedded a compliant, transparent, and well-governed Treasury Management function, delivering sustained alignment with CIPFA Treasury Management and Prudential Codes.

Conclusion

2.7 In summary, the period since the Committee report in November 2025 has seen tangible progress across the Finance Improvement Programme and a strengthening of the assurance framework supporting delivery. The programme is operating with stronger oversight, a clearer delivery structure and increasing evidence of implementation across the key improvement themes. While a number of projects remain in progress and some milestones have slipped, there is greater transparency over delivery risk, clearer management action to address areas of slippage and a firmer basis on which the Committee can take assurance from the programme’s direction of travel.

2.8 The Finance Improvement Programme continues to deliver tangible incremental improvements working towards control and grip whilst continuing activity for medium and longer term requirements to deliver best practice in financial management, financial resilience and longer term sustainability. This includes the longer term aspiration to provide statutory accounts with an unqualified opinion and demonstrate value for money.

3. Implications of the Recommendation

3.1 Financial implications

3.1.1 There are no direct financial implications included within this report. The Finance Improvement Plan is a component of the council's overall improvement plan and funded as part of approved Transformation allocations.

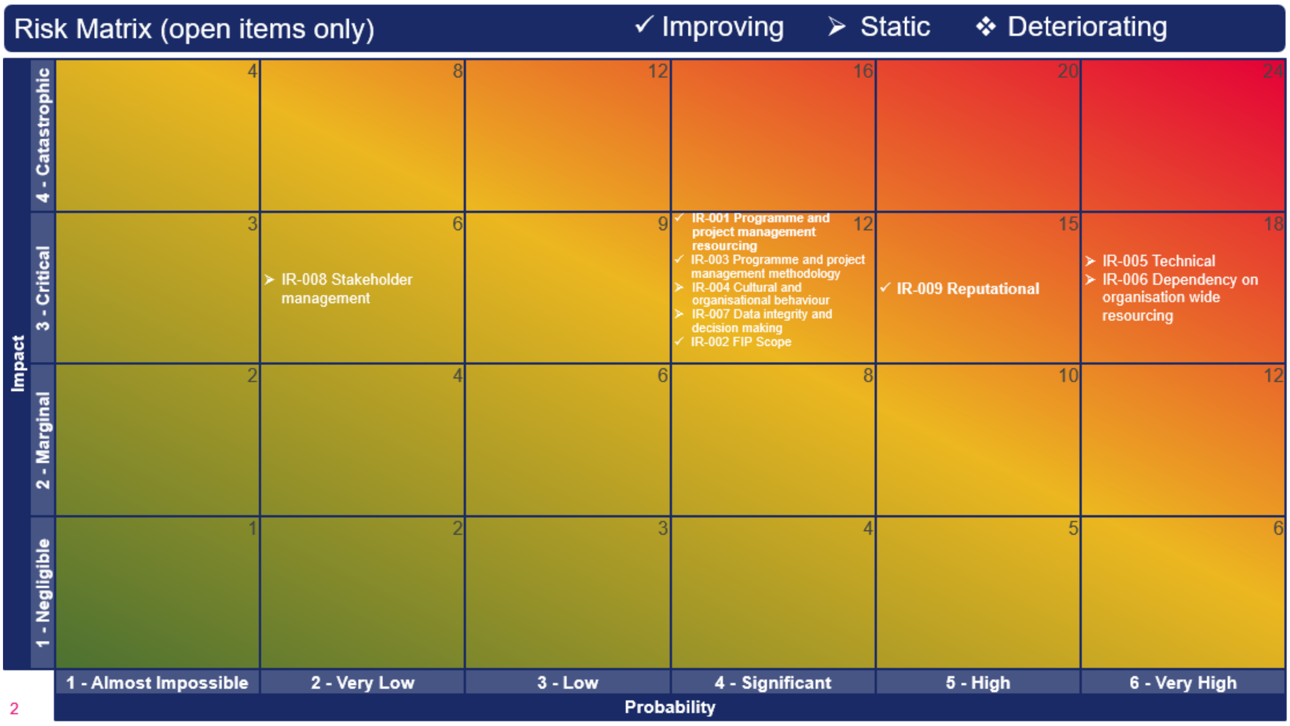
3.2 Legal implications

3.2.1 The Minister of State for Local Government and English Devolution confirmed in a written statement that the council would remain under intervention until 30 November 2026, with the reappointment of the Commissioner team and appointment of a Managing Director.

3.2.2 Within the government issued Directions issued by the Minister under the Local Government Act 1999, the council was required to undertake actions which include the improvement of financial resilience and sustainability. The Finance Improvement Programme is therefore an essential part of the council's improvement journey.

3.3 Risk management implications

3.3.1 With the maturing programme management, programme risks are proactively managed through programme management and the Finance Improvement Board. All risks have owners, a control strategy and approach, and measured from inherent risk, current risk and residual risk scoring. The matrix below provides the current risk in the reporting period ending May 2026 and compares direction of travel between the April and May Finance Board meetings.



3.4 Environmental implications

3.4.1 There are no environmental implications.

3.5 Equality implications

3.5.1 There are no equality implications.

4. Background Papers

None

Appendix A – Evidence supporting reported progress

This appendix summarises the principal sources of evidence supporting the progress reported to the Committee since November 2025. It is intended to provide a clear line of sight between the narrative update in the main report and the documentation, outputs and governance activity that underpin the Committee's assurance.

Area of progress	Evidence available	Status of evidence	Assurance relevance
Financial reporting and final accounts	Publication of multiple sets of accounts; year-end timetables; accounts production plans; liaison with external audit; Annual Governance Statement alignment.	Evidence in place, with further documentation continuing to be updated for 2025/26.	Demonstrates improved financial reporting discipline, statutory compliance and stronger external assurance.
Treasury management and financial planning	Approved Treasury Management Strategy; Medium Term Financial Strategy; reserves and debt planning documentation; improved cashflow reporting.	Evidence in place through approved reports and operational outputs.	Supports assurance over budget credibility, treasury governance and financial resilience planning.
Budget monitoring and savings management	Monthly budget monitoring reports; budget holder reporting packs; savings tracker; supporting guidance and management review processes.	Evidence in place, with improvement activity continuing.	Provides assurance that financial pressures, variances and savings delivery are being monitored more systematically.
Revenues and Benefits transformation	Action plan that aligns with the Department for Work and Pensions (DWP) recommendations and industry best practice.	Evidence in place through a fully tracked action plan, with improvement activity continuing.	Demonstrates strengthened income collection, recovery processes, and transactional resilience by transforming the revenue and benefits service.
Systems, controls and reconciliations	Reconciliation dashboards; control changes in cost centre management and procurement approvals; management reports; internal control improvement actions; Finance system development outputs.	Partially complete, with some evidence already embedded and further work ongoing.	Supports assurance that the control environment is strengthening and that historic weaknesses are being addressed.
Risk management and value for money	Programme risk register; corporate and programme risk reporting; risk framework documentation; audit recommendation tracking;	Evidence in place and continuing to mature.	Demonstrates clearer identification, escalation and management of risk, alongside

Area of progress	Evidence available	Status of evidence	Assurance relevance
	CIPFA Financial Management Code self-assessment and action plan. Fully tracked Value for Money external audit recommendations actively managed through project management including the agreed actions and an internal assessment framework designed around the external audit annual report.	Regular reporting provided to the leadership team, Finance Improvement Board and Committee.	broader governance and value for money assurance.
Procurement governance	Procurement compliance reporting; contract register updates; Procurement Act implementation activity; diagnostic outputs and improvement planning.	Mixed position, with some evidence established and further outputs still in development. (Diagnostic draft report May 2026)	Provides assurance that procurement governance is improving, while also highlighting areas where further evidence is required.
Companies governance	Shareholder Panel reporting cycle; company-specific plans; governance protocols; company accounts and related reporting.	Evidence in place, with some linked decisions still subject to wider programme timescales.	Supports assurance over oversight of council-owned companies and the management of associated financial and governance risks.
Programme governance and delivery controls	Project initiation and scoping documents; highlight reports; risk and issue logs; change control records; programme management capacity and reporting arrangements.	Evidence increasingly in place, though consistency continues to improve across all projects.	Provides assurance that delivery is being managed through a more disciplined and transparent programme framework.
Training, culture and capability	Training plans, delivered sessions, guidance materials, awareness activity and related programme outputs.	Evidence in place for activity undertaken, with longer-term impact still to be evidenced over time.	Supports assurance that the programme is addressing sustainability of improvement and organisational ownership, not solely immediate technical fixes.

Appendix B – Project progress tracker

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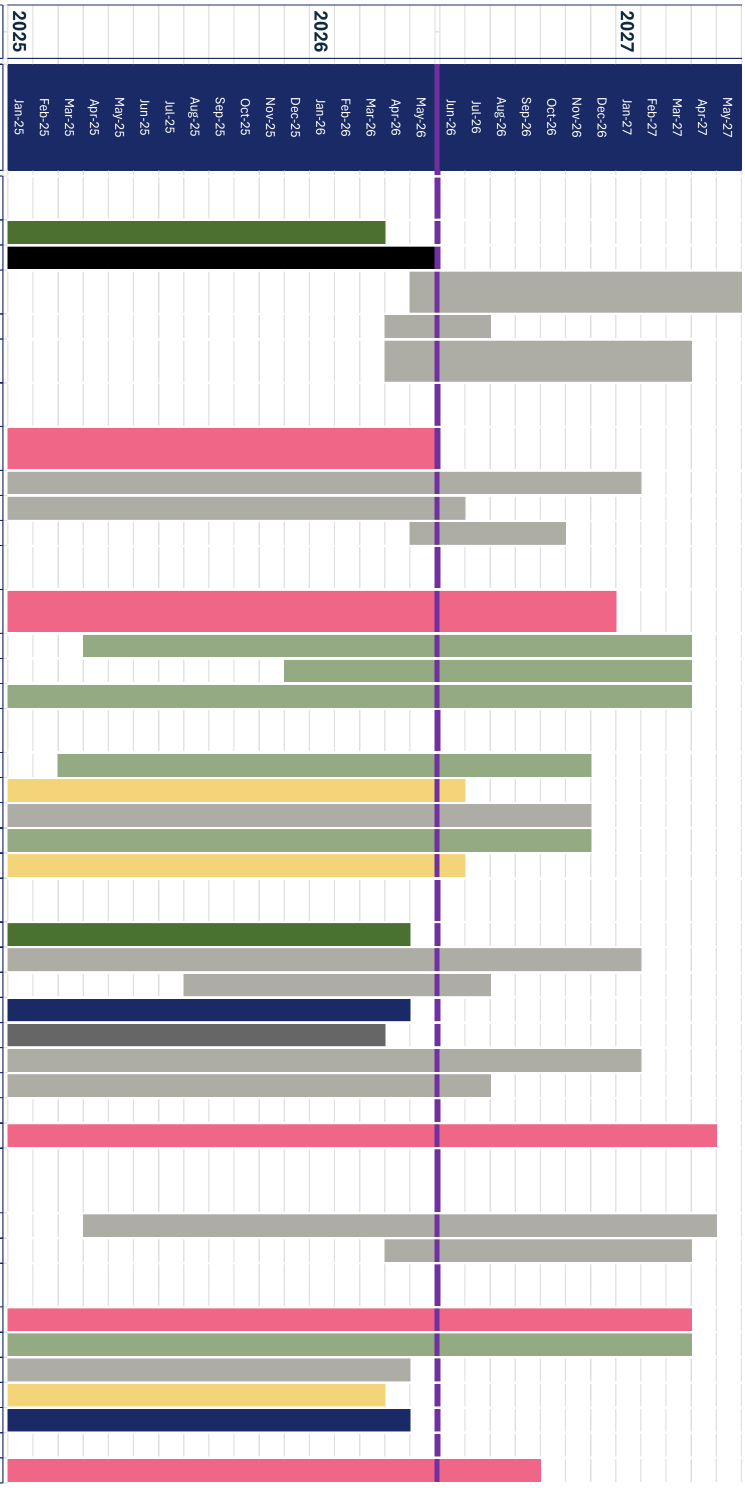
Activity	Priority	Owner
THEME FINANCIAL PLANNING AND BUDGET SETTING		**NICK PENNY**
14. Fixed Asset Register	2	Nick Penny
16. Treasury Management	1	Nick Penny
25. The general awareness of our financial sustainability	2	Mark Hak-Sanders
26. Resident and Stakeholder Engagement	3	Mark Hak-Sanders
30. MTFS ensure balanced budget agreed including engagement	2	Mark Hak-Sanders
THEME FINANCIAL BUSINESS PARTNERING AND BUDGETARY CONTROL		**MARK HAK-SANDERS**
9. Savings are monitored and managed regular reports	2	Mark Hak-Sanders
18. Charitable trusts governance and monitoring	2	Mark Hak-Sanders
24. Finance Business Partners Strengthened	3	Mark Hak-Sanders
35. Grants Register	1	Mark Hak-Sanders
THEME REVENUES AND BENEFITS TRANSFORMATION		**ANDY JEFFS**
5. Capacity and skills for recovery Transactional Services*	3	Andy Jeffs
11. Improving the Councils Debt Management	2	Andy Jeffs
17. Housing Benefit - process benefits and changes	1	Andy Jeffs
32. Revenues and Benefits Tranformation work*	2	Andy Jeffs
THEME SYSTEMS, CONTROLS, RECONCILLIATIONS, POLICIES AND PROCEDURES		**VICKI PALAZON**
1. Financial Framework, Policies and Procedures	2	Nick Penny
10. Reconciliation of key systems	1	Nick Penny
28. Up to date relevant legislation	1	Nick Penny
33. Development of Unit 4	1	Vicki Palazon
37. Internal Controls	1	Vicki Palazon
THEME FINAL ACCOUNTS AND FINANCIAL REPORTING		**NICK PENNY**
2. Completion of Statement of Accounts (backlog)	1	Nick Penny
6. Best practice in Financial reporting	2	Nick Penny
7. Best practice in Budget Management	2	Mark Hak-Sanders
15. Disposals review and monitoring	1	Nick Penny
22. Annual Governance Statement	2	Sarah Wilson
29. Identify current and future liabilities	2	Nick Penny
31. Reserves	2	Mark Hak-Sanders
THEME PROCUREMENT AND CONTRACTS		**NICK PENNY**
21. Procurement*	1	Nick Penny
THEME CULTURE, CAPABILITY AND RESOURCING		**MARK HAK-SANDERS & NICK PENNY**
4. Capacity and skills for recovery (Finance)	3	Mark- HakSanders
23. Training programme	1	Mark- HakSanders
THEME RISK MANAGEMENT AND VALUE FOR MONEY		Nick Penny
3. Value for Money	1	Vicki Palazon
19. Risk Management System	1	Nick Penny
20. Internal Audit	1	Ian Kirby
27. Antifraud and corruption culture	1	Ian Kirby
36. Adequacy of Insurance Assurance	1	Nick Penny
THEME COMPANIES		**VICKI PALAZON**
8. Companies	1	Vicki Palazon



Key

	Project presented to board for formal closure		Project is experiencing delays of over 3 months and or requires management escalation
	Project is experiencing some delays within tolerance of 3 months		Project is on track as planned
	Project strategically defined, scoped, and milestones determined. Project Gantt depicts estimated		Project is in the process of closure. A review is required to ensure that all aspects originally within scope of

	timeline which will be validated with detailed project plan		this project are now fully incorporated within remaining projects.
*	Denotes the Project is currently going through the change control process as the scope has changed since PID sign off which will impact delivery timescales.		