

DRAFT

ANNUAL

GOVERNANCE

STATEMENT

2025 / 2026

Introduction

Swindon Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. The Council also has a duty to arrange to secure continuous improvement in the way in which its functions are exercised, having a regard to a combination of economy, efficiency and effectiveness.

In accordance with Regulation 6 of the Accounts and Audit Regulations 2015, the Council has conducted a review of the effectiveness of its system of internal control in accordance with the proper practice set out in the Chartered Institution of Public Finance and Accountancy (CIPFA) Code of Practice: Delivering Good Governance in Local Government (2016) and addendum (May 2025).

The Council is required to produce an Annual Governance Statement each year that describes its governance arrangements not just for the Council but also for the whole group including wholly owned subsidiaries. The Council reviews its governance framework through the Audit Committee. This review identifies where the framework is working; and whether there are any significant governance issues that need to be addressed.

The Annual Governance Statement is signed by both the Leader of the Council and the Chief Executive after being reviewed by the Council's Audit Committee.

Corporate Governance

The purpose of a governance framework

The Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Council has approved and adopted a [Local Code of Corporate Governance](#), which is consistent with the principles of the CIPFA/SOLACE *Framework for Delivering Good Governance in Local Government (2016) (including Addendum)* and was considered by the Audit committee.

This statement explains how the Council has complied with the code and meets the requirements of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control.

The governance framework comprises the systems, processes, culture, and values, by which the authority is directed and controlled, and its activities through which it accounts to, engages with, and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

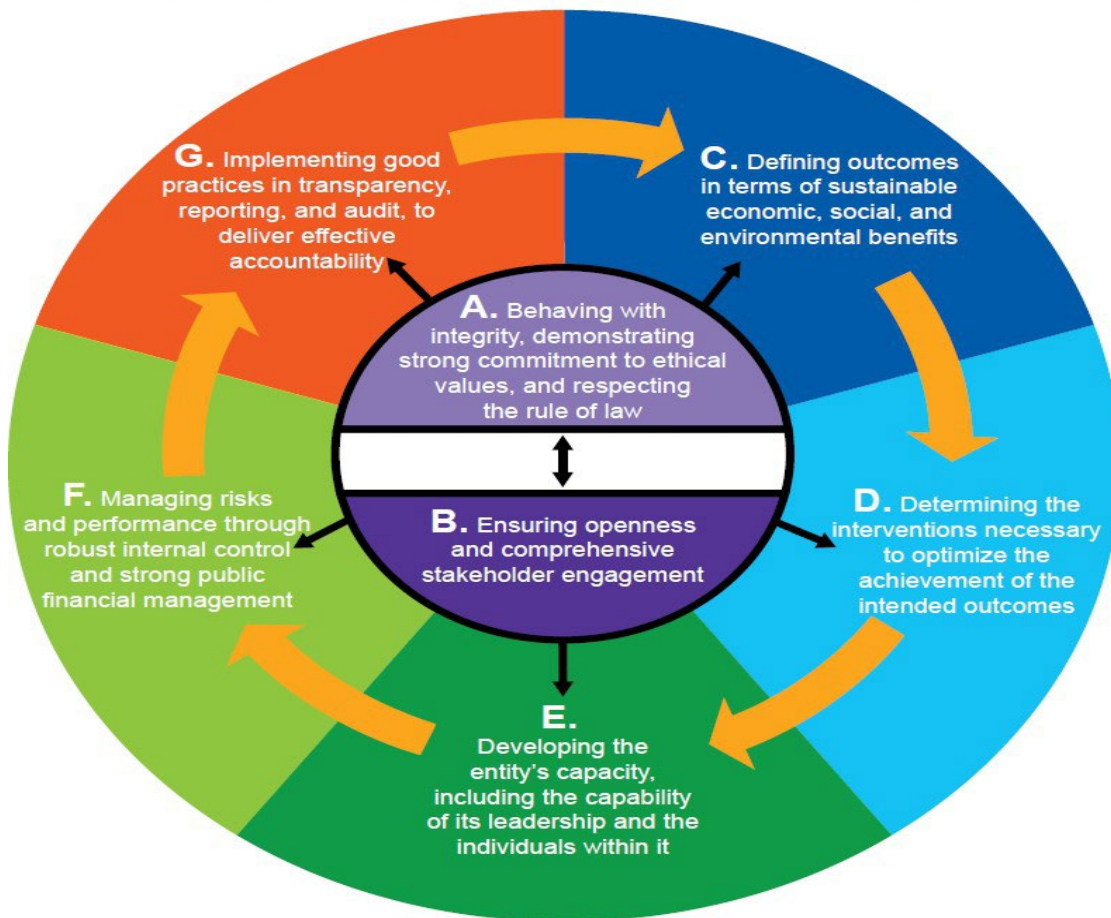
The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risks of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not an absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and to manage them efficiently, effectively, and economically.

The Council's framework for ensuring compliance with the core principles of effective governance:

Good corporate governance requires local authorities to carry out their functions in a way that demonstrates accountability, transparency, effectiveness, integrity, and inclusion. The Council's Local Code of Corporate Governance sets out the framework by which the Council will meet that commitment.

The Code is based upon the following seven core principles:

Achieving the Intended Outcomes While Acting in the Public Interest at all Times



This statement provides:

- a) An opinion on the council's governance arrangements from the council's senior officers and signed by the Chief Executive and Leader of the Council. A review of the effectiveness of the council's governance arrangements during 25/26 was undertaken in order to prepare this Annual Governance statement,
- b) A conclusion in relation to the effectiveness of the council's governance arrangements, including the Significant Governance issues for 2026/27.
- c) A review of the activity undertaken in 25/26.
- d) High level action required in 2026/27.

CIPFA International framework: Good Governance in the Public Sector

The [Local Code of Corporate Governance](#) forms part of the Council's Constitution and the full version can be found in the Council Constitution.

The Council's Governance Framework

The Council is a statutory organisation whose powers and duties are set out in legislation and often supplemented by statutory guidance and codes of practice.

The [Local Code of Corporate Governance](#) forms part of the Council's Constitution and the full version can be found in the Council Constitution.

The Council has 57 councillors and operates a Leader and Executive model of decision-making. All councillors meet at Full Council to agree the budget and the policy framework. Ten councillors, including the Leader, form the Executive (Cabinet). The Executive decides how to deliver the budget and the policy framework.

The Council's first whole Council elections were held in May 2026, resulting in all 57 councillors being elected for a four-year term commencing May 2026.

The role of Elected Members

Elected members are collectively responsible for the governance of the Council. The full Council's responsibilities include:

- Agreeing the Council's constitution, comprising the key governance documents including the executive arrangements and making major changes to reflect best practice
- Agreeing the policy framework including key strategies and agreeing the budget
- Appointing the Chief Officers
- Appointing committees responsible for overview and scrutiny functions, audit, and regulatory matters and for appointing members to them.

The executive (Cabinet) is responsible for:

- Proposing the policy framework and key strategies
- Proposing the budget
- Implementing the policy framework and key strategies.

The role of management

The Chief Executive advises councillors on policy and necessary procedures to drive the aims and objectives of the authority. The Chief Executive leads the corporate management team consisting of corporate directors, and the Director of Finance and Audit and Director of Children's Services has a standing invitation. The Chief Executive determines the structure of the authority to ensure delivery of its objectives.

The Council's Corporate Management Team has a shared responsibility for delivering the organisational strategic direction, agreeing priorities, and driving their successful achievement. They are responsible for implementing councillors' decisions and for service performance.

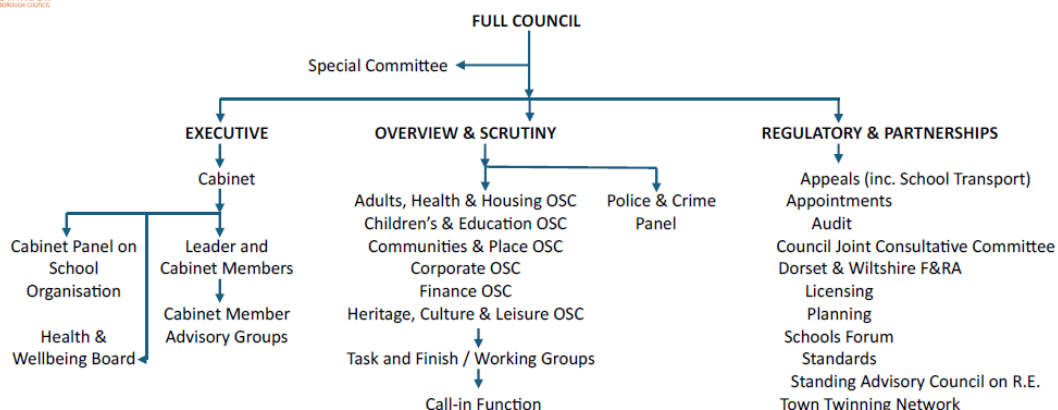
The Director of Finance and Audit and Chief Legal Officer, and other senior managers are responsible for advising the executive and scrutiny committees on financial, legislative, and other policy considerations to achieve the aims and objectives of the authority.

The council's workforce is led by the Chief Executive (Head of Paid Service), supported by the Corporate Management Team (CMT). The statutory S151 officer is a member of CMT. The statutory S151 officer and the Monitoring Officer are responsible for ensuring the financial and legal probity of the decisions that the Council makes.

The council's scrutiny arrangements at the start of the 2025/26 municipal year comprised a 'corporate' Overview and Scrutiny Committee, a Children's and Adults Overview and Scrutiny Committee and three overview and policy Committee to support the objectives of the Swindon Plan. Following feedback from Ofsted, elected members and senior officers, the Children's and Adults committee was separated into two separate Committees, the Children's committee and the Adults and Health Committee. These changes will provide increased specialist focus on these significant areas.

Performance information was made available to the Committees.

There are also a number of regulatory committees such as Audit, Standards, Planning, and Licensing. The Council's decision-making structure is set out below:



Outcomes

The Swindon Plan 2024-2027

The Swindon Plan remains the Council's overarching strategic framework and sets out the Council's ambitions for residents, communities, and businesses to create programmes of work which will improve the lives of all residents. In July 2024, Cabinet and Council agreed to the Swindon Plan following significant engagement with residents and communities. The Swindon Plan has the following missions:

- Build a Fairer Swindon – Making Swindon a fairer place, reducing disadvantages and reducing big disparities in life expectancy, education levels, and social justice.
- Build a Better Swindon – Creating a town ready for the challenges of the coming decades. Where possible, leading town center improvement and creating more affordable housing with the private sector.
- Build a Greener Swindon – Fully playing our part as a Council and a town in combatting climate change. Working with communities to find new ways of doing things that help, not hinder, the natural environment.

Governance arrangements continue to support delivery of the Plan through performance management, financial planning, risk management, and organizational assurance processes.

Performance against the Swindon Plan is monitored through established reporting arrangements, governance boards (mission boards), scrutiny, Cabinet, and Corporate Management Team. The performance framework includes regular reporting into Cabinet with key deliverables set out for years 1 to 3 of the plan. Internal Mission Boards also support the delivery of the Swindon Plan objectives, along with strategic performance monitoring through the Corporate Management Team Performance and Improvement Board (quarterly). Performance against the Swindon Plan is also reported to Cabinet twice a year. During 2025/26 there was an increasing integration between performance management, financial governance, transformation activity, and corporate risk management to strengthen oversight of delivery against intended outcomes.

The Council continued to align performance reporting, financial stewardship and organisational improvement through the Swindon 2028 Transformation Programme and associated improvement programmes supporting Children's Services, SEND, and Housing.

Ensuring prudent use of resources

The council continued to operate with a highly challenging financial environment during 25/26. Demand led pressures, particularly within Children's Services and necessary improvements in services continue to be financially challenging.

The Council maintained a comprehensive framework of financial governance, including Medium Term Financial Planning, in year budget monitoring and controls over spend, corporate management Team oversight, regular Cabinet reporting, Audit committee oversight. The review found that the financial management arrangements remained integrated within wider governance, performance management, and risk management processes and that financial risks were routinely supported, scrutinized and monitored through established governance structures.

The council's budget was set for 25/26 with the support of £14.653 million of Exceptional Financial Support. Through rigorous and robust financial controls on spending together with improvement and transformation progress, the Outturn position resulted in the Council using £5.144 million of Exceptional Financial Support, an improvement of £9.509 million compared to the budgeted amount of £14.653 million. The EFS requirement was met entirely from Capital receipts without needing to borrow.

Spending controls have been in place throughout the year to mitigate the risk of overspending and minimise the use of EFS. The impact of these controls, some one-off mitigations and ongoing improvement activity has resulted in the reduced need for EFS in this year.

The budget for the year 2026/27 will also be supported with Exceptional Financial Support of £22.3 million.

Transformation

The Council continued with its approach to improve and transform the Council in order to reduce failure and service demand and ensure residents are given support by the most appropriate organization at the earliest point. In December 2023, Cabinet agreed to a transformation fund to support the development of a Corporate Transformation Programme to support the Council's future operating model. In December 2024, Cabinet approved the Swindon 2028 Programme to deliver its transformation plan – the case for change. During 2025/26 progress was made in the council's transformation journey. The Transformation Programme is supported by a Transformation Strategic Board. The main aims of the transformation plan ambition are for the council:

- to provide a better resident experience when interacting with the council,
- to create capacity for prevention activity that enables residents to live well, and
- to be as effective and efficient as we can be, operating within our budget.

The Swindon 2028 transformation programme, reported to Cabinet in October 2026, sets out the focus as: Resident Experience, Prevention and Early intervention, At our Best, Enabling services (including Commissioning and Procurement and Digital, Data and Technology, Improved core services – housing, SEND and Children's Social Care improvement programmes.

In order to ensure it is financially sustainable, the transformation programme is organised in a way that maximizes resident outcomes, and is able to respond to increasing demand and financial pressures, and will see it move from reactive services to prevention and early intervention, improving how residents access services through simpler and more joined up routes, by strengthening locality based working, making smarter use of data technology and digital services, improving organisational efficiency, reducing avoidable demand on services and targeting resources where they can have the greatest impact. The year 2025/26 saw the council turn its transformation ambitions into action with foundations put in place to deliver long term transformation.

Governance arrangements were strengthened by the Strategic Transformation board, with

clearer accountability across delivery workstreams to enable robust oversight of progress, risks, dependencies, and benefits. The transformation work has created savings in commissioning in health and housing, and two community hubs are operating, the Swindon Commitment launched, and the Digital, Data and Technology strategy progressed.

The Council also continues with the following service improvement programmes: Children's Social Care Improvement, SEND Improvement, and the Housing Service Improvement Plan.

In February 2026, the Council agreed its budget for the 2026/27 financial year and its medium-term financial plan up to 2027/28, 2028/2029. The 2026/27 budget is balanced relying upon approval of Exceptional Financial Support to enable the use of capital receipts to fund revenue expenditure for a gap of £22.3 million. The Council's MTFP is not balanced in the medium term and relies upon the transformation programme to address the gap. Strict spending controls were continued in 2025/26 to manage expenditure, including a number of panels to agree on expenditure decisions, including recruitment, procurement, and placements. These measures, along with organisation-wide improvement activity, have been successful in addressing the pressures seen in 2025/26, with the final out-turn position.

Value for Money

The Council's External Auditor, Grant Thornton, in the value for money assessment identified the following Significant risks.

- Financial sustainability and progress with the Transformation plan
- Children's services continue to be inadequate, and improvements should be assessed against Ofsted 2024 findings.
- Quality of Housing Services – risks in relation to the Housing Improvement Plan and ensuring they have adequate resources and Cabinet has oversight.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015). The Council has carried out a self-assessment against the requirements of the CIPFA Financial Management Code and reported the outcome to the Corporate Management Team and to Audit Committee.

Findings and recommendations from both our Internal and External Auditors are considered by senior management and at the Council's Audit Committee.

The Audit Plan for Swindon Borough Council, year ending 31st March 2026, by Grant Thornton identified areas of focus included management override of controls, valuation of land and buildings (including council dwellings and surplus assets, valuation of pension fund net liability,

The Head of Internal Audit Annual report concluded that the Council's arrangements for governance, risk management and internal control provide reasonable assurance. While the control environment is effective, recurring weaknesses were identified in some high-risk areas requiring management action and continued oversight.

An internal self-assessment of audit services against the Global Internal Audit standards confirms that partial conformance, but they do not affect overall compliance. An improvement plan has been agreed and is being monitored.

The External Quality Assessment concluded that the Internal Audit council complies with Public Sector Internal Audit Standards and the Cipfa Local Government Application Note. A further assessment will be undertaken in 2027.

Risk Management

Risk management is a key component in delivering the council's missions and services.

Risk management is about identifying and understanding the threats to the achievement of the

Swindon Plan and strategic objectives by taking reasonable and sensible action to reduce the chance of them happening. The Council is committed to managing risks within its control, keeping employees safe, protecting assets, maintaining, and improving its services, and making good use of funds, as part of sound corporate governance.

Risk is managed through the activities of the Council, including planning, monitoring, design, and decision-making. Risk is integrated within the planning and performance system and is not a separate standalone process as the management of risk and uncertainty is integral to the delivery of priorities and objectives. Risk management is a key component in delivering the Council's missions and services. Corporate risks are escalated from service and directorate risk registers and reviewed by Corporate Management Team. Risk continues to be an intrinsic part of the discussions focusing on risk and performance in the context of the Corporate Management Team's (CMT) focus on improvement.

Risk is on the CMT agenda quarterly and is regularly reported to Audit Committee. The Council's corporate risk register is also discussed with Cabinet at least twice a year. Council introduced risk management guidance in 2024 when risk arrangements were improved. The Risk management guidance outlined the roles of CMT, risk appetite, risk matrix and definition, our approach to mitigations and action and our approach to escalation and de-escalation.

During the year internal audit undertook a review of the risk arrangements and reported to Audit committee in September 2025 that system controls were satisfactory and worked well at CMT level, but the overall framework lacked maturity and consistency across the organisation. Key improvement areas included the development of a formal Risk Management Policy and Strategy, clarification of roles and responsibilities, strengthening links between risk, business planning, and performance management. An improvement action programme was agreed, with actions to be implemented during 2026/27, I

The Council's internal audit plan is risk-based and derived from the corporate risk register, directorate priorities, service risks, and emerging issues.

Risk is embedded into the decision-making process by each report containing an assessment of the financial and legal implications, diversity impact, and risk.

The Council's internal audit plan is risk-based and derived from the corporate risk register, directorate priorities, service risks, and emerging issues.

In June 2026, the Annual Internal Audit report concluded that the Council's arrangements for governance, risk management and internal control provide reasonable assurance, with a control environment that is effective but with some weaknesses requiring improvement.

Review of the effectiveness of our governance arrangements

Swindon Borough Council annually reviews the effectiveness of its governance framework, including the system of internal control. The review of effectiveness is informed by Corporate Directors their direct reports, statutory officers and other officers within the Council who have responsibility for the development and maintenance of the governance environment including the Head of Internal Audit and Corporate Fraud's annual report, and by comments made by the external auditors and other review agencies and inspectorates. The Head of Internal Audit and Corporate Fraud's report stated that the Council's framework of governance, risk management, and control during 2025/26 is considered to be of reasonable assurance resulting in a 'moderate' level of risk.

The Council's External Auditor has been very positive regarding the content and nature of the Internal Audit reports presented to Audit Committee stating that where issues are found they are reported upon and relevant senior managers attend Audit Committee to respond to queries raised by Members.

Corporate Directors and their direct reports have completed an assurance questionnaire reviewing the control environment within their service and the results of the questionnaire have

been used to help inform our assessment of significant control issues for the Council.

Additional assurance was also provided by the Monitoring Officer, Section 151 Officer, Senior Information Risk Owner and Director of Human Resources and Organisational Development, Head of Internal Audit and Corporate Fraud, and the Chief Executive.

Details of the review of effectiveness will be presented to Audit Committee at their November 2026 meeting, together with the draft Annual Governance Statement. Details can be found at: [review of effectiveness \(review of effectiveness\)](#)

Common Governance Themes

Assurance sources considered as part of the review of effectiveness, including Internal Audit, identified a number of recurring themes across the organisation. These include information governance and data quality, consistency of management oversight and accountability, workforce capacity and resilience, programme and change governance, and the embedding of risk management arrangements below corporate level. Whilst these issues do not individually represent separate significant governance issues, they provide important context to the Council's overall governance assessment and have informed improvement activity during 2026/27.

Opinion on the Council's governance arrangements

The review has found that the Council's governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Areas of Focus looking forward

Whilst the council's governance arrangements generally work, the review identified a number of significant issues that need to be addressed or continue to be addressed. All of the areas are carried forward from previous AGS as they remain significant areas to be addressed. This does mean that progress has not been made over the last year, where they remain, it is due to the complexity and significance of the issues themselves.

Governance issue	Lead Officer	Action required
Ofsted ILAC inspection	Corporate Director of People	To continue to lead the Children's improvement plan to secure the necessary improvements, supported by the Director of Children's Services, the improvement board and the DFE
Dedicated Schools Grant: High-needs block	Corporate Director of Prevention and Communities	To robustly monitor compliance with statutory timeframes and implement improvements to strengthen delivery. To review the SEND banding framework To work with government to agree the reform plan and monitor its implementation.
Highways asset management	Corporate Director of Inclusive Economy and Sustainability	To complete the implementation of the improvements set out in the five high priority Audits

Conditions of Social Housing	Corporate Director for Prevention and Communities	To progress the housing improvement plan to secure the necessary improvement To work with the external regulator to oversee the necessary improvements
Financial Stability and Transformation	Director Finance & Audit; and Chief Operating Officer	S151 officer to continue to robustly monitor financial commitments, ensuring they are within budget, service areas are actively monitoring budget. To ensure spending controls remain in place. The Chief Operating Officer to ensure that the transformation programme progresses at pace and that the benefits are realised as operational savings to reduce the council's budget requirement. To explore all options to remove the need to rely upon Exceptional financial support.
SEND services and EHCP completion timeframe.	Corporate Director for Prevention and Communities	To continue with the send improvement plan To actively monitor compliance with statutory timeframe
Systems implementation, data, and information governance	Chief Operating Officer	To continue to monitor data and digital system implementation through the data and digital board and transformation programme. To ensure improvement programmes are delivered across the organisation to ensure data and information governance compliance.

Progress against these areas was considered in the review of effectiveness and is set out below.

Ofsted Ilacs and Childrens improvements– Ofsted conducted an inspection (ILAC) in July 2023, of the Council's Children's Services provision. The findings of the inspection were that three domain areas – the 'impact of leaders on social work practice with children and families', the 'experiences and progress of children who need help and protection', and the 'experiences and progress of children in care' were graded as 'inadequate'. An improvement plan was implemented and is monitored by an Improvement Board which has good representation from key partner agencies. The CSC leadership team works closely with the Department for Education Advisor who observes the DCS Assurance Meeting each month. The Improvement Plan is

monitored through the Children's Improvement Board (now chaired by the DfE Advisor) and through DfE Reviews every 6 months. Both Scrutiny and Cabinet have reviewed aspects of the improvement journey in 2024/25 and 2025/26. 'Monitoring visits' from Ofsted inspectors has taken place in February 2024, May 2024 and September 2024.

The fourth monitoring visit took place in June 25 and the fifth in November 2025. The Ofsted monitoring letters can be found here: <https://reports.ofsted.gov.uk/provider/44/80568>. A sixth monitoring visit will take place in May 2026 with the Final ILACS inspection due between September and January 2027.

The fourth monitoring visit – recognised positive progress in children's experiences with increasing number living in long term homes and achieving permanence more quickly. Lead Member, The Leader and the Chief Executive were actively engaged in the corporate parenting board and Improvement Board and Senior management changes had been brought renewed focus and momentum to improve activity. The review stated that sufficiency remained a significant issue with too many children's living out of area and considerable distances from home. Following this inspection, the council agreed to provide additional resources to children's services up to 3.3 million.

The fifth monitoring visit reviewed the Multi-Agency Safeguarding hub ("MASH") and Assessment and Child Protection Teams, often known as Social Care's 'Front Door'. The inspectors also reviewed the work on the Out of Hours Emergency Duty Service (EDS) and also reviewed management and oversight. This visit concluded that the inspectors identified improvements in front door decision making, assessment quality, capture of children's voices, early help and improvement to the Out of Hours Emergency Duty Service, whilst also identifying the need to strengthen responses to cumulative harm, improve consistency of management oversight and address workforce stability and workload pressures. These were reported to cabinet alongside planned improvement actions.

The headline findings were that there has been continuing political and corporate support to improving the quality and help and support provided to vulnerable children. The 'front door' is now consistently applying appropriate thresholds for provision of help and support. The quality and depth of assessments is increasing, the ability of social workers to capture the child's voice is now strong.

The sixth visit, which falls outside the period but is a risk for 26/27 found that the local authority has not made sufficient progress since the ILACS inspection in 2024 to improve the experience of children who receive help and protection from the family safeguarding service. Too many children experience delays in receiving support that they need to reduce risk or to receive help. They also have too many changes of social workers, making it difficult for social workers to establish trusting relationships with children. Some social workers are unable to offer proactive and responsive interventions that meet children's needs due to high workloads. However, children experiencing cumulative harm are not receiving an effective response and the regularity and quality of management oversight remain variable. They also noted that the permanent Director of Children's services have implemented measures and strategies to accelerate the improvement journey.

Additionally, Introduction of Liquid Logic has resulted in accurate and detailed performance information which gives a true picture of children's experiences, this indicates sustained improved performance.

A full ILACS inspection is due before January 2027.

Progress has been made; however, this remains a corporate risk and a significant governance issue for 2026/27

Dedicated Schools Grant (High Needs block) – Dedicated Schools Grant (High Needs block (HNB)) – The Dedicated Schools Grant (DSG) is a ring fenced grant that is allocated to all top tier councils by the Education and Skills Funding Agency (ESFA), an agency of the Department

for Education (DfE).

The HNB is one of the four of the DSG blocks. The others are individual school budgets (ISBs), the early years block and the central block. All maintained schools and academies have ISBs, which are fully delegated to the governing bodies / academy trusts. The early years block is largely allocated to early years providers, but the Council can withhold up to five per cent of the budget of its central costs. The central block is a council budget, out of which certain eligible costs can be paid. Although almost all the DSG grant goes to settings and schools, the DSG is a Council budget, which, although recommended by School's Forum, must be formally agreed by the Council with the exception of the schools' block funding which is agreed by Schools Forum.

The high needs block is controlled by the Council, and funds 'high needs' pupils in settings and schools. Any overspend of the HNB is the responsibility of the Council. In all but a few top-tier councils in England, the HNB allocation is overspent and in many, overspending has occurred in previous years.

The DSG deficit has continued to increase annually, the cumulative deficit in 2024/25 was £15.1 million and the deficit at the end of 2025/26 of 7.1 million, creating a cumulative deficit at March 2026 projected to be around 22.2

The accounting treatment for deficit DSG balances was provided by the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2020. This requires local authority with a deficit in respect of its school budget to note the following: (a) Must not charge to a revenue account an amount in respect of that deficit; and (b) Must charge the amount of the deficit to an account established, charged and used solely for the purpose of recognising school budget deficits. <https://www.legislation.gov.uk/ukSI/2020/1212/regulation/2/made>

The regulations which require the negative balance (DSG deficits) to be held in an unusable reserve (Statutory Override) has been extended to March 2028. On the expiry of the Statutory Override, the DSG deficit may have to be transferred back to the Council's general fund leading to serious financial implications for the Council. However, the Government announced that it will pay up to 90 % of SEND deficits recognised at March 2026 subject to each local authority submitting and securing the Department for Education's approval to its reform plan. The council has now submitted its plan.

DSG deficits are a national issue, and financial instability was recognised by the DfE in the Special Educational Needs and/or Disabilities (SEND) and Alternative Provision (AP) green paper. This identified three key challenges facing the SEND system: poor outcomes for children and young people with SEND in AP; low parental and provider confidence and financial unsustainability.

Alongside this, a high-level DSG Management Plan has been devised, and a full HNB recovery plan, which will propose urgent and significant spending reductions, savings and cost-avoidance measures. There continue to be matters arising in relation to the High needs block and this matter should therefore continue to be a significant issue for the purpose of the AG.

During 2025/26, continued progress has been made in strengthening the management and oversight of the High Needs Block, although significant financial pressures remain due to sustained increases in demand and complexity of need. All high cost SEND placements are reviewed by the Director of Education where additional scrutiny is built into test case work, approach to commissioning, and greater consistency in decision-making. Governance arrangements have been strengthened, with regular monitoring through Directorate and corporate finance processes. There has been increased challenge and scrutiny of high-cost placements and a continued focus on developing local provision to reduce reliance on independent placements. Work is ongoing to align financial planning with SEND system reform, including promoting ordinarily available provision and improving inclusion within mainstream settings.

While the deficit position remains a key risk, there is increased grip and oversight, with clear mitigating actions in place and regular reporting to senior leaders and members

Whilst there is delivery of the DSG management plan, with strengthened financial oversight, demand management, and improved commissioning of provision and regular reporting through governance structures and continued focus on reducing high-cost placements, Audit findings and current assessment result in this area remaining an area of significant concern and requiring significant oversight.

Progress has been made; however, this remains a corporate risk and a significant governance issue for 2026/27

Highways asset management – The overall internal audit opinion was that there is significant risk to the Council as fundamental weaknesses have been identified in the current systems and procedures. Highways Asset Management improvement plan, which aligns to Audit recommendations, is in progress being delivered by the service. Audit Committee received an update on progress against actions in January 2026 and a further update will be presented in January 2027. There remain high priority audit recommendations with actions to be addressed and therefore this area requires continued management oversight.

Some progress has been made; however, this remains a corporate risk and a significant governance issue for 2026/27

Housing – Housemark was commissioned by Swindon Borough Council to assess compliance against the Regulator of Social Housing's (RSH) standards in 2023/24 and identified a number of weaknesses including: Weakness in governance (strategies, policies, procedures, processes), Operational difficulties and risk presented by the structural separation between housing and repairs, Weakness around internal and external communication, The Capital investment programme isn't delivering as much as it could/should, Supply of affordable/social homes in Swindon is not meeting demand, Voids are presenting significant challenges (increase in major works voids, escalating costs etc.), Issues around data quality and reporting, Technology is a key issue (internal systems, field-based technology, hardware provided to staff).

The Council self-referred itself to the regulator and the Council was subsequently inspected by the regulator. Internal Audits were undertaken within the year which raised significant concerns regarding compliance. A housing improvement plan is in place supported by a Housing Improvement Board.

The results of the inspection were delivered to the council in May 2025. The Council has been given a C3 rating. Action will continue to be taken to address these issues in 2026/27. <https://www.gov.uk/government/publications/swindon-borough-council/swindon-borough-council-00hx-regulatory-judgement-14-may-2025>

Following the C3 judgement by the Regulator of Social Housing, we are now in the Provider Improvement process, where we meet the Regulator monthly to review our performance, specifically in relation to compliance and the safety of the homes we provide. Oversight and Assurance is being delivered through the Housing Improvement Board (chaired by the Chief Executive and attended by Cabinet and Shadow Cabinet Members, and tenant representatives). A full review of housing governance has been completed, and all teams in the housing department have been through a service redesign. We have co-produced (with tenants) a Housing Improvement Plan, called 'Our Plan to Improve Homes and Services for tenants' and progress against the plan is being published online and in six monthly reports to Cabinet (next is in July 2026). All areas of concern (gas, electric, smoke & CO, and stock condition) have recovery plans in place and are monitored by the Housing Improvement Board and the Regulator. The improvement plan is found here:

https://www.swindon.gov.uk/info/20025/homes_and_property/1697/improving_our_housing_services

Improvement board - It is expected that progress on the Housing Improvement Plan and the

governance arrangements will be reported regularly to Cabinet. Cabinet has agreed to significant investment in its housing to secure the necessary improvements.

There is significant public oversight of progress against the actions which are published on the council's website.

Significant improvements made in tenant engagement, and creation of policy within housing.

Housing disrepair and mould and damp continue to present challenges which are being addressed by the council. Long-term proposals for the six decommissioned high-rise blocks continue to progress. There is a planned follow up damp and mould audit planned for 2026/27.

Progress has been made; however, this remains a corporate risk and a significant governance issue for 2026/27.

Financial Stability and Transformation - There are significant risks to the Council regarding its financial position. The LGA Finance Peer Challenge in 2023 identified financial pressures, including limited and reducing reserves and balances, an increasing Dedicated Schools Grant deficit and the continuing need to invest into children's services given the Ofsted inadequate rating. These are recognised in the Corporate Risk Register.

There is a regular cycle of financial reporting to CMT and Cabinet setting out the financial position and planned response. Action is taken in response to financial reporting, and there is a strong track record of managing risks and delivering savings targets. Significant spending controls were continued in 2025/26 to reduce projected in year overspends. The significant spending controls have been effective, and the out-turn position shows an underspend which will be used to increase council reserves.

The Council's latest approved MTFP reflects the three-year local government finance settlement, inflationary and demand pressures and approved departmental and transformation savings. This MTFP continues to show financial gaps with both 2025/26 and 2026/27 budgets reliant on exceptional financial support (EFS) in order to set a balanced budget. The priority is to remove or reduce the need for EFS, approval of which is not guaranteed.

Full Council approved the Council's budget for 2025/26 and the MTFP to 2027/28 at its meeting in February 2025. During the budget setting process, the Council made an application for Exceptional Financial support of £14.7 million to support its budget for 2025/26.

The provisional outturn for 2025/26 shows a significantly reduced requirement for £5.2m of EFS (compared to the £14.7m provisionally approved by the Government). A review of outturn will be undertaken to identify where underspends are ongoing savings and can be removed from the budget for 2026/27 onwards.

The financial strategy is supported by a transformation programme, overseen by an in-house Programme Management Office (PMO) with standardised reporting and defined escalation route to Delivery Boards and a Transformation Board to provide accountability and assurance over delivery. A prioritised pipeline of activity has been agreed with services required to redirect existing capacity where possible before calling on available transformation funding. Delivery is progressing across six transformation workstreams and key savings programmes are moving into delivery.

Within the Resident Experience workstream, the Swindon Connect programme is redesigning the Council's contact channels to improve first-time resolution and reduce avoidable demand. Prevention and Early Intervention is developing integrated, locality-based models to bring services and partners together around resident need. Digital, data and technology capability underpin all workstreams through improved insight, decision making, service design and more efficient delivery, with ongoing work to strengthen alignment between digital delivery, transformation priorities, and resident outcomes. Activity is now focused on developing a further pipeline of savings both to mitigate the risk of incomplete delivery on the existing programme and to address the underlying financial gaps in future years while minimising the need for EFS. The

provisional outturn for 2025/26 shows a significantly reduced requirement for £5.2m of EFS (compared to the £14.7m. During the year Audit have identified delivery risks within the transformation programme and work is underway to strengthen this and to monitor risks and progress.

Financial stability and transformation remain the council's highest risk. Whilst the council has a good track record in delivering its savings, transformation is necessary to envelop it to deliver within its financial provision.

Transformation is progressing however this remains a corporate risk given its significance in relation to the Councils financial position.

Send - Issues have been identified in relation to SEND provision, including the failure to meet the 20-week timeline for completion of EHCP's. Whilst it is noted that there are national issues relating to this, it is important that the council addresses the issues. During 2025/26, the service has taken steps to improve the timeliness and quality of EHCP processes, supported by strengthened governance through the SEND Strategic Board. Actions have included reviewing and refining operational processes, improving triage and workflow management, and increasing management oversight of performance.

Demand for statutory assessment has continued to rise, which has impacted the ability to consistently meet the 20-week statutory timeframe. However, performance is more closely monitored, with targeted recovery actions in place and regular reporting through governance structures.

Work has also progressed to improve the quality and consistency of plans, strengthen workforce capacity, and make better use of data and the Synergy system to support statutory delivery. Alongside this, there has been a continued focus on early intervention and ordinarily available provision to reduce demand over time.

The government published proposals for significant reform of the SEND system during 2026, including the introduction of Individual Support plans, strengthened expectation regarding inclusion with mainstream education and reforms to the existing EHCP framework. Whilst detailed implementation arrangements remain subject to further legislation, the reforms have significant implications for SEND services, sufficiency planning, and long-term sustainability of the High needs block.

Swindon is in the Delivering Better Value programme, with a £1m grant to provide additional resource to deliver its DBV plan.

Overall, while statutory timeliness remains an area of challenge, there is clearer strategic direction, improved oversight, and a defined programme of work in place to deliver sustained improvement. There is a planned audit in 2026/27 to provide assurance of improvements.

Progress has been made; however, this remains a corporate risk and a significant governance issue for 2026/27

Systems implementation, data, and information governance - A number of audits have recognised organisational issues with systems implementation, data governance, information governance, and there is a continual cyber security risk. Activity through transformation will provide oversight and necessary improvement activity.

System Implementation - There are issues across the Council with system implementation. Issues have been highlighted in both the NEC and Synergy system implementation. An Internal Audit identified a number of issues regarding system implementation. In 2024/25 Cabinet approved a significant increase in budget to continue the implementation of the NEC Housing system. This has resulted in an extended timeline for implementation and significantly increased cost.

Synergy system for education - Continued embedding and optimisation of the Synergy case management system, including system improvements, staff training, and data quality checks to

ensure it supports statutory processes effective.

Work has also progressed to improve the quality and consistency of plans, strengthen workforce capacity, and make better use of data and the Synergy system to support statutory delivery.

Progress of other Significant Issues from 2025/26

The following area included in last year's statement has progressed sufficiently during 2025/26 for them not to be included in this year's statement. These areas will continue to be reviewed, and relevant risks will be included and managed through the Council's corporate risk register and service area risk registers.

Lack of Approved Mental Health Practitioners (AMHPS) – in Emergency Duty Services

Homeline service

Adults Social care

Approved Mental Health Practitioners – (AMHP) Emergency Duty Service

Due to staff availability in the Emergency Duty Service (out of Office hours), the Council was been unable to provide a 24-hour service as required by MHA Code of practice para 14.35, local authorities are responsible for ensuring sufficient AMHPs are available to carry out their roles under the Act, including assessing patients to decide whether an application for detention should be made.

During the previous year, the Council was able to respond in compliance with para 14.35 during office hours with Wiltshire Council undertaking AMHP assessments on behalf of the Council for residents who are placed in the Wiltshire Health Based Place of Safety over a 24-hour period. Temporary arrangements have now been made to provide a response out of hours. A full review of EDS/AMHP is being undertaken to provide an improvement plan to resolve matters in the longer term.

During 2025/26, an audit of the out of hours emergency duty services was undertaken and improvement activity was determined. Progress on actions was reported to audit in November 2025, with completion of some activity reported and the improvement plan was reported to be on track and to be completed by April 2026. Governance and workforce arrangements within the AMHP service have been strengthened following completion of an internal audit of the EDS. A joint ASC/CSC improvement plan is in place, enhanced leadership support has been established across daytime and out-of-hours services, and additional capacity has been secured through casual staffing arrangements and agency cover. A "grow our own" workforce pipeline has also been developed to improve resilience and future service capacity.

Given the significant improvement in this area, **this area of concern can be removed from the Annual Governance statement and can be monitored within usual operational practice.**

Homeline - Internal Audit identified service failures within the delivery of the service which required a full review of the service to ensure it is effective and safe. Homeline was reported in the corporate risk register as a high-risk service area due to uncertainty over the future operating model, staffing pressures, a freeze on new customers and concerns regarding providing a reliable and safe emergency response services. Strengthened management interventions were agreed to stabilize the service, and Consultation was undertaken on future operating options which were to be reported to cabinet in July 2026.

Risks can now be managed within the service area and will continue to be monitored.

Adults Social care

Adults social care – Care Quality Commission – the CQC provided their inspection outcome which was reviewed and updated to Good in February 2026. The service area has an improvement plan to secure continuous improvement. Given the rating, service provision is to be monitored through usual governance framework.

Certification

To the best of our knowledge, the governance arrangements, as defined above, have been adequately operating during the year although we recognise the areas for additional focus identified in this statement. We are satisfied that these enhancements will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed

Councillor Gary Sumner
Leader of the Council

Signed

Sam Mowbray
Chief Executive