

Significant Governance Issues (SGIs) Action Plan 2025/26 (from 2024/25 Annual Governance Statement AGS) - Work in Progress Tracker

SGI1: Delivery of a balanced budget 2025/26

Lead Officer: Strategic Director, Resources

Planned Action (2025/26)	Progress Status	Ownership	Comments
Continue to lobby the Government and proactively contribute to the forthcoming Local Government Finance reforms	In progress	Strategic Director, Resources	Fair Funding consultation submitted
Recruitment panels in place to control all new staff placements	In progress for 18 months+	Strategic Director, Resources	Significant reduction in use of interims
Continuation of recovery boards to closely monitor and control all council spend	Took place during 24/25	Strategic Director, Resources	Not started for 25/26 but ToR drafted to define new process
Star Chamber process to systematically review all services to identify efficiencies and savings moving forward	Completed in Summer	Strategic Director, Resources	Outcomes inc. In MTFS report
Robust procurement to maximise benefit of new and existing contracts	In progress	Strategic Director, Resources	Updated CPRs, SV policy
Delivery of the Capital programme to create longer term Housing solutions to mitigate the Councils temporary accommodation pressures	Not Started	Strategic Director, Place	In progress
Joint work with Health to achieve common aims and priorities whilst ensuring a fair distribution of funding	Not Started	Strategic Director, People	In progress
Robust baselining of all budgets including metrics	In progress	Strategic Director, Resources	Continual review of budgets

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Accurate monitoring of the cost drivers linked to financial pressures to fully understand emerging budget pressures	In progress	Strategic Director, Resources	Delivered as part of star chamber process
Action plans set up where necessary to ensure delivery of the savings included in the 25/26 budget	Completed	Strategic Director, Resources	Inc in 25/26 budget setting process
Robust planning approach to future years testing all MTFS assumptions and enabling timely service options to generate savings and efficiencies	In progress	Strategic Director, Resources	Continual review of budgets
Monthly reporting of the revenue budget position to ELT and to Cabinet Quarterly.	Completed	Strategic Director, Resources	Ongoing
Quarterly monitoring reports to cabinet on capital and revenue	Completed	Strategic Director, Resources	Ongoing
Debt Board to operate to review debt collection methods and processes	In progress	Strategic Director, Resources	Set up since Jan 2025
Review of all reserves and balances to both test adequacy but also to allow any surplus funds to be released to support the overall revenue position	In progress	Strategic Director, Resources	Continual review of budgets
Budget sign offs of 2025/26 budgets by managers to ensure full ownership of both monitoring and savings delivery	Completed	Strategic Director, Resources	Budgets signed off as part of the 25/26 budget setting process
Savings delivery to be reviewed through the year and reported to Overview and Scrutiny	Completed	Strategic Director, Resources	Two reports to O&S in 25/26

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SGI2: Council's ability to successfully end the existing onsource IT shared service with LBN by 31st December 2025. This includes both the required technical disaggregation and return of staff.

Lead Officer: Strategic Director, Resources

Planned Action (2025/26)	Progress Status	Ownership	Comments
Continued delivery of Havering technology roadmap – progress monitored via continued Havering specific and joint split programme governance	In progress	Strategic Director, Resources/Director of IT, Digital and Customer	On target to split from OneSource by December 2025
People change activities for oneSource staff returning to the borough.	In progress	Mark Duff	In progress

SGI3: Procurement: Weaknesses in the governance arrangements for procuring goods and services may be compounded by resourcing issues, effective link in with commissioning, and changes to the scheme of delegation and new regulations during 2024.

Lead Officer: Strategic Director, Resources

Planned Action (2025/26)	Progress Status	Ownership	Comments
Centralisation of social value will be adopted underpinned by the new social value policy to enable clear understanding of the commitments made, the ability to track and record outputs and finally to enable accurate reporting.	In progress	Strategic Director, Resources	New policy will be published for January Cabinet
Implementation of a new e-procurement tool that will look end to end in the procurement and contract	In progress	Strategic Director, Resources	System being implemented

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management cycle to enhance visibility in the process and governance.			
Complete the re-draft of the Contract Procedure Rules (CPR's) to include new legislative requirements - Health and Social Care Act 2022 and the Procurement Act 23.	In progress, almost complete	Strategic Director, Resources	Final amendments ongoing

SGI4: Inadequate judgement outcome of Starting Well's Social Care Department following Ofsted's Inspection of Local Authority Children's Services (ILACS) in December 2023 – resulting in the corresponding Children's Services Improvement Plan which will continue until full LACS inspection, likely to be in 2026-27.

Ongoing monitoring by both Ofsted and DfE. Ofsted monitoring visit reports will be published from April 2025. Latest letter published October 25. An Area SEND Inspection is also due alongside the ILACS framework.

Lead Officer: Director of Starting Well

Planned Action (2025/26)	Progress Status	Ownership	Comments
Completion of Phase Two of the Starting Well reorganisation to deliver improvements within the Early help services by end of May 2025	In progress	Director of Starting Well	Implementation was delayed due to need to extend of consultation - implementation due 3/11/25
Following the review of Case recording System in 2024-2025, corresponding remedial work by December 2025	In Progress	Director of Starting Well	Work commenced with SLIP partners funded by the DfE. A 2yr work plan is now in place.

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Development of AI apps to support managers and staff to improve practice	In Progress	Director of Starting Well	Roll out of Magic notes is resulting in positive feedback from staff, DfE and Ofsted.
Improvement programme in line with improvement plan delivered with overview from the practice improvement board and practice Improvement oversight board	In Progress	Director of Starting Well	PIOB and PIB are in place with positive feedback on the full council agreed yr 2 Plan
Further corporate investment of £7.7m	Completed	Director of Starting Well	Significant investment has been made to Children's services and has received positive feedback from

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SGI5: A number of control failures have been identified towards the end of 2024/25 across three service areas. Reviews undertaken of these incidences have highlighted a combination of inconsistent application of the financial framework and poor management oversight in a limited number of areas. These issues have led to financial inefficiencies, potentially resulting in a misallocation of resources, which may have impacted on service delivery within the areas affected, ultimately resulting in financial loss to the Council.

In all incidences, both the first (service delivery and day-to-day management of risks) and second (support, advisory and monitoring responsibilities) line of defence were ineffective.

Lead Officer: Strategic Director, Resources

Planned Action (2025/26)	Progress Status	Ownership	Comments
Follow up to be provided to Audit Committee in June 2025 and at future meetings as required.	Completed and ongoing	Strategic Director, Resources and SD Place and SD People and Director of Starting Well	Updates for specific issues continue to be provided to Audit Committee. Further reports on progress embedded within usual Internal Audit progress reports.
Additional reviews added to the Internal Audit Plan 2025/26	Not Started	Strategic Director, Resources and SD Place and Director of Starting Well	Additions to plan made and subject to review in year.