Annual Governance Statement

Waltham Forest Council
2025/26

Executive Summary

Good governance lies at the heart of London Borough of Waltham Forest council's ability to achieve the ambitions it sets out in its corporate strategy, Mission Waltham Forest sets out its approach to shaping a more equal borough and tackling inequality whilst driving the transformation the Council needs to deliver this. It sets the Council's strategic direction and its ambition for the future of Waltham Forest.

In a time of increasing financial pressures and with recent examples of governance failures in the local government sector, it has never been more important to have strong governance arrangements in place. The council is committed to acting in the public interest, in managing its finances, and making inclusive, robust decisions and plans that ultimately deliver improved outcomes for those it serves.

The Annual Governance Statement (AGS) is a valuable means of explaining to the community, service users, taxpayers and other stakeholders the council's governance arrangements and how the controls it has in place manage risk and deliver its strategic outcomes. A description of the council's main governance arrangements is provided in section 2 of the AGS.

The council is required by law to conduct a review, at least once a year, of the effectiveness of its governance arrangements and communicate this publicly in an Annual Governance Statement. Details of the council's 2025/26 review are provided in sections 3 and 4 of the AGS. The review process has been undertaken in an open and honest manner and has considered the council's performance across all its activities.

The review has identified a number of areas where arrangements can be strengthened. These are summarised below:

- The council has identified where its Constitution needs to be updated to make it accessible, internally consistent, legally compliant and fit for purpose.

- The Budget and Council Tax Setting Report agreed at full Council in February presented a balanced position for 2026/27. The position assumes £19.0m of Exceptional Financial Support, a measure agreed in principle by the Ministry of Housing, Communities and Local Government, to meet immediate financial obligations. For the remaining years of the Medium-Term Financial Strategy, it included a funding gap of £19.3m for 2027/28 and a further £4.6m for 2028/29. To manage the pressures, budget savings of £10.1m and management actions of £8.5m were designed during the latter half of 2025 and are predominantly for delivery in 2026/27. To address future funding pressures and to achieve financial sustainability, a transformation programme was put in place, under Mission Waltham Forest, to transform the organisation to become more resilient, dynamic and capable of adapting to the ever-evolving needs of our communities. In total, there are currently planned savings of £42.1m, including the £18.6m for 2026/27, £15.8m for 2027/28 and £7.7m for 2028/29.

- The Council continues to manage a backlog of Subject Access Requests (SARs), resulting in extended response times.
- In contrast, significant performance improvements have been achieved in the handling of Freedom of Information (FOI) requests and complaints following the implementation of the Service Recovery Programme.
- Although compliance in this area is subject to increased scrutiny by the Information Commissioner's Office, relationships with the Housing Ombudsman and the Local Government and Social Care Ombudsman have strengthened and improved markedly.

- Internal Audit raised six medium and one low risk findings as part of their annual audit plan.

- Continue to ensure compliance with internal governance around decision making and high priority projects.

- Adult Services are delivering on their transformation programme, which includes a new target operating model which focuses on prevention and enabling residents to be as independent and as well as possible. Four workstreams focus on developing strengths-based practice, new commissioning opportunities, a more preventive approach to triage and assessment, and review of the systems and processes that support the service to deliver its statutory requirements.

- Overall, in 2025/26 there was a reduction in maladministration findings by the Housing Ombudsman compared to 2024/25 (from 78% to 56%). The one severe maladministration determination by the Housing Ombudsman this year highlighted the importance of focusing improvements in the coordination of complex cases. Ensuring that our tenants are safe, comfortable, and secure in their homes is a top priority and we review all severe maladministration findings at Corporate and Strategic Director levels and with the Portfolio Lead Member for Housing. We have completed delivery of our Complaints Improvement Plan and provided assurance to the Housing Ombudsman and Regulator for Social Housing. For the single severe maladministration finding this year, we have accepted the Ombudsman's findings in full and put robust plans in place to address their recommendations which have been reported to Housing Senior Leadership Team and the Portfolio Lead Member.

- The council is not currently complying fully with the Local Government Transparency Code 2015 which requires local authorities to publish a number of datasets to show how money is spent, how assets are used, how decisions are taken and who is taking them, and issues considered important to local people, for example parking. Significant work has been undertaken by the Internal Audit team to address the areas of non-compliance.
- The Council's 2024-25 accounts have been audited and were signed on the 25th February 2026, bringing us up to date with external audits. The external auditors, KPMG, were unable to perform the procedures considered necessary to form an opinion on the financial statements ahead of the backstop date of

27th February 2026 set by Government, therefore a Disclaimer of Opinion was issued for 2024-25, meaning the auditor does not express an opinion on the financial statements. A large number of other authorities are in the same position in relation to having a Disclaimer of Opinion issued for signed accounts to meet the backstop dates however, the council continues to work with the auditor towards ensuring statutory deadlines are met and with the aim to have unqualified accounts as soon as reasonably practicable.

- Governance around the delivery of Mission Waltham Forest, to ensure delivery and accountability.

The council is committed to addressing each of these governance issues and has prepared an action plan to enable this, shown in section 4 of the AGS. Progress in implementing the action plan will be carefully monitored during the year ahead, and an update will be reported in next year's AGS.

Signed by:

Linzi Roberts-Egan
Chief Executive

Councillor Paul Perkins
Leader of the Council

Introduction

1.1 Good governance is about how an organisation such as a local authority ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

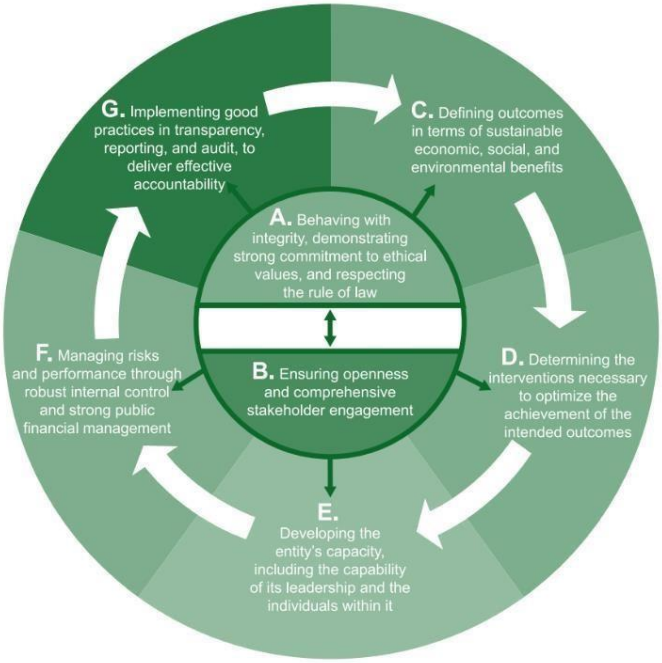
1.2 The *Delivering Good Governance in Local Government: Framework* (2016), published by the Chartered Institute of Public Finance and Accountancy (CIPFA), in association with the Society of Local Authority Chief Executives and Senior Managers (SOLACE), sets the standard for local authority governance in the United Kingdom.

1.3 The framework is designed to help local authorities develop and implement high standards of governance, to ensure that:

- resources are directed in accordance with agreed policy and priorities;
- there is sound and inclusive decision making; and
- there is accountability for the use of resources to achieve desired outcomes for residents and communities.

1.4 The framework sets out seven core principles, as illustrated in **Figure 1** below, that underpin good governance in the public sector. It shows that achieving good governance is a continuous process of evaluation and review.

Fig 1 – Delivering Good Governance Core Principle



1.5 The AGS demonstrates how the Council's governance arrangements deliver these seven principles in practice. It is divided into the following sections:

- Section 2 – explains the key elements of the Council's governance framework.
- Section 3 – describes how the Council has reviewed the effectiveness of its governance arrangements in 2025/26 and gives the main findings of this review.
- Section 4 – summarises the actions the Council will take in the year ahead to address the main governance issues identified in the review of effectiveness.

LBWF Council's Governance Framework

2.1. The council is responsible for ensuring that its business is conducted in accordance with the law and that public money is safeguarded and properly accounted for and used in a way that represents value for money. Additionally, the council has a duty under the Local Government Act 2003 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

2.2. In discharging these responsibilities, the council is responsible for putting in place proper arrangements for the governance of its affairs and the effective management of risk. To achieve this, the council has adopted practices consistent with the seven principles of the CIPFA/SOLACE *Delivering Good Governance in Local Government: Framework* (2016).

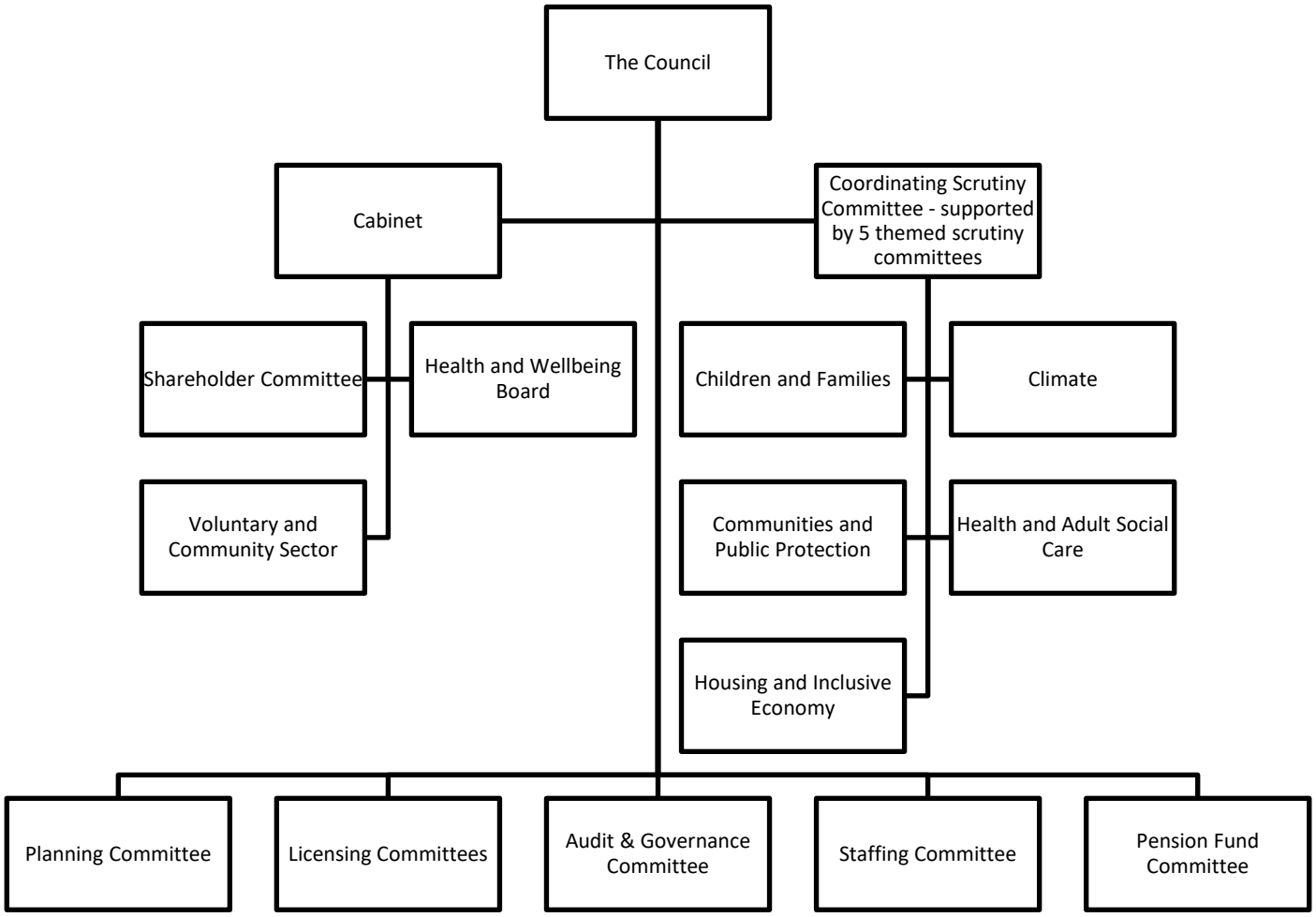
2.3. The council's approach to governance is underpinned by an ethos and shared values in which the highest standard of conduct is expected from all Members and officers.

2.4. A key component of governance is the council's written Constitution. This sets out how decisions are made and the procedures which are followed to ensure efficiency, transparency, and accountability to residents. A copy of the council's constitution can be found on the council's website:

https://democracy.walthamforest.gov.uk/ieListDocuments.aspx?CId=76%209&MId=4906&Ver=4&Info=1

2.5. The Constitution defines the roles and responsibilities of the executive, non-executive, scrutiny and chief officer functions. **Fig 2**, below, illustrates the council's policy and decision-making processes, as defined by the Constitution.

Fig 2 – LBWF council's decision-making structure chart



2.6. Another significant aspect of the council's governance arrangements is its system of internal control, which is designed in accordance with the council's key rules and procedures, including the Constitution, Code of Conduct for Employees and Financial Regulations. The system of internal control is intended to identify the risks that threaten the achievement of the council's strategic aims and objectives, to evaluate the likelihood and impact of those risks, and to manage them efficiently, effectively and economically.

2.7. Appendix A sets out in more detail the core elements of the council's code of governance and demonstrates how these align to the seven principles of the CIPFA/SOLACE framework.

2.8. The rest of section 2 highlights certain aspects of the council's governance arrangements that have seen significant developments in 2025/26

The Council's Corporate Governance Review

2.9. The Constitution Working Group regularly reviews and updates the Constitution. The overall aim is to:

- Ensure the Constitution is compliant with relevant legislation.
- Review the Terms of Reference for Committees.
- Update Schemes of Delegation, Procurement Rules and Financial Regulations, including researching best practice.
- Update the Code of Conduct for Members and the arrangements for dealing with member complaints; and
- Ensure the constitution is accessible.

2.10. During 2025/26 several updates were resolved and updated within the Constitution, this included, but was not limited to:

- Scheme of Delegation (May 2025)
- Council Procedure Rules (October 2025)
- Councillor Code of Conduct (October 2025)
- Protocol of Honorary Alderperson (December 2025)
- Councillor Allowance Scheme (February 2026)

2.11. The council also reviewed its scrutiny arrangements across the council with a new structure that came into effect in May 2024 that will be further rationalised from May 2026.

2.12. The revisions to the scrutiny structure have been made to better align with the priorities for the organisation as set out in the council's Corporate Framework: Mission Waltham Forest. The new scrutiny structure seeks to build greater accountability in the work of scrutiny through the introduction of a Coordinating committee, tasked with coordinating the annual work programmes and reports to council, and scrutiny of council-wide issues such as performance, resident experience and equity and inclusion.

2.13. In February 2026 council resolved to rationalising scrutiny committees further by combining Coordinating Committee and Budget Scrutiny Committee, to ensure demand, performance, budget and risk are considered and scrutinised holistically. This new structure will be in effect from May 2026.

2.14. Effectiveness of the scrutiny structure has been monitored throughout 2025/26 and an assessment of effectiveness will continue to be considered by key stakeholders and the Coordinating Scrutiny Committee and council in 2026/27.

2.15. The Monitoring Officer also reviews local schemes of delegation and internal control arrangements, to further strengthen these arrangements.

2.16. Following any change in political balance of the council, the council must review the allocation of places (appointments) on committees and other bodies subject to the proportionality requirements of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990.

Complaints

2.17. Complaints play a vital role in ensuring accountability to the public and offer valuable insights into organisational performance and staff behaviour, helping to drive continuous improvement in services to residents.

2.18. During the year, 4,945 Stage 1 complaints were received. Of these, 1,384 were closed at triage as duplicate matters. Of the remaining 3,561 complaints accepted for investigation, 76% were responded to within the required timescales

2.19. Performance varied across services. Statutory Housing performed strongly, achieving 90% compliance with Stage 1 response timescales. In contrast, Children's Services and Adult Social Care achieved lower levels of timeliness, resolving 40% and 48% of Stage 1 complaints within timescale respectively.

2.20. Stage 2 complaints remained weak during the year. A total of 736 Stage 2 complaints were received, of which 59% were responded to within the

required timescales. While this represents an improvement compared to the previous year's performance of 54.4%, overall timeliness at Stage 2 continues to fall below expected standards.

2.21. The council operates a formal two-stage process for managing corporate complaints. At Stage 1, complaints are allocated to the relevant service area for investigation, with a target response time of 20 working days. From 1 April 2026, the Local Government and Social Care Ombudsman (LGSCO) will introduce a revised Complaint Handling Code, which will require Stage 1 complaints to be responded to within 10 working days. Where a complainant remains dissatisfied following a Stage 1 response, they may request a Stage 2 review.

2.22. The council aims to ensure that when service failures occur, prompt action is taken to put matters right. It is also committed to learning from customer feedback in order to improve service delivery. However, achieving these objectives during 2025/26 has been challenging, due to a significant increase in complaint volumes alongside a reduction in available resources.

2.23. As a result, the current level of overdue complaints across both Stage 1 and Stage 2 does not meet the standards set out by the Ombudsmen, nor does it align with the level of customer service the council expects to provide to its residents.

2.24. The historic position has been weak and has resulted in sustained underperformance across the organisation, creating significant operational, compliance and reputational risks for the council. While the underlying causes are multifaceted, the principal contributing factors include:

- Resource and capability constraints within both service areas and the Corporate Complaints team
- Inefficient and inconsistently applied complaints handling processes
- Challenges associated with the introduction of shortened Stage 1 response times
- A sustained increase in both the volume and complexity of complaints, coinciding with the implementation of the iCasework system in December 2024
- Deficiencies in the rollout and implementation of iCasework, compounded by ongoing system issues, particularly in relation to case closure dates and case allocation

Specific process inefficiencies within the Corporate Complaints Team include:

- Inadequate escalation arrangements for overdue or high-risk cases

- Limited quality assurance and review mechanisms
- Delays in coordinating and issuing responses within agreed timescales

Where Stage 1 resolutions are insufficient, complainants experience prolonged delays, repeated requests for information, and inconsistent decision-making. Ineffective communication and coordination between teams further exacerbates these issues, contributing to customer dissatisfaction and increasing the council's exposure to reputational and financial risk.

2.25. The council's immediate stabilisation response is informed by the lessons learned from the compounding challenges that have contributed to the current critical position. Key priorities include ensuring the team is adequately resourced, strengthening operational resilience to mitigate the impact of sickness absence, single points of failure, and fluctuations in demand, and reviewing and clarifying working practices and operating procedures – particularly in relation to the use of iCasework. In addition, changes to complaints turnaround times must be properly embedded across the organisation and clearly communicated to all relevant stakeholders.

2.26. Longer-term recovery, improvement and transformation will require a sustained and collective commitment to a relational practice model. Governance and accountability arrangements across services will be reviewed collaboratively, and a clear framework for monitoring, performance management, and escalation will be developed and embedded. Service resilience and overall performance are significantly influenced by the quality and effectiveness of working relationships between the Corporate Complaints function and individual council services.

2.27. Section 4 of the AGS explains how the council will monitor the implementation of this plan in the year ahead and details further actions the council is proposing.

Budget Setting

2.28. As outlined in Appendix A, the council maintains a robust approach to its budget setting process to ensure that it can continue to deliver services in a sustainable way within the context of a balanced budget and medium-term financial strategy (MTFS). The council's financial management processes are agile and able to respond to changes in the external environment in order for outcomes to be achieved, despite significant and changing pressures on resources. Other aspects of this process include:

- maintaining an annual MTFS which scans the three years – both internally and externally – to ensure that the council can manage its resources effectively.
- indicative levels of Council Tax, Business Rates and Fees and Charges

income to fund essential services.

- the base budget position for the forthcoming year, including cost pressures from increases in service demand and inflation (including contract, energy and pay).
- ensuring balances and reserves are robust and sustainable.
- challenging budget savings proposals to ensure they are deliverable in value and on time.
- taking the MTFS and budget reports through Coordinating Scrutiny Committee to provide a further layer of due diligence.

Responding to the impact of high inflation

2.29. The Consumer Prices Index slowed to 2.8% in the 12 months to April 2026 compared to a 3.3% in March 2026. Despite changes to the rate of inflation, the historical high inflation has had a significant impact on the council's financial planning, eroding available resources, and acting as a constraint on budgets while many residents were also struggling with rising prices. The sections below set out how the council has responded to inflation.

Inflation

2.30. The budget for 2025/26 included a provision of 3% for the pay award. The actual pay award was an increase of 3.2% across all grades.The additional pressure of £0.187m was funded in year from corporate contingency and incorporated within the MTFS Refresh for future years.

2.31. Following the implementation of the new energy contracts in April 2025, secured prices fell by around 20% for electricity and 10% for gas in 2025/26. Markets have remained volatile but the procurement strategy in place helps negate this. For 2026/27, the Council is expecting a slight rise in electricity prices, mainly through the fixed charge elements increasing, and a slight reduction in gas prices. With targeted programmes in place to help reduce consumption levels, the expectation is that the overall spend will remain similar to 25/26 levels. Inflation has also continued to impact our capital and home building programmes. Construction costs inflation was at 3.8% in March 2026 compared to CPI at 3.3%. However, the capital borrowing costs are having the biggest impact as the PWLB rate is currently over 6% over 50 years.

Cost-of-Living Crisis

2.32. The cost-of-living crisis continues to have a significant impact on the council's residents and businesses, and the cost-of-living remains the top concern of residents (Resident Insight Survey, Spring 2025). The council is committed

to helping the borough's most vulnerable residents through the cost-of-living crisis.

2.33. In addition to a core offer of support that has been protected despite many years of funding pressure, we continue to provide additional activity to maximise the effectiveness of the council's local response, as outlined below:

- ongoing delivery of the council's core offer of financial and advice support for residents and businesses.
- We have been and will continue to maximise the effective targeting of relevant government grants, such as the Household Support Fund (HSF) which is transitioning into the Crisis and Resilience Fund (CRF) from April 2026 and ensuring they are used to support residents in greatest need. CRF will be funded from April 2026 until March 2029, ensuring continuity of support from HSF which ends in March 2026.
- building on our partnership work with the Voluntary and Community Sector to maximise the reach of cost-of-living support, including through our network of community living rooms;
- On the 12th December 2024, the council agreed to move away from the current council tax support scheme which has been in place since 2023/24 and move towards a banded scheme
- There is an agreed budget for a Discretionary Hardship Fund to offer additional help and support to those suffering the greatest financial hardship as defined in the Discretionary Council Tax Support Hardship Fund policy.
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Cyber and Data Security

2.34. The council's focus for cyber security is based on technology, people and processes to identify, protect, detect, respond and recover in the event of cyber-attack. Cyber-crime continues to grow in intensity fueled by global political tensions and financial objectives that have continued over the last year. The council's ongoing programme of activity to reduce and respond to cyber risk is continuous.

2.35. Current activity of significance has included:

- Security Information and Event Management (SIEM), Security Operations Centre (SOC) and Managed Detect and Response (MDR) services via security partner
- Continued achievement of Public Sector Network Certification (PSN).
- An ongoing training and awareness programme and testing on cyber

security for all staff including Cyber Security Month.

- Review of Microsoft services exploited during London council's attack
- External Red Team Exercise and Microsoft Assessments
- National Cyber Security Centre (NCSC) Cyber Assurance Framework
- Emergency Planning and BCP readiness review
- An ongoing mandatory training program for all staff in accordance with the NHS Data Protection and Security Toolkit (NHS DSPT) requirement.
- Implementation of Secure Access Service Edge technology to enhance and improve network and security management capabilities. This includes Secure Web Gateway (SWG), Zero Trust Network Access (ZTNA), Cloud Access Security Broker (CASB).

Commissioning and Procurement

2.36. The council has strong governance arrangements in place in relation to commissioning and procurement practices, to allow it to focus on maximising value for money and affordability, and on delivering user-focused services that meet contractual commitments and are based on strong supplier relationships.

2.37. The council has a clear direction for Commissioning and Procurement as set out in the Procurement Strategy, which sets out the council's general approach regarding money spent with third parties.

2.38. The strategy is supported by the council's Contract Procedure Rules and individual service and commissioning plans. The Procurement service supports officers to comply with the legislative and governance framework for procurement and extensive suites of guidance, templates and forms ensure that important aspects of the procurement and supply process are clearly set out and available to all officers.

2.39. Internal challenge is delivered on significant decisions by the Strategic Commissioning Board, comprising senior managers from all areas of the council and specialist experts.

2.40. While value for money will remain the core objective of procurement, the Procurement Act 2023 requires public sector buyers to take account of national strategic priorities such as creating new jobs, tackling climate change, improving the diversity of their suppliers and innovation.

2.41. Enhanced transparency requirements under legislation include publishing

information about future procurement ahead of time, publicising new contract opportunities, procurement results and information on contract performance.

Capital Programme and Governance

2.42. In February 2026, Cabinet endorsed a new Capital Investment Strategy, a key component of its Budget. The strategy sets out the council's capital programme over the next ten years, which invests £733.43 million into schools, transport improvements and infrastructure, new and affordable housing development, improvements to council owned homes and strategic corporate property initiatives.

2.43. The strategy demonstrates how the substantial planned investment is aligned to and delivers its strategic priorities established in Mission Waltham Forest and also that the council's investment plans are affordable to the council and prudently managed. Additionally, to support strong financial management the strategy also continues to operate its 'Capital Prioritisation Framework'. The framework will guide strategic decision-making around current and future capital investment to focus spend on maintaining delivery of established capital schemes, avoid the addition of new pressures to the Medium-Term Financial Strategy (MTFS) and where possible, ensure investment helps to alleviate budget pressures.

2.44. The capital programme is underpinned by a robust delivery and governance framework, with strategic projects corporately governed by Programme Boards, with senior responsible officers, cross-council stakeholders and technical experts part of Boards. These report to the Capital Strategy and Asset Management & Strategic Asset Management Group (CSAMG & SAMP), Strategic Leadership Team (SLT) and Housing and Economy, Leaders Mission Board which provide senior leadership and member input to both the capital programme and individual projects.

2.45. Complementing the capital programme is the Asset Transformation Strategy. Both strategies ensure that the council has a strategic, long-term approach to managing and enhancing both its corporate estate and community asset base.

Lead the way for a net-zero borough

2.46. The long-term nature and impact of many of local government's responsibilities mean that it should plan for sustainable outcomes that are within its financial means and take a longer-term view when making decisions that balance the combined social, economic and environmental impact of policies.

2.47. The council demonstrates this in one of its six strategic missions, to tackle the Climate Emergency head on, paving the way for net-zero in Waltham Forest. In addition to the council governance, we have a mission-based approach across the council with officers working collaboratively across Directorates to

deliver the priorities in the climate action plan. This is scrutinised by a specific Climate Scrutiny Committee. Finally, we have a Resident Climate Panel with a representative group of 100 residents to ensure we are accountable to the public but also that our climate programmes are designed effectively and shaped with their unput. The council has a strategic risk to adequately respond to the Climate Emergency and delivery of the Climate Action Plan. The risk and responding mitigation actions are reviewed and reported on a quarterly basis.

Resident Financial Services

2.48. During 2025/26, the council's Resident Affairs service was inspected by the Office of the Public Guardian (OPG). This assurance visit is part of a programme of CQC-style inspections of council teams protecting the assets of residents who lack the capacity to manage their financial affairs. The Waltham Forest team looks after the finances of over 250 vulnerable adults and their work ranges from the management of benefits and pension income to complex property issues.

2.49. The OPG selected a sample of cases, and the team were asked to submit supporting evidence to demonstrate how we are supporting each client as their court appointed Deputy. Each client is visited in their own home or care setting across the borough. Following a review of these findings, an onsite meeting looked at individual recommendations; and whether the wider management and administration follow the new Deputy Standards introduced in February 2023.

2.50. Waltham Forest met all the Deputy Standards, including deputyship obligations, best interest decision-making, interactions with clients, financial management, financial record keeping, and property management. In addition, the OPG praised the council highly, indicating that it is one of the best local authority deputyship teams they had visited, and highlighting that the team "work diligently, meeting the deputy standards, putting the best interest of the client first." In 2025/26 the team continued to apply the same approach to meeting the Deputy standards.

Emergency Planning and Business Continuity

2.51. The council continues to take steps to strengthen its organisational readiness to respond to incidents and service challenges across the council. This work reflects a appetite commitment from senior leaders to improve the processes, systems and governance arrangements in place to effectively manage emergencies and wider organisational resilience, and to protect and support our residents in line with Mission Waltham Forest.

2.52. Central to this work was the council's commissioning of an Independent Review of Emergency Planning & Resilience arrangements in 2024/25 to assess the overall structure, organisation and culture of the emergency planning environment, the council's capabilities in its response obligations, and identifying opportunities to enhance emergency planning and resilience within the Borough.

2.53. The independent review identified strengths, including a proactive leadership team and engaged elected members, but also noted areas requiring further development including governance arrangements. The report made a number of strong recommendations which officers have already used to develop an action plan containing prioritised actions.

2.54. A key priority is the establishment of a Corporate Resilience Board, chaired by the Chief Executive. The board, which is expected to have its first meeting in early summer 2026 will provide clear oversight and governance of Emergency Planning and Business Continuity activity including planning, exercising, and policy implementation. This Board will build upon work previously undertaken by the organisation in 2024/25 in response to the recommendations in the Phase 2 report of the Grenfell Tower Inquiry.

Review of Effectiveness

3.1 The council has a responsibility to conduct, at least annually, a review of the effectiveness of key elements of its governance framework including the system of internal control. The council has undertaken this review in accordance with the CIPFA/SOLACE *Delivering Good Governance in Local Government: Framework* (2016). The review has drawn on the following sources of information:

- External Audit outcomes
- Internal Audit outcomes, and the Head of Internal Audit's annual opinion
- Audit and Governance Committee reports
- Work of Governance Board
- Reports from inspectorates and Ombudsmen
- Scrutiny arrangements
- Risk management arrangements
- Information governance arrangements including the work of the Information Governance Board

- Performance and budget monitoring information
- Work of the Strategic Commissioning Board
- Work of the Constitutional Working Group

3.2 Further details on some of the key sources of information considered in the review are set out below. In addition to this annual review, senior leadership and management routinely review elements of the governance arrangements throughout the year, to streamline and improve processes and make sure these arrangements remain fit for purpose.

This governance structure aimed to ensure all high priority projects across the council have senior officer and member input and keep pace with the evolution of the organisation. The routine review of internal governance is underpinned by the following principles:

- Enable holistic and strategic decision making.
- Embed a culture of constructive corporate performance and financial management.
- A focus on putting residents at the heart of decision making.
- Clear structures and opportunities for political and corporate input
- Break down silos and hierarchies.
- Space for thoughtful consideration and strategic thinking.
- Robust processes with flexibility to respond to urgent or emerging challenges and risks.
- Realising the golden thread between internal governance and the principles set out in Mission Waltham Forest:

External Audit

3.3 KPMG are the current external auditor appointed by Public Sector Audit Appointments. A Disclaimer of Opinion was issued for the 2024/25 accounts because the auditor was unable to complete the procedures required to obtain sufficient evidence, over a number of areas of the financial statement, to issue an unmodified opinion ahead of the backstop date of 27th February 2026. The council faced the same audit issues and opinion over these last few years, as did many other councils in the country and therefore we are not an outlier in that respect.

3.4 The Auditor's Annual Report (AAR) and Year End Report to Audit and Governance Committee (ISA260) for 2024/25 identified one significant risk related to Financial Sustainability as part of the Value for Money audit. The auditor also identified one priority one and two other priority three control deficiencies. These reports were presented to the Audit and Governance Committee on the 18th February 2026.

3.5 The auditor's recommendation for the Financial Sustainability risk and control deficiencies are as follows:

Financial Sustainability - *"We recommend that the council uses its existing governance and reporting structure to clearly report whether the required recurrent savings to achieve the medium-term financial strategy are being achieved. This should include tracking of demand management programmes and achievement of transformational objectives and cost savings at a service level and the degree to which these are achieving the required targets. Explicit, routine reports should set out progress against all recurrent savings required to deliver the MTFS and the extent to which the council remains dependent on reserves, corporate underspends or exceptional financial support. This should include a clear assessment of whether savings are on track, delayed, at risk, or undeliverable, the financial impact of any slippage on the structural deficit and management actions being taken to secure delivery where risks are identified. At a total net expenditure level, clear tracking against the required trajectory for achieving financial balance and maintaining required minimum reserves should form part of the regular reporting to Cabinet."*

Priority one control deficiency - *"the council has a large balance of debtors and creditors, and this is not uncommon for a local authority. Gaining assurance over these balances is critical to both being able to conclude over the balance sheet, but also the CIES because of the impact of accruals and prepayments on the balances reported in the CIES. To be able to audit these balances the council needs to produce reports setting out the makeup of these balances, excluding any settled transactions. For instance, a report of accrued expenses needs to exclude those accruals which have been matched against an invoice received. The council has not yet been able to design reports within the new Oracle ledger which allows those debtors and creditors to be identified. In order to fully rebuild assurance over the council's financial statements, the council will need to develop, validate, and provide these reports so that debtor and creditor balances can be audited in a future period. To allow a return to an unmodified opinion as quickly as possible, the production of these reports should be prioritised."*

Priority three control deficiency – Automatic posting of fees income *"The council has a system where income from fees and charges is automatically posted in the ledger upon receipt. The council's system was incorrectly posting revenue against debtors instead of cash because the system was not updated to properly integrate with the council's Oracle ledger (it was still set up to integrate with the former SAP ledger). Whilst the council does manually correct these postings, the effort required results in an inefficiency and creates an opportunity for an error to be made. The council should correctly integrate the cash management system and Oracle so that postings are correctly and automatically made."*

Priority three control deficiency – Senior Officer remuneration information for schools *"For two schools we were unable to recalculate the figures disclosed for staff per salary banding. Having requested the detailed workings behind the disclosure so as to investigate the variance, the council has struggled to obtain the relevant data from the schools. This means the council did not have full and complete information to prepare the disclosure. The council should ensure it retains all relevant supporting information from schools so as to prepare disclosures involving school data."*

3.6 The council recognises the significance of the auditor's findings and recommendations. We continue to manage and best plan for the future under the difficult financial climate we face to set a balanced budget for the medium term with savings and efficiencies identified to be delivered. We are working to address the control deficiencies and have been undertaking a programme of improvements to our financial systems, which include reconfiguration, better reporting and documentation.

3.7 The timely completion of external audits is vital in providing local authorities with accurate and reliable financial information to plan and manage their services and finances effectively. It ensures local authority financial arrangements, including whether value for money is being achieved, are transparent to the taxpayer, and facilitates assurance for the public sector more broadly through the audit of the Whole of Government Accounts.

Internal Audit

3.8 The council's Internal Audit Annual Plan outlines a structured programme of assurance activity, designed to provide the Section 151 Officer, senior management and Members with independent assurance that, for the areas included in the plan, the council operates in compliance with applicable legislation and internal policies and that appropriate actions are being taken to mitigate identified principal risks.

3.9 The 2025/26 Internal Audit plan included 819 planned audit days (an increase of 11% from 2024/25), resulting in the completion of 57 audit engagements.,. These covered all council directorates, and included a number of cross-cutting reviews, ensuring comprehensive coverage of key risk areas.

3.10 Follow-up of audit recommendations in 2025/26 demonstrated a reasonable level of engagement from directorates. Just under 40% of high-risk actions were fully implemented, with over half partially implemented. 52% of medium risk actions were fully implemented, with 34% partially implemented. Overall, 87% of high and medium risk recommendations were found to be implemented or partially implemented at follow-up. A further programme of work is planned for the first quarter of 2026/27 to assess the implementation of the remaining open actions. Residual risks will be closely monitored through follow-up audits in 2026/27.

3.11 The Internal Audit service is currently undertaking its first self-assessment

against the new Global Internal Audit Standards which came into effect in January 2025 and the UK public sector application note applied from April 2025.

Member complaints

3.12 The Monitoring Officer is responsible for considering whether complaints about a breach of the Code of Conduct for Members should be investigated, and for hearing complaints which have been investigated.

3.13 The Monitoring Officer deals with all complaints against members in consultation with the council's statutory independent person. Ten complaints were referred to the Monitoring Officer to deal with alleging breaches of the council's Code of Conduct by Members, none of which were upheld. This compares to three complaints being received in 2024/25 none of which were upheld.

3.14 A summary of the ten complaints is provided below.

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Date referred	Nature of issue	Outcome
July 2025	Wide-ranging allegations of statutory failure and Code of Conduct breaches arising from housing issues	The issues were operational housing matters rather than councillor conduct; no Code of Conduct issues identified. No further action.
July 2025	Twitter exchange with another councillor relating to Middle East politics	Agreed no breach; comments made in a personal capacity and unrelated to council business, though noted sensitivity of language if acting as councillor. No further action.
July 2025	Complaint about tone and timing of an internal email to staff following closure decision	No breach of the Code of Conduct; no further action.
November 2025	The Complainant objected to her neighbour's outbuilding and raised concerns through planning enforcement, councillor surgeries, and formal correspondence and an alleged lack of response from both councillors and dissatisfaction with how her objections were handled.	No breach of the Code of Conduct – No further action
December 2025	Facebook post alleged to have influenced a consultation	Agreed no breach; post did not undermine impartiality or confidentiality – No further action
January	Alleged prolonged non-responsiveness and inaccurate	Complainant accepted apology from

Date referred	Nature of issue	Outcome
2026	statements	member and mitigation; agreed no breach of the Code of Conduct – No further action
January 2026	Failure allegedly to respond to a resident following a surgery	Agreed no breach; councillor had in fact raised the matter with officers. No further action.
February 2026	Alleged confrontation at a private business	Agreed matter was private and not in an official capacity; no jurisdiction under the Code of Conduct. No further action
March 2026	Councillor inadvertently copied complainant into internal ASB-related email	Agreed no breach of the Code of Conduct; - no further action
March 2026	Alleged filming and posting of images of resident	On balance agreed matter was private and not in an official capacity; no jurisdiction under the Code of Conduct. No further action.

Overall observations

3.15 In all 10 cases identified since April 2025, both the council's Monitoring Officer and the council's statutory independent person agreed there was no breach of the Code of Conduct.

- Common themes included: Allegations of non-responsiveness or poor communication by councillors
- Complaints arising from operational service issues (notably housing, libraries, and adult social care);
- Concerns linked to social media activity, including whether councillors were acting in a personal or official capacity;
- A small number of cases involving high-volume or repeat complainants, including consideration of the Unreasonable Behaviour Policy.
- While communication could have been better, this did not reach the threshold for a standards investigation.
- In cases involving prolific correspondents, advice supported proportionate management of contact, with an emphasis on clear explanation and evidencing where restrictions under the council's Unreasonable Behaviour Policy were proposed.

Outcomes

- All matters were closed at the initial assessment stage, without referral for investigation.
- The Independent person's views provided independent assurance and supported timely, defensible decision-making by the Monitoring Officer.
- No matters escalated to the Standards Committee or resulted in formal sanctions.

- The pattern of referrals demonstrates:

  - **Robust triage arrangements** for councillor complaints;
  - Appropriate use of **external assurance** on sensitive or borderline cases;
  - A **consistent and well-evidenced approach** to distinguishing between service complaints and conduct issues.
- There is **no emerging risk trend** indicating systemic councillor misconduct. Instead, complaints largely reflect dissatisfaction with council services or misunderstandings of the Code of Conduct.

Whistleblowing Incidents

During 2025/26 the council received 10 whistleblowing disclosures. All matters were handled in line with the council's Whistleblowing Policy, with appropriate senior officer oversight, and were managed proportionately according to risk and evidence.

1. Anonymous allegation against an employee at Service Store relating to an alleged conflict of interest
2. Anonymous allegation relating to HR issues at Bancroft Primary School
3. Allegations relating to the procurement and client management of the Gulp contract by ICT
4. Anonymous complaint about a support worker within Children's Services claiming overtime
5. Complaint relating to bullying and inappropriate recruitment within Library Services
6. Lack of enforcement on an estate in relation to disabled parking
7. Concern about the internal processing of Blue Badge applications
8. Concern relating to the curriculum at the Adult Learning Centre
9. Allegations against an officer for potentially failing to declare a second job
10. Anonymous allegation of conflicts of interest at Downsell Primary School

3.16 Eight of the 10 matters raised did not meet the statutory or policy threshold for whistleblowing and were appropriately redirected or dealt with through alternative processes, including HR or internal routes. The remaining two were dealt with as follows:

3.17 One of the complaints related to the commissioning by the council of the ICT contract with Gulp to review the council's website, as well as the client management of the contract, including alleged financial mismanagement issues. This was fully investigated and the Monitoring Officer was satisfied that it was properly procured and has delivered (in the main) value for money and demonstrable outcomes.

3.18 Another whistleblowing matter raised during the period arose in November 2025 and related to Downsell Primary School. An anonymous whistleblower made a series of allegations, including claims of undeclared conflicts of interest linked to an external education business operated by a family member, potential misuse or diversion of SEND funding, weaknesses in governance and financial oversight, and concerns regarding leadership

conduct and safeguarding practice. Further representations were received over subsequent months.

3.19 A formal whistleblowing investigation was commissioned and undertaken, led by the Strategic Director of Children's Services with oversight from the Monitoring Officer and support from the council's Audit and Fraud Team. The investigation included interviews with senior school leaders and governors, examination of declarations of interest, review of Companies House records, consideration of financial assurance and audit activity, and assessment of SEND funding arrangements and practice. The investigation concluded in March 2026 and did not substantiate allegations of fraud, financial impropriety, misuse of public or SEND funds, or misconduct. While the investigation did not uphold the substantive allegations, it identified areas where governance and controls could be strengthened, and a number of recommendations were made and accepted to reinforce transparency, declarations of interest, secondary employment arrangements and site access controls.

3.20 Overall, the council is satisfied that its whistleblowing arrangements operated effectively during the year. Disclosures were taken seriously, investigated or assessed appropriately, and overseen by senior officers. No whistleblowing matters during the period resulted in findings of fraud, corruption or systemic control failure. Where improvements were identified, these have been addressed through management action, providing assurance over the effectiveness of the council's governance framework.

Risk Management

3.21 The Risk Management Strategy was agreed by the Audit and Governance Committee in July 2022 and ensures effective management of risk in support of the council's Missions, supported by operational and strategic risk registers. The Corporate Risk Register is updated quarterly and reported to Senior Leadership Team and Audit and Governance Committee.

The key risks identified within the strategic risk register include:

<u>Financial stability and resilience</u>

- Breakdown in financial strategy and resilience and in particular pressures in relation to
- Adult Social Care, Children Social Care overspend, SEND (Special educational needs and disabilities) and High Needs Block funding spend

<u>Housing</u>

- The cost of meeting the council's statutory duty to provide temporary accommodation to eligible homeless household's places significant financial pressure on the council's general fund.
- The challenges to deliver affordable housing and regeneration

<u>Community safety</u>

- Maintaining a safe community environment and community safety

Section 2 of the AGS sets out the arrangements the council has in place to manage these risks, including flexible and robust medium term financial planning arrangements.

CIPFA Financial Management Code (FM Code) provides guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the FM Code authorities can demonstrate their financial resilience in meeting foreseen demands and unexpected financial shocks. The Medium-Term Financial Strategy is prepared in line with the FM Code.

Freedom of Information and Subject Access Requests

3.22 In 2025-26, the council received 2197 Freedom of Information (FOI) requests, representing a 12.2% increase compared to the previous year. The council responded to 71.9% of requests within the statutory 20 working day timescale, which is below the Information Commissioner's Office (ICO) expectation. It is a significant decrease on the previous year where the performance was 92%.

3.23 During the same period, the council received 679 Subject Access Requests (SARs), of which 405 were responded to within the reporting year. Due to the complexity of current performance calculations, it has not been possible to provide an accurate assessment of compliance against statutory timescales. Work is underway to address these reporting limitations, with improved performance monitoring expected to be in place during 2026/27. As at March 2026, there were 190 live SAR cases outstanding.

Data Protection

3.24 The council is required by law to refer data breaches to the ICO where they meet the threshold for reporting. A total of four incidents were reported by the council to the ICO in 25/26.Four incidents met the reportable threshold to the ICO. The main causes were accidental disclosure, failure to redact, and issues related to records management.

3.25 The ICO can also issue practice recommendations or fines in relation to breaches of data protection legislation. There have been no practice recommendations issued against the council in 2025/26.

3.26 Individuals are entitled to escalate complaints to the ICO, where they have a Freedom of Information, Data Protection or Environmental Information concern, for example a late/incomplete subject access request, or alleged data breach of data protection legislation. The ICO can issue a decision notices in response to a complaint (this can be for or against the council). A total of 8 decision notices were issued by the ICO. The Information Commissioner's Office (ICO) issued several findings regarding the council's compliance with the Freedom of Information Act (FOIA). Each finding is outlined below, along with the number of times it occurred:

- Section 16 Breach: On one occasion, the Commissioner determined that the council breached section 16 of the FOIA by failing to establish the correct objective of the request when reviewing the final portion of the information sought.
- Postal Copy Not Provided: On one occasion, the ICO found that the council did not provide a postal copy of the information when initially responding to a Freedom of Information request.
- Section 10 Breach: On one occasion, the ICO concluded that the council failed to issue a substantive response to a FOI request within the required 20 working days, resulting in a breach of section 10.
- Section 11 Breach: On two occasions, the ICO determined that the council did not comply with section 11 of the FOIA, as it failed to provide the requested information in the format preferred by the requester.

3.27 The ICO can also issue practice recommendations or fines in relation to breaches of data protection legislation. There have been no practice recommendations issued against the council in 2025/26.

3.28 The ICO carries out compulsory audits or asks organisations to participate in a 'consensual 'audit. The council has not been required to participate in any audits by the ICO in 2025/26.

3.29 Individuals are entitled to appeal an ICO decision notice or data protection complaint to the First Tier Tribunal (FTT). Whilst these appeals are against the ICO, the council can be added as a second respondent by the ICO or the FTT. The council was added as a second respondent to one FTT complaint in 2025/26.

Care Quality Commission and Ofsted

3.30 The Care Quality Commission (CQC) is an independent regulator of health and social care in England. Inspection of Local Authorities recommenced in 2023. Since then, many Local Authorities have received a rating from the regulator ranging from inadequate to outstanding. CQC began notifying North East London Authorities early 2025 with Waltham Forest receiving notification in March 2025 and the onsite inspection taking place in July 2025. Ofsted is a government department that inspects services providing education for learners of all ages. Ofsted reports are published on its website. The latest Ofsted reports for 2023/24 show that of the council's maintained schools:

- 20.4% of schools are Outstanding
- 77.3% of schools are Good
- 2.3% of schools Require Improvement

Regulator of Social Housing

3.31 The Regulator of Social Housing (RSH) regulates for a viable, efficient, and well governed social housing sector, able to deliver quality homes and services for current and future tenants. The RSH does this by setting standards and carrying out robust regulation focusing on driving improvement by social landlords, including local authorities.

3.32 Inspections are an integral part of the RSH's regulatory approach. The RSH uses inspections of landlords to help it form its view about how well a landlord is delivering the outcomes of some or all of its standards.

3.33 Between December 2024 and March 2025, the RSH carried out an inspection of the Housing service's compliance against the RSH's Consumer Standards. The council was awarded a C2 grading by the RSH and we are one of nine local authorities within London to receive a C2 grading or higher. The C2 grading is the second highest rating against the consumer standards, and it indicates that while the council is broadly meeting the consumer standards, there are some areas that need improvement.

3.34 The Inspection outlined areas where improvement is required, such as increasing the number of homes that meet the Decent Homes Standards, improving the timeliness and efficiency of the repairs, having clearer tenancy management policies with better engagement with hard-to-reach groups and completing outstanding remedial actions arising from fire risk assessments and outstanding electrical safety check. These key areas of focus were agreed as part of the Housing Improvement Plan for the monthly RSH-Provider scrutiny improvement meetings. .

The RSH is satisfied with the progress to date and has recently agreed to move from monthly to bimonthly meetings

Local Government and Social Care Ombudsman and Housing Ombudsman

3.35 The Local Government and Social Care Ombudsman (LGSCO) conduct independent, impartial investigations of complaints about service failure and maladministration in Local Authorities, in line with Part III of the Local Government Act 1974. The LGSCO sends the council annual reviews of its performance, they are reviewed by SLT and the Audit and Governance Committee.

3.36 For the sake of openness and transparency there was an error in last year's statement at para 3.28 when information was erroneously included from the previous AGS 23/24. The latest available Annual Review letter dated 9th July 2025 covering the period 2024/25, shows the LGSCO upheld 70% of complaints against the council (compared to similar authorities which is 84%) and were satisfied the council had successfully implemented its

recommendations in all cases. The council provided a satisfactory remedy before the complaint reached the Ombudsman in 5% of upheld cases. Compensation totaling £11,625 was issued in 2024/2025 following complaints upheld by the LGSCO.

3.37 The Housing Ombudsman (HO) resolves disputes involving the tenants and leaseholders of social landlords and is the final stage for complaints that have already been responded to as part of the council's internal complaints process. An analysis of HO findings and reports does not highlight any significant governance issues, although the council remains under considerable scrutiny. In March 2025, the HO notified the council of its intention to conduct an investigation into repeated service failures. In response, Housing Services produced a complaints improvement plan which provided sufficient assurance for the HO to close the investigation.

Ofsted and CQC Children's Services Inspections

3.38 In January 2026 Children's Social Care services received a Focused visit from Ofsted to look at MASH arrangements and practice. The partnership has continued to progress the SEND improvement plan following the February 2025 inspection with oversight from the SEND Strategic partnership Board.

3.39 Our in-house residential children's home Leyton Green Road was inspected by Ofsted in November 2025, receiving Good in all areas and an overall Good judgement. Ofsted was very positive about the home and levels of care it provides to children.

Our Adult Social Care Inspection concluded in July 2025 with the final result being made available in November. The overall rating was 'Good'. Learning from experience, the team have developed an improvement plan to further strengthen practice.

Budget Outturn Position

3.40 A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it enforces financial discipline, strategic allocation of resources, efficient service delivery and accountability.

3.41 The council's general fund outturn position for 2025/26 includes service pressures of £25.231m which have been fully funded from a mix of sources including corporate balances, section 31 grant, business rates pool, and a drawdown of £2.710m from reserves.

3.42 The total revenue reserves at 31st March 2026 are £58.053m. This includes a balance of £3.704m at 31st March 2026 for the budget strategy reserve which is required to manage service budget risks and investment in the Transformation Programme. For the period covered by the latest Medium Term Financial Strategy to 2028/29, the council will utilise the option to apply

flexible capital receipts to fund the Transformation programme. These reserve balances exclude the general fund working balance of £14.9m.

3.43 The final outturn position for 2025/26 reflects the high demand for services for both Adults and Children and Education with a combined overspend of £14.269m. The Housing General Fund service overspent by £12.739m largely attributed to the continued demand and cost of temporary accommodation (TA). During 2025/26, the Council successfully reduced the number of households in TA. At year-end, 1,577 households were in TA, marginally lower than the 1,581 reported in March 2025 and a reduction from the peak of 1,710 in September 2025. Despite this success, the council's position reflects the wider national and London-wide trend. Local Authorities continued to face unprecedented homelessness pressures driven by a shortage of affordable housing, high private sector rents, and increasing demand for statutory homelessness services. London Boroughs collectively spend more than £5m per day on homelessness and temporary accommodation, with costs continuing to rise significantly faster than local authority funding; government has not increased the Temporary Accommodation Housing Subsidy since 2011. Over the year, the average weekly net cost of TA increased by almost 4%, rising from £262 in March 2025 to £272 in March 2026.

3.44 The outturn position for the Housing Revenue Account is a total surplus of £6.732m which is transferred to the HRA reserves and increases the balance to £13.637m.

3.45 The approved budget for the 2025/26 capital programme was £171.958m and actual spend against this was £143.242m. The programme included investment into schools, highways and streetlighting, property, area regeneration, the delivery of new and affordable homes, investment into our response to the Climate Emergency and investment into council-owned homes via the HRA.

3.46 The financial position of the council's schools remains challenging, mirroring the national picture with schools facing increasing cost pressures.

3.47 The council is currently formulating recovery plans to ensure schools future sustainability. This issue will be monitored through section 4 of the AGS.

LGA Corporate Peer Challenge

3.48 The Corporate Peer Challenge is a valued improvement and assurance tool offered by the Local Government Association to councils. It is sector led, through the use of member and officer peers.

3.49 In June 2024, the council took part in a Corporate Peer Challenge, where the peer team undertook a review of key finance, performance and governance information and then spent four days at the council, providing provide robust, strategic, and credible challenge and support. Following the Corporate Peer Challenge, a report outlining key findings and recommendations from the peer

team was shared with the council. In the spirit of openness and transparency, the council published this report, alongside an action plan in response to the findings.

3.50 As is standard, a Peer Challenge Return Visit was completed in April 2025. Following the progress review visit, the Peer Team's findings were presented in the Corporate Peer Challenge Return Visit Report, outlining the progress made in response to recommendations. In the spirit of openness and transparency, the council was required to publish this report. This marked the final part of the Peer Challenge process.

3.51 A progress review and progress update against the action plan was presented to Scrutiny Coordinating Committee in December 2025, and included highlighting areas where the council has demonstrated strong progress and positive impact since the original Corporate Peer Challenge.

Governance Issues

4.1 A key element of the annual governance statement is to identify any significant governance issues. Table 2 below summarises the governance issues which management will continue to monitor and address in the year ahead.

Table 2 – Governance issues to monitor in the year ahead

Governance issue	Action	Responsible Officer	Target Date
The council continue to keep the articles of the constitution under review and make any necessary changes	The Constitution l Working Group will oversee this work and recommend to Audit and Governance Committee and then Full council the necessary revisions to the constitution	Corporate Director of Governance and Law	Ongoing

Governance issue	Action	Responsible Officer	Target Date
The council has a significant backlog of complaints and SARS, and the response times have been impacted negatively. There is increased scrutiny from the Housing Ombudsman and the Local Government and Social Care Ombudsman. The SARs backlog will become a concern for the ICO if it is not brought into line with their statutory response timelines. The complaints process is an important way service users and the public can hold the council to account. A deterioration in this process can erode the council's ability to demonstrate ethical conduct and the delivery of desired outcomes.	The Complaints Recovery Programme has been in place since May 2025 and has already delivered significant improvements across the organisation. The iCasework system has been updated to resolve long-standing operating issues, comprehensive training has been rolled out to staff across all services, and teams have been working consistently to a 10-day response window. As a result, performance has strengthened and greater stability is now visible across the organisation. To maintain momentum and embed a sustainable model of delivery, the next phase of the programme will focus on three priority actions: • **Implementing the recommendations from the recent internal audit**, ensuring the corporate complaints framework is robust, compliant and aligned with good practice. • **Prioritising FOI and SAR recovery**, supported by targeted training, clearer expectations and improved reporting to	Emma Appleford-John	December 2026

Governance issue	Action	Responsible Officer	Target Date
	strengthen statutory compliance. • **Establishing a sustainable structure** that enables consistent, high-quality delivery and provides the resilience needed for long-term performance.		

Governance issue	Action	Responsible Officer	Target Date
The approach to internal governance was refreshed in April 2024, and reviewed in 2025 and 2026. The approach seeks to embed principles to create a more collective approach to decision-making to deliver on the ambition for residents, whilst maintaining strong oversight on performance, budget and risk. This governance structure aimed to ensure all high priority projects across the council have senior officer and member input and steer. Our Missions, as set out in Mission Waltham Forest, must be at the heart of decision making. It is important that leadership across the organisation is open to opportunities to develop different ways of working and new capabilities, including different ways of capturing learning and impact. This also involves progress in understanding the issues and gaps associated with challenges our Missions highlight, and focusing on the council's ambitions to tackle inequality, and promote, facilitate and deliver equity within the council and the borough.	Review of internal governance to take place annually. Undertake alignment exercise and approach with the formal governance forward plan to ensure early steer and strategic oversight. Implement any changes from the most recent review and embed across the organisation.	Corporate Director, Governance and Law	Annual

Adult Transformation Program has an established board providing intra departmental governance ahead of broader reporting to the corporate centre.	Adult Services has a 3-year comprehensive transformation programme with a wide-ranging set of actions focused on enabling residents to live and age well, whilst the authority strives to maintain a firm financial footing. This work is overseen monthly by the transformation, strategic leadership teams and the lead Cabinet Member for adults.	Strategic Director of Adult Social Care	

Governance issue	Action	Responsible Officer	Target Date
Ongoing monitoring of complaint performance by the Regulator for Social Housing and the more proactive approach taken by the Housing Ombudsman requires consistent improvement particularly in relation to stage 2 complaints handling.	Onboard the new Stage 2 Investigator within the Housing Landlord Services and monitor performance monthly to ensure there is a demonstrable and consistent improvement and that performance reaches target before the end of the financial year.	Strategic Director of Place	March 2027

Governance issue	Action	Responsible Officer	Target Date
The Procurement Act 2023 took effect in February 2025, bringing updated requirements for public sector buyers. One key change is the introduction of stricter transparency obligations, including the need to publicly share details of transactional payments starting in 2026.	Review and update as necessary current Contract Procedure Rules, written procedures, intranet guidance and procurement documentation to ensure compliance with the new Procurement Act. Ensure officers receive adequate training (utilising the Cabinet Office's learning offer) and guidance on the requirements of the Act and the operational and governance changes that will be required.	Director of Procurement	Oct 2026

Governance issue	Action	Responsible Officer	Target Date
We must ensure appropriate governance arrangements are in place to drive implementation and provide oversight of Mission Waltham Forest	We have set up a Mission Waltham Forest Transformation Board that provides oversight of our Transformation programmes and ensures their alignment with Mission Waltham Forest. The Board is formed by SLT members and chaired by the Chief Executive, ensuring the programme is driven by appropriate senior leadership accountability. A Mission Waltham Forest Leadership Network also provides coordination across directorates on implementing and delivering Mission Waltham Forest		

Conclusion

4.2 The council has identified a number of governance issues and has proposed a set of actions to address them, as outlined in Table 2 above. It will continue to monitor and address these in the year ahead, and report progress in next year's Annual Governance Statement.

The next section details the key elements of the council's governance framework, and demonstrates how these align to the core principles of good governance set out in the CIPFA/SOLACE *Delivering Good Governance in Local Government: Framework* (2016)

Appendix A – Summary of LBWF Council's Governance Framework – CIPFA/SOLACE Principles

Core Principles of the CIPFA/SOLACE framework	Examples of the governance arrangements the council has in place
Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law	LBWF council expects the highest standard of conduct and behaviour from all of its members and officers. This expectation is formally set out in the Codes of Conduct for Members and Employees, which are underpinned by the Seven Principles of Public Life (the Nolan Principles). The Code of Conduct for Members complies with the most recent report by the Committee on Standards in Public Life titled "Leading in Practice: A Review by the Committee on Standards in Public Life" (January 2023). The Code also complies with the Local Government Association's Model Councillor Code of Conduct. The Audit and Governance (Determination Hearing) Sub-Committee is responsible for hearing complaints about a breach of the Code of Conduct for Members following investigation by the Monitoring Officer and Independent Person. There have been no determination hearings in the year 2025/26 The council's 'Arrangements for Dealing with Complaints under the Members' Code of Conduct' was reviewed and approved by the council in October 2022. The Director of Governance and Law is the Monitoring Officer. The Monitoring Officer advises Members on the scope of powers to take decisions, maladministration, financial impropriety, and budget and policy framework issues, and can report to full council (or to the Executive) if they consider any proposal or decision has or would give rise to unlawfulness. Compliance with policies and legislation is managed through a range of corporate written rules and procedures which define how decisions are taken and the processes and controls required to manage risk and act in the public interest. These include: • The Constitution • Financial Regulations

	• Procurement, Financial, Property and Employment Procedure Rules • Code of Conduct for Members • Code of Conduct for Employees • Anti-Fraud and Corruption Policy • Whistleblowing Policy • Corporate Complaints Policy The council has an established whistleblowing policy in accordance with the requirements of the 1998 Public Interest Disclosure Act. Whistleblowing arrangements are a key element of the council's overall governance arrangements. It is the mechanism to empower the honest majority in the fight against fraud and corruption. The council's Whistleblowing Officer is the Corporate Director of Governance and Law. Several other policies are also in place and available to officers via the council's Intranet pages, including HR policies (including discipline procedures), information governance policies and service-specific policies. All key policies and guidance for officers, including the Code of Conduct for Employees, are highlighted to new starters as part of the corporate induction process, and compliance is monitored through the council's performance management processes.

Principle B: Ensuring openness and comprehensive stakeholder engagement	**Ensuring Openness** The council is committed to transparency and believes residents have a right to see what is going on and to hold the council to account. Council meetings are open to the public; the only exception is for agenda items that are exempt or confidential within the terms of the Constitution. The time, date and location of public meetings are displayed on the council's website. The Forward Plan, published on the council's website, lists the key decisions the council will make over the next four months. All committee minutes and decisions are documented on the council's website in a timely manner, and the criteria, rationale and considerations used in any decisions are clear. The financial, legal, and environmental implications of all key decisions must be considered and publicly reported on the council's website, as is an equality impact assessment for each key decision.
	Stakeholder and Community Engagement The council regularly engages and consults with residents and the wider community on a diverse range of issues. Various communication channels are used, including the council's websites, email, social media channels, public meetings and the quarterly Waltham Forest News delivered to residents. The council is committed to engaging extensively with residents and community groups in relation to service delivery, using their insight to shape its communications materials and approach so that the council can make sure important messages reach the right people through channels they trust. Examples of our approaches to engagement include: • **Ongoing work to hear the views of all our communities and gain insights that shape council practice** – including through cross-cutting engagement such as our Let's Talk platform and Resident Insight Survey as well as targeted approaches such as our Young Advisers programme. • **Innovative methods of community participation and co-design** – the council continues to adopt innovative models of community engagement to give residents a strong voice on the issues that matter to

	them most – including our Let's Talk programme and the UK's first Citizens' Assembly on the Future of Neighbourhood Policing. • **Service-specific opportunities for residents to shape and improve how services are delivered** – including through our Social Care Voice and Influence team and our Housing Engagement & Insight team (driven by our new Resident Involvement Strategy). We also run a Community Safety Citizen's Panel who meet regularly to discuss resident concerns around crime and community safety and to shape policies and provide feedback on initiatives and a similar panel for Climate initiatives. • The council is refreshing its strategic partnership arrangements with the voluntary and community sector (VCS) to promote equalities outcomes for communities with protected characteristics. The former **Community Resilience Alliance**, which played a key role during the pandemic, is being reformed into the **Together for Waltham Forest Partnership**, working alongside VCS partners to better align collaboration to the borough's Missions. This work includes the co-development of a **council–VCS Covenant**, setting out shared principles for partnership working going forward. In parallel, sector engagement and support is facilitated through the **Community Participation Network**, convened by the **Waltham Forest council for Voluntary Services (WF CVS)**, a council-enabled and funded infrastructure body established to act as a collective voice for the VCS.

Appendix A – Summary of LBWF Council's Governance Framework – CIPFA/SOLACE Principles

Principle C: Defining outcomes in terms of sustainable, economic, social and environmental benefits	**Defining Outcomes** The council's vision is to work toward a more equal borough, where everyone can make the most of their strengths to live the life they want to lead. The council's priorities to achieve its vision are set out in Mission Waltham Forest which presents the strategic framework that is driving the council's work with its partners. The scale and cross-cutting nature of the missions in Mission Waltham Forest requires a break from our business as usual. We know we need to work differently to produce different outcomes and as we face rising pressure on our services. This means adopting different ways of working and new capabilities, as the organisation becomes more mission-based. We know that our missions must have measurable outcomes that show us what success looks like and enable us to monitor our progress. Better use of data, insight and evaluation will enable us to understand our impact, and there is extensive work being delivered by the Council's Business Intelligence function to enable this. The Council's Corporate Impact Framework is aligned to Mission Waltham Forest with over 90 metrics, most of which are updated monthly, selected to ensure alignment with priorities and outcomes that describe success. Commentary is provided by services on a bimonthly basis and a review of the framework was recently undertaken to ensure it is responsive to the council's current context, pressures and priorities. The dashboard is available to all staff via the council's SharePoint and is intended to support staff to make evidence-based decisions and measure impact. It is presented to the council's strategic leadership team, Cabinet members and Scrutiny Coordinating Committee on a bimonthly basis (or as close to this as is possible). The Mission Waltham Forest Transformation Board is also actively engaged in defining outcomes and success measures for our Transformation programmes and ensuring alignment with Mission Waltham Forest. Monitoring of these includes a corporate bi-monthly assurance process, aligned with the Budget Monitor.

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Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes	**Determining Interventions** Decision makers receive objective and rigorous analysis of a variety of options when making decisions, indicating how intended outcomes would be achieved and the associated risks, for instance in the challenge and review process that underpins the setting of the annual budget and savings plans. All key decisions include details of the financial, legal, workforce, environmental and equality implications, to allow Members and officers to make informed decisions. Through our reporting templates and requirements, we require report authors to articulate the implications of proposed decisions. This is enabled through tools to understand and assess the impacts of changes or decisions, including Equality Impact Assessments and Health Impact Assessments. **Planning Interventions** The council's strategic priorities are fully aligned to the annual budget and medium-term financial strategy. The council has considered long term pressures on funding streams, such as council tax, business rates and the government funding settlement. The council works in partnership with a wide range of organisations from the statutory sector, third sector and business sector to deliver services for local people and drive forward improvements in LBWF. Partnership working includes different types

	of relationships – from contractual arrangements between the council and other organisations to deliver services or projects through to strategic forums (some of which are required by statute, others voluntary) which bring partners together around the table to agree how best to tackle key challenges and shared priorities. Some have funding to allocate and targets to meet, others provide a steer to inform individual partners' priorities and commissioning. Governance arrangements vary depending on the nature of partnership working but are designed to ensure that the partnership remains appropriate, effective, and fit for purpose. In addition, the council's Financial Regulations provide guidance on best practice in managing partnership arrangements. Where the relationship is a contractual one i.e., funding to deliver an agreed service, the contract or service level agreement will set out requirements around use of funding, what is to be delivered, targets, measurable outputs and how the contract is to be monitored, reviewed and evaluated. Contracts and budgets are managed by the relevant department with the Strategic Director having overall responsibility. Where the partnership involves sharing data then either a contract or an Information Sharing Agreement will be in place. The Health and Wellbeing Board, which includes membership from the council provides the mechanism for leadership of the local health and wellbeing system, maintaining an overview of account for improvement in health and wellbeing outcomes, and ensuring effective coordination and integration of commissioning plans to secure best use of resources and population health outcomes. In 2023, in light of the new commissioning arrangements in the NHS underneath the ICS (Integration Commissioning System), the Health and Wellbeing Board has been brought together with the Health and Care Partnership Board (the Waltham Forest-level sub board of North East London). This strengthens its alignment with the local and regional commissioning arrangements, and allows it to drive on shared health priorities, including addressing health inequalities and supporting the Promoting Wellbeing workstream. The Inclusive Economy Mission Board was formed in 2025, which brings together anchor partners including health, skills, employment and housing organisation and provides the mechanism for leadership to drive a coordinated and targeted approach to how we improve economic outcome for residents ensuring economic policies, business practices, and initiatives support equitable opportunities and benefits for all, particularly marginalized or underrepresented groups.

	Optimising the Achievement of Intended Outcomes The council has in place a robust Performance Management Framework to ensure effective delivery of services and priorities. Elements are: • Corporate Impact Indicators – performance measures covering the impact of key services and priorities • Internal monitoring and challenge around performance and delivery through Departmental Management Teams and SLT. • Public reporting and scrutiny through reports to scrutiny committees, including more in-depth scrutiny of specific topics. Performance reports are submitted to scrutiny committees on a quarterly basis. The reports are published in papers for relevant meetings on the council's website. • **Capital Programme** In March 2026, Cabinet endorsed its annually refreshed Capital Investment Strategy. The strategy is a requirement of CIPFA to ensure that all councils have an affordable capital programme, which is aligned to and delivers its corporate priorities alongside meeting a number of CIPFA's prudential indicators. The strategy endorsed by Cabinet meets all of CIPFA's requirements for capital investment and demonstrates how is 10-year £733.43 million investment programme delivers the council's strategic objectives.

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it	The council is committed to the ongoing professional development of Members and officers, to ensure everyone has the knowledge and skills they need to carry out their role effectively. After the local elections in May 2022, a significant induction program for new Members was delivered. An ongoing program of training and development is being provided to Members on both a group and individual basis, with several dates scheduled for planned training each year. This program of learning and development is overseen by the Councillor Services and development opportunities are available in a variety of ways including, briefings, site visits, e-learning and conferences. This approach will be reviewed and improved in preparation for the local elections in May 2026: • Access to an online Councillor Hub, which operates as a one stop shop for information for Members. • Identify the responsibility of Members in relation to Mission Waltham Forest. • Establish a member-led Member Design Forum • Refresh *Personal Development Plans* for all Members. • Create a Learning and Development Programme that runs a full administration cycle. • Put accessibility and equalities at the heart of session design and delivery. • Outline future induction requirements. • Annually survey Members on key areas of development. Members will also have learning and development opportunities around the specific roles they hold, for example portfolio and scrutiny positions. Sessions include, but are not limited to, Code of Conduct, Safeguarding, Data Protection Personal Safety, Equality, Diversity & Inclusion, Public Speaking, Chairing Skills, Community Engagement, Local Government Finances. Planning for the 2026 member induction commenced from April 2025. One of the key Transformation Strands of work in the council will be focused on Workforce and Culture. This work intends to shift the organisation from short term discrete approaches to a long-term focus designed to shape the agile and thriving workforce we need for the future. To ensure that the approaches will be embedded into the organisation the core strategy has been co-designed and tested

	with the Extended Leadership Team, Staff Networks and through the regular engagement with the workforce. Workforce and Culture Transformation The transformation programme seeks to achieve three clear pillars: - Build a highly engaged, productive, and diverse workforce that represents our community at all levels. - Be an employer of choice by creating meaningful jobs and career paths for all staff, including underrepresented groups. - Build, retain and recruit inspirational leaders who empower staff at all levels to take the lead to improve services for residents. We identified 26 levers for change within this programme. These levers represent work being led by Workforce and Culture to enable our services to deliver Mission Waltham Forest. Demonstrating the range of thematic focus, levers for change include increasing the Leadership and Development Offer, establishing a Diverse Empowerment Programme, Reducing Agency Spend, Raising Staff Awareness of Health and Safety and Improving Staff Performance and Development. The programme is measured by 11 headline indicators. These indicators have been chosen because they encompass our key objectives and draw upon staff feedback from across the Council. Progress on our indicators suggest we have made a good start to the programme but with ongoing work required. Since the transformation programme launched, some examples of the progress we have made include: Reduced Agency Spend We have continued to improve investment in staff as our core workforce by reducing agency headcount, transferring 103 agency workers into permanent and sustainable roles. Agency headcount is now 232, down from over 400 18 months ago, which is the lowest figure in the past 7 years, representing a real shift in our hiring practices. Increased Staff Engagement The Staff Survey in the autumn of 2024 showed increased participation of staff and improved engagement results across the majority of questions. This shows progress is being made in making the Council a great place to work.

	Reduced Pay Gaps Gender and ethnicity pay gaps continue to narrow year on year. The gender pay gap is currently reducing at a quicker rate than ethnicity. This is good progress with much more to do. Performance and Development We have overhauled our performance and development cycle so that staff development is at the centre of discussions, focusing on delivering Mission Waltham Forest ambitions and moving away from archaic or arbitrary grading systems. This approach plays a key role in shifting organisational focus to continuous learning and is more equitable for staff. Health and Wellbeing Action Plan We successfully launched the Health and Wellbeing Action Plan (HWAP), which outlines the approach towards wellbeing over the next three years. The HWAP will help to guide our work in creating a supportive and productive working environment and provide mental health or social support that reflects what our organisation needs. Future Pathways We have improved career pathways for local care experienced young residents by establishing the Future Pathways scheme. We have co-designed a new approach to recruit two care experienced residents into placements within the Council, removing barriers to the process and providing tangible benefits from taking part in every stage of the process. We are now working to expand the offer across the borough by promoting it to other organisations to replicate. Thrive – Diverse Empowerment Programme A key deliverable in the Inclusion Action Plan, This programme offers staff learning and development specifically focusing on colleagues within the PO4-PO12 bracket, where representation steeply decreases. This lever will help us to further reduce the gender and ethnicity pay gaps. We are also working to improve our data so that we can more effectively inform our work. Considering protected characteristics for example, our data suggest that 10% of staff identify as having a disability, although 90% of staff have yet to declare whether they do or do not have a disability. The lack of disclosed data affects how we might be able to make the workforce a more inclusive and supportive environment. We are actively working on improving declaration rates through the Share not Declare campaign, which has seen the declaration rate increase from 5.19% in September 2024 to 9.2%.

	To ensure the transformation programme is monitored and delivered effectively, two governance processes have been established: The Workforce and Culture Transformation Board and the Working Group. The Workforce and Culture Transformation Board provides oversight and governance to the transformation programme. Senior representatives from each directorate ensure that all initiatives are adequately addressing staff concerns in a way that is relevant to the whole Council and helps to embed the work in each of the Directorates. The Board meets every two months. The Working Group is a space where cross-pollination of ideas and mission-based working is central. It comprises senior staff from Human Resources; Organisational Development; Equality, Diversity and Inclusion; and Health and Safety. Project leads present regularly on their work to receive insight and feedback from the Group. The Working Group meets monthly. Work on inclusion continues to grow. The launch of the Inclusion Action Plan in 2023 set a clear mandate for the organisation to ensure that this was at the heart of the leadership of the Council. A range of activities have been undertaken to improve awareness, improve training opportunities and ensuring that our leaders are held accountable as part of the appraisal process. In addition to this work continues to roll out the first pilot of Inclusive Mentoring which aims to generate learning through shared experience, enabling staff to feel valued for the different perspectives they bring to the workplace. New employees attend the council's corporate induction programme, in addition to which directorate and role specific training is provided where needed. The council introduced a new learning management system (MyLearning) which is now the central place for e-learning and course bookings. Information on staff training, development programmes and courses available are regularly publicised on the council's intranet website, and e staff news. There is compulsory training for staff on key issues such as equality, data protection and cyber security.

Principle F Managing risks and performance through robust internal control and strong public financial management	**Risk Management and Risk Maturity** The Council's Risk Service remains responsible for implementing the risk management framework. The Risk Management Strategy and Policy is reviewed and endorsed by the Strategic Leadership Team (SLT) and the Audit and Governance Committee, which is the body charged with assuring itself of the effectiveness of risk management. The Council's Strategic Risk Register is updated and reviewed on a quarterly basis by the Strategic Leadership Team. In support of this, the Corporate Risk Management Group meets quarterly to facilitate effective identification and reporting of both operational and strategic risks, utilising the Council's risk management portal JCAD Core for tracking and reporting purposes. The Council continues to strengthen its risk maturity by embedding risk management into decision-making processes and aligning its risk appetite with the Council's strategic Missions. An updated Risk Management Framework has been introduced, which refreshes the Council's risk appetite by category, sets clear risk tolerance levels, and introduces a "target risk" score. This target risk score allows the Council to track each risk against the defined appetite and to measure the effectiveness of mitigating controls over time. These enhancements ensure that risk management is proactive and that risks are managed within agreed appetite levels, supporting informed decision-making and continuous improvement in risk management practices. **Robust internal control** The Council's Internal Audit Annual Plan outlines a programme of work designed to provide assurance that the Council complies with all relevant laws, regulations, and internal policies, and that it has taken appropriate action to mitigate the principal risks identified in the Council's risk reports. The plan is developed from multiple sources – including the Council's operational and strategic risk register, an internal audit risk assessment, audit plans from other local authorities, findings from previous audits and fraud investigations, and CIPFA good governance guidelines – to ensure comprehensive coverage of key risk areas. The 2025/26 Internal Audit Plan was formally approved by the Audit and Governance Committee on 6 April 2025, aligning with the start of the financial year. The Audit and Governance Committee receives regular Internal Audit progress reports throughout the year, detailing outcomes against the plan and follow-up on recommendations. The Audit and Governance Committee reviews and approves the annual Statement of Accounts, monitors the effectiveness of the council's corporate governance activities and promotes high standards of member conduct. These responsibilities are carried out alongside oversight of the internal audit outputs and the Council's anti-fraud and risk management activities, ensuring that robust internal controls are in place and operating effectively. The Committee's oversight, combined with quarterly risk reviews by senior management, provides a strong assurance framework for the Council's governance and risk management during 2025/26. The Council's Anti-Fraud Strategy promotes a zero-tolerance approach to fraud and incorporates the Council's Fraud

	Response Plan. In addition, the Council's Whistleblowing Policy provides a confidential mechanism for reporting suspected fraud. The programme of proactive and reactive anti-fraud activity for 2025/26 was approved by the Audit and Governance Committee on 6 April 2025. The Corporate Anti-Fraud Team (CAFT) has recovered 62 Council-owned properties and three social landlord properties, of which 24 recoveries arose from unsuccessful succession applications. In addition, two former tenants have been successfully prosecuted for illegal subletting. There are currently 53 cases pending legal recovery action, 12 cases awaiting eviction, and six cases awaiting downsizing, following investigation. Central Government has accepted a notional saving of £66,000 for each property recovered, based on either the cost to the Council of providing temporary accommodation or the average cost of constructing a new two-bedroom property (£250,000). Applying these values, the notional value of savings achieved through CAFT's work on tenancy fraud is estimated at £10.5 million, or £40 million in avoided new-built costs. CAFT has also prevented nine Right to Buy applications, resulting in property discount savings of £1,227,600 and enabling the Council to retain these valuable assets within its housing stock. Investigations undertaken by CAFT across a range of fraud types, including tenancy fraud, single person discount, benefit fraud, direct payments, grants, and business rates, have identified total cashable savings of £288,661.55. The Council continues to participate in the Cabinet Office's mandatory National Fraud Initiative (NFI) data-matching exercise and additionally joined the London Fraud Hub in March 2022. This enables the Council to undertake regular data matching and to target emerging areas of fraud risk. To date, this work has identified fraud savings totalling £569,707.29. The Council is a member of CIFAS, a not-for-profit membership organisation that manages the largest national dataset of reported fraudulent conduct. CIFAS members share information across sectors to help identify and reduce fraud and financial crime. The Council undertakes vetting checks on all prospective employees and temporary agency workers, including the use of CIFAS data. As a result of these checks, one offer of permanent employment has been withdrawn. CAFT has also worked in partnership with Human Resources to investigate allegations of fraud and theft involving permanent and temporary staff. This work has resulted in three dismissals, two resignations, four written warnings (one of which led to a prosecution), two verbal warnings, and three recommendations for service improvement.

	Managing Data Through its Information Governance Strategy, the council promotes a culture of good practice around the collection, storage, use and sharing of data, and compliance with legislation. Its application will continue to be tracked in the coming year. The council has a Record of Processing Activity (ROPA) in place to ensure that it manages its information and identifies and mitigates any risks efficiently. A comprehensive Data and Information Management policy suite is in place to ensure staff are aware of their obligations to keep personal data secure. All staff are trained in their data protection and information governance responsibilities through mandatory e-Learning courses. This training also includes cyber security awareness training. **Managing Performance** The council maintains a suite of corporate performance indicators to help monitor delivery of its organisational priorities. These sit within the Corporate Impact Framework, which is aligned with our corporate plan, Mission Waltham Forest. Corporate Performance is reported every two months to SLT Informal Cabinet and Scrutiny Coordinating Committee. Each report includes narrative insight on highlighted metrics to outline key achievements, operational challenges and emerging priorities, with a focus on the impact of the council's work in delivering against our Missions. This regular cycle of measurement and review helps to identify how we can continually enhance outcomes for residents. A dashboard is available to all staff via the council's internal SharePoint to support staff to make evidence-based decisions and measure impact We have made a commitment to all our residents to tackle the fundamental challenges facing them and drive the transformation that is needed to achieve this. In an increasingly uncertain environment, with complex challenges, the council must be able to increase early understanding of opportunities to leverage them, and of problems to turn them around, Our Corporate Impact Framework is a key tool for unlocking insights and for keeping us accountable to this commitment. There are seven scrutiny committees within the council, which provide constructive challenge, debate and objective review and hold the work of the Executive and the council to account. They can undertake more in-depth research into particular areas of policy, and request evidence from other service providers and external organisations. The Inner and Outer North East London Joint Health Overview and Scrutiny Committees are formed of the Chairs and in some cases the Vice Chairs of the Health Scrutiny Committees of Barking and Dagenham, Hackney, Havering, Newham, Redbridge, Tower Hamlets, Waltham Forest and the Corporation of the City of London. Its role is to scrutinise strategic sector-wide issues through regular engagement with NHS North East London. The Joint Committees work independently of both the Executive and health scrutiny committees of the parent authorities.

	Accountability and effectiveness of other service providers is addressed through relevant partnership arrangements, including the Health and Wellbeing Board. **Financial Management** The council has a robust financial management framework in place to support both long-term achievement of outcomes and short-term financial and operational performance. The council sets and monitors an annual budget alongside a three-year MTFS. The MTFS seeks to identify required budget changes almost three years before any given budget report is agreed. As part of the budget process, SLT considers the most recently available budget monitoring information, potential service growth items and savings as well as the latest budget assumptions for the forthcoming financial year. Proposed savings are signed off as deliverable by key stakeholders across the organisation. The thoroughness of the overall budget setting process and emerging risks are considered by the Section 151 officer in their assessment of the overall robustness of the council's budget estimates. These are included within the Section 25 report which is presented as part of the Budget Report. The MTFS Refresh and Budget report are also presented to Budget and Performance Scrutiny in advance of Cabinet. In February 2025 the council approved a balanced budget for 2025/26, which included £24.4m of revenue savings, over the MTFS periodand an increase in council tax by the maximum of 2.99% plus the Adult Social Care precept of 2%. The Narrative Report accompanying the Statement of Accounts explains how financial performance against budget, reported to the Executive throughout the year, is consistent with the financial performance reported in the Statement of Accounts. CIPFA's Financial Management Code (FM Code) provides guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the FM Code authorities can demonstrate their financial resilience in meeting foreseen demands and unexpected financial shocks. Following the essential aspects of the FM Code shows the council is meeting important legislative requirements. The council undertook a self- assessment against the FM Code as part of its 2022/23 and 2023/24 budget setting process. The compliance analysis is re-visited at least annually as part of the budget setting process, with any actions or recommendations implemented on an ongoing basis.

Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability	Clear, honest, and open communication with staff and customers is one of the most essential ingredients in providing effective public service. The council's intranet includes details of best practice and training to help staff communicate effectively in an accessible way with colleagues and service users. Information published on the council's website, including in its Publication Scheme includes information on how money is spent, Members' allowances, how decisions are made and senior officer remuneration. We are looking at ensuring certain delegated decisions are also published. This is noted in section 4 of the AGS. Cabinet and full council meetings are live streamed so that residents can see decisions being made the decision and better understand the influence the council has on their lives. The following information is reported annually to Members and is available on the council's website: • Statement of Accounts and Narrative Report • Internal Audit Annual Plan • Internal Audit Annual Report • Anti-Fraud Annual Report • Annual External Audit Report • Annual Governance Statement The Statement of Accounts and accompanying performance information in the Narrative Report is prepared in line with CIPFA's Code of Practice requirements, allowing easy comparison with other local authorities. Recommendations made by external audit are acted upon, and this is reported to Members in external audit's subsequent reports.

	The council has a formal two-stage process for managing complaints. The process is set out on the council's website and copies are available from the Corporate Complaints Team. The council's aim is to ensure that when things go wrong, it responds quickly to put things right. It tries to learn from and improve its performance in response to customer feedback. Departmental Complaints Officers record and report on all complaints, and the service response is monitored. Customers and residents who are dissatisfied with how the council has dealt with a complaint can contact the Local Government and Social Care Ombudsman or the Housing Ombudsman; independent, impartial, and free services. The Ombudsman has powers to independently investigate complaints about how the council has acted

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