Annual Governance Statement 2025/26

1. Scope of responsibility

1.1 We are responsible for ensuring that our business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. We also have a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which our functions are exercised, with regard to a combination of economy, efficiency and effectiveness.

1.2 In discharging this, we are also responsible for putting in place proper arrangements for the governance of our affairs, facilitating the effective exercise of our functions, which includes arrangements for the management of risk.

1.3 We have approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. Haringey's local code of corporate governance is published on the Council's website and a copy can be obtained from the Council's Monitoring Officer. This statement explains our commitments as part of the Local Code of Corporate Governance, together with how we obtain assurance that these commitments are in place and effective; it also meets the requirements of regulation 6(1) of the Accounts and Audit Regulations 2015, in relation to the publication of an Annual Governance Statement.

2. The purpose of the governance framework

2.1 The governance framework comprises the systems and processes, and culture and values, by which we direct and control the activities of the Council. The framework also comprises the activities through which we are accountable to, engages with and leads the community. Through the framework, we monitor the achievement of our strategic objectives and consider whether those objectives have led to the delivery of appropriate and cost-effective services.

2.2 The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives, but it can provide a reasonable assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise risks to the achievement of our approved policies, aims and objectives. The system of controls also allows for the evaluation of the likelihood of risks being realised and the impact should they be realised, ensuring that we are able to manage them efficiently, effectively and economically.

2.3 The governance framework has been in place for the year ended 31st March 2026 and up to the date of the approval of the annual report and accounts.

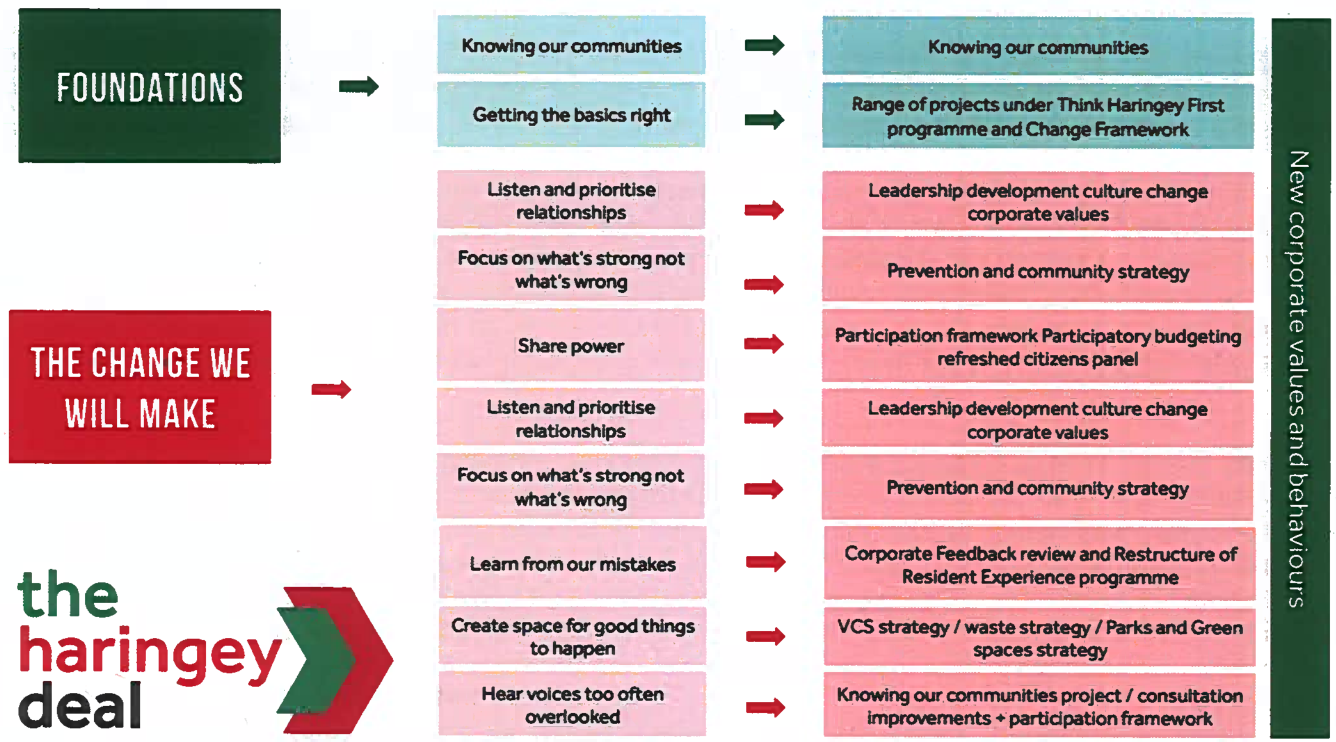
2.4 As a local authority, we operate in a complex and constantly evolving financial, policy and legislative environment and consequently, our responsibilities and operations continue to evolve. The funding models for local government continue to present challenges. We continue to deliver our ambitions set out in our corporate plan The Council's Corporate Plan sets out our priority actions for delivering our strategy for Haringey.

2.5 The Council's leadership remains committed to being collaborative, competent, and radical. In January 2023, we published our Corporate Delivery Plan for the period 2022/26. This Corporate Delivery Plan covers the activity we will focus on delivering including the second half of the cycle between April 2024 and April 2026 with 2025/26 being the final year. A further Corporate Delivery Plan will be produced following the 2026 local elections and published in the Autumn. The Plan outlines our strategic objectives, priorities, and initiatives aimed at creating a fairer, greener borough. The Plan includes the outcomes we are working towards as an organisation; the activity planned to deliver these outcomes; how we will work to deliver it; and the key delivery dates. The plan is organised around the following eight separate themes:

- Resident experience and enabling success
- Responding to the climate emergency
- Children and young people
- Adults, health and welfare
- Homes for the future
- Safer Haringey
- Culturally rich borough
- Place and economy

2.6 These themes demonstrate how we are focussed on working collaboratively, in line with the Haringey Deal, with residents, businesses and partners to tackle the biggest issues affecting our communities.

2.7 Haringey Deal was launched in November 2022. The Deal is all about forging a different way of working. It builds on the findings of the Fairness Commission and is grounded what we have heard from residents more recently. This includes pledges to focus on building greater trust between the council and residents; learning when mistakes are made and putting things right quickly; empowering communities to make change happen for themselves; and finding new ways to share power with residents and communities. The Deal also recognises the critical importance of 'getting the basics right.' This means delivering the fundamental core services that any local authority provides to ensure residents are safe and supported, and able to live a good life. The Deal has eight core elements, each of which is being embedded and delivered via a series of programmes and pieces of work. Details of the Deal are set out in the chart below.



2.8 A core element of the Haringey Deal has been the launch and roll out of a new set of corporate values. These were developed following a series of staff workshops hosted by the Chief Executive in the autumn of 2022 and continued to be in place for the financial year 2025/26. Our core values are Caring, Collaborative, Community Focused, Courageous and Creative. These were launched via a series of informal staff 'huddles' across the corporate estate including depots and neighbourhood offices. These behaviours are at the heart of refreshed My Conversation (our appraisal approach) guidance which was launched at the start of the 2023.

2.9 Following the launch of The Haringey Deal, we have created a portal called The Haringey Deal implementation guidance for staff, which outlines our ambition to change the way we work and change our practices. It makes a commitment to both designing services and developing different relationships with residents and partners with a key focus in the Haringey Deal on working in partnership with communities to address residents' priorities. The implementation guidance intranet hub aims to clarify the ambitions of the Haringey Deal and provide practical examples of exemplary practice, to support us in continuing to develop our approach.

2.10 In January 2026 Ofsted conducted a Children's Services Inspection which rated the Local Authority outstanding.

2.11 On 19 August 2025 the Local Government Ombudsman issued a decision in relation to a complaint brought by Ms X in relation to a case dealt with by the Adult Social Care team. Ms X complained the Council did not act when she raised concerns about Mr Y's welfare. She also complained about the Council's handling of her complaint. Ms X said the Council's actions caused distress to Mr Y, his family and Ms X. The LGO found that the Council was at fault. The LGO made several recommendations to the Council and confirmed on 1 December 2025 that it was satisfied with the Council's response.

In November 2025 the Cabinet approved the Adult Social Care improvement plan which sets out the Council's three-year transformation plan for the service focusing on 10 priority areas during the first 12-18 months. Alongside this the Chief Executive chairs a cross-party Adult Improvement Board to oversee the improvement plan. The service has also strengthened the operational governance structures within Adult social care.

2.12 The Council continues to have a Housing Improvement Board and are on track to deliver against the improvement plan. On 17th December 2025 the regulator for social housing withdrew the regulatory notice confirming that Haringey had returned to compliance and the key issues underpinning the regulatory notice had been addressed.

2.13 The Council has a statutory obligation to set a balanced budget and for 2025/26, Cabinet received a paper in February 2025 setting out the proposed General Fund Budget for 2025/26; the Medium-Term Financial Strategy (MTFS) 2025/30, and the capital programme. To set a balanced budget for 2025/26, required special permission from Government to allow the Council to use capital receipts and borrowing (referred to as Exceptional Financial Support) of £37m for its day to day running costs and supporting the borough's most vulnerable residents. While the Exceptional Financial Support is required in order for us to set a balanced budget it is not sustainable and for every £1m of borrowing for EFS in 2025/26, this incurred £62,000 of borrowing costs. This is on top of the £10m required for 2024/25 to be able to balance the budget at the year end.

2.14 In addition, Cabinet received a budget report in March 2025 for the third quarter (April to December 2024) of 2024/25 setting out the actual expenditure for the period with projected outturn for the remainder of the financial year. The report projected a year-end outturn of £37.2m forecast overspend, and as the Council has a legal requirement to deliver a balanced position each year, the report noted the authority may not have sufficient resources to cover the full forecast £37.2m overspend and reach a balanced financial position. Consequently, Cabinet was notified the authority may require use of Exceptional Financial Support from government, and that government had agreed in principle that up to £28m could be drawn down for the financial year 2024/25. Following the annual closure of accounts/ £10m was required and agreed.

2.15 Reliance on EFS is not sustainable. At the average cost of £62,000 for every £1m borrowed by Government, this places additional long term burdens on the residents of Haringey. Throughout 2025/26, spending and financial controls were in place and have been tightened through the year as in year forecasts were showing reliance on EFS could exceed the £37m agreed in principle. In February 2026, based on the 2025/26 financial forecast as at Period 7, the Council requested an increase in EFS to £54m for 2025/26 and this was subsequently approved in February 2026.

2.16 A Financial Response and Recovery Plan was agreed in April 2025. Oversight and delivery has been through the Finance Recovery Board, chaired by the Chief Executive and progress reported quarterly to Cabinet and Scrutiny. These measures include:

- Spend Control Panels for all non-essential expenditure over £1000;
- Recruitment Control Panel to provide check and challenge and approve or reject all permanent, temporary and agency recruitment;
- Improve purchasing compliance across the whole organisation within financial regulations, contract standing orders and purchasing compliance rules;
- Implementation of central gateway arrangements for capital projects, procurement and commissioning;
    - These are having an impact in reducing spending (estimated at £800,000 of rejections through the Spend Control Panel) but also shifting the culture in the organisation to one of good financial management is the responsibility of all. The final update on this Finance and Recovery Plan will be published as part of the outturn report to Cabinet on 14 July and has been replaced with the Financial Resilience Plan (see Section 2.21 below).

2.17 Although the key driver of the need for the EFS has been the demand for statutory services where costs have exceeded the available funding, it is recognised that the Council has struggled over recent years to deliver agreed savings. In 2025/26, £29.3m of savings across services and cross cutting initiatives were assumed to be delivered but only 62% were achieved, with many through other mitigations.

2.18 This issue and the Council's overall financial sustainability has now been the subject of a Statutory Recommendation from KPMG, the Council's appointed external auditor. The Council's full response will be presented to full Council on 20 July 2026 and actions have already been taken by the corporate leadership team to set in motion enhanced governance to ensure that agreed savings both from prior years and new for 2026/27 are delivered as planned.

2.19 Across the next five years, the financial position is even more challenging. In 2026/27, a balanced budget was only possible with the use of £84m of EFS. We recognise this is not sustainable and reliance on EFS continues to show an upward trajectory. The last update on the five year position was presented to Council in March 2026 and showed a cumulative deficit of £239m between 2027/28 and 2030/31 if nothing changes.

2.20 There are a number of emerging risks that are not yet factored into the MTFS position for the next five year period. These include:

- The North London Waste Authority levy – a project currently underway to replace the incinerator is likely to lead to a significant increase in the level paid by the authority from 2030/31; and
- The future level of Government funding when the current 3 year settlement expires in 2028/29.

2.21 The 2025 Fair Funding Review and three-year local government financial situation provided welcome additional grant funding from government, allowing the Council to increase its core spending power. This equates to only £25.3m over the next three years in Government grant. With growing demand and price pressures, the additional resources have made only a small dent into the scale of the challenge we face. The Council will continue to lobby and work with Government to consider the role of Local Government and the statutory services it provides but also less punitive EFS measures to support Haringey in reaching a more sustainable future.

2.22 The Council must take all the necessary action to reduce spending or increase income it remains in control of. Historically the Council has undertaken an annual budget setting cycle but with a three year Government finance settlement now in place, a medium term approach must be considered and the Council has developed its three year Financial Resilience Plan which recognises that the problem is intractable in a single year, and also that the traditional savings approaches that the Council have adopted, whilst delivering some significant efficiencies, cost reductions and new income, have not had the impact that we would have desired.

2.23 The Financial Resilience Plan will focus on eight key priority areas, mainly those which are high spending and all other services will be required to produce a Value for Money Action Plan with proposals to reduce spend and increase income that align Haringey's spending and performance in line with statistical neighbours and limiting the year on year increase in cash limits.

2.24 Spending controls already in place will continue and we will introduce a clear Section 151 Officer approval process for any department to spend beyond its cash limits, to ensure that there is a clear and agreed funding strategy before expenditure is committed and ensure that there are clear consequences for any budget holder or manager who is found to be breaching or circumnavigating any of these measures. A full update on the plan and associated delivery plans will be published as part of the Medium Term Financial Strategy to Cabinet in November 2026.

2.25 KPMG are our external auditors and as such, are required to provide an assessment of the Council's arrangements to secure value for money (VfM). In their assessment, KPMG focused on three key domains: -

- **Financial sustainability:** How we manage our resources to ensure we can continue to deliver our services;
- **Governance:** How we ensure we make informed decisions and properly and manage our risks; and
- **Improving economy, efficiency and effectiveness:** How we use information about our costs and performance to improve the way we manage and deliver our services.

2.26 From their work, KPMG identified five areas of improvement in respect of arrangements to secure VfM and noted these in their Auditor's Annual Report published in February 2026, for the 2024/25 financial year. KPMG's opinion is that the Council does not have appropriate arrangements in place to secure economy, efficiency, and effectiveness in the use of resources. Areas of concern include – Council's financial sustainability, management of commercial property, procurement arrangements and adult social care. The Council has agreed the recommendations and set ambitious targets to implement their recommendations. Their VFM risk assessment for 2025/26 will be presented to Audit Committee on 23 July 2026 and the full report published in February 2027.

2.27 At the end of March 2025, the Chief Executive concluded his consultation on the changes to the senior leadership of the organisation. The change was in part, a response to the government signalling new ways of doing things, new priorities and the challenging financial position. Following the change, the Placemaking & Housing directorate was disbanded and its services moved to other parts of the council and the senior leadership roles were renamed in order to keep the Council competitive in the recruitment and retention market.

2.28 A new directorate of Adults, Housing & Health was established, with a focus on supporting the borough's vulnerable adults and the existing Finance directorate expanded to become the Finance & Resources directorate, adding Digital & Change, Capital Projects & Property and Housing Delivery functions to its portfolio.

2.29 The following section highlights each of the seven governance principles set out in the CIPFA / SOLACE framework "Delivering Good Governance in Local Government" and the arrangements in place demonstrating how we meet the governance principles. Any gaps identified as part of the annual review will form an action plan agreed and monitored by the Statutory Officers with all actions expected to be completed by March 2027.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	
Behaving with Integrity a) The standards to which Members and Officers are expected to comply are outline here along with links to key policies which are developed in accordance with legislative requirements and good practice. Our standards | Haringey Council b) The Council's Member Code of Conduct is captured in the Council's constitution under Part 5 – Codes and Protocols, Part 5 Section A (Nov 2019), which requires members to declare interests; applies to Members and co-opted voting members on election or appointment. Published on the internet: Part 5 Section A Members Code of Conduct.pdf c) The offer of induction is provided for all new Members when they are elected on expected standards of behaviour. A comprehensive programme has been established since the election in May 2022 and again in May 2026 to on board new and re-elected members into the Council. The training programme is designed to ensure members are equipped to carry out their role on as committee members. Training on all regulatory committees is mandatory. d) The Officer Code of Conduct was reviewed in 2023, and a new version was published to staff following approval by Members. A copy of the Code is provided to all new officers on appointment and annual reminders are made of the need for employees to comply with specific requirements such as ensuring declarations of interest are formally recorded and declaring any offers of gifts or hospitality which are received. e) Haringey Values were updated in 2023 (Caring, Community-Focused, Collaborative, Creative, and Courageous). The Council ran numerous seminars for staff on what the values meant and how services should demonstrate Haringey values.	Complaints process reviewed 24/25. Review of Code planned for 2026/27 once legislation comes forward on the standards regime.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
f) Decision-making practices for member decisions follow legal and transparency requirements. Agendas and Minutes of Cabinet and Committees and Officer decisions are recorded and published on Modern.gov. How Decisions are made and scrutinised	
g) Register of interests and gifts and hospitality for members/co-opted checked on election/appointment. Minutes show declarations of interest sought, and appropriate declarations made for each meeting.	
h) Requirement for all new staff to complete Register of Interests declaration. Senior managers are required to complete a declaration every two years; officers are reminded to complete a new form as/when circumstances change. The HALO system is used to efficiently manage HR processes under a single portal. Gifts and hospitality for members are recorded with their declarations of interests and are published on the website. Our standards | Haringey Council. For 2025/26, this process has been strengthened and all senior managers will be required to review annually.	Ensure full compliance by officers with the requirements set out.
i) Standard report format requires report authors to state how their proposal meets the corporate objectives and priorities. Report authors must also provide reasoning and evidence for proposals, so that the basis for decisions is clear and include statutory officer's advice, including legal and finance advice. The standard template for reports was refreshed in 2023/24 with updated guidance included for report authors. Regular training is provided as well.	
j) Anti-fraud and corruption strategy is in place, including the Whistle blowing policy (Oct 2024) they will be reviewed again in 2026. The Head of Audit and Risk Management reports on actions, effectiveness and outcomes (and use of the whistle blowing policy) to Audit Committee, in quarterly report and in July as part of the Annual internal Audit Report and provides awareness presentations to Senior Leadership Team. Copies of the policies are on the internet. Anti-fraud and Corruption Policy Oct 2024	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
k) Corporate and service specific complaints policies are in place and published on the website. Level of complaints upheld at Stage 1 and 2 is monitored and reported regularly to the Council's Senior Leadership Team. More information is being published and made easily accessible to customers. Training sessions have been developed looking at examples of best practice in responses and getting it right first time. Following comments from the Peer Review a forum has been periodically held to help with improvements in this area. In 2026, all services will be required to complete a Complaints Improvement Plan. Make a complaint | Haringey Council l) Local Code of Corporate Governance was refreshed in 2023/24 and was approved at the Full Council in July 2024. Local Code of Corporate Governance **Demonstrating strong commitment to ethical values** m) The Standards Committee, along with the Council's Monitoring Officer, establishes monitors and maintains the organisation's ethical standards and performance, reporting to full Council, as necessary. The committee deals with allegations of breaches of the Member Code and issue (or require Groups to issue) reminders/advice notes to Members where issues of conduct cause concern. The Standards Committee n) The Council incorporated the Social Value Act requirements into all procurement and contracts; including a standard clause referring to 'PREVENT' in all contracts, as well as safeguarding and health and safety. A broader review of how the authority carries out procurement activity has been completed, and changes, including the centralisation of all contracts over £25,000 has been embedded in 2025/26. A report will go to Cabinet to approve the Council's methodology of complying with Social Value Act requirements.	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
o) A major review of all the Human Resources policies & procedures is continuous. The policies for revision undergo extensive discussion with relevant groups within the council and with trade unions before the final version is presented to Members for their approval, only when approved are policies published, and details communicated to officers. During 2024/25, HR published the Workforce Plan.	
p) The Council encourages external providers of services to act with integrity and in compliance with high ethical standards expected by the organisation in information sharing:	
<u>Respecting the rule of law</u>	
q) The Chief Executive is appointed by Full Council. Any disciplinary action or dismissal of the statutory officers is dealt with in line with legal requirements that take into account the need for them to fulfil their responsibilities in accordance with legislative and regulatory requirements. Member Committees make decisions on appointments and dismissal of Chief Officers and Deputy Chief Officers. A Statutory Officers Group meets monthly and ensures statutory compliance and is both forward and backward looking and support the organisation and Statutory Officers in fulfilling their roles.	
r) The Council optimises the powers available for the benefit of citizens, communities and other stakeholders. Decisions are taken, in accordance with relevant statutory requirements and the Council Constitution, by full Council, Cabinet, individual Cabinet members and officers under delegated powers. The Council Constitution is reviewed updated and published on the internet: Council Constitution	of completed
s) Breaches of law/financial regulations can be the subject of a report to full Council or Cabinet by the relevant statutory officer. No statutory officer reports have been required in 202526.	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
t) Statutory officers are available at meetings of the Council/Cabinet to advise and ensure law and regulations are not breached.	
B. Ensuring openness and comprehensive stakeholder engagement	
<u>Openness/ Implementing good practice in transparency</u> a) The Council Publication Scheme sets out information available to view or download including under the requirements of the Transparency Code 2015. Our publication scheme | Haringey Council Member decisions are rarely taken in the private (Part 2) section of meetings. Member delegated decisions are also taken at meetings advertised and open to the public. The constitution allows for deputations and petitions and a call-in procedure for cabinet key decisions is in place. The local and statutory requirements are set out in the Council Constitution: Council Constitution b) The Council carries out consultation on a regular basis with stakeholders. It has a consultation co-ordinator and a consultation charter and toolkit on its internal website. Consultations | Haringey Council Under the Haringey Deal, the authority seeks to better understand all its communities including communities that it engages with reduced frequency. c) To ensure we are able to effectively monitor delivery of the outcomes as set out in our Corporate Delivery Plan, reporting takes place formally on a six-monthly basis (for the lifetime of the plan) and quarterly via dedicated performance sessions at our Corporate Leadership Team and via internal meetings and forums with officers and Cabinet Members.	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
d) Formal reporting includes progress updates reported to the council's Overview and Scrutiny Committee for more in-depth consideration. Briefings for Scrutiny Panel Members are arranged ahead of formal meetings and training is provided to encourage understanding of performance issues and risks. Browse meetings - Overview and Scrutiny Committee | Haringey Council	
e) In 2022/23 we established a framework for monitoring progress against commitments and intermediate outcomes as set out in our Corporate Delivery Plan (CDP). The framework brings together activity and monitors progress towards the achievement of intermediate outcomes with metrics and commentary on all commitments in the CDP including Manifesto pledges. The framework is not solely based on Performance Indicators so gives a broader picture of change and progress towards achieving our objectives. Updates include metrics and a rating on Direction of Travel. The Corporate Delivery Plan 2024-2026	
Previously the Council used Monday.com" as a tool for tracking progress and progress is captured and reported on a quarterly basis with dynamic links and Dashboards so progress can be actively monitored. This has now been replaced with Project Pathway. As part of the early warning and risk analysis Directors also produce a summary of highlights and areas for focus each quarter and these are shared as part of the published papers. The Council has a robust performance management approach reviewing our approach to monitoring whereby we have established a single performance framework.	Project Pathway was implemented in 2025/26 and is currently being rolled out but is not yet fully utilised by all services and fully embedded so this work will continue and complete in 2026/27.
f) Documentation demonstrating compliance with the governance principles Identified gaps in compliance, or further action required and covers key performance indicators, capital delivery, savings programme delivery and transformation programme delivery as part of the Council's corporate planning, financial planning and capital programme frameworks. Members are briefed on performance across all these workstreams so that they get a holistic view of progress, and we ensure consistency of reporting and aligned governance arrangements as part of the	2025/26 was the final year of the current CDP and plans are in place to develop the new CDP with the new administration for publication in the Autumn, reflecting updated priorities, actions and

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
Cabinet Accountability Model. Our Leader is the Cabinet Member responsible for the CDP and performance so there is clear leadership and accountability. In addition to the local arrangements that are in place to monitor the delivery of the Corporate Delivery Plan, new arrangements have been introduced by central Government in the form of an Office for Local Government (OfLOG). The stated purpose of OfLOG is “to provide authoritative and accessible data and analysis about the performance of local government and support its improvement.” The data can be viewed at Home - Local Authority Data Explorer - GOV.UK . A report updating on the OfLOG metrics, and any associated risks or early warning flags is discussed at Corporate Leadership Team on a periodic basis to reflect on what the comparator data is telling us. **<u>Engaging comprehensively with institutional stakeholders</u>** g) Formal and informal partnerships allow for resources to be used more efficiently, and outcomes achieved more effectively; key partnerships include the Haringey Safeguarding Children Partnership, Safeguarding Adults Board (SAB), Multi-Agency Risk Assessment Conference (MARAC) and the Community Safety Partnership (CSP). Agendas and minutes for the CSP are published on the website: http://www.minutes.haringey.gov.uk/ieListMeetings.aspx?CId=444&Year=0 h) Resident engagement also occurs in formal consultation and engagement processes during 2025/26 this has included extensive community engagement via Wood Green Voices: Wood Green Voices | Haringey Council, and Tottenham Voices Tottenham Voices | Haringey Council and in relation to key strategies including the Parks and Green Spaces Strategy and Community Safety Strategy. i) The Haringey Engagement Hub which is developing into a ‘one stop shop’ for all engagement and consultation opportunities. Have Your Say Today - Haringey Engagement Hub - Commonplace	performance measures, including the Local Outcomes Framework..

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
C. Defining outcomes in terms of sustainable economic, social, and environmental benefits; and **D. Determining the actions necessary to optimise the achievement of the intended outcomes**	
<u>Defining actions/outcomes and sustainable economic, social and environmental benefits</u> a) The Borough Vision and Corporate Delivery Plan sets out how the Council will work with partners and with communities to improve the borough and make Haringey a more successful place. The plan has eight themes, each under-pinned by a series of ambitious targets. It considers and balances the economic, social and environmental impact of policies, plans and decisions. The Plan includes a challenging set of performance measures. Documentation demonstrating compliance with the governance principles Identified gaps in compliance, or further action required. b) Programme planning and management require focus on outcomes and benefits identification and tracking as part of project implementation. There is a clear and consistent approach to the reporting of outcomes, benefits, risks and issues. In 2024, an updated plan was published on the website and recently refreshed to reflect the manifesto priorities of the administration at that time: Ambitious new vision for Haringey | Haringey Council The Council Plan is now subject to review to reflect the priorities of the administration following the local elections in May 2026. c) The Council publishes updates on its website to show how the Council and partners are achieving against specified outcomes and activity including metrics where applicable every six months. https://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=128&MID=10689#AI77431 Agenda for Overview and Scrutiny Committee on Thursday, 27th March, 2025, 7.00 pm | Haringey Council d) The intermediate outcomes specify the intended impact on service users,	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
residents and other stakeholders. Effective performance monitoring of the Council's progress towards achieving the outcomes in the Corporate Delivery Plan is fundamental to understanding impact and as such provides a means to measure progress on what we are delivering against what we said we would do i.e. The change we expect to see over the 18-month period of the strategic plan.	
e) The Council has an agreed Medium-Term Financial Strategy (MTFS). These set out how the Council will deliver the corporate plan taking into account the full cost of operations and within available resources, balancing service priorities, and ensure its workforce has the right skills to enable it to achieve the agreed outcomes. Regular reports are provided to the Cabinet: 2025.26Budget and 2025.30MTFFS ver1.0.pdf. The most recent MTFS was agreed by full Council in March 2026 Annex 1 -10 February 26 Cabinet 2026.27Budget and 2026.31MTFFS ver2.0 10022026 Cabinet.pdf and Annex 2. Summary of General Fund Revenue 2026.27 Budget and Medium Term Financial Plan 2030.2031.pdf f) Robust planning and control cycles cover strategic and operational plans, priorities and targets. An internal process provides regular monitoring and scrutiny of the Corporate Delivery Plan and resources applied. Performance against objectives and outcomes is published on the website as part of papers for Cabinet and also accessible in viewable. Documentation demonstrating compliance with the governance principles identified gaps in compliance, or further action required dashboards from our web-based project and programme management tool: Corporate Delivery Plan (monday.com) 2025/26 was the final year of the current CDP and the final closure report was presented to Cabinet in March 2026 CDP March 2026 g) A five-year capital programme was approved by Full Council on 11 February 2025, which sets out the Council's longer-term investment requirements linked to policy objectives, updates are provided to Cabinet annually at the February meeting: 025.26Budget and 2025.30MTFFS ver1.0.pdf During 2025/26, the Council introduced a new framework for developing and managing the Capital Programme	The Council's financial position has deteriorated over the last 12months. Increased demand pressures in social care and temporary accommodation means that closing the accounts in 2024/25 required £10m of Exceptional Financial Support (EFS) and £37m was agreed in principle for 2025/26 to enable a balanced budget to be set in March 2025. A response and recovery plan was agreed in April 2025 to reduce spending and the reliance on EFS and improve the culture across the organisation of good financial management being everyone's responsibility. The plan covers all aspects of improvement needed across financial planning, monitoring, reporting and compliance and is based on recommendations from internal and external audit, financial resilience exercise and the compliance with the Financial Management Code. Progress has been reported quarterly to Cabinet and Overview and Scrutiny Committee and the final update report will be to Cabinet on 14 July Agenda for Cabinet on Tuesday, 14th July, 2026, 6.30 pm | Haringey Council

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
and developed its Capital Strategy to one of best practice. Full details are here Capital Strategy and was adopted by Council in March 2026. **<u>Determining actions and optimising achievement of intended outcomes</u>** h) The Council includes requirements to enhance social value in contracts. For example, construction projects over £1m in value must include an apprenticeship scheme, and where possible, employers are encouraged to pay the London Living Wage. i) High value procurements include a significant weighting in the 'social value' section and, where applicable, requirements as to the use of community assets.	This plan has now been replaced with the Financial Resilience Plan The Financial Resilience Plan will focus on eight key priority areas, mainly those which are high spending and all other services will be required to produce a Value for Money Action Plan with proposals to reduce spend and increase income that align Haringey's spending and performance in line with statistical neighbours and limiting the year on year increase in cash limits. Full details will be published as part of our next Medium Term Financial Strategy in Autumn and this will include clear delivery plans to improve the financial position. Spending controls that were introduced in 2025/26 will continue into 2026/27.
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it	
<u>Developing the entity's capacity</u> a) The Council's Workforce Development Strategy aims to create a better place to work and to ensure the Council has the right people in the right places with the appropriate skills to deliver the Council's priorities. The plan is published on the website: haringey_workforce_strategy.pdf. During 2023/24 the Council reviewed this strategy, and on 18 June 2024, Cabinet approved the refreshed strategy and	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
accompanying action plan. There is a clear focus on Directorate-led workforce planning, supported by the Council's corporate services, in the new strategy.	
b) Workforce expectations also form a clear part of contracting and commissioning processes, as our workforce is not limited to employed staff, including complying with minimum and London Living Wage requirements.	
<u>Developing the capability of the entity's leadership and other individuals</u>	
The Council Constitution specifies the types of decisions that is delegated and those reserved for the collective decision making of the full Council or Cabinet. Council Constitution	
c) The Council's Constitution sets out the leader and chief executive roles to ensure the respective responsibilities are defined in accordance with decision-making accountabilities. These comply with relevant statutory requirements. It also includes the general scheme of delegation. Each service area also has a service area scheme of authorisation for officers, currently published on the intranet.	Following the change in the structure of the senior leadership, ensure all Council policies and strategies (such as scheme of delegation) that facilitate its operations are up to date and reflect the new structure.
d) Members who sit on Committees are provided with training specific to their responsibilities for these committees. Training sessions have commenced for member for planning, licensing, audit, finance, pensions and treasury following the local elections in May 2026.	
e) The Council provides a programme of training for all members, and members have access to the Council's corporate training and development programme, which is published on the internal website.	
f) The Council rolled out 'My Conversation', a performance management process, to all staff, which focuses on personal and organisational development and performance; the General Purposes Committee receives regular reports on people management issues in line with the Workforce Plan objectives. Guidance and templates for all	Directors to ensure completion of the My Conversation process by all officers and managers as a matter of course.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
staff are published on the internal website. A review was undertaken to refresh the current performance management process in line with best practice and the Council's new organisational values, which rolled out in 2023.	
g) The Council's Workforce Development Strategy aims to create a better place to work. The update Strategy was launched in 2024. The Council's corporate Health, Safety and Wellbeing Board monitors all key aspects of statutory and local requirements and has an action plan in place to address any identified gaps in compliance. Health and Wellbeing Fairs have been run to promote employee health. and there is a dedicated suite of pages on the Council's intranet site focussed on all aspects of employee wellbeing.	
h) The Council ran a comprehensive staff survey in late 2023, with the results being disseminated in 2024 and an action plan will be developed. i) A wide-ranging management and leadership development programme has been rolled out in 2024, to increase the capability and capacity of all people managers within the organisation, along with a complete refresh of mandatory training, which is required to be completed by all employees. This includes a specific module of financial management	The External Audit Annual Report January 2025 encouraged the Council to consider the Workforce Strategy due to high reliance on Agency Workers and that the 'time to hire' metric should be monitored.
The Council has protocols in place which govern how the operational and working relationships between officers and members are managed and forms part of the Constitution: Council Constitution	The protocol will be refreshed during 2026/27.
j) The Council reviews operations, performance and use of assets on a regular basis to ensure their continuing effectiveness; the Delivery Plan highlights key performance objectives, targets and outcomes, which are monitored and reported via the Council website. The performance reporting also compares current performance with statistical neighbours, London and England averages in most cases: Data and finance | Haringey Council	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
F. Managing risks and performance through robust internal control and strong public financial management; and G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability	
Managing risk a) The Council has a Corporate Risk Management Policy and Strategy in place; it was reviewed and approved by the Audit Committee in Oct 2024 and is reviewed annually. Updates on risk management are presented to Audit Committee each quarter and from 2026/27 will be included in the quarterly reports to Cabinet. A project to strengthen risk management and embed the strategy commenced and has started to be embedded in 2025/26 and will continue into 2026/27. Risk Management is embedded through a variety of processes and procedures, management teams, groups and boards across the organisation and is central to activities, including business planning and project management processes. Zurich Municipal have supported the risk management project as part of their role as the Council's insurers with some specific targeted workshops has been developed to capture directorate and corporate risk registers alongside the other risk and performance information held by the Council. Investment into Corporate Risk Management activity and a technological solution to support achievement of objectives was procured in 2023/24 but in 2026/27 a priority needs to be for all services to be utilising. https://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=730&MId=9449&Ver=4 b) The Council's key risks are managed via corporate risk and directorate risk registers. Responsibility for individual risks and issues identified is clearly set out in risk registers. Internal audit reviews of key risks are undertaken as part of the annual audit programme. Performance objectives and outcomes are reported on the website: Data and finance | Haringey Council. The corporate risk register was reported to the Audit Committee most recently in March 2026 Corporate cttee - audit.	Continue to embed risk management principles. Over the year, Zurich Municipal have supported arrangements for embed risk management by running corporate and directorate risk workshops and with advice on managing appropriate risk registers. Embed technology to support the framework and process in 2026/27.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
c) Haringey's business continuity planning is based on risk assessment and business impact analysis. Each service area produces a business continuity plan which is updated twice a year. Service continuity plans are incorporated into the Council-wide Business Continuity Plan. The resilience of the Council's digital infrastructure is central to these plans. A Corporate Resilience and Emergency Planning Board, chaired by the Corporate Director of Finance and Resources meets quarterly to ensure risks and issues are collectively understood and response is collaborative; the Board reflects on incidents to ensure learning from experience. Proactive exercises are undertaken to test arrangements for the Council or as part of a wider exercise in the Borough/London. More information on business continuity and emergency planning is available at: Major emergencies | Haringey Council d) Extensive work took place in 2025/26 to review policies and procedures, and the updated Business Continuity Plan presented to Cabinet on 16 September 2025 Business Continuity Policy report.pdf. These take account for changes in guidance and requirements (including recommendations from the Grenfell enquiry) as well as any lessons learnt from local and regional incidents. Service specific workshops have been undertaken and further planned to work through scenario planning of emergency situations to ensure plans in place are robust in practice. These workshops will continue in 2026/27. The Corporate Director and Head of Emergency Planning attends the NCL Emergency Planning Group to share experience and learn from others to consider as part of our own arrangements. **Managing performance** e) The Council monitors service delivery effectively including planning, specification, execution and independent post implementation review which is set out in the Delivery Plan and outcome priorities: The Corporate Delivery Plan | Haringey Council	The nature of Business Continuity means that Business Continuity arrangements will be under regular review and this will continue into 2026/27 and any changes reported to the Council's Audit Committee for scrutiny.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
f) Overview and Scrutiny takes a detailed look at the Council's decisions and policies and works to promote open decision making and democratic accountability in Haringey by holding the Cabinet to account; developing and reviewing policy in an inclusive cross-party manner that involves local communities and other interested parties, reviewing the performance of the Council and scrutinising local services not provided by the Council, such as health services. Overview and Scrutiny Committee also reviews performance on a quarterly basis and individual Scrutiny Panels consider performance with reference to their reviews. The reports and recommendations are discussed and responded to by the Cabinet and published on the Council's website: Browse meetings - Overview and Scrutiny Committee | Haringey Council **Strong public financial management and robust internal control** g) The Medium-Term Financial Strategy (MTFS) outlines the overall financial strategy for achieving the Council's priorities. The MTFS identified savings required to deliver a balanced budget position each year. Each Departmental Management Team (DMT) considers finance and budgets at least every quarter and monthly for high risk budgets. Transformation and delivery of outcomes are aligned to achieving savings and remaining within budget limits; the performance outcomes are reported on the website. h) The Council's financial management is based on a framework of regular management information and review to inform managers and members of the current budget position. Managers submit monthly budget forecasts which is reviewed by the Corporate Leadership Team and the Cabinet receives quarterly budget management information. i) The Council operates a 'zero tolerance' approach to fraud, bribery and corruption. The anti-fraud, bribery and corruption policy and strategy was reviewed in 2024 and includes appendices specifically relating to money laundering and terrorist financing and a whistleblowing which form part of the overall governance framework to tackle	Re-assess the Council's financial management arrangements against CIPFA's Financial Management Code (FM Code), which provides guidance for good and sustainable financial management in local authorities.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
fraud. The policies are published on the Council website and regular articles on how to report fraud and successful outcomes are published. A fraud risk assessment is undertaken annually to help determine the prioritise and the work plan for the year. In 2024/25, the Council investigated Housing fraud and 42 properties were recovered and 49 potentially fraudulent Right to Buy applications were prevented. The Council prosecuted three blue badge fraud cases. Referrals made using the whistle blowing policy and all internal cases were reviewed and investigated, in line with our policy and fraud outcomes are reported to the Audit Committee, copies of the reports are on the website. Browse meetings - Audit Committee | Haringey Council	
j) The Council's Head of Internal Audit produces an Annual Report including a Head of Internal Audit Opinion which is presented to Statutory Officers and Corporate Leadership Team and formally presented to Audit Committee in July every year. The Annual Report is a key document used as part of our annual review of governance. k) KPMG were appointed as the Council's external auditors from 2023/24. During 2024/25 the outgoing external auditor completed the outstanding audits, which were presented to Audit Committee in December 2024. KPMG completed their work for the 2024/25 financial year and presented to Audit Committee on in January 2026. l) Regular internal and external audit reviews check compliance with financial and contract procedure rules across the Council and the outcomes of these are reported to the Audit Committee on a quarterly basis. Most high priority recommendations, excluding those covering schools' audits, made by internal audit were found to be implemented when follow up audits were undertaken. The Audit Committee fulfilled its terms of reference in relation to audit functions. This Committee's terms of reference are in line with the CIPFA guidance and conforms with CIPFA's application note. Details of the Committee can be found at Browse meetings - Audit Committee | Haringey Council	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
m) The Council's internal control arrangements are subject to annual self-assessment by the Head of Audit and Risk Management; any gaps in compliance with mandatory standards are included in the statutory annual Head of Audit report. In line with the Public Sector Internal Audit Standards, a peer review was commissioned and reported the Internal Audit Service was fully compliant with the standards Final Report for the external assessment of the internal audit function (haringey.gov.uk) **Managing data** n) The Council has policies dealing with various aspects of data management including security and data protection; Freedom of Information Act; information asset registers; and general records management. These and supporting guidance are all published on the intranet. Data quality policy is published on the website: Haringey Council Electronic records management policy **Implementing good practices in reporting** o) We produce an annual report to accompany its statement of accounts; for 2024/25, we received a (disclaimer) qualified opinion from the external auditor. This means that while the auditors believe the financial statements generally present a true and fair view, there were certain matters where they were unable to obtain sufficient and appropriate audit evidence. The auditors also raised a number of recommendations following their review of the Council's arrangements for delivering value for money. https://www.minutes.haringey.gov.uk/documents/s149588/Haringey%20Draft%20AAR%20AC.pdf p) The Council's Annual Governance Statement (AGS) is produced in accordance with required guidance and included in the statement of accounts; the AGS is reviewed by the Statutory Officers Group and the Audit Committee to ensure that any gaps in assurance or compliance issues are identified and addressed. In 2025/26 there was a formal follow up presented to Audit Committee to communicate the progress	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
with the action plans. Significant issues reported are being addressed but most will remain in 2025/26 and possible 2026/27. q) As part of the Delivery Plan, Corporate Directors are responsible for delivering the activity against specific milestones with a responsible manager and Lead Member allocated as owners for each outcome as specified in the Corporate Delivery Plan (CDP). Outcomes, activity, and performance on delivery against the 188 lines of activity and milestones as set out in the CDP. The last performance update report to Cabinet was on 12th March 2026 and papers can be found here: Corporate Delivery Plan Performance Update-Quarter 3 Cabinet 10_03_26Final.pdf **Assurance and effective accountability** r) Internal and external audit provide assurance on the Council's system of internal control to support the Section 151 officer requirements, including reporting compliance with financial and contract procedure rules across the Council. The outcomes of internal audits were reported to Audit Committee on a quarterly basis. All outstanding recommendations were reported to each meeting; a focus is maintained on ensuring all high priority recommendations are implemented. All outstanding recommendation continue to be monitored. s) The Head of Audit and Risk Management and the internal audit service fully complied with the requirements of the mandatory UK Public Sector Internal Audit Standards, as evidenced by peer review and self-assessment. Access to officers, members and information is provided by the Constitution.	

3. Significant governance issues

3.1 Following our review of governance in 2024/25, we identified some key areas where work would be undertaken in 2025/26 to ensure governance arrangements were in place and effective. An action plan was drawn up and progress as at 31 January was reported to the Audit Committee in March 2026, this is set out below. All of these issues continue and will continue to be reported and monitored in 2026/27.

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
We need to ensure we deliver savings identified in our Medium-Term Financial Strategy (MTFS) to manage within our financial means and embed change in following transformation of our services, including schools. (This may need to be strengthen depending upon the financial outturn / future financial projections). Corporate Director of Finance and Resources (s151) March 2026	The Council's Financial Recovery Plan has been in place since April 2025) based on the Council's current financial position, recommendations from the CIPFA resilience review and work by an external consultant in Autumn 2024. The focus of the plan was to eliminate the Council's reliance on EFS for 2026/27 onwards and move towards financial sustainability in the short to medium term. Progress has been reported quarterly to Cabinet and Overview and Scrutiny Committee and latest update will be to Cabinet on 14 July Appendix 10 - Finance Response and Recovery Plan.pdf Given the deteriorating financial position and the reliance on £84m of EFS in 2026/27, this plan is now subject to review with a focus on reducing reliance on EFS and improving financial resilience over the next three years and this will be presented in full as part of the next MTFS published in the Autumn (see further details below). Specific actions in 2025/26 included: • Continuing with the emergency governance and oversight arrangements that are established within the organisation, through the Finance Recovery Board and Cabinet Recovery Board; • Further strengthening the spend control mechanisms that are already in place across the organisation in order to further drive a consistent commitment to value for money, namely: ➢ Spend control panel (and continue to review thresholds) ➢ Recruitment Panel - agency and permanent recruitment restrictions on non-essential roles. ➢ Single point of governance for all of the capital programme (Strategic Capital Board) ➢ Single point of governance for all commissioning and procurements over £160,000 (Commissioning Panel and Board)

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
	➢ All reports which involved spending over £25,000 to be reviewed by the Section 151 Officer. • A strong focus has been on delivering the £30m of savings already contained within the 2025/26 budget but this is still an area for improvement with the end of year position showing only 62% has been delivered at the year end and many through mitigations rather than the original changes planned. Improvements have already been made in estimating current and future service pressures with much greater use of non-financial trend data, scenario planning and estimates for risks and uncertainties. There has resulted in some improvement in forecasting but with forecasting variations month on month being less volatile but this good practice is not consistent across all services. In 2026/27 corporate contingency was increased to £25m to recognise the uncertainty in demand led services. A significant proportion of the audit plan for 2025/26 has been focused on this corporate risk area and outcomes will be shared with Audit Committee as part of the routine cycle of reporting. In January 2026 KPMG presented their Annual Report to the Audit Committee and Value for Money Report and the Council has since received a Statutory Recommendation which the Council will respond to at Full Council on 20 July and ongoing reporting to Audit Committee. Both the VFM report and the Statutory Recommendation contains recommendations relating to financial sustainability and the VFM report on procurement, commercial property and adult social care. These have been accepted by management and full responses on progress are highlighted in the next section.
We need to continue to embed the planned improvements across strategic and operational Asset Management which include fully embedding robust management of our operational and Commercial Properties because audit work continues to conclude that systems and controls are inadequate.	Good progress continues on the SAMPIP, as highlighted by four of the ten original objectives of the SAMPIP being closed out and delivered, and the remaining six being progressed against the action plan. Our next key milestone is June 2026 for the next annual report to Cabinet on the SAMPIP and operational asset reviews being completed. Income from the commercial portfolio is over £1m higher than the same period last year with full delivery of the improvement plan remaining a priority for the Directorate and will continue

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
Corporate Director of Finance and Resources (s151) March 2026	through 2026/27 in line with the SAMPIP framework and the Disposals Strategy that was agreed by Cabinet in June 2025. The Council's disposal policy, taken to cabinet in June 2025 and associated list, identified sites that were surplus to the Council's requirements, following their assessment through the council property review process, which is contained within the SAMPIP. These robust processes highlight a continued improvement in the management of our strategic and operational properties. Progress against this disposal list is managed through the Council's Disposal Board. An internal audit review was carried out in year and arrangements were given 'adequate' assurance.
Following our self-referral to regulator we continue with our Housing Improvement Programme to deliver improvements in the delivery of our housing service and implement recommendations to address weaknesses in our management systems, including Health and Safety risks in Council owned residential properties that deliver improvements to housing for tenants and meets the requirements of the Social Housing Regulator including safe housing. Corporate Director Adults, Housing and Health March 2026	There has been good progress against the action plan developed in response to the mock inspection with monitoring by the Housing Improvement Board continuing to date to ensure oversight. HQN have since been commissioned to carry out an assessment of the actions within the plan against their recommendations from the mock inspection and the evidence against completed actions to provide assurance. Their findings following their assessment in October 2025 have indicated that we have a robust framework in place to identify, implement and monitor actions to meet the HQN recommendations and that significant, positive progress has been made in delivering the improvements identified by HQN. Since June 2025, 83% of the 213 actions included within the Housing Improvement Programme are now complete showing steady progress. Our improvement progress and performance across Housing Services continues to be regularly overseen by a variety of boards and panels, such as the Housing, Planning and Development Scrutiny Panel, the Housing Improvement Board, internal Housing governance boards, and our Resident Voice Board. The Council has continued to provide externally assured updates on compliance, where the Council's latest Housing Annual Compliance Statement was presented to Cabinet on 11 November 2025 which included a summary of the results of the Council's auditors Mazars' audit of the service's reporting against the 'big six' compliance indicators - gas, electric, fire

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
	safety, asbestos, legionella and lifts for March 2025 data. This continues to provide Cabinet and council tenants and leaseholders with the assurance and confidence that the Housing Service's arrangements for monitoring the 'big six' compliance areas are robust and are subject to ongoing review and improvement. The data continues to show consistently good performance against the 'big six' health and safety indicators. Work to deliver the Building Safety Strategy 2024-28 continues and a review of the Strategy is to commence in 2026 in line with our strategy review commitments. Our Building Safety Managers are allocated specific buildings for them to ensure safe standards are maintained and we are also continuing to collate and submit safety cases for each high-rise building upon request by the Building Safety Regulator. In addition, the Building Safety Managers are a key point of contact for our residents, and they work to ensure our residents understand how they can be involved in decision making about the safety of their homes. This is a vital part of how we engage with our residents as set out in our Building Specific Resident Engagement Strategies. To enhance resident information regarding safety and in line with Regulatory requirements we are installing Building Safety Specific notice boards in high-rise buildings which will provide key information, updates, and advice for residents. We are also developing a permit to work system for the buildings to ensure that on-going repairs and maintenance activities do not undermine or deteriorate the fire and structural safety systems within the buildings. The procurement of four new Partnering Contracts to deliver £560m work over 10.5 years has been completed, with the revised Contract Award report approved in October 2025, subject to Section 20 consultation, which was completed in December 2025 with final approval in January 2026. This is following original approval by Cabinet in June 2025. Following mobilisation, go live is expected in April 2026. This is a key factor to support the achievement of 100% decency by 2028 in line the asset management strategy agreed by Cabinet in 2023. Following our self-referral to the Regulator and delivering against the Housing Improvement Programme and the Housing Inspection Action Plan, Housing Services is in a much-improved position and is able to provide assurance to Council tenants and leaseholders. Due to the sustained improvement, the Council recently requested the removal of the

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
	Regulatory Notice. The Regulator of Social Housing has since confirmed they have lifted the Regulatory Notice as of 17 December 2025 recognising the improvements that have been delivered and the requirements that have been met. On this basis there is no longer a significant governance issue and performance, and compliance will continue to be monitored through the corporate risk register and existing governance structures as outlined in this update.
Due to the high levels of FOI, SARs that are not completed in time and feedback from Ombudsman we need to continue to strengthen our information governance arrangements. Corporate Director Culture Strategy Communications March 2026	Performance continues to be discussed and monitored at the Cross Council Information Governance Board the role of which was strengthened in 2025/26. Performance reports are presented to the Corporate Leadership Team quarterly. Any feedback from the Ombudsman is also discussed with Senior Management and actions tracked. The ICO did a return visit in June to review action plan implementation and they were satisfied with progress and have closed the audit. Phase 2 implementation of the new system (Infreemation) for managing information rights requests went live on 1 December 2025 and services now have direct access to case manage their assigned requests. The feedback from the services has been generally very positive. The focus for Q4 will be on improving reporting from the system.
The range of skills and experience required to fulfil our duties has become increasingly challenging over time, particularly within some professions. The Council needs to have a high-performing workforce that delivers great services by attracting, developing, and retaining talent that delivers quality public services whilst making the best possible use of public money. Corporate Director Culture Strategy Communications	Workforce Strategy Action Plan is in delivery. A small number of Directorate Workforce Action Plans have been completed. Work on this has now been paused to allow Directors to focus on the immediate financial crisis. Human Resources are delivering sessions to Heads of Service on people management, restructures and making financial savings in order to support the immediate drive to reduce spending. Focussed work is taking place with Directorate Management Teams on key HR areas such as managing and reducing the cost of sickness, performance management and accuracy of establishment data. Mandatory and Leadership training has now been insourced and feedback is positive.

<table>
<tr><th>Issue &
Agreed Action/ Deadline</th><th>Progress update (as at January 2026)</th></tr>
<tr><td>March 2026</td><td>Agency spend has decreased substantially and there has been an increase in the permanent workforce. Regular updates are presented to the General Purposes Committee. There has been considerable focus on reducing agency spend.

There is a process for Statutory Officers to consider approving market supplements in areas where this is necessary, affordable and appropriate in the context of the wider workforce.</td></tr>
<tr><td>The Council has recognised weaknesses with regards procurement and contract management arrangements.

Corporate Director of Finance and Resources (s151)

March 2026</td><td>The Council has strengthened its procurement and commissioning framework to ensure compliance, mitigate fraud risk, and deliver value for money. A revised operating model and staffing structure now require all contract re-tenders above £25k to be managed by the Strategic Procurement Team.

Compliance and Governance
Contract Standing Orders have been updated to align with the Procurement Act 2023 and enhance oversight of procurement and contract management. Full Council approved these changes.
Governance improvements include:
Spend Control Panel for all expenditure above £1,000.
Transition from the Procurement Board to a Commissioning Board, responsible for:
Monitoring commissioning modernisation programme implementation.
Reviewing procurements over £500k.
Escalating issues from commissioning panel and procurement.
Ensuring compliance across commissioning, procurement, and contract management.
Introduction of a Commissioning Panel to review procurements above £160k (to be extended to £25k+), ensuring alignment with commissioning and procurement strategies and essential needs.
Commissioning Modernisation Programme
Endorsed by the Corporate Leadership Team, the programme comprises two workstreams:</td></tr>
</table>

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
	➢ **Contract Reviews** – Led by the Chief Procurement Officer, focusing on targeted reviews and refreshed category strategies to deliver £9m savings over three years. ➢ **Commissioning & Practice** – Led by the AD Commissioning & Programmes, embedding best practice through five sub-workstreams: ▪ Digital and data analytics. ▪ Commissioning framework, policies, and tools. ▪ Procurement pipeline review. ▪ Contract management and quality assurance toolkit. ▪ Service redesign based on needs analysis. A comprehensive training programme supports these initiatives. **Technology and Risk** The Council remains compliant with the Procurement Act 2023. However, notification processes remain manual pending implementation of a new e-procurement solution via the ERP programme. Delays in technology rollout may temporarily impact some controls. Regular updates on procurement risk and control are provided to Audit Committee, reflecting historic limited assurance findings. Work continues on new category strategies, revised procurement procedures, and an updated contract management toolkit aligned with government best practice. **Internal Audit** Audit work re contracts and procurement has been included in the 2025/26 audit plan and outcomes will be reported to members via the routine reporting cycle.

3.2 We have identified the following significant governance issues during 2025/26 and reiterated those identified in prior years that remain open for monitoring. It is proposed over the coming year to take steps to address the governance issues in these areas and these are set out in the action plan below. The action plan will be monitored during the year to ensure all issues are appropriately addressed.

Issue	Action	Responsibility	Due date
We need to improve our financial sustainability by reducing our reliance on Exceptional Financial Support and identifying and delivering savings to balance our budgets.	Across the next five years, the financial position is even more challenging. In 2026/27, a balanced budget was only possible with the use of £84m of EFS. This is not sustainable and reliance on EFS continues to show an upward trajectory. The last update on the five year position was presented to Council in March 2026 and showed a cumulative deficit of £239m between 2027/28 and 2030/31 if nothing changes. The Council is taking all the necessary action to reduce spending or increase income it remains in control of. Historically the Council has undertaken an annual budget setting cycle but with a three year Government finance settlement now in place, a medium term approach is in place and the Council has developed its three year Financial Resilience Plan which recognises that the problem is intractable in a single year. The Financial Resilience Plan (which replaces the Financial Response and Recovery Plan) will focus on eight key priority areas, mainly those which are high spending and all other services will be required to produce a Value for Money Action Plan with proposals to reduce spend and increase income that align Haringey's spending and performance in line with statistical neighbours and limiting the year on year increase in cash limits. Spending controls already in place will continue and we will introduce a clear Section 151 Officer approval process for any department to spend beyond its cash limits, to ensure that there is a clear and agreed funding strategy before expenditure is committed and ensure that there are clear consequences for any budget holder or manager	Corporate Director of Finance and Resources (s151)	March 2027

Issue	Action	Responsibility	Due date
	who is found to be breaching or circumnavigating any of these measures, through utilising appropriate HR processes. A full update on the Financial Sustainability and associated delivery plans will be published as part of the Medium Term Financial Strategy to Cabinet in November 2026.		
We need to continue to embed the planned improvements across strategic and operational Asset Management which include fully embedding robust management of our operational and Commercial Properties because audit work continues to conclude that systems and controls are inadequate.	Delivery of the actions within the SAMPIP will continue in 2026/27 and our next key milestone is June 2026 for the next annual report to Cabinet on the SAMPIP. A review of all operational assets is underway with an aim of reviewing service need and consolidating services to reduce surplus space and where assets are retained to maximise use and commercial benefits. The outcome of this review will be reported later in the year. Income from the commercial portfolio is over £1m higher than the same period last year with full delivery of the improvement plan remaining a priority for the Directorate and will continue through 2026/27 in line with the SAMPIP framework and the Disposals Strategy that was agreed by Cabinet in June 2025.	Corporate Director of Finance and Resources (s151)	March 2027
We need to continue our work on the Housing Improvement Programme to deliver improvements in the delivery of our housing service and implement recommendations to address weaknesses in our management systems, including repairs and maintenance, voids management health and safety	The Housing Improvement Programme is currently at 92% completion, with progress continuing to be overseen by our framework of internal boards and our cross-party member-led Housing Improvement Board. In addition, these boards also oversee progress against our Housing Inspection Improvement Plan, which was introduced following our mock inspection in October 2024 with recommendations made by HQN. We are currently undergoing inspection by the Regulator of Social Housing as part of their new cyclical regulation programme introduced in April 2024. We anticipate that we will move into a	Corporate Director Adults, Housing and Health	March 2027

Issue	Action	Responsibility	Due date
risks in Council owned residential properties that deliver improvements to housing for tenants and meets the requirements of the Social Housing Regulator including safe housing.	Phase 2 of improvement based on the outcomes of the Regulator's assessment against the Consumer Standards which will likely be in Q3 of 25/26. The Housing Service has launched a comprehensive review of the end-to-end voids process, establishing a new strategic voids working group in February 2026 to oversee this. Whilst they oversee this review, actions have already been identified and implemented to improve our approach to voids. Our Building Safety Strategy 2024-28 was approved by Cabinet in July 2024 and details how the Council ensures that buildings within the scope of the Building Safety Act 2022 were effectively managed and safe. This was part of the Housing Improvement Plan, tackling repairs, fireproofing, insulation, security and other renovations and went beyond what is required by the government. The Building Safety Strategy was created with residents and residents' involvement in future decisions remains a core objective. The Council's Housing Annual Compliance Statement was presented to Cabinet on 11 November 2025 which included a summary of the results of the Council's auditors Mazars' audit of the service's reporting against the 'big six' compliance indicators - gas, electric, fire safety, asbestos, legionella and lifts for March 2025 data. The purpose of the report was to provide Cabinet and council tenants and leaseholders with the assurance and confidence that the Housing Service's arrangements for monitoring the 'big six' compliance areas are robust and are subject to ongoing review and improvement. The data shows consistently good performance against the 'big six' health and safety indicators and we anticipate that we will continue to maintain and build on this position.		

Issue	Action	Responsibility	Due date
	The procurement of four new Partnering Contracts to deliver £570m work over 10 years has been completed following original approval by Cabinet in June 2025. This will increase our capacity to deliver the required investment in our homes from August 2026, and is a key factor to support the achievement of 100% decency by 2028 in line the asset management strategy agreed by Cabinet in 2023. This will also help support the condition of our stock and alleviate pressures on repairs, voids, and building safety long-term. The service has exceeded the target of 987 homes to be made decent by 31 March 2026, where 1,006 homes have been made decent for 2025/26. This has meant the percentage of homes meeting the decent homes standard has increased to 84% from 78.4% in 2023/24.		
Due to the high levels of FOI, SARs that are not completed in time and feedback from Ombudsman we need to continue to strengthen our information governance arrangements.	Performance continues to be discussed and monitored at the Cross Council Information Governance Board the role of which was strengthened in 2025/26. Performance reports are presented to the Corporate Leadership Team quarterly. Any feedback from the Ombudsman is also discussed with Senior Management and actions tracked.	Corporate Director Culture Strategy Communications	March 2027
The Council has recognised weaknesses with regards to commissioning and procurement and contract management arrangements.	Good progress has been made through the Commissioning Modernisation Programme as highlighted above but this is a three year programme to 2028/29. In 2026/27, the planned improvements to workforce, skills and development will be in place and the roll out of a corporate contract management framework. The compliance activity of the programme to review all contracts, finalise the complete contracts register and reduce the number of exceptions needed to CSOs will continue.	Corporate Director of Finance and Resources (s151)	March 2027

Issue	Action	Responsibility	Due date
Though the Care Quality Commission (CQC) praised aspects of our Adult Social Care provision, their review identified delays in our assessment process and accessibility and communications barriers. Our internal audits also highlighted weaknesses in our arrangements for carrying out financial assessments and collection of client contributions.	From a financial assessment and client contribution perspective, a robust improvement plan is in place to address the weaknesses identified through internal audit and to respond to the wider CQC findings around assessment delays, accessibility and communication. Significant progress has already been made in reducing the backlog of outstanding financial assessments, with a clear plan in place to reduce the remaining outstanding assessments by summer 2026. Additional capacity has been secured for the Financial Assessment Team, with a number of new posts already appointed to, and further roles being introduced to ensure assessments are processed in the most effective and timely way. An end-to-end review of the financial assessment and client contribution process has been completed, covering the full resident journey from first contact with Adult Social Care through to financial assessment, billing, collection and debt recovery. A Standard Operating Procedure has now been agreed across the process, supported by mandated awareness-raising sessions for Adult Social Care staff to improve consistency, understanding and compliance. Work is also progressing to improve the accessibility and clarity of information provided to residents, families and carers. This includes a review of printed and digital information to ensure that people understand the financial assessment process, their contribution responsibilities, and the support available to them. In addition, the DASS is chairing a task and finish group to co-produce key letters and communications with statutory partners and residents, ensuring information is clearer, more accessible and better aligned with the needs of people using services.	Corporate Director Adults, Housing and Health	March 2027

Issue	Action	Responsibility	Due date
	Governance arrangements are in place to oversee delivery of the improvement plan, monitor progress against the backlog reduction trajectory, and ensure that changes to process, capacity, communication and debt recovery are embedded.		

4. Review of effectiveness

4.1 We take responsibility for conducting an annual review of the effectiveness of our governance framework, including the system of internal control. The review of effectiveness is informed by the statements of assurance and annual governance self-assessments by each corporate director and director, who have responsibility for the development and maintenance of the governance environment; the Head of Audit and Risk Management's annual report, and by comments made by the Council's external auditors and other review agencies and inspectorates.

4.2 The Corporate Director of Finance and Resources holds the Council's statutory Section 151 Officer role; the Head of Legal and Governance (the Council's Monitoring Officer) and the Head of Audit and Risk Management have also reviewed the work done by the Council relating to governance issues in 2025/26. Their comments on the key governance issues are as follows:

<u>Corporate Director of Finance and Resources:</u>

4.3 The financial year 2025/26 has been a particularly challenging one for Haringey in terms of putting in place arrangements to address its financial position. Reliance on EFS of £37m to balance the budget in March 2025 was a clear signal of the Council's deteriorating financial position and at the end of year, £40.6m will be required. Demand pressures across social care, temporary accommodation, home to school transport and housing benefit, as well as the non-delivery of the agreed savings programme continues to be one of the Council's main critical issues and driving the very challenging financial position. Funding from Government is not sufficient to manage the increasing demand and although the Council will see an increase in Government grants of £25.3m over the next three years from the Fairer Funding and the multi year settlement provides some certainty over the next three years, the level remains insufficient given the demand and price pressures that are continuing year on year.

4.4 In the past any gap in delivery of savings or other unplanned overspend has been met with an unplanned drawdown from Council reserves but as reported in the last couple of budget reports to Full Council, it was emphasised that reserves are already extremely low and any use of reserves to balance the budget or use to address overspends in future years is no longer an option and triggered the need for EFS.

4.5 The 2025/26 budget included £56.8m of additional budget for services and £26.2m for corporate pressures, including interest costs. However, this was not sufficient, leading to a £15.5m overspend on service budgets. The budget included £29.3m of approved savings but only 62% were delivered and many of these through mitigations, despite a strong focus in the year on savings delivery. This non delivery is not sustainable and all services must deliver new and previously approved savings in full in 2026/27 and this will continue to be monitored through Finance Recovery Board, which now includes independent external experts for check and challenge and to hold senior leaders to account.

4.6 An emergency response to the financial position was put in place from April 2025 and the Finance Recovery Board (chaired by the Chief Executive) has been overseeing the Finance Response and Recovery Plan with a focus on reducing non-essential spending, improving delivery of savings and improving all aspects of financial management and governance across the Council. There has been some success in the delivery of some aspects of the plan, including on governance and controls on the capital programme and procurement and some improvement in accountability but there remains a lot to do which will be implemented through the Council's three years Resilience Plan for 2026/27 to 2028/29 which focusses on addressing the financial position, balancing in year by 2028/29 and reducing reliance on historic EFS. Alongside this, a Financial Management Improvement Plan will be in place for ongoing improvements in compliance and financial management culture that are still required.

4.7 Director of Legal & Governance (Monitoring Officer): The Monitoring Officer is not aware of any significant governance issues in relation to member code of conduct and complaints for 2025/26. The work in strengthening the governance concerning acquisitions and disposals, Information Governance and Delivery of the Housing Improvement Plan will be reviewed again during 2026/27. New governance controls in relation to the Councils financial position were introduced in 2024/2025 and will continue into 2026/2027.

4.8 Head of Audit and Risk Management: The work of internal audit throughout the financial 2025/26 focused on areas of risk in the organisation and on areas where governance improvements are necessary. During the financial year, the Council took steps to respond to its significant financial challenges including the establishment of boards and panels that sought to control spend and establish processes to secure value for money, and it is envisaged full implementation will continue into the next financial year and probably beyond, as reported in the previous governance statements. The work of internal audit in these areas sought to provide assurance over compliance with the new regime and advise supporting these developments.

4.9 From the audit work completed by internal audit, weaknesses in internal controls were identified in the following areas: Arrangements for Monitoring Contracts within Housing Services, Management, Monitoring and Collection of Income, Management of Green Haringey, Responsive Repairs (Housing), Voids Management, Use of Business Intelligence Reports, Management and Use of Contract Waivers, Management of Leisure Services, Governance over the Delivery of Savings, Corporate Arrangements for Effective Commissioning, Management and Collection of Clients Contributions (Adults Services) and Managing Housing Benefit Overpayments. The Audit committee has been appraised of the outcome of these audit areas and updated on the governance issues raised previously.

4.10 The Head of Audit and Risk Management has also provided an Annual Audit Report and opinion for 2025/2626. The report concluded that in most areas across the Council, with the exception of those areas receiving 'Limited' or 'Nil' assurance are where audit actions had not been completed as planned, there are reasonable internal financial control systems and corporate governance arrangements in place, and that risk management arrangements are satisfactory. The Annual Report highlighted the root cause from a review of the risks identified from audits and the subsequent recommendations, as in previous years ; these include management control to direct services, record keeping and data quality, the maintenance of full audit trails, and supervision controls. In addition, for this financial year, the Head of Audit also noted compliance as an issue.

4.11 The Chartered Institute of Public Finance and Accountancy (CIPFA) statements on the role of the Chief Financial Officer and the role of the Head of Internal Audit in public service organisations have both been incorporated into the Council's overall governance arrangements. During 2025/26, the Council can confirm that both the Chief Financial Officer and Head of Internal Audit fulfilled all the requirements set out within the CIPFA statements. No gaps in compliance were identified for either role.

4.12 The Leader of the Council and the Chief Executive have been advised of the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee, and a plan to implement enhancements and ensure continuous improvement of the system is in place.

4.13 The evidence provided concerning the production of the Annual Governance Statement has been considered by the Chief Executive and will be considered by the Council's Audit Committee in July 2026. The Statutory Officers concluded that the Council has satisfactory governance systems in place and satisfactory plans to address the identified issues to ensure improvement; these arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The Chief Executive along with the other members of the Corporate Leadership Team are committed to implementing the action plan, strengthening, and improving controls and keeping the effectiveness of the Council's corporate governance arrangements under review during the year.

Signed by:

Councillor Mark Blake	**Andy Donald**
Leader of the Council	**Chief Executive**
Date: 30/6/26	Date: 30/6/26.