ANNUAL GOVERNANCE STATEMENT 2025/26 Action Plan

Where our governance needs to improve – **PROGRESS STATEMENT**

In concluding the 2025/26 review of the Council's governance arrangements, some improvements have been identified to strengthen our governance framework. These are listed in the action plan below. The action plan will be subject to regular monitoring by the Council's Accounts and Audit Committee as appropriate. The aim is to conclude these matters during the 2026/27 financial year.

Issue No	Issue Identified	Source of Evidence	Summary of Action Proposed	Responsible Officer	Progress at Q1 2026/27
1	Financial Sustainability - The Council should prepare and agree short and medium-term plans to close its budget gap by generating savings and not making major reliance on reserves.	MTFP Budget planning Savings plans Financial stability / sustainability	In June 2026 the Council will begin work on the 2026/27 budget and MTFP, this will involve short and medium-term plans to close its budget gap by generating savings and efficiencies and not relying on reserves which is unsustainable. The preparation of plans will include taking decisions regarding future years before the 2026/27 budget setting Council. Also, the Council will maintain its focus on in-year budget monitoring	Director of Resources	The Council has begun to develop its budget for 2026/27 and updated MTFP. This was reported to the Executive in June 2026.

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2	Governance – External Audit re-iterated the Fundamental weaknesses identified in the Council's information governance processes highlighted in the Internal Audit review	Up-to-date Record of Processing Activity (ROPA), Information Asset Register (IAR) and data flow maps in place with supporting policies and procedures.	The Council has recruited a dedicated Information Governance Officer to lead and co-ordinate this activity across the Council. Work to update the Record of Processing Activity and Information Asset Register is complete and they have been rolled out across services to be maintained as appropriate. Further work is required on the remaining recommendations and this will form part of the Council's work programme for the next 6 months.	Head of Legal C Democratic Services	Dedicated IG resource has been established. Training was delivered to the Councils Information Asset Owners and Information Asset Administrators by MIAA. This made clear their roles and responsibilities with regards to Information Governance. In addition, training on the Councils new Information Security Policies was delivered to our Extended Management Team in June 2026. The Councils is undergoing a programme of digital transformation, fully adopting SharePoint as its primary information storage location. Staff have also been undertaking a programme of development, that will continue into February 2027. This includes further training on the technical controls that will be in place in SharePoint to enforce the Councils Information Governance polices (Classification, retention, data loss prevention, access controls, metadata).
3	Governance - Improvements to IT asset management.	Centralised asset register Documented disposals process	The Council will devise a standardised IT Asset Register format to facilitate all the requirements of the Council and IT Services. The Council and Liberata will formalise a process for the collection of mobile devices and mobile phones which also details where the device is being stored.	Head of Policy and Performance	The Council has implemented a standardised IT asset register and is updating its disposal process.
4	Governance - Weaknesses of internal controls	Improved Internal Audit reports	Limited assurance Audit reports (Idox, IT asset management) to be revisited by Internal Audit.	Assistant Director Planning, Building Control C Regulatory Services	The Idox and IT asset management audit reports will be reviewed later in the year.

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5	Governance - Complaints - management and monitoring arrangements	Electronic complaints system working correctly	The Complaints Policy and procedures have been updated however enhancements to the Jadu electronic monitoring system are required to fully resolve this issue. The enhancements are in train.	Head of Legal & Democratic Services	The electronic complaints system is currently being reviewed.
6	Governance – Procurement Act 23 went live in February 2025 which brough into force new rules and regulations The Council needs to fully implementation the Act to include updates of the contract procedures and contracts register	Updated Contract Procedure Rules Compliant Published Contracts Register	The Council is seeking to engage a dedicated procurement resource to lead on the full implementation of the Procurement Act. Additional training to all senior managers and staff will be carried out in June 2026.	Director of Resources	The Council is in the process of recruiting a dedicated procurement officer with interviews taking place early July. Procurement training to Extended Management Team is due to take place in early July.
7	Governance – Improvement to the Council's counter fraud activities and reporting	Updated policies Committee reports	Update the Council's Fraud, Money Laundering and Whistleblowing policies Report counter fraud activities to the Accounts C Audit Committee.	Director of Resources	The Councils Anti Fraud and Money Laundering Policies have been updated and were approved by the Executive in June 2026. Training will be delivered to staff in quarter 2. As part of its counter fraud activities the Council has undertaken a review of its fuel card process, the resulting report is currently being finalised.
8	Sickness Absence – the Council's level of sickness absence is above the annual target	Reduced levels of sickness absence.	Additional HR resource to support monitoring and policy compliance	Assistant Director HR and Organisational Change	Additional HR resource has been engaged to support managers in monitoring and ensuring compliance with the Council's sickness absence policy. Refresher training was delivered to Extended Management Team in June 2026.
9	Local Government Reorganisation – the Council's capacity to deliver LGR	Key deliverables met.	Pendle PMO established. Core LGR team meets regularly to ensure programme is on track	Chief Executive	A Pendle PMO team has been established and currently meets every two weeks to receive updates from the LGR work streams. It is anticipated that once the 'minded to' decision is received (expected mid July), the workload demand will increase significantly.
10	Programme Management of IT systems	Detailed IT Project Programme plan in place.	Dedicated IT Programme Manager to be identified	Chief Executive	The Council is working with Liberata to provide dedicated IT programme management support.

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