



**To:**  
**All members of the**  
**Corporate Policy and Resources**  
**Committee**

*Please reply to:*  
Contact: Christeen Abee  
Service: Committee Services  
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Date: 16 April 2026

## Supplementary Agenda

### **Corporate Policy and Resources Committee - Monday, 20 April 2026**

Dear Councillor

I enclose the following items which were marked 'to follow' on the agenda for the Corporate Policy and Resources Committee meeting to be held on Monday, 20 April 2026:

**5. Improvement and Recovery Plan Progress Update 3 - 26**

Committee is asked to recommend to Council:

1. Approval of the Improvement and Recovery Plan Progress Report for onward submission to the Commissioners.

**14. Urgent Actions 27 - 34**

To note those urgent actions which have been taken by the Chief Executive in consultation with the Leader since the last Corporate Policy and Resources meeting on 17 March 2026.

*The attached urgent actions contain exempt information within the meaning of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to Information) (Variation) Order 2006 Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public and prejudice the financial position of the authority in any contract or other type of negotiation with a prospective purchase who could then know the position of the Council.*

**Spelthorne Borough Council, Council Offices, Knowle Green**

**Staines-upon-Thames TW18 1XB**

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Yours sincerely

Christeen Abee  
Corporate Governance

To the members of the Corporate Policy and Resources Committee

Councillors:

J.R. Sexton (Chair)

C. Bateson (Vice-Chair)

M.M. Attewell

J.R. Boughtflower

M. Buck

J. Button

D.C. Clarke

S.M. Doran

M. Gibson

M.J. Lee

S.C. Mooney

L. E. Nichols

J.A. Turner

H.R.D. Williams

Substitute Members:

Councillors: M. Bing Dong, S.N. Beatty, H.S. Boparai,  
R.V. Geach, K. Howkins, S.A. Dunn and K.E. Rutherford



### Committee Report Checklist

Please submit the completed checklists with your report. If final draft report does not include all the information/sign offs required, your item will be delayed until the next meeting cycle.

#### Stage 1

##### Report checklist – responsibility of report owner

ITEM	Yes / No	Date
Councillor engagement / input from Chair prior to briefing	Yes	07/04/2026
Relevant Group Head review	N/A	
MAT+ review (to have been circulated <b>at least 5 working days before Stage 2</b> )		
This item is on the Forward Plan for the relevant committee	Yes	
	Reviewed by	
Finance comments (circulate to Finance)	A.Bozhani	07/04/2026
Risk comments (circulate to Lee O'Neil)	L.O'Neil	15/04/2026
Legal comments (circulate to Legal team)	LH	15/04/26
HR comments (if applicable)		

For reports with material financial or legal implications the author should engage with the respective teams at the outset and receive input to their reports prior to asking for MO or s151 comments.

Do not forward to stage 2 unless all the above have been completed.

#### Stage 2

##### Report checklist – responsibility of report owner

ITEM	Completed by	Date
Monitoring Officer commentary – at least <b>5 working days before MAT</b>	L Heron	03/04/3036
S151 Officer commentary – at least <b>5 working days before MAT</b>	T.Collier	16/04/2026
Commissioner Engagement	Yes	14/04/2026
Confirm final report cleared by MAT		

# Corporate Policy and Resources Committee

20 April 2026

<b>Title</b>	Improvement and Recovery Plan Progress Report
<b>Purpose of the report</b>	To make a recommendation
<b>Report Author</b>	Gordon Mitchell, Interim Chief Executive
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Exemption Reason</b>	NA
<b>Corporate Priority</b>	Community Addressing Housing Need Resilience Environment Services
<b>Recommendations</b>	<b>Committee is asked to RECOMMEND TO COUNCIL:</b>  (i) Approval of the Improvement and Recovery Plan Progress Report for onward submission to the Commissioners.
<b>Reason for Recommendation</b>	As part of the response to the statutory Directions of the Secretary of State the Council is required to provide a progress report every six months to the Commissioners. Consideration of the report supporting the original Improvement and Recovery Plan, approved by Council in October 2025, formed the initial progress report.  Approval of changes to the plan was delegated to Corporate Policy and Resources Committee (CPRC). This progress report is presented to CPRC for recommendation on to Council for submission to Commissioners in order to formally track the Council's progress from recovery towards sustained improvement.

1. **Executive summary of the report** (*expand detail in Key Issues section below*)

What is the situation	Why we want to do something
<ul style="list-style-type: none"> <li>This report sets out the progress made against the Improvement and Recovery Plan to address the Directions of the Secretary of State.</li> </ul>	<ul style="list-style-type: none"> <li>It is a requirement for the Council to submit a progress report every six months.</li> <li>The report provides assurance to Commissioners, Government, the new West Surrey Shadow Council and our Councillors and employees of the progress the Council has made and its continuing improvement towards being self-governing, fulfilling its best value duty in the shortest time possible.</li> </ul>
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> <li>Seek CPRC agreement to recommend that Council submits the progress report to Commissioners to record improvement progress made to date on leadership, culture, service delivery and the governance and financial management environment.</li> </ul>	<ul style="list-style-type: none"> <li>Once approved this will be considered by Council for formal submission to the Commissioners.</li> </ul>

## 2. Key issues

- 2.1 The Council's response to the Secretary of State's Best Value Directions, issued in May 2025, was the creation of a single Improvement and Recovery Plan (IRP). This plan was intended to provide the organisation with a clear direction for its improvement journey and a single framework for ensuring that all the Directives were addressed.
- 2.2 The original plan was approved by Council on 23 October 2025 and the supporting report formed the initial progress report to Commissioners with a commitment to provide a further update six months later.
- 2.3 Authority was delegated to the Corporate Policy and Resources Committee (CPRC) to approve any changes to the IRP as part of regular reporting arrangements. A revised version of the Improvement and Recovery Plan (IRP) was agreed by CPRC on 17 February 2026 to reflect the transition from recovery into sustained improvement and the focus on ensuring a successful transition to the new West Surrey Council.
- 2.4 The Progress Report attached at Appendix A sets out the progress made against the Improvement and Recovery Plan since its approval in October 2025 to address the Directions of the Secretary of State.

### 3. Options appraisal and proposal

- 3.1 Option 1:** The preferred option is for the Progress Report at Appendix A to be approved for referral to Council enabling it to be submitted to Commissioners within the agreed timescales. This will provide assurance to Commissioners, Government, the new West Surrey Shadow Council and our Councillors and employees that the Council has made progress against its Improvement and Recovery Plan.
- 3.2 Option 2:** An alternative option is to not approve the Progress Report for referral to Council at this stage if the Committee consider that further revisions or additional work are required. This would, however, risk delaying submission to Commissioners against the agreed timescales and may reduce assurance levels regarding progress against the Plan.
- 3.3 Option 3:** Doing nothing is not an option if the Council is to fulfil its best value duty in the shortest time possible, as it has committed to providing an update to Commissioners.

### 4. Risk implications

4.1 Risks relating to the IRP are managed through the Council's new governance assurance arrangements with *'Ensuring there are effective governance arrangements in place to deliver the IRP'* and *'Ensuring and maintaining organisational resilience'* forming two of the Governance Assurance areas which will be monitored and reported on through the Council's new Governance Assurance Register.

4.2 Risk 1: Failure to submit the required progress report within agreed timescales may constitute non-compliance with the terms of the intervention which could lead to further escalation of intervention measures.

Mitigation: As part of the governance process an Improvement and Recovery Board has been set up to monitor progress monthly and therefore Commissioners are being kept updated on activity.

4.3 Risk 2: If the progress report submitted to Commissioners does not provide sufficient evidence of improvement, realism about challenges or clear direction of travel there is a risk of erosion of stakeholder confidence and damage to future relationships and partnerships

Mitigation: In parallel to this report, progress made has been subject to an internal audit review and a deep dive review by an independent organisation. This has led to early engagement with Commissioners on fundamental priorities for 2026/2027.

### 5. Financial implications

- 5.1 The current yearly Budget forecast for financial implications of the IRP with respect to the direct improvement activities under the remit of the Improvement and Recovery Board (there is other business as usual activity, such as works on the accounts which also contribute to IRP outcomes which

are within operational budgets) are shown in Table 1 below, including the funding split between priorities. There will be no intervention beyond the end of the end of 2026/2027 as West Surrey Council will have responsibility.

**Table 1 : IRP Spend per year**

<b>Priorities</b>	<b>25/26 £'000</b>	<b>26/27 £'000</b>
Governance	8	0
Programme	82	114
<b>Grand Total</b>	<b>90</b>	<b>114</b>

5.2 In 2026-27 there will be in place monthly monitoring and reporting of IRP budget.

**6. Legal comments**

6.1 The Council has a statutory Best Value Duty, and more particularly a duty to secure continuous improvement under the Local Government Act 1999. Submission of the progress report demonstrates that the Council is taking steps to address areas of concern identified in the Secretary of State’s Best Value Directions.

**Corporate implications**

**7. Commissioners’ comments**

7.1 No issues

**8. S151 Officer comments**

8.1 The need to incur additional expenditure across the IRP Priorities to bring in additional resource and expertise to ensure that the IRP outcomes are delivered remains unchanged from the original Plan. Each theme has a supporting resource budget worked up which has fed into the 2026-27 Budget, with £566k of this expenditure capitalised and funded through the application of the Flexible use of capital receipts strategy. The Budget for direct improvement activities being monitored by the Improvement and Recovery Board totals £114,000 for 2026-27. Continuing to make progress against the IRP is fundamental to passing across a sustainable medium term financial position to West Surrey Council.

**9. Monitoring Officer comments**

9.1 The Monitoring Officer confirms that all relevant legal implications have been taken into account.

## 10. Procurement comments

- 10.1 All contracts associated with and ancillary to the workstreams under the Improvement and Recovery Plan must be procured in accordance with the Council's Contract Standing Orders and the applicable legislation.

## 11. Equality and Diversity

- 11.1 The successful delivery of the Improvement and Recovery Plan will require the continued development and review of many of the Council's services. These will include an Equality Impact Assessment where appropriate prior to decisions being made.

## 12. Sustainability/Climate Change Implications

- 12.1 As highlighted when the original Plan was considered maximising the use of our assets provides opportunities for financial, social and environmental considerations in our actions especially with increasing risks of climate change and the need to adapt. Evaluating and improving our actions and gaining efficiencies in terms of operations can result in carbon savings. Therefore, actions within the IRP should take account of the future impacts of climate change as well as taking mitigating actions.

## 13. Other considerations

None.

## 14. Timetable for implementation

20 April 2026	Approved by CPRC
30 April 2026	Consideration at Council
1 May 2026	Submission to Commissioners

## 15. Contact

Gordon Mitchell, Interim Chief Executive  
g.mitchell@spelthorne.gov.uk

***Please submit any material questions to the Committee Chair and Officer  
Contact by two days in advance of the meeting.***

### **Background papers:**

- Secretary of State for Housing, Local Government and Communities Best Value Directions dated 8 May 2025

- Council report dated 25 October 2025 seeking approval of Improvement and Recovery Plan including IRP Board Terms of Reference

**Appendices:**

A: Improvement and Recovery Plan Progress report

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## **Improvement and Recovery Plan Progress – October 2025-April 2026**

### **Chief Executive Position Statement**

#### **Introduction**

I am pleased to present the second of Spelthorne Borough Council's (SBC) Improvement and Recovery Plan (IRP) progress reports, providing an update on how the Council has responded to the Government Best Value Directions. The first report was presented 23<sup>rd</sup> October 2025, being the formal response to the Directions through the adoption of our first IRP. This report sets out progress since October 2025 to April 2026. This position statement recognises the continued progress of the Council, whilst also highlighting the continuing key challenges and risks our Council faces.

Our situation is quite unique in that the Council is in the early stages of delivery of the Improvement Plan, whilst simultaneously seeking to play a full and active part in the reorganisation of local government in Surrey (LGR) and ultimately in the closure of SBC. The requirement to change the culture of a Council, improve governance, improve our commercial and financial acumen and find budget savings has the added challenge of this backdrop of accelerated sectoral change.

We acknowledge that we are positively supported in this by the Commissioners, who are advising and being pragmatic in their approach to what can be achieved whilst being demanding of the progress we need to actively and consistently demonstrate.

I accepted the position of Chief Executive in March 2026 and will continue to lead our improvement as an authority until we pass responsibilities to West Surrey Council in April 2027.

#### **Background**

On receiving the Directions, the priority was to focus on addressing our debt position. We have restructured our debt in November 2025) reducing outstanding debt by 32%, corrected the disparity in our MRP, and repurposed our reserves to support the medium-term financial strategy transitional process of putting the Council on a more financially stable basis. We have commenced the process of rationalisation of our commercial properties and regeneration assets to implement a programme that generates capital receipts from disposals whilst simultaneously leveraging other assets to achieve desired outcomes and social value for residents.

The initial phase was to diagnose what we needed to do, understanding the options open to us to make immediate progress and implement the urgent recovery actions. This report highlights the achievements in this recovery phase.

The medium- and longer-term phases of evidencing sustained improvement will form subsequent progress reports.

The initial IRP plan was divided into five themes; we have recently consolidated this into four themes. Our six-monthly report sets out in detail the achievements and plans for the next phase. I shall report on each of these briefly.

Previous IRP Themes	Revised IRP Priorities
Local Government Reorganisation	Strengthening and Improving Leadership
Financial Recovery	Improving Financial Sustainability
Governance	Improving Governance and Assurance
Commercial	Improving Commercial, Regeneration and Housing
Regeneration and Housing	

### Theme 1: Strengthening and Improving Leadership

This theme originally was solely focused on Local Government Reorganisation. In the amendment to our plan, we have broadened the scope of the theme to better reflect the cultural and leadership improvement we collectively need to demonstrate in addition to ensuring we transition well to West Surrey Council. Our LGR work commenced in earnest following confirmation on 28<sup>th</sup> October 2025, of the preferred option for Surrey reorganisation. Since this point we have played an active role in the Future Surrey partnership in the preliminary work to scope the programme of work, provide dedicated resource and assume strategic leadership of one of the theme areas (Procurement and Contracts). We have subsequently set up our response to LGR as a separate strand to reflect this evolving work, and to regulate the competing demands for scarce resources.

### Theme 2: Improving Financial Sustainability

The initial priority was to stabilise our financial base by refinancing our debt and making prudent and compliant Minimum Revenue Provision for debt. This we achieved in November 2025. Our position now requires us to realise significant additional capital receipts from asset rationalisation and to make budgetary part year savings of £1m in 2026/27. Alongside continuing our work to restructure and to strengthen our financial service and continuing on the journey towards obtaining a clean audit opinion on our statement of accounts.

There remains work to do to improve the internal culture of budgetary management, ownership and accountability. This is a priority as we move from the *diagnose and recover phase* of our improvement planning and into the *improve and embed* phase of the IRP and seek to ensure the savings.

### Theme 3: Improving Governance and Assurance

The governance theme is one where change will take time before we experience and observe the tangible evidence of improvement. This said, in the period since adoption of the IRP we have put in place foundational governance improvement work.

In quarters 3 and 4 of 2025/ 2026, we commenced work to improve our approach to risk management. This work, being led by a sector expert, has led to a fundamental overhaul in our approach. We are focused more broadly on improving confidence in our governance

assurance processes. We have trained Group Heads, team members and Councillors, and work to embed this approach is continuing.

We reviewed, and the Audit Committee agreed, a new framework of assurance governance and how it interacts with other committees and the Council.

In July 2025, we commissioned training to improve our committee papers and processes. The training on its own has proved insufficient to realise the improvements required and we continue with actions to build internal accountability for developing high-quality committee papers, particularly prioritising the focus on the Forward Plan and Committee Paper processes at Management Team meeting (MAT).

MAT has restructured its meeting agenda, to include a monthly assurance focus, to cover budget monitoring, performance management, audit recommendations and completion and complaints. We have also stood up a Staffing (vacancy control) Panel and strengthened oversight of procurement with a refreshed Procurement Board

We have learned from other councils in intervention, where Councillors expressed the need to receive targeted training and support. In response in January 2026, we shared an outline development programme, for Councillor consideration, to ensure we are supporting any needs and requirements. Realising engagement in the programme is proving challenging in the context of Future Surrey and the closure of the council.

#### Theme 4: Commercial, Housing and Regeneration

Good progress is being made within the Commercial Theme of the IRP. In the six months since adoption of the IRP, we have reviewed our asset base, updated valuations and are close to implementing an overarching Commercial Strategy (which is subject to Committee and Council approval in late April 2026). This is in parallel to work to implement an asset rationalisation plan to further assist the reduction of debt during 2026/27.

We are mindful of the importance of this work and of the need to rationalise our assets to generate capital receipts. We have appointed a disposal advisor to advise on a phased strategy and to market our investment assets approved for disposal. Asset rationalisation is critical to our financial plan for 2026/2027 and to West Surrey for 2027/28 and beyond; we will maintain a strong focus on reducing our commercial and debt exposure in our next phase.

In contrast to the commercial asset rationalisation programme our regeneration approach is to maximise social value and to deliver affordable housing across the Borough. We have introduced a Social Value strategy, which sets out an assessment framework to support our decision making on the Council's regeneration assets.

We have strengthened our internal capacity, commissioning external expertise to support our regeneration and housing programmes. We have after eight and half year's work achieved in March 2026 an approved a Local Plan, and are developing a Staines Masterplan, considering options for Knowle Green Estates housing assets and for future housing planning.

A major risk identified by Commissioners was in the cost of and our strategy for temporary accommodation. We received a positive deep dive from MHCLG on the manifestation of how we work with families but fundamentally there is more to do in our next phase to reduce the

cost and time spent in all temporary accommodation, particularly nightly paid accommodation (B&Bs).

## Final reflections

The work required to be active in LGR alongside developing and embedding the cultural change and operational practices and protocols, required to improve is challenging. We are very much alive to the fact that our resources will be stretched, and we are building our case to secure additional resource from the shared Future Surrey pot to enable us to meet these demands.

We must navigate a challenging and competing set of priorities and are prioritising our focus for the remaining 12 months of the Councils sovereignty. As a team of Officers and Councillors our focus must be to deliver the improvements we need to make to ensure we close our Council in a way that we, collectively as Councillors and Officers, can be proud of and transition in the strongest possible position to West Surrey.

# Improvement and Recovery Plan Six Month Progress Report

October 2025 – April 2026

## 1. Government Intervention

Concerns regarding the financial, commercial and governance of Spelthorne Council led the Secretary of State, to commission a Best Value Inspection. The Best Value Inspection Report published in March 2025 highlighted significant deficits across a breadth of responsibilities, underpinned by poor member officer relationships, and a perception of a lack of openness to scrutiny, challenge and learning. The Report described *a culture of mistrust and broken relationships and a hostile environment*.

The Council was required to prepare and agree its Improvement and Recovery Plan (IRP) to the satisfaction of the Commissioners, within 6 months of receipt of Directions. The initial IRP was adopted in October 2025 and focused principally on diagnosis and recovery actions.

## 2. Improvement and Recovery Plan

The first iteration of the IRP (October 2025) was structured around five workstreams:

- Financial Recovery,
- Commercial,
- Housing and Regeneration,
- Governance, and
- Local Government Reorganisation.

Following a review of the IRP, the decision was made by CPRC in February 2026 to reframe the plan around four themes. A new theme of Strengthening Leadership and Culture includes the LGR strand and Commercial and Housing and Regeneration have been brigaded under a single area, whilst retaining their distinct emphasis.

Previous IRP Themes	Revised IRP Priorities
Local Government Reorganisation	Strengthening and Improving Leadership
Financial Recovery	Improving Financial Sustainability
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Commercial	Improving Commercial, Regeneration and Housing
Regeneration and Housing	

**Table 1:** Aligning previous plan, revised plan and the Corporate Plan

## 3. Progress since October 2025

This section describes the progress that the Council has made since the adoption of the IRP in October 2025, reporting our progress against the relevant Secretary of State Direction.

Direction 1a: A plan to achieve financial sustainability and to identify and close any short and long-term budget gaps across the period of its medium-term financial strategy (MTFS), including a robust multi-year savings plan that reflects the costs and risks identified in the BVI report and by external auditors.

Our success measure is to instigate a savings programme of £1m (full year value approx £2m) to be delivered in 2026/2027.

Within the period October 2025 to April 2026 the following has been achieved:

- 26.02.2026: Following the recommendations of CPRC, Council approved a balanced budget (without reliance on any Exceptional Financial Support), approved the Capital Strategy and Capital Programme and approved a Treasury Management Strategy for 2026-27. The 2026/27 Budget includes a £1m savings target.
- We have also continued to change and strengthen our finance function, bringing in improved expertise to manage specific issues including treasury management and the final accounts.
- We have undertaken a skills audit and a team restructure to strengthen business partnering and internal accountability.
- We have worked closely with our External Auditor, and our last external audit had significant reduction in audit recommendations.

Direction 1b: A plan to ensure the Authority's capital, investment and treasury management strategies are sustainable and affordable, including an asset rationalisation programme for assets and commercial investments.

Our success measures to receive confirmation by External Audit of their assurance of our strategies and ensure capital programme financing does not require any additional borrowing.

Within the period October 2025 to April 2026 the following has been achieved:

- Completed an independent review of the single entity and group accounts in June 2025.
- November 2025 Council approved a revised Treasury Management Strategy for 2025/26 and a new Minimum Revenue Provision Policy for 2025/26.
- December 2025 Council approved a revised Reserves Strategy.
- The External Audit Report of Audit Findings report for 2024/25 presented to Audit Committee in January 2026 included significantly fewer audit recommendations than the previous 2023/24 report and the External Auditor provided the Audit Committee in February 2026 with confirmation of their assurance of the 24/25 accounts.

Direction 1c: A comprehensive and strict debt reduction plan, demonstrating how overall capital financing requirement and external borrowing will be reduced over a realistic but expedient timescale, reducing debt servicing costs.

Our success measures to reduce outstanding debt by £342m in November 2025 and to realise c£175M in 2025/26 2026/27 from the sale of commercial assets.

Within the period October 2025 to April 2026 the following has been achieved:

- November 2025: CPRC and Council agreed debt restructure.
- November 2025: CPRC approved the procurement of asset rationalisation advisors.
- February / March: CPRC and Council agree to progress the disposal of two commercial property assets (estimated receipt value approx. £20m)- the sale of one of these was completed on 30<sup>th</sup> March 2026.
- Comprehensive analysis including valuations of commercial assets, and marketing to seek to realise the value. We have trained the finance team in the use of the Argus property system to ensure accuracy in recording and reporting information and more joined up use of data between Assets and Finance.
- February 2026: Appointed Agent to market investment properties.
- February/March 2026: Approval received to progress the sale of two commercial properties.
- March 2026: Engaged disposal Agents to oversee and manage the disposal process.

Direction 1d: A plan to overhaul the governance arrangements within the authority with regards to decision-making, capacity and skills, aiming to increase transparency, scrutiny and effectiveness of the committee system to ensure that collective responsibility is taken for the Authority's decision-making.

Our success measure is to experience demonstrable improvement in governance practices leading to improved assurance and confidence of Leaders, Commissioners and Councillors.

Within the period October 2025 to April 2026 the following has been achieved:

- November 2025: the Council's internal auditor undertook an audit of the Council's Decision Making and Accountability and returned overall Reasonable Assurance.
- November 2025: Feedback on reports from Councillors and Commissioners incorporated into revised Report templates.
- Council on 17 July 2025: A new protocol on relations between members was agreed.
- July 2025: Report writing training provided with twenty officers attending and video accessible.
- December 2025: Commenced revision to the internal decision-making process through MAT and MAT+ to focus on strategic issues.
- February 2026: Updates to the Constitution include:
  - Climate Change Working Group Terms of Reference
  - Review of the Members Code of Conduct
  - Changes to Contract Standing Orders
  - Audit Committee Terms of Reference

- Standards Committee Terms of Reference
  - Delegations to Officers
  - Access to Information Rules
- A Vacancy Control Panel has been established to process decisions relating to staffing issues including recruitment, honorarium and market supplements.

Direction 1e: A plan to review and update the sinking fund, taking a long-term view of potential risks and financial consequences with accurate income and expenditure forecasts, and with adequate provisions made for future costs.

Our success measure was to review and repurpose our reserves, following a robust forecast of requirements for assets.

Within the period October 2025 to April 2026 the following has been achieved:

- December 2025: Council agreed removal of the sinking fund provision as part of the approval for a revised Reserves Strategy.

Direction 1f: A plan to ensure the Authority is complying with all relevant rules and guidelines relating to the financial management of the Authority, including updating the minimum revenue provision (MRP) policy.

Our success measure was to reset the MRP Policy to ensure the Council is fully compliant with regulations.

Within the period October 2025 to April 2026 the following has been achieved:

- November 2025: Following the independent assessment of our investment properties, alongside advice from our External Auditors and utilising CIPFA guidance, Council approve revised MRP policy.
- December 2025: Council approve revised MTFS.
- February 2026 Council approved balanced Budget and Treasury Management Strategy for 2026/27.

Direction 1g: A plan to reconfigure the Authority's services commensurate with the Authority's available financial resources.

Our success measure was to set a balanced budget for 2026/27 with supportive plans to achieve savings.

Within the period October 2025 to April 2026 the following has been achieved:

- February 2026: Council approved a balanced budget without reliance on Exceptional Financial Support. The 2026/27 Budget, includes £1m of savings to be delivered in year.
- February 2026 Council approved a significantly reduced Capital Programme which does not require any additional borrowing.

- The Revenue Budget incorporated £5.7m of savings and reflected budget prioritisation including additional resourcing for tackling Houses in Multiple Occupation, continuing the Jobs and Skills Hub.
- Skills development programme undertaken that covers training of the finance team, budget holders, Councillors.

Direction 1h: A plan to strengthen the Authority's financial and commercial functions, and to secure improvements in risk management, governance and the internal audit function, with the guidance and to the satisfaction of the Commissioners.

Our success measure is to implement a revised Governance Assurance Framework supported by a comprehensive internal audit programme to test improvement.

Within the period October 2025 to April 2026 the following has been achieved:

- October 2025: Expertise commissioned to design and support the implementation of the new Governance Assurance Framework. The Governance Assurance Framework agreed by CPRC.
- October 2025: The s151 and MO meet quarterly with Internal Audit, and the Audit partner attend quarterly MAT meeting to focus on improvement as a response to Internal Audit recommendations.
- March 2026 Officers and Councillors trained in the new approach to governance assurance.
- 27<sup>th</sup> November 2025: New framework for Audit Committee governance agreed by the Committee.

Direction 1i: A plan to develop a comprehensive commercial strategy, with clear approaches to its investment and regeneration portfolios, including exit strategies for the commercial investments and realistic and deliverable strategies for regeneration sites.

Our success measure for our investment sites is to prepare and seek approval for a comprehensive strategy supported by an individual plan for each commercial asset, leading to the realisation of capital receipts following divestments. For our regeneration sites we are seeking to maximise social value outcomes and develop plans for each site that maximise outputs and puts in place actions to commence mobilisation.

Within the period October 2025 to April 2026 the following has been achieved:

- Updated the data bluebox for all assets, including for energy performance (EPC) (October 2025).
- November 2025: CPRC approved appointment of advisers for assets rationalisation.
- November 2025: Agreed a Social Value Framework / Criteria.
- November 2025: Appointed experts to develop the Staines Masterplan.
- December 2025: Conducted portfolio analysis and obtained updated valuations.
- January 2026: Adopted a Social Value Strategy.
- February 2026: Appointed Agent to prepare Commercial Strategy

Direction 1j: A realistic plan to deliver housing numbers outlined in its Local Plan and assess the viability of Knowle Green Estates, developing a business case and future options for the company and the housing it currently manages.

Our success measure is to have clear plans to deliver the housing numbers alongside a tangible and deliverable plan to reduce spend on temporary accommodation.

Within the period October 2025 to April 2026 the following has been achieved:

- December 2025: Appointed experts to develop the Affordable Housing SPD.
- 2025/6: Advisors appointed who evaluated financial options for Knowle Green Estates and who are undertaking Stock Condition Survey and Red Book valuation.
- March 2026: Council approves new Local Plan, judged as ‘sound’ by the Inspector.

Direction 1k: A fully costed programme of cultural change to rebuild trust between officers and members and ensures both Members and Officers understand their respective roles and the way in which the Authority and its activities are regulated and governed.

Our success measure is to build more effective relationship between councillors and officers and to prepare people well for the expectations of the new unitary council.

Within the period October 2025 to April 2026 the following has been achieved:

- January 2026: Councillors surveyed on prioritisation of the development programme.
- March 2026: Political skills programme designed for delivery to officers.

Direction 1l: A plan to ensure that the Authority has sufficient skills, capabilities and capacity to deliver the Improvement and Recovery Plan, within a robust officer structure, including appropriate commercial expertise and capacity.

Direction 3: initiate a full and open recruitment exercise for a suitable permanent appointment to lead the improvement work in the Authority and progress against these Directions.

Our success measure is to grow Commissioners’ confidence in the improvement programme increases leading to a positive report to the Secretary of State and ultimately progress towards exiting intervention.

Within the period October 2025 to April 2026 the following has been achieved:

- October 2025: Stood up a PMO function to manage the day-to-day delivery of the programme, overseeing monitoring arrangements and to provide first line of assurance.
- November 2025: Support the Improvement and Recovery Board (IRB), including providing Highlight reports for each theme, a PMO report and supporting the Deep Dive discussion into one of the Themes.

- December 2025: Administer the Chief Executive’s internal SRO meeting to gain leadership assurance.
- December 2025: Established a change control process to track slippage and risk escalation.
- February 2026: Stood up a Communications and Engagement Plan.
- February 2026: CPRC approved a revised IRP to pivot the plan from the recovery phase to more sustained improvement and embedding phase.
- November 2025-February 2026: Participated in an Internal Audit review of early set up of Governance arrangements.

Direction 2: To actively work with Commissioners on the work with other councils in the Surrey area for unitary local government and on implementing any such proposals later agreed upon.

Our success measure is to do what is required to contribute as an active partner in the arrangements for West Surrey Council and to end SBC well, and with pride.

Within the period October 2025 to April 2026 the following has been achieved:

- Nominated SBC leads identified for all LGR workstreams.
- Commenced an early engagement programme with SBC employees on the Future Surrey programme, including development of a communications plan and information exchange.
- Commenced the creation of SBC LGR action plan.
- Leading work on the Procurement Theme on behalf of Future Surrey.
- Engagement with the initial request for information (RFI) process to supply information to the Future Surrey PMO.
- Participated in the joint committee for West Surrey.

#### 4. Priority actions for the next review period

With less than 12 months remaining until Vesting Day, when Spelthorne Borough Council transitions into the new West Surrey Council, it is important that the Council focus on the improvement activity that will deliver the greatest benefit for the residents of Spelthorne and West Surrey Council. This will help make best use of resources, which will also be required to support the delivery of LGR (Local Government Reorganisation) in Spelthorne whilst also continuing to delivery services to Spelthorne residents and businesses.

The following is the Council’s proposed list of priorities for the period up to 31 March 2026, grouped under the 4 Themes of the latest IRP (Improvement and Recovery Plan).

### Theme 1: Strengthening and Improving Leadership

- To fully engage with and support the Surrey LGR programme through to Vesting Day (1 April 2027), by providing the requested information and undertaking the activities assigned to the Council in the forthcoming Surrey LGR plan. This will include continuing to lead the Procurement and Contracts Theme.

### Theme 2: Improving Financial Sustainability

- To produce an updated MTFS (Medium Term Financial Strategy) for the period FY27/28 to FY29/30 to be approved by the Council by the end of December 2026. The updated MTFS will reflect the latest forecast financial position at the time of being developed.
- Develop and agree a savings plan for the current financial year (FY26/27) and then deliver the plan to achieve a minimum of £1m of in-year, recurring annual savings (rather than one-off savings) this financial year.
- Develop and agree a savings plan for the financial year (FY27/28) aligned to West Surrey and agreed with the West Surrey Section 151 Officer (once appointed).
- Produce final accounts for the last financial year (FY25/26) that when audited will address the 5 key recommendations highlighted by the External Auditors following a review of the FY24/25 annual accounts.
- Develop and agree a plan with the West Surrey Section 151 Officer (once appointed) to produce the accounts for the current financial year (FY26/27).

### Theme 3: Improving Governance and Assurance

- Develop and implement an effective Governance and Assurance framework, that includes risk management.

### Theme 4: Commercial, Housing and Regeneration

- Develop an updated Commercial asset disposal strategy and programme to include timeline and target values to be achieved, and delivery of the disposal programme to achieve financial targets quarter by quarter.
- Develop and agree a Commercial strategy for the Council with CPRC by end April 2026.
- Complete a review / appraisal of options/issues/liabilities for BP site by end of FY26/27.

- Develop and deliver a plan with the aim of disposal of the Council’s regeneration sites by the 31 March 2027.
- Develop and get approval for the Staines Master Plan that will help shape the future of Staines and deliver high-quality development. Staines Master Plan to be agreed by Council in Autumn 2026.
- Demonstrate a clear reduction in spend on temporary accommodation quarter on quarter over the next 12 months and aim to reduce by at least half the use of nightly paid accommodation by the end of the current financial year (FY2627).
- Get agreement on the future of Knowle Green Estates (KGE) by the end of December 2026.
- Develop and agree a 3-year plan to deliver the housing number agreed in the Local Plan. Plan to be approved by Council in October 2026.

#### Programme level next steps

- To support the delivery of these priorities, once agreed, we are refreshing our programme management arrangements and clarifying the associated programme governance to drive delivery, including identifying key risks early so suitable mitigations can be implemented.
- In addition to reporting progress in relation to key deliverables, we will develop and agree a set of outcomes measures that will track and demonstrate the resulting improvement (outcomes).

## Secretary of State Directions

The actions to be taken by the Authority are:

1. Prepare and agree an Improvement and Recovery Plan to the satisfaction of the Commissioners, within 6 months, with resource allocated accordingly. This should integrate relevant contents and recommendations of the Best Value Inspection, published on 17 March, the Grant Thornton 2023/24 audit report and July 2023 CIPFA Capital assurance review. The plan should feature a comprehensive performance management framework that sets out measures to be undertaken, together with milestones and delivery targets against which to measure performance, to deliver rapid and sustainable improvements in governance, finance, property, housing, and commercial functions, thereby securing compliance with the best value duty. This programme should build on existing work to reset the culture of the organisation. The Improvement and Recovery Plan should include at a minimum:
  - a. A plan to achieve financial sustainability and to identify and close any short and long-term budget gaps across the period of its medium-term financial strategy (MTFS), including a robust multi-year savings plan that reflects the costs and risks identified in the BVI report and by external auditors.
  - b. A plan to ensure the Authority's capital, investment and treasury management strategies are sustainable and affordable, including an asset rationalisation programme for assets and commercial investments.
  - c. A comprehensive and strict debt reduction plan, demonstrating how overall capital financing requirement and external borrowing will be reduced over a realistic but expedient timescale, reducing debt servicing costs.
  - d. A plan to overhaul the governance arrangements within the authority with regards to decision-making, capacity and skills, aiming to increase transparency, scrutiny and effectiveness of the committee system to ensure that collective responsibility is taken for the Authority's decision-making.
  - e. A plan to review and update the sinking fund, taking a long-term view of potential risks and financial consequences with accurate income and expenditure forecasts, and with adequate provisions made for future costs.
  - f. A plan to ensure the Authority is complying with all relevant rules and guidelines relating to the financial management of the Authority, including updating the minimum revenue provision (MRP) policy.
  - g. A plan to reconfigure the Authority's services commensurate with the Authority's available financial resources.
  - h. A plan to strengthen the Authority's financial and commercial functions, and to secure improvements in risk management, governance and the internal audit function, with the guidance and to the satisfaction of the Commissioners.
  - i. A plan to develop a comprehensive commercial strategy, with clear approaches to its investment and regeneration portfolios, including exit

strategies for the commercial investments and realistic and deliverable strategies for regeneration sites.

- j. A realistic plan to deliver housing numbers outlined in its Local Plan and assess the viability of Knowle Green Estates, developing a business case and future options for the company and the housing it currently manages.
  - k. A fully costed programme of cultural change to rebuild trust between officers and members and ensures both Members and Officers understand their respective roles and the way in which the Authority and its activities are regulated and governed.
  - l. A plan to ensure that the Authority has sufficient skills, capabilities and capacity to deliver the Improvement and Recovery Plan, within a robust officer structure, including appropriate commercial expertise and capacity.
2. To actively work with Commissioners on the work with other councils in the Surrey area for unitary local government and on implementing any such proposals later agreed upon.
3. Within one month of the date of these Directions, initiate a full and open recruitment exercise for a suitable permanent appointment to lead the improvement work in the Authority and progress against these Directions. For the avoidance of doubt, an existing employee of the Authority may be appointed to the position provided that such person is a suitable permanent appointment to that position.
4. To publicly report to the Commissioners on the delivery of the Improvement and Recovery Plan after three months, six months and thereafter at six-monthly intervals, or at such intervals as Commissioners may direct.
5. To undertake in the exercise of any of its functions any action that the Commissioners may reasonably require to avoid, so far as practicable, incidents of poor governance, poor financial governance or financial mismanagement that would, in the reasonable opinion of the Commissioners, give rise to the risk of further failures by the Authority to comply with the best value duty.
6. To allow Commissioners to appoint, where necessary, independent external advisors and to procure independent external advice.
7. To allow the Commissioners at all reasonable times, such access as appears to the Commissioners to be necessary:
  - a. to any premises of the Authority;
  - b. to any document relating to the Authority; and
  - c. to any employee or member of the Authority.
8. To provide the Commissioners, at the expense of the Authority, with such reasonable amenities and services and administrative support as the Commissioners may reasonably require from time to time to carry out their functions and responsibilities under these Directions.
9. To pay the Commissioners reasonable expenses, and such fees as the Secretary of State determines are to be paid to them.

10. To provide the Commissioners with such assistance and information, including any views of the Authority on any matter, as the Commissioners may reasonably request.
11. To co-operate with the Secretary of State for Housing, Communities and Local Government in relation to implementing the terms of these Directions

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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