Appendix A

ROTHERHAM METROPOLITAN BOROUGH COUNCIL

~~Draft~~ Annual Governance Statement 2025/2026

ROTHERHAM MBC ANNUAL GOVERNANCE STATEMENT 2025/2026

1 Executive Summary

1.1 The Annual Governance Statement for 2025/26 sets out how Rotherham Metropolitan Borough Council has discharged its responsibility for ensuring sound governance, effective risk management and strong internal control during a period of continued financial, operational and sector-wide challenge.

1.2 Despite significant pressures on finances, demand for services (particularly social care) and wider economic uncertainty, the Council concludes that its **governance arrangements remained effective and fit for purpose throughout 2025/26**. The governance framework supported clear, transparent decision-making and helped maintain financial sustainability.

1.3 The Council operates a well-established governance framework aligned to the CIPFA/SOLACE Delivering Good Governance in Local Government Framework, refreshed in line with the May 2025 addendum. Internal Audit concluded that the Council has an **adequate framework of governance, risk management and control**, and external audit issued an **unqualified opinion** on the 2024/25 accounts.

Key Findings for 2025/26

1.4 **Strong compliance**: 63% of Council services (12 of 19) self-assessed as fully conforming with the Council's Code of Corporate Governance, with most remaining services partially conforming with just a small number of areas of the Code.

1.5 **Financial pressures**: Ongoing pressures from inflation, pay awards, social care demand and service cost growth led to an in-year forecast overspend, mitigated through reserves, contingencies and active financial management.

1.6 **Risk profile**: The Corporate Strategic Risk Register increased from 14 to 16 risks during 2025/26, with four risks rated red by year-end. These were equal pay litigations, highways infrastructure maintenance, net zero climate change target and adult social care funding.

Improvements, Ongoing and New Issues

1.7 Progress has been made on several prior-year governance issues, including information governance, health and safety, tree management and green spaces, external inspection outcomes and leadership changes. Ongoing areas of focus include SEND improvement actions; Property and Facilities compliance and asset intelligence; Housing compliance and stock condition; and equal pay claims.

1.8 7 services self-assessed as partially conforming to the Council's Code of Corporate Governance, flagging issues including staff behaviour, service user engagement, procurement compliance, capacity, and delivery of outcomes. These have been identified as new governance issues for 2025/26, with improvement plans and monitoring arrangements established for 2026/27.

Forward Look

1.9 The Council has reviewed its current strategic risks, existing issues in the draft statement, and emerging challenges. It has identified further areas that will require close monitoring, particularly the need to respond to sub-regional changes arising from new legislation (the English Devolution and Community Empowerment Act 2026), changes to the South Yorkshire Integrated Care Board which may impact adult social care funding, and new leadership arrangements in neighbouring authorities following local elections.

Conclusion

1.10 Overall, the AGS provides assurance that Rotherham MBC's governance arrangements were effective during 2025/26, while clearly recognising areas requiring further improvement and setting out a commitment to continued strengthening of governance in the year ahead.

2 SCOPE OF RESPONSIBILITY

2.1 Rotherham Metropolitan Borough Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (the Best Value duty).

2.2 In discharging its overall responsibilities, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and ensuring there are effective arrangements in place for the management of risk.

2.3 The Council has a Code of Corporate Governance in line with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government.

2.4 This Annual Governance Statement has been updated to align to the May 2025 addendum to the CIPFA/SOLACE guidance.

2.5 The statement meets the requirements of the Accounts and Audit Regulations 2015 in relation to the publication of an Annual Governance Statement.

3 THE GOVERNANCE FRAMEWORK

3.1 The Council's general governance arrangements include a range of policies, procedures and activities that are designed to be consistent with the expectations for public sector bodies. They are drawn together by the Council's Code of Corporate Governance which was refreshed and approved by the Audit Committee in September ~~2025~~2026.

3.2 The Council's overall strategic direction is determined by the Council Plan 2025-2030 and the associated Year Ahead Delivery Plan, which is refreshed each financial year. The Council Plan was approved in May 2025 and is framed around five outcomes:

- Places are thriving, safe, and clean
- An economy that works for everyone
- Children and young people achieve
- Residents live well
- One Council that listens and learns

3.3 The Council Plan and associated Year Ahead Delivery Plan together form the basis of the strategic direction of the Council throughout the financial year. Progress on the milestones and measures contained in the Plans is formally monitored quarterly and reported publicly twice a year. The six-monthly public report on progress was presented to the Council's Cabinet on 19th January 2026 and focused on progress from 1st April 2025 to 30th September 2025. A final report for the year w~~ill~~as ~~be~~ presented ~~in~~ on 6th July 2026.

3.4 The governance framework comprises the systems, processes, values and behaviours by which the Council is directed and controlled. It also comprises the activities through which the Council is accountable to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

3.5 The Council also has a system of internal control which 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 and can therefore provide proportionate and not absolute assurance of effectiveness. The system of internal control is designed to:

- identify and prioritise the risks to the achievement of Council

policies, aims and objectives,
- evaluate the likelihood of those risks being realised and assess the impact should they be realised, and
- manage the risks efficiently, effectively, and economically.

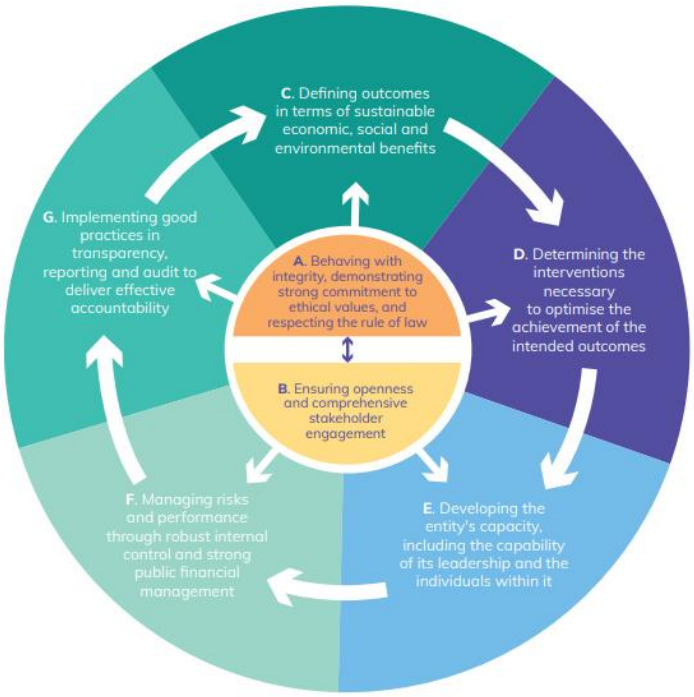
3.6 The table below sets out the key elements of an effective governance framework, and how these were delivered in the Council throughout the financial year.

Council Committee or group	**Governance Function**
Full Council	Endorses the Constitution. Approves the policy and financial frameworks. Approves the Budget and sets Council Tax. Approves the Council Plan. Elects the Leader of the Council.
Cabinet	Primary decision-making body of the Council. Comprises the Leader of the Council and Cabinet. Members who have responsibility for specific areas.
Audit Committee	Considers all issues relating to internal and external audit matters. Monitors and reviews the effectiveness of risk management systems, including systems of internal control. Oversees financial reporting and financial statements and the annual governance process.
Standards and Ethics Committee	Promotes high standards of conduct by elected members and monitors the operation of the Members' Code of Conduct.
Overview and Scrutiny Committees	Reviews and scrutinises the decisions and actions taken in connection with any functions of the Council, including "pre-Scrutiny" of some recommendations due to be considered by Cabinet. Makes reports or recommendations to the Council or Cabinet with respect to the discharge of any functions of the Council.
Chief Executive, Executive and Service Directors, including s151 Officer and Monitoring Officer	Sets and monitors governance standards. Leads and applies governance standards across the Council.
Internal Audit	Performs independent and objective reviews within all Directorates of the Council. Undertakes fraud and irregularity investigations and proactive anti-fraud work. Produces Head of Internal Audit opinion each year, summarising work done.
Areas or disciplines which are not directly responsible for delivery of services, for example Performance Management, Risk Management, Finance, HR, Legal, Information Security, Health and Safety.	Responsibilities include designing policies, setting direction, and ensuring compliance.

Management. Assurance at this level comes directly from those responsible for delivering specific objectives, projects or operational areas.	Responsibilities include identifying risks and improvement actions.

4 HOW THE GOVERNANCE FRAMEWORK IS APPLIED

4.1 The principles set out in both the CIPFA/SOLACE Delivering Good Governance Guidance and the Council's own Code are shown in the diagram below:



4.2 The table below indicates the detailed governance arrangements in place during the year and their operation, with reference to these principles:

Principle	Arrangements at Rotherham MBC
Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	The Council has a constitution and a supporting set of rules and procedures that govern its activities in accordance with legislative requirements. All key decisions require review by Legal and Financial Services to ensure all relevant requirements and considerations are taken into account. The Council has arrangements for encouraging the reporting of suspected wrong-doing. The Council's Whistleblowing policy is in line with current national guidance.

	The Council has a Member/Officer Protocol which has been adopted by the Council. It is communicated to all Members and is emphasised through training on the Code of Conduct which forms part of the induction programme for Members and their continuous development programme. Codes of Conduct for Members and Officers define conflicts of interest and how they should be treated. There has been an extensive programme of training and induction for all members following the "all out" elections in May 2024.
Principle B – Ensuring openness and comprehensive stakeholder engagement.	The Council is committed to openness and acting in the public interest. A Council Plan 2025-30 and 2025/26 Year Ahead Delivery Plan were developed after consultation with stakeholders and approved in May 2025. The Year Ahead Delivery Plan is refreshed each year with the Plan covering the 2026/2027 financial year approved in April 2026. These Plans are available on the Council's website and performance reporting against the Plans is presented in public meetings of Cabinet. Delivery of the vision in both the Council Plan 2025-30 and the Year Ahead Delivery Plans is embedded in day-to-day activities across the Council and is monitored through the performance management arrangements which are underpinned by an established framework. The Council conducts a Residents' Satisfaction Survey every twelve months, based on the Local Government Association's national model. The results are checked and challenged against other Councils and have been reported through the performance management framework. The Thriving Neighbourhoods Strategy was published in 2018 and updated in November 2022, covering the period 2018-2025. The strategy is being refreshed during 2026 to set out how the Council and partners will integrate and target services at a locality, ward and neighbourhood level by using data, taking a strengths-based approach and maximising the opportunity to involve communities in the co-production of service delivery, projects and initiatives. A complementary Neighbourhood Leadership Strategy ~~is also being developed~~was approved by Cabinet in July 2026 which focuses on the role of Members in their wards and how they are supported. Regular email newsletters are produced for Council members with additional 'special' bulletins produced to cover significant topics in-between. These summarise key developments and issues in the Council to enable them to perform their roles effectively including latest news, member development information, forthcoming meetings and consultations. The Consultation and Engagement Framework was refreshed in November 2025. This document sets out the Council's commitment to consult and engage with the public and states that the Council will listen, inform and work in partnership with service users and stakeholders, including their views in the shaping, commissioning and delivery of services wherever possible. The Framework is underpinned by a consultation toolkit for services to

	use so that they comply with the Policy. To continue to strengthen the Council's approach to consultation, new software has been procured and implemented, with a focus on improving the customer experience for our residents and the Council's ability to engage with residents through digital mechanisms, in addition to existing approaches. The Rotherham Together Partnership is well established. The Partnership works within the framework of the Rotherham Plan, which sets out a framework for its collective efforts to create a Borough that is better for everyone who wants to live, work, invest or visit here. The renewed Rotherham Plan 2026-2036 was approved by Cabinet on 11th May 2026 and endorsed by all the core partners by 3rd June 2026.
Principle C - Defining outcomes in terms of sustainable economic, social, and environmental benefits.	In May 2025 the new Council Plan 2025-30 and 2025/26 Year Ahead Delivery Plan were approved by Council. The Plan for 2026/2027 was approved in April 2026. All the plans have been monitored throughout the year in line with the Council's Performance Management Framework, which was itself revised in April 2022. This monitoring involves quarterly consideration of the outcomes and public reports to Cabinet and the Overview and Scrutiny Management Board twice a year. Sitting alongside the Year Ahead Plans are numerous other strategies which set out more detail around the required outcomes. These include the Rotherham Housing Strategy 2025-30, Community Safety Strategy 2025-28, Rotherham Local Plan Core Strategy, Municipal Waste Management Strategy and the Rotherham Health and Wellbeing Strategy 2025-30. Service Plans that link to the Council Plan and into individual Personal Development Plans were in place for all services during 2025/2026. ~~Work is underway to complete Service Plans for 2026/27.~~ In addition to the above, the Council's Risk Management framework links to the relevant plans and enables Strategic and Directorate Leadership Teams to monitor and respond to the risks around each key element of the plan for which they are accountable.
Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes.	As set out above, the Year Ahead Plan and associated Service Plans form the basis for all interventions planned by the Council. All business decisions are accompanied by a business case and options appraisal, and the corporate report templates require information explaining the legal and resource implications of decisions. Delivery of the Plans continues to be monitored through Quarterly Monitoring reports, and the Council has a suite of performance reports which are aligned to the Year Ahead Plan priorities. The Council uses this information as part of a continuous improvement process, whereby the Plans and reports are regularly reviewed, refreshed and adapted for the next year's cycle. All decisions need to be taken in the context of the Medium-Term Financial Strategy, the Capital Programme and the

	Revenue budget process.
Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it.	The Member Development Programme is continually being refreshed with elected Members encouraged to provide topics of interest that they would like to see included and delivered in the most appropriate manner. The Member & Democratic Panel oversees the Member Development Programme, which continues to support all members to increase their knowledge base in specific areas. 'Need to Know' Sessions have been introduced and highlighted as key for prioritising their attendance. A comprehensive training programme for members following the May 2024 elections is being delivered. The roles of the Leader, the Cabinet, all Members and the Statutory Officers are included in the Constitution. Job descriptions are in place for all posts throughout the Council and these are supported by recruitment and appointment policies and procedures. The Council's Workforce Plan 2026-30 aligns with the new Council Plan 2025-30. Alongside this there is a management development programme which was launched in 2025. Each Council employee has a My Year Ahead Plan (Personal Development Plan) which links to their service's Service Plan and is reviewed at regular intervals. All new starters to the Council are provided with an induction programme. There is a commitment to continuous learning and development, in addition there is service specific training which supports staff to be technically competent and able to undertake their duties with due regard to health, safety and wellbeing. A series of workstreams and projects are in place to deliver transformational change across the Council. These are drawn from the Council Plan and are designed to increase the Council's capability and capacity to achieve ambitions and adapt to changing demands.

Principle F - Managing risks and performance through robust internal control and strong public financial management.	The Council has a Risk Management Policy and Guide which is fully embedded. The Guide was reviewed in November 2025 and the Policy, formally approved by Cabinet in January 2023, will be refreshed by 2028. This Policy requires the Strategic Risk Register to be reviewed at regular intervals by the Strategic Leadership team and for Directorate and Service level risk registers to be reviewed at least quarterly. Corporate report templates all contain 'risk implications' sections and Risk Management also links closely to Service Plans. The Audit Committee reviews risks and the Risk Management process at every meeting. Performance Reports are aligned to Council Plan priorities and are considered in public and are also linked to the Risk Policy. The Council has an Anti-Fraud and Corruption Policy and Strategy which complies with the CIPFA Code of Practice and an Internal Audit function which issues an annual opinion on governance, risk management and internal control. The Council also has a Corporate Information Governance Group which reports into the Service Directors Group and is responsible for improving its approach to securing information. This group is supported by a dedicated Information Governance team as well as ongoing monitoring of Data Protection Act / Freedom of Information compliance.
Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.	The Council's approach to transparency includes the publication on its website of details around budgets and spending, Senior Officer remuneration, Performance Information and reports, the Annual Report and Statement of Accounts and the Annual Governance Statement. The Code of Corporate Governance is refreshed annually in accordance with CIPFA/SOLACE principles and any amendments proposed for publication are scrutinised and approved by Audit Committee prior to publication. The Head of Internal Audit presents an annual report to Audit Committee to inform members of Internal Audit activity that has taken place during the year. The Audit Committee meets six times a year and receives reports from both Internal and External Audit. The Audit Committee Terms of Reference are based on CIPFA guidance and were updated in May 2023. Minor amendments were made in 2025 to update the reference to the new Global Internal Audit Standards. The Council is subject to regular inspections from regulatory bodies, including Ofsted, Care Quality Commission etc. The outcomes of these inspections, together with the Council's responses are reported to the relevant Overview and Scrutiny Committee and made available via the website. An appropriate financial control and reporting framework for the Council is in place, with all aspects of revenue and capital spending compared to budget plans being routinely reported throughout the year to the officer Strategic Leadership Team and

	Cabinet.

How is the effectiveness of our Governance Arrangements monitored?

4.3 The Council reviews the effectiveness of its governance framework, including the system of internal control, every year. The ten key elements of assurance that inform this governance review are:

1) The Chief Executive, Executive Directors and Service Directors whose roles include:
   - Corporate oversight and strategic planning;
   - Annual corporate governance assessment which is informed by annual Assurance Statements from each Executive Director and Service Director;
   - Implement and monitor regulatory and other governance protocols.

2) Monitoring Officer who has oversight of legal and regulatory assurance, and the operation of the Constitution, and carries out all functions exercisable by the Council arising from the Joint Committee Agreement relating to BDR Waste, Yorkshire Purchasing Organisation and companies and bodies related to those bodies.

3) The Section 151 Officer who has oversight of the proper administration of the Council's financial affairs and carries out all functions exercisable by the Council arising from the Joint Committee Agreement relating to BDR Waste, Yorkshire Purchasing Organisation and companies and bodies related to those bodies.

4) Information Governance, which is monitored by:
   - The Designated Senior Information Risk Owner (SIRO);
   - Data Protection procedures;
   - Information Security and Records Management procedures.

5) The Overview and Scrutiny Management Board, who carry out policy review and challenge as well as have an overview and carry out scrutiny of specific topics.

6) The Audit Committee which;
   - Reviews the effectiveness of internal and external audit;
   - Considers the adequacy of the internal control, risk management and governance arrangements;
   - Oversees financial reporting and financial statements and the annual governance process.

7) Internal Audit who produce;
   - An annual opinion on the adequacy and effectiveness of internal controls, risk management and governance

arrangements;
- An Internal Audit plan, reports and audit action tracking, all reported to Audit Committee.

8) External Audit and other external inspections which include:
- Financial statements audit;
- Value for Money conclusion;
- Care Quality Commission, Ofsted, etc.

9) Risk Management which incorporates:
- A Risk management policy and strategy;
- Quarterly monitoring and reporting of Strategic Risks to Strategic Leadership Team;
- Regular monitoring and reporting of Risk Registers to Directorate Leadership Teams.

10) Counter Fraud which includes:
- Anti-Fraud and Corruption and Whistleblowing arrangements;
- Anti-Money Laundering Policy and supporting arrangements;
- Codes of Conduct for Officers and Members;
- Financial and Contract Procedure Rules.

Our assessment of effectiveness during 2025/26

4.4 The Council receives specific assurances around its governance arrangements from the following:

Chief Executive, Executive Directors and Service Directors

4.5 The annual corporate governance self-assessment reviewed operational compliance with the Council's Code of Corporate Governance 2025/26 via a new online reporting system. The results showed areas of strength across all service areas were our ability to: work together internally and optimise the achievement of our intended outcomes; develop the capability of leadership and other individuals; undertake risk and financial management; and fulfil external reporting requirements.

4.6 12 of the 19 service areas self-assessed as fully conforming with all the principles and subcategories within our Code (63%). Of the remaining 7 areas, 4 self-assessed as partially conforming with just a small number of sub-categories within the code (21%). These were **Adult Care; Adult Care Commissioning; Housing; and Planning, Regeneration and Transport.**

4.7 3 services self-assessed as partially conforming with a larger number of sub-categories within the code (16%). These were **Community Safety and Street Scene**; **Culture, Sport and Tourism**; and **Property and Facilities Services**.

Chief Financial Officer (Section 151 Officer)

4.8 The CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government (2016) demands that assurance is provided on a number of governance arrangements relating to the organisation including financial control, reporting, the approach to decision making, compliance with relevant codes and the influence of the CFO within the organisation. These have been considered within the context of this statement and it has been established that the Council's arrangements conform to the CIPFA requirements, and the Section 151 Officer has no significant additional concerns.

Monitoring Officer

4.9 The Monitoring Officer is required to report to the Council in any case where it appears that any proposal, decision or omission by the Authority has given rise to or is likely to or would give rise to any contravention of any enactment, rule of law or code of practice or maladministration or injustice in accordance with Sections 5 and 5A of the Local Government and Housing Act 1989; (LGHA 89). These have been considered within the context of this statement and the Monitoring Officer has no significant additional concerns to report.

Internal Audit

4.10 It is a requirement of the Global Internal Audit Standards (UK Public Sector) that there is an annual internal assessment of Internal Audit's conformance with the standards, verified externally at least every five years. In late 2025 the external assessment was completed. Internal Audit was assessed as generally conforming to Global Internal Audit Standards (UK Public Sector). This is the highest classification used by CIPFA.

4.11 It is also a requirement of GIAS UK Public Sector that an annual report is produced setting out the work performed by Internal Audit and the opinion of the Chief Audit Executive (at Rotherham this is the Head of Internal Audit) on the Council's internal control environment.

4.12 The Annual Internal Audit report ~~will be~~ was presented to the Audit Committee on 16th June 2026. For the year ending 31 March 2026, based on the work undertaken, Internal Audit concluded that Rotherham Metropolitan Borough Council had overall an adequate and effective framework of governance, risk management and control. There has been a reduction in the number of audit reports with partial/no assurance opinions from last year. Management continues to proactively seek audit assurance where concerns exist. The findings and recommendations from the audits have been agreed with senior management and robust action plans put in place to address the weaknesses found. Whilst these partial assurance opinions have identified weaknesses in the control environment or compliance with controls, these weaknesses are not material enough to have a significant impact on the overall opinion on the

adequacy of the Council's governance, risk management and control arrangements at the year end. The work undertaken during the year has clearly focused on the key risk areas of the Council and was targeted to specific areas of concern.

External Audit

4.13 The Council's external auditor is required each year to carry out a statutory audit of the Council's financial statements and give an assessment of the Council's value for money arrangements. In November 2025, Grant Thornton issued an unqualified opinion on the Council's financial statements for the year ended 31st March 2025.

4.14 In their Annual Report on Value for Money relating to 2024/2025, Grant Thornton was again positive in assessing the Council's Financial Sustainability and Governance. Two recommendations were received relating to the Council improving economy, efficiency and effectiveness, specifically around the ongoing Housing stock condition surveys and arrangements for the Council's corporate buildings.

4.15 Grant Thornton will issue their opinion on the 2025/2026 financial statements and a conclusion on the Council's arrangements to secure economy, efficiency and effectiveness once their work is complete.

Compliance with Financial Management Code (FMC)

4.16 The Council complies with the financial management standards as set out within the CIPFA Financial Management Code (FMC). The Council's Financial and Procurement Procedure Rules (FPPR's) provide the bedrock of the Council's financial governance, setting clear principles as to how the Council manages and controls its financial decision making. These FPPRs are routinely reviewed to ensure they are kept up to date with the current financial environment, new financial standards and the ever-changing local authority financial conditions.

4.17 The Council's current Budget and Medium-Term Financial Strategy set out how the Council will finance the current requirements of services, whilst effectively planning for the delivery of agreed savings and continuing to stabilise and improve the Council's level of reserves. However, any significant longer-term planning is reliant on a financial settlement that is greater than a year ahead. As such the Governments introduction of a 3-year settlement as part of the Fair Funding Review has been a positive step for the Council's financial planning and strategy.

4.18 The Council's Capital Programme planning and investment levels are directly linked into the revenue budget planning to ensure that any new use of corporate resources is affordable over the longer term, in terms of financing

borrowing and minimum revenue provision charges. Whilst the Council does annually review and make additions to the capital programme, typically with new use of corporate resources, the Council actively looks to maximise its access to and use of, government grant funding and other external contributions. The links between the revenue budget and capital programme are tightly controlled to ensure that the Council sets a Treasury Management Strategy that is both prudent and compliant with the Prudential Code for Capital Finance.

4.19 The Council sets an annual budget through Cabinet and Council which is then monitored closely during the course of the financial year. The Council's Strategic Leadership Team receive monthly updates on the financial position with regular updates taken to Cabinet throughout the financial year. These updates include key updates on the delivery of the investments and savings agreed within the Budget. This reporting process culminates with a financial outturn report post the end of any financial year, this report sets out how that outturn impacts the future financial planning of the Council, in particular the impact on reserves and delivery of planned savings.

Delivering the Financial Strategy 2025/26

4.20 The Council faced some significant financial challenges during 2025/26, due to the longer-term impacts of the economic uncertainty that has been present in recent years, whilst inflation has reduced, it still remains above the Bank of England's target of 2%. This inflation position continues to increase the Council's base costs and the impact of the Local Government Pay Award. For example, the financial impact of the Local Government Pay Award 2025/26 was £2.3m greater than anticipated, increasing the Council's base budget moving forwards. The Council continues to be an accredited Real Living Wage (RLW) employer, this has a financial impact as the RLW increased by 5% for 2025/26 pay, further increasing the Council's pay bill. It also has a knock-on impact on the Council's supply chain, as the Council stives to encourage suppliers to commit to paying the RLW.

4.21 The Council continue~~s~~d to see challenges in rising demand for social care, increased market costs of social care and increased complexity of social care. These pressures wea~~a~~re reflected in the 2025/26 outturn position for both Adult and Children's Social Care services. The Council anticipated the budget pressures within Children's Social Care at the point of setting the Budget and Council Tax Report 2025/26, providing for a £5.4m Social Care Contingency.

4.22 Regeneration and Environment Directorate ha~~s~~ds ~~seen~~ pressures during the year due to delayed delivery of the £0.5m saving approved as part of the Budget and Council Tax Report 2025/26. As work progresses on the route

optimisation plan that will increase the efficiency of waste rounds, the position with regards to the delivery of this saving will become clearer. However, the full year impact of the saving wasill not be realised in 2025/26. The service is operating a popular Bulky Waste collection service, which is £0.2m overspent due to increased disposal costs. These pressures aren't expected to continue into 2026/27. In the wider Directorate there remains income pressures across the Council's Country Parks, but the position looks more positive heading into 2026/27 as a series of major redevelopment projects at these sites have completed and their impact will be seen full year in 2026/27.

4.23 The Financial Monitoring Report 2025/26 submitted to Cabinet on 9 February 2026, based on the financial monitoring position as at December 2025, outlined that the Council anticipated an overspend of £3.4m. This forecast position was also outlined in the Budget and Council Tax 2026/27 report which was submitted to the same Cabinet meeting and to Council on 4 March 2026. The overspend was to be funded from Reserves as approved at Council as part of the Budget and Council Tax 2026/27 report. However, the report noted that the Council's intention was to further improve that outturn position in the remainder of the financial year, if possible, to help reduce the call on reserves.

4.24 The Council has been able to achieve the aim of reducing this outturn position through action taken and robust management. The actual financial outturn position reflects an overspend of £0.3m for the financial year 2025/26, an improvement of £3.1m. This position includes a final overspend of £5.7m across the directorates. As reported throughout 2025/26 the directorates overspend has been mitigated in part by the forecast underspend in Central Services. As at the financial outturn 2025/26, the directorates overspend was significantly offset by the final underspend in Central Services of £5.4m, which reduced the Council's overall outturn to a £0.3m overspend. This is an improvement of £3.1m from the December Financial Monitoring position reported to February Cabinet. The improvement is a result of lower than projected expenditure on Children's Social Care placements in quarter 4 of 2025/26, service areas delivering savings ahead of year-end, maximised grant allocations, and improvements in income being generated.

4.25 The Council has faced financial challenges for 2025/26, across a number of areas listed below. The Council has and continues to work hard to take firm action to reduce the level of overspend in these areas as much as possible in order to bring the Council's position back on track and help with longer term sustainability.

4.26 The Council's overspends during 2025/26 across Directorates are due in the main to the following overall issues:

- Placement pressures within Children and Young People's Services (£6.2m)

and Education Inclusion Services of £0.4m.

- The increasing cost and complexity of care packages within Adult Social Care and continuing increases in demand, £7.0~~5.5~~m.
- Home to School Transport remains a pressure due to continued rising demand, £0.4m, reflecting the national picture.
- As part of the Waste service outturn, it is forecasting delayed delivery of the £0.5m saving approved as part of the Budget and Council Tax Report 2025/26. As work progresses on the route optimisation plan that will increase the efficiency of waste rounds, the position with regards to the delivery of this saving will become clearer. However, the full year impact of the saving will not be realised in 2025/26.
- Impact of the Local Government Association (LGA) Pay Award.

Mitigated by:

- Use of the £5.4m Social Care Contingency approved within the Council's Budget and Council Tax Report 2025/26
- Treasury Management savings generated over and above the £3m built into the Budget and Council Tax Report 2025/26
- Underspends within Corporate Services and Policy, Strategy and Engagement.
- Service areas delivering savings ahead of year-end through maximised grant allocations, and improvements in income being generated
- Underspends on staffing budgets due to turnover and vacancies across the Council

4.27 Whilst the Council has managed these pressures effectively with strong financial planning, robust responses and action taken to manage emerging issues, the Local Authority sector is still turbulent. As indicated by the underlying pressures within the Council's core directorates, principally within social care.

4.28 Since setting the 2025/26 Budget the Council's delivery of planned savings as part has progressed very well with £7m delivered by the end of the 2025/26 financial year against the £7.5m plan.

4.29 The Council has reviewed the CYPS placements savings that were originally approved as part of 2019/20 Budget setting. This review has focussed on looking back across this period to assess if the Council has made the savings that it originally set out to achieve and if those savings have impacted positively the Council's placements costs. The result of the review shows that the Council has reduced Looked After Children (LAC) placements across this period by in excess of 120 placements. The challenge across this period is that market costs in this sector, in particular on residential placements, have rising dramatically and continue to do so. As a comparison, had the Council still had that same level of placements that it held in 2019/20, at today's prices, the Council would be spending around £10m more per year. As such the Council is now able to record these savings as delivered as the key actions have been delivered. The remaining overspend within CYPS relates

more towards the impact of rising market prices, lack of real growth in the Council's fostering placements the need to complete the in-house residential programme.

4.294.30 There has been a shortfall in the delivery on the Route Optimisation saving within Waste and savings to be generated from increased income with Culture, Sport and Tourism across the Country Parks. Given the completion of the new Café at Rother Valley Country Park and refurbished Café at Thrybergh Country Park it is expected that these income streams will continue to grow.

Delivering the Budget and Medium Term Financial Strategy

4.304.31 Given these challenges, the starting position in setting the Budget for 2026/27 was for the Council to keep focus on mitigating the impact on residents as far as possible and trying to protect basic services. This was in order to continue to support the community through a cost of living crisis, along with the Council's ambitions for the Borough, with specific regard to the environment and social care; and to maximise the opportunities that the Fair Funding Review 2.0 and Financial Settlement for 2026/27 to 2028/29 presented the Council.

4.314.32 The Fair Funding Review (FFR) set out a proposed new methodology for the allocation of a large proportion of the funding the Council receives as part of the financial settlement. The proposed methodology significantly shifts the balance of funding back to a needs basis and the Council will therefore gain from that basis being an area of high demand and deprivation.

- The FFR 2.0 proposed a significant change in methodology for the distribution of Local Authority funding, known as the Settlement Funding Assessment (SFA).
- This change represents a positive impact for the Council in that the new methodology seeks to redistribute Local Authority funding on the basis of greatest demand, deprivation and ability (or not) to generate Council Tax. For example, areas that have the ability to generate the greatest level of Council Tax income and have a lower level of demand for services will receive a lower proportion of SFA grants. Conversely, areas that have low level Council Tax income (due to properties predominantly in lower bands) and greater demand for services due in part to deprivation, will receive a greater proportion of SFA grants.
- Given the revised methodology the Council estimated that it would see a significant increase in available funding across the spending review period 2026/27 to 2028/29.
- The Council welcomed this positive movement and the clarity that a three-year spending review period provides to Medium Term Financial Planning, increasing ability to plan ahead.
- The FFR clarified that in launching the new methodology, a series of existing grants provided to Councils as part of the Core Spending Power would be rolled into the Settlement Funding Assessment, the aim being to reduce the level of

different grants the Council receives, enabling reduced monitoring constraints, whilst also providing greater flexibility in how the Council's funding can be utilised. A positive step for the sector, as this combines the sector's previous requests to have increased funding certainty along with a reduced volume of different grants.

- The announcements at this point were unclear on the future of the Recovery Grant, a concern as the Council received £8.7m from this fund.
- The new methodology is introduced on a weighted basis 33% change in year 1 2026/27, 66% 2027/28 and 100% implementation 2028/29. Whilst it is understandable that Councils seeing a reduced level of funding will need time to adjust, it is disappointing that the implementation is not proposed to be 100% from 2026/27 given Councils like Rotherham had to manage the impact of austerity in a big bang fashion. This means that Rotherham residents will have to wait 3 years until they see the full benefit of the improved funding methodology.
- The Council's new 'Needs Share' is 0.48%, this means that the Council should gain 0.48% of the total Government grants that sit within the Settlement Funding Assessment. For some grants this means the Council's allocation is lessened but overall, the Council will gain more funding from the new funding formula, as the quantum grant that the Council's 'Needs Share' is applied to is bigger.
- The Dedicated Schools Grant statutory override was extended from March 2026 to March 2028 to recognise that significant Government reform around SEND is required to tackle the national challenge in this area.
- The impact for RMBC of the Fair Funding Review, as confirmed with the Final Financial Settlement, is a positive one, with an additional £22.6m of funding per year provided to the Council by 2028/29 (£13.2m by 2026/27 and £20.2m by 2027/28)
- ~~It was expected the Fair Funding Review would generate an additional £18m of funding to the Council per year by the end of the spending review period.~~

  - ~~£5m in 2026/27~~
  - ~~£11m in 2027/28~~
  - ~~£18m in 2028/29~~

~~4.32~~4.33 The development of the Council's Budget proposals for 2026/27 and the further update of the MTFS took into account prevailing economic factors, most notably significant rises in demand, complexity of care and inflation. Following the Council's technical MTFS updates and the impact of the Final Financial Settlement, the Council was able to set a balanced Budget and MTFS for the period 2026/27 through to 2028/29.

~~4.33~~4.34 As part of the budget process, the Council had to consider the following areas:

- Further increases in fees and charges;
- Increases in Council Tax above assumptions within the approved MTFS;
- Further use of reserves.
- Further savings proposals.

4.344.35 Though the position for Local Authority Funding has shifted positively, the Council remains committed to increasing efficiency and delivering on the priorities of residents. As such, in order to invest in key priorities, the Budget included new savings proposals of £3.2m. These are aimed at increasing the efficiency of service delivery and reduce or remove spending on services that are no longer required or can be delivered differently, for example, through maximising grant funding opportunities in Childrens Services or route optimisation within Waste Management.

4.354.36 In recognition of escalating cost pressures within Adult Social Care, relating to increased complexity of care and rising demand for the service, market inflation and transitions, the Council provided approximately £8.6m of additional funding to support the delivery of Adult Social Care services. Following work to assess the impact of market inflation, across recent years, on the cost of Children's Social Care placements, the Council will provide approximately £4.8m of additional funding to support the provision of Children's Social Care.

4.364.37 Further investment of an extra £0.5m per year will be provided to address unavoidable cost pressures in complying with Home to School Transport requirements and £1.7m will be invested into the Council's staffing structure to ensure the Council remains an accredited Real Living Wage employer. In addition, the Budget will provide £3.5m additional investments to support with delivering on the Council's ambitions for the Borough, largely focused on improving the quality of life of residents, with specific regard to the Council Plan core strategic outcomes of;

- Places are thriving, safe, and clean,
- An economy that works for everyone,
- Children and young people achieve their potential,
- Residents live well,
- One Council that listens and learns.

OTHER AREAS OF ASSURANCE

Risk Management

4.374.38 At the start of the 2025/26 financial year, the Corporate Strategic Risk Register comprised of 14 risks, with none assessed as red. Throughout 2025/26, five risks were added and three were removed following successful management. Of these risks, one was raised and removed within two reporting points (H&S staffing). By the end of the year, the register had increased to 16 risks in total, four of which were rated as red. Of the four red risks, two relate to new risks that were escalated up to the Corporate Strategic Risk Register during 2025/26 (Equal Pay litigation and Highways structures maintenance), while the remaining two were existing risks that were escalated from amber to red throughout the year (Net zero target and

ICB funding/adult social care).

4.384.39 Additional Context on the Highways risk: in 2024/25 we identified a potentially significant risk to the Council with a number of ageing structures (e.g. bridges, retaining walls) having not been inspected for a long time. Last financial year we implemented and delivered a comprehensive programme of Inspections to mitigate against this. This programme will continue this financial year, and we will start to deliver some works arising from these inspections. The risk was identified to the Regeneration and Environment Improvement Board and also reported to SLT with a detailed programme of activity.

External audit (non-Finance)

4.394.40 The Council received the results from two inspections, four reviews and eleven audits in the 2025/26 financial year. The Council received 'outstanding' and 'good' ratings for both inspections, and either passed or completed the remainder. A total of 76 recommendations were identified, implementation of which is monitored through quarterly reports to the Council's Strategic Leadership Team and biannual reports received by the Council's Audit Committee.

Information Governance

4.404.41 PSN accreditation was maintained in 2026 via external inspection and testing. An annual audit programme of the IT department continues to be undertaken by Salford's IT audit team.

OSMB

4.414.42 The 2025/26 annual report ~~will be prepared for~~was presented at the OSMB meeting in July, based on activities undertaken during the municipal year (May – April). No issues were~~have been~~ identified. ~~to date.~~

Audit Committee

4.424.43 The 2025/26 annual report ~~will be prepared for~~ was presented to the Audit Committee meeting in July. No issues ~~have been~~ were identified ~~to date~~.

Counter Fraud

4.434.44 The Anti-Fraud and Corruption Policy and Strategy and counter fraud training were updated during the year. From the work undertaken on the National Fraud Initiative data matching exercise, no fraudulent or overpayments were identified. The investigations undertaken by Internal Audit during the year were not significant in terms of the governance of the Council.

5 WHERE OUR GOVERNANCE NEEDS TO IMPROVE

AN UPDATE ON MATTERS REFERRED TO IN THE ANNUAL GOVERNANCE STATEMENT FOR 2024/2025

Special Educational Needs and/or Disabilities (SEND) Inspection in Rotherham - ONGOING

5.1 Implementation of the new SEND and Alternative Provision (SENDAP) Strategy began following approval at Cabinet in February 2025. The Strategy includes specific references to the 2 areas of improvement actions required by the SEND inspection in Autumn 2024. The first area of action was to improve the quality of Education and Health Care Plans (EHCPs) through compliance with statutory guidance. Monitoring throughout the year has seen compliance levels increase from 65% in Q1 to 78% in Q4.

5.2 The second area of action was to improve waiting times for neurodevelopmental assessments, occupational therapy, and speech and language therapy. The partnership have continued to strengthen their work to reduce the long waits for neurodevelopmental assessment. RDaSH continue to make progress in relation to reducing the wait times for neurodevelopmental assessment and post diagnostic. Support is configured to ensure it is available while children are waiting and despite increased demand the trajectory demonstrates a continued reduction in the time children wait. Work to improve referral quality and subsequent efficiency of the pathway has been maintained.

5.3 Performance will continue to be monitored at the monthly RDaSH/SYICB Rotherham and Doncaster contract performance meeting. As at w/c 6 April 2026 Rotherham has 1550 patients waiting for an assessment, 110 have waited longer than 104 weeks (2 years). This demonstrates progress when compared to 1759 patients waiting for an assessment in July 2024, with 602 waiting longer than 2 years and 1864 patients waiting for assessment in September 2025, with 469 waiting longer than 2 years.

5.4 In addition, management have intensified service improvements for occupational therapy and speech and language therapy at a universal and targeted level to reduce waiting times through the approval of investment in resources to support schools and settings to robustly implement the graduated response. The impact of this project is anticipated to be seen from Q4 2026/27.

Property and Facilities Services - ONGOING

5.5 Property and Facilities Services is now established within Corporate Services with improved governance, accountability and oversight. Over the past 12 months, there has been a strong and sustained focus on improving health, safety and statutory compliance across the Council's estate, supported by a move to further development of the corporate landlord function. This has strengthened assurance, improved visibility of risk and clarified accountability for asset compliance.

5.6 The Duty Holder role is now embedded, with clearly defined responsibilities

across the estate. Investment in competent, professionally qualified staff, alongside improved policies, procedures and reporting, has enhanced the Council's ability to manage compliance effectively and provided greater confidence that risks are being appropriately identified and managed.

5.7 Progress has been made in developing a more robust understanding of the Council's asset base. Condition and compliance surveys are nearing completion, providing a more consistent evidence base to inform investment planning and future decision-making, with further work ongoing to strengthen data quality and coverage.

5.8 Through the Service Improvement Plan, clearer roles and responsibilities have been established for the delivery of construction projects across the organisation. This is improving governance and consistency in the management of new projects, with existing schemes being reviewed and aligned where appropriate, ensuring risks are identified and managed more effectively. Existing projects are being reviewed and handover is being carried out, assessing any immediate risks or issues. It is likely that all projects will fall into the new ways of working within the next 6 months.

5.9 In relation to Schools PFI, contract management arrangements have been strengthened, with improved governance, oversight and controls now in place. Financial and contractual matters are being addressed through a structured reconciliation process, alongside the development of an exit strategy for the remaining contract term. Engagement with schools has improved, supporting more constructive relationships and better outcomes.

Housing Services – ONGOING

5.10 The Council now has well established and robust systems, processes and reporting mechanisms in place which provide substantial assurance of our position on HRA compliance. There is a compliance governance framework, a Regulatory board chaired by the CEX and on-going positive engagement with the Regulator of Social Housing. A cyclical audit programme is in place across all compliance areas, with recent audit outcomes highlighting substantial assurance (fire, legionella and asbestos).

5.11 HRA contracts are well managed within the service, and renewal / procurement timescales are kept under review.

5.12 Compliance with Decent Homes Standards continues to improve as we complete more stock condition surveys. At the end of April 2026, 8271 surveys (41.82% of stock) had been completed. This data is, in general, corroborating our existing understanding of stock condition and enabling us to re-affirm HRA business plan assumptions and start to develop our longer-term investment programmes.

Equal Pay – ONGOING

5.13 In accordance with other Council's across the country, the Council has received equal pay claims and has established a Strategic Programme Team to manage work arising from this. As the claims may still give rise to an Equal Pay liability, it is again appropriate to recognise this in the Council's accounts as a contingent liability.

Information Governance – COMPLETED

5.14 The rate of completion for Freedom of Information Requests and Right of Access Requests have improved over the past 12 months. Monitoring of performance levels is undertaken monthly by all Service Directors via the Corporate Information Governance Group and any areas of concern are addressed immediately either on a corporate or directorate level as appropriate. There are no ongoing concerns in relation to Freedom of Information Requests, which over the past 12 months are at the highest ever on time completion rate. Extra resources continue to be used to improve the performance of Right of Access Requests. The backlog of these requests continues to reduce gradually and the additional resource will continue to remain in place until at least March 2027. An annual report is also shared with the Audit Committee.

Health and Safety Executive - COMPLETED

5.15 The Health and Safety service is now at full capacity and focussed on developing the Council's standard operating procedures and Health and Safety Policy to ensure that robust arrangements are in place to protect employees and members of the public. No further regulatory issues were recorded in 2025/26.

Tree Management and Green Spaces - COMPLETED

5.16 Following the Green Spaces Internal Audits in recent years, all findings have been addressed. An Improvement Plan was adopted in 2025 which includes actions for the next 3-5 years and associated performance monitoring. An Internal Audit of the Tree Management Service during 2025/26 concluded with an opinion of 'substantial assurance.'

Leadership Changes – COMPLETED

5.17 Following the departure of the Assistant Chief Executive in Summer, the new Chief Executive held the vacancy while a review of services within the directorate was undertaken. HR and OD moved over to what was the Finance and Customer Services directorate, now renamed Corporate Services. The remaining services now form a new Policy, Strategy and Engagement directorate. An interim Director was appointed in February, with successful recruitment to the permanent post in May with an anticipated start date in late June.

External Audits - COMPLETED

5.18 In March 2026, the Council received a 'good' rating following a CQC inspection of Rotherham's adult social care services in July 2025.

5.19 In December 2025, Children's Services were rated as 'outstanding' following an Ofsted inspection in October/November 2025.

NEW SIGNIFICANT GOVERNANCE ISSUES IDENTIFIED IN 2025-26

5.20 Following the self-assessment activity, 7 services flagged partial conformance with a number of subcategories within the Council's Code of Corporate Governance. Work is ongoing to address the areas identified, which have been summarised in the paragraphs below.

5.21 Adult Care and Adult Care Commissioning services both identified opportunities to further embed the voice and experience of service users in the design and delivery of services, building on strong foundations. Work is ongoing to improve the quality and standard of Council homes and to demonstrate full compliance with the requirements of the Regulator of Social Housing's Consumer Standards.

5.22 Community Safety and Street Scene noted issues between employees that were not aligned with the Council's values. These issues were addressed during the year, but further work is still required to embed a robust culture which prevents issues occurring in the future. Alongside this, they also recognised the need to improve their ability to effectively engage with service users. This reflects the performance challenges which have resulted from delivering a significant change programme within the waste service to increase efficiency and effectiveness.

5.23 Community Safety and Street Scene, and Culture, Sport and Tourism both flagged issues around compliance with procurement and contract management. Both also raised capacity issues as constraining their ability to move from a reactive to a planned service which delivers added value.

5.24 Planning, Regeneration and Transport flagged a difficulty in sustaining the delivery of their service outcomes. Within the Regeneration team, work has been undertaken in the last year to improve project management processes. A lot of this has focussed on ensuring clarity of function with the development of an Expectations and Escalation framework as well as the Ways of Working protocol. This latter document clarifies project management roles and responsibilities and is intended to improve the delivery of capital projects.

5.25 Property and Facilities Services identified that an area of weakness was in having clearly defined outcomes and plans for the service, informed by engagement with service users and service performance. This reflects the recent move to a new Directorate and re-introduction of the Corporate Landlord model. Work is underway to develop a comprehensive Asset Management Strategy and associated plans.

5.26 There are two planned reviews covering waste and the processes and approach to large capital projects. There is also a planned investigation to look at the markets and library project. The outcomes of these will inform the action plan to address the areas of partial compliance which will be monitored by senior management during 2026/27.

SIGNIFICANT EVENTS OR DEVELOPMENTS AFTER YEAR END

~~There have been no significant events following the year end at the time of writing. This section will be reviewed and updated before the finalisation of this Statement.~~

5.27 As referred to in 5.20-5.25, 7 services identified partial conformance with the Council's Code of Corporate Governance during the self-assessment process. A mid-year review has been undertaken. All services have provided assurance on progress towards conformance and that activity will continue to improve the position.

External Reviews, Investigations and Inquiries

5.28 The HM Inspectorate of Probation (HMIP) rated the Rotherham Youth Justice Service as "requires improvement" overall following an inspection published in August 2026. An action plan to address the recommendations has been developed in partnership with the Rotherham Youth Justice Board and submitted to HMIP.

5.29 The waste review has been completed, and the review of the processes and approach to large capital projects is being finalised. Implementation of recommendations will be monitored through the External Audits, Inspections and Reviews reports which go to Audit Committee twice a year.

5.30 The investigation into the markets and library project, and its implications, is being finalised. It is expected that the Chief Executive will provide a report to OSMB on this matter in early 2027. Implementation of recommendations will be incorporated into service and directorate planning.

5.31 The Council is supporting 2 national public inquiries, Orgreave and the Statutory Independent Inquiry into Grooming Gangs. The Council has sought and been granted Core Participant status in the Grooming Gangs inquiry.

Health and Safety

5.32 Since year end, 15 incidents have been reported to the Health and Safety

Executive as part of regulatory reporting requirements. Following review, 14 incidents required no further action, and 1 incident remains open and under investigation.

5.33 The Health and Safety Service has developed standard operating procedures, significantly increased the training and development offer across the workforce and has increased levels of health and safety auditing to ensure ongoing compliance.

Human Resources and Organisational Development (HR&OD)

5.34 2 examples of staff starting in post without receiving their contract of employment were brought to the attention of the Service Director for HR&OD after year end. This was despite contracts being issued on time to managers, who hold a gateway role to check and forward to the employee in the process. The HR and OD Service has since changed its process and now issues employment contracts for new starters directly to the employee.

OVERALL OPINION

~~5.28~~5.35 Despite challenging pressures in relation to adult social care demand, Rotherham's governance framework has continued to support clear and transparent decision making to ensure its ongoing financial sustainability. Overall, the Council is satisfied that our governance arrangements remain effective.

6 FORWARD LOOK ON GOVERNANCE

6.1 The Council has reflected on its current strategic risk position, the ongoing issues already identified in the ~~draft~~ statement, and emerging challenges for the authority. The following additional areas have been identified which will remain in close view:

6.2 Responding to changes at a sub-regional level arising from: new legislation (the English Devolution and Community Empowerment Act 2026); changes to the South Yorkshire Integrated Care Board which may negatively impact Council funding for adult social care; and new leadership arrangements in neighbouring authorities following local elections.

7 LEADER AND CHIEF EXECUTIVE STATEMENT 2025/26

7.1 This Annual Governance Statement fairly reflects the position at Rotherham Metropolitan Borough Council during the year and up to the date of signing.

7.2 As Leader and Chief Executive, we have been advised on the results of the

review of the effectiveness of the Council's governance framework. We have also specifically considered the new significant issues noted in section five and their potential impact on our overall governance. Our final overall assessment is that this Annual Governance Statement is a balanced reflection of the governance environment, and the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

7.3 We are also satisfied that, over the remainder of this financial year, the Council will take appropriate steps to address the significant governance issues and we will monitor their implementation and operation as part of our next annual review.

Signed	*Signed*
Councillor Chris Read,	***John Edwards,***
Leader, Rotherham MBC	***Chief Executive, Rotherham MBC***
Date:	***Date:***