Thurrock Council Commissioners

Thurrock Council, Civic Offices, New Road, Grays, Essex RM17 6SL
commissioners@thurrock.gov.uk

Secretary of State
Ministry of Housing, Communities & Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF

30 September 2026

Dear Secretary of State,

1. Following the appointment of a permanent Chief Executive, this report marks the beginning of a new chapter for Thurrock Council. We look forward to working with the Council's political and managerial leadership in a different way during the next phase of its improvement journey.

2. As Thurrock enters this new phase, it is important that the organisation recognises the considerable journey it has made since intervention began. Officers and members across the political spectrum should take pride in the way they have faced up to the scale of the challenge and contributed to the Council's recovery.

3. We also want to acknowledge Dr Dave Smith for his leadership and direction during his time as Managing Director Commissioner. We thank him for his commitment and dedication to Thurrock's recovery. His leadership has made an important contribution to the progress achieved. While further improvement is still required, Thurrock is now a considerably stronger and more effective organisation than the one to which he was appointed in March 2023.

Executive Summary

4. Thurrock Council has continued to make significant progress since intervention began and is now a substantially stronger organisation. Improvements in leadership, governance, financial management and organisational grip are increasingly evident. The appointment of Deborah Ward as permanent Chief Executive and Head of Paid Service is an important milestone and creates the conditions for the Council to assume greater ownership and accountability for the remaining stages of its recovery.

5. This comes at a time of significant change. A new Reform majority administration, Leader and Cabinet are in place following the May elections; the new Chief Executive has taken office; and Government has committed, in principle, to provide £200 million to Thurrock as a first tranche of debt support. Government has also withdrawn the decision on Local Government Reorganisation (LGR) in Essex announced in March and is undertaking a rapid review of the wider LGR programme. Collectively, these developments create opportunities, but also considerable organisational risk, and will

test the Council's capacity and resilience. The Council will need to be clear on its ambition for place whilst maintaining its focus on improvement.

6. Our assessment remains broadly positive. Momentum has been maintained through this period of transition; the new political leadership has demonstrated an early commitment to the improvement journey; and the Senior Leadership Team continues to provide important continuity. Financial reporting and management have strengthened considerably, while improvements in governance are becoming more firmly embedded.

7. There is, however, important work still to complete. The financial position remains challenging, and delivery of the Medium-Term Financial Strategy (MTFS) relies heavily on successful development and implementation of the transformation programme and the achievement of substantial savings. Key governance actions, including the revised Constitution, Financial Procedure Rules and Scheme of Delegations, remain outstanding, while risk management needs to become more consistently embedded in decision-making. Housing and the Housing Revenue Account also continue to represent significant financial and regulatory risks.

8. The next stage will require particular attention to organisational culture and behaviours. There have been some instances recently of siloed working in certain services, such as Housing which are in the early stage of their recovery; defensive behaviours in relation to organisational change; and limited or late engagement with corporate functions, including legal, finance and democratic services, creating potential governance risks, which exemplify that some of the progress made remains fragile unless the culture supports this. Stronger collective accountability, openness, early engagement and collaborative working across the organisation will therefore be essential. This will be particularly important as the Council works with a transformation partner to reshape the organisation, improve services and deliver the significant financial savings required by the MTFS.

9. At the time of writing, we are awaiting further clarity on the next steps for LGR in Greater Essex. The outcome of Government's review will have implications for the context, timescale and purpose of the remaining intervention. Government has nevertheless reiterated its commitment to LGR. In the meantime, Thurrock should remain focused on the essential components of ending the intervention well: addressing its remaining weaknesses; delivering transformation and savings alongside effective and efficient services; reducing debt; and leaving services, governance and organisational capability in the strongest possible position.

10. Thurrock has therefore travelled a considerable distance, but its Best Value journey is not yet complete. The central test for the next phase is whether the improvements achieved can become sufficiently embedded and owned by the Council to withstand further political, managerial and structural change. Increasingly, the measure of success will be not simply whether improvement continues, but whether Thurrock can sustain it with progressively less reliance on Commissioner intervention.

11. The Commissioner relationship should evolve accordingly. With the Managing Director Commissioner model now ended, the remaining Commissioner team could where appropriate adopt a less directive role, focused on assurance, support and constructive challenge, while increasingly expecting the Council to identify issues, develop solutions and demonstrate delivery itself. The ultimate test will be whether Thurrock can sustain its improvement with new leadership in place, and learn from its experience to shape its future, in light of recent and future decisions around devolution and LGR in Greater Essex.

Leadership and culture

12. The Council's impressive pace of improvement to date has been aided by focussed administrations, who, regardless of political party, have been committed to the Council's recovery, and have been supported in recent years by a strong and well led Senior Leadership Team (SLT). This commitment has also extended to the wider cohort of members, who have demonstrated a clear cross-party commitment to recovery, for example, through multi-party committees effectively scrutinising and strengthening decision-making. The organisation has been able to make rapid progress from its low base through a strong determination from both the political and managerial leadership to take the necessary steps to tackle the issues within the Council to ensure it can become a Best Value authority.

13. Since May, Thurrock has been led by Reform administration, which has a significant political majority. Cllr Richard Bingley, the Leader of the Council, and his Cabinet have quickly provided the organisation with a clear set of political priorities. Indications to date demonstrate that the new political leadership are committed to driving forward the Council's improvement work, as they have sought out opportunities for further efficiencies in services. It is important that the efficiency savings are in tandem with service quality levels. There has also been positive engagement and challenge with Commissioners so far. However, the administration's commitment to ensuring sound financial management will be tested as they go through the annual budget cycle, as they must make and own the difficult financial decisions that inevitably await them in setting next year's budget and the MTFS.

14. As there has been significant change to the Council's political composition, with many Councillors being elected for the first time, members have taken time to settle into their new roles on the Council, whether as a Cabinet member, committee member or a backbencher. Officers have supported new councillors through a clear induction and rolling training programme. However, due to the volume of new members, council meetings across this municipal year have tended to be dominated by meeting Chairs or those with more experience and confidence. We hope to see members across the chamber and in committees engage more proactively, ask questions, scrutinise reports, challenge appropriately and speak on behalf of their residents more often, as their confidence grows with time and experience.

15. Deborah Ward has now taken on the role of Thurrock's Chief Executive and Head of Paid Service. She brings a huge amount of experience to the role and has brought a fresh perspective to Thurrock's challenges. The Chief Executive will rightfully want to

make her own mark on the organisation, working closely alongside the political leadership, SLT and the wider officer cohort and Commissioners to achieve her aims.

16. Following the Chief Executive's arrival, SLT and other officers need to provide the business continuity, corporate memory and resilience during this period of change. With cross-cutting transformation activity taking place and a change in leadership, tensions can inevitably arise. The wider leadership cohort must ensure that the changes made are sustained. Corporate accountability, collaborative working across services and with the corporate centre, openness and early engagement on tricky issues, and collective responsibility and grip to deliver must remain at the forefront of how the organisation operates internally.

17. As the new political and managerial leadership work together on their vision and priorities for Thurrock Council, this will need to be underpinned by continued and meaningful engagement with staff, residents and partners. It is vital that the new leadership foster a positive organisational culture internally but also further strengthen trust and confidence in the Council externally with its partners and neighbouring authorities as a more outward looking organisation.

Use of resources and financial sustainability

18. While the Council has been operating through a period of significant change, it has remained committed to financial improvement and has continued to strengthen both its financial position and financial management arrangements. The Council's targeted interventions, robust financial controls and disciplined budget management are delivering tangible and measurable results, evidenced by year-on-year reductions in both actual and forecasted Exceptional Financial Support (EFS) requirements, and reducing underlying operational budget deficits. This position indicates an improving financial trajectory and growing organisational resilience, supporting the Council's transition towards long term financial sustainability and greater strategic maturity.

19. The level of unsustainable debt remains the single most significant issue affecting Thurrock's long term financial sustainability. The Council's approved debt reduction strategy, which focuses on rigorous financial management, asset disposals, divestment from commercial investments, and litigation to recover lost public funds, has delivered substantial progress. As a result, debt has reduced from a peak of £1.5 billion (outturn 31 March 2024), with debt servicing costs representing 122% of the Council's core funding, to £876 million (outturn 31 March 2026), with debt servicing costs representing 31% of core funding. However, this still far exceeds the debt servicing costs as a percentage of core funding for financially stable local authorities of a similar size, which typically range between 5% and 10%. As set out in the Council's MTFS, a gradual upturn in debt servicing costs is forecasted to reflect the ongoing annual requirement for essential external borrowing.

20. The scale of the Council's debt challenge, its commitment to delivering the approved debt reduction strategy, and the substantial progress achieved to date have been recognised through the Government's commitment of £200 million as an initial tranche of debt repayment support for 2026/27. This support is expected to reduce annual debt servicing costs by circa. £15 million. This represents a significant and unprecedented

intervention, secured through extensive collaboration between the Council, Commissioners and Government, and reflects the seriousness with which the Council's financial position has been considered. There is now further uncertainty around Thurrock's route to financial sustainability given the Government's decision to pause and review the LGR programme and the associated implications on the developing locally led LGR business plan and transformation programme. It is therefore imperative that the Council maintains its focus on securing best value, delivering the debt reduction programme, and providing ongoing assurance that all practical local measures to strengthen the Council's financial resilience are being fully exhausted.

21. The development of robust three-year medium-term financial strategies and plans across all revenue and capital funds is essential. These must ensure that available organisational resources are prioritised and aligned to the delivery of the strategic outcomes and objectives contained within the Corporate and Improvement Plan 2025-29 and the Transformation Programme.

22. In February, the Council developed and endorsed an MTFS, Capital Strategy and Treasury Management Strategy, and approved its 2026/27 Budget, with £68.9million of EFS from Government. The agreed MTFS set a target for further savings of £13.650 million in 2027/28 and 2028/29 respectively. The improved financial outturn and financial grip enabled the Council to revise its agreed 'in-principle' capitalisation directions for previous years. All of these strategies now need to be expanded to provide at least a three-year outlook which delivers the 27/28 budget and produces a pipeline of recurring savings to achieve the MTFS position.

23. The general fund forecasted outturn reported at Quarter 1 of 2026/27 is an overspend of £3.4million, if further mitigations are not identified. This pressure is largely driven by rising adult social care costs which are increasing strains on the Council's 2026/27 budget. As demand grows, care needs become more complex and operating costs increase (£48.966m 2024/25 outturn to 2026/27 Quarter 1 forecasted outturn £76.544m) by 56% over a three-year period. Without robust demand management, which balances financial sustainability with early intervention and prevention, compassion and dignity, these pressures are likely to continue into future years.

24. The Council's response to this financial challenge will be an important test of its organisational maturity, leadership and operational resilience. Strong collective accountability for the budget and MTFS, at both officer and political level, alongside an ongoing clear commitment to delivering the annual MTFS targets will be critical. Regular and transparent reporting to Cabinet and communication across the organisation is also vital, to ensure officers and members right across the organisation understand the financial issues, their fiduciary duties and the actions being taken to mitigate these issues, achieve the Directions and strengthen public accountability.

25. We have previously set out to officers our concerns around the Housing Revenue Account (HRA), given the level of regulatory and financial risk here. The Council has developed a balanced annual plan for the HRA but recognise that the current business plan is focused on a reactive short-term cycle, lacked long-term vision and financial resilience. Moving to a viable and affordable rolling 30-year business plan will require a

strategic shift that balances financial constraints, legal and regulatory duties, planned and preventative programmes, and strategic investment, while being stress-tested against operational and economic shocks.

26. A structured framework and the key strategic activities needed to build a sustainable, long-term HRA plan is emerging, and the Council is giving consideration to the capacity and capability required, with the recruitment of a new Interim Executive Director of Landlord Services and HRA Financial specialist. It will also need to ensure cross-departmental working to break down silos, programme support and to engage elected members early so they understand that a sustainable plan may require difficult decisions regarding rent structures, prioritisation or asset disposals. Improvements in this area must be aligned with the Council's wider transformation activity to ensure this is tackled strategically and with collective accountability.

27. In addition, the Dedicated Schools Grant (DSG) deficit continues to rise as demand for Special Educational Needs and Disabilities (SEND) services and Education, Health and Care Plans (EHCPs) consistently exceeds the available resources. The cumulative deficit is forecast to reach £15.2 million by March 2027. The Local SEND Reform Programme is designed to address systemic challenges, improve outcomes for children and young people, and shift the focus towards earlier intervention and prevention. This work is closely aligned with the High Needs Stability Grant, which is expected to fund a 90% write-off of deficits accrued up to March 2026, alongside a commitment to support future deficits. This financial support has been strongly welcomed by the Council, providing a more sustainable platform from which to deliver long-term SEND reform and improved outcomes.

28. The Council and its partners have delivered the SEND Local Area Reform Plan at pace despite challenging timescales through strong leadership and co-production. The ongoing development of person-level data modelling, combined with aggregate analysis, has strengthened the ability to forecast future demand and support proactive capacity planning, which will be assessed for completeness by Government. Delivery of the plan is closely aligned to financial sustainability and to sustain this momentum the Local Area Partnership must now transition from planning into the effective implementation of year one priorities while advancing longer-term strategic reforms.

29. While the successful implementation of the national reforms is intended to improve outcomes and strengthen the long-term sustainability of the SEND system, a residual deficit will remain that local areas are expected to fund from their own resources. In the absence of an operational surplus, Thurrock meeting its share of the remaining 10% funding gap will present a continuing financial challenge when the statutory override comes to an end. This reinforces the importance of the authority delivering the reform programme at pace, maintaining robust financial discipline, and securing further system efficiencies to mitigate future financial risk while protecting outcomes for children and young people with SEND.

30. In relation to capital, the Council aims to deliver a robust capital programme with minimal variance, however the Council has experienced recurrent material variation within both the General Fund and HRA Capital Programmes. At Quarter 1 of 2026/27,

less than 10% of the latest capital budget has been expended, indicating that Council is on track for a material outturn slippage/underspend. This compares with 22% net variation in 2023/24, 28% in 2024/25 and 65% in 2025/26, which indicated a deteriorating position. Continued slippage increases the risk of external funding being returned and priority outcomes being delayed or undelivered.

31. To strengthen programme delivery, the Council has introduced a Capital Board, reprioritised and reprofiled schemes, enhanced financial monitoring and reporting, and expanded the year-end reprofiling exercise to enable project managers to reassess expenditure profiles across all remaining years. Despite these measures, the Quarter 1 forecast suggests that further material movements are likely. Persistent slippage is rarely the result of timing delays alone and may indicate deeper governance, cultural or administrative issues. While continuing to challenge unrealistic budget profiles, the Council should also undertake a root-cause review and work with the leadership team to develop and implement a targeted improvement action plan.

Transformation

32. During 2025, the Council invested considerable effort in developing a Target Operating Model. However, this work has had limited organisational impact and is not widely understood. The Council now needs to revisit this work and develop a much simpler and more accessible articulation of how it intends to operate in the future, one which leaders, managers and staff can understand and commit to. Without a clear and functioning operating model, there is a risk that individual transformation initiatives operate in isolation and deliver savings or service changes without fundamentally transforming how the Council works.

33. In our last report, we noted that transformation was an area of considerable activity and that the pace of work had increased significantly. Since then, it has appointed a strategic transformation partner to support and accelerate delivery, which includes a Director of Transformation, who sits on the Senior Leadership Team, providing dedicated senior oversight of the programme.

34. The initial focus has been on building trust with the Council's leadership, diagnosing barriers to delivery with services, and putting in place the foundations for a clearer programme of change. This work should now translate into a coherent and actionable transformation roadmap, supported by effective governance, clear accountability, and robust benefits tracking. Internal communication channels have also been established to help keep staff informed about the programme and the changes being developed.

35. Successful corporate transformation will also require SLT to work collectively around a common organisational purpose and to take decisions in the interests of the Council as a whole, rather than through individual service or directorate perspectives. This remains work in progress. Further development will therefore be needed if SLT members are to act consistently as effective corporate sponsors of transformation, model the required behaviours and collectively unblock barriers to delivery.

36. The emerging in-year financial pressures outlined in the previous section are placing additional strain on the MTFS. Successful delivery of the transformation programme

will therefore be critical to achieving both the financial and non-financial benefits on which the MTFS depends.

37. The Council is exploring a range of opportunities and strategic projects intended to transform service delivery, create a more efficient and effective organisation, improve outcomes for residents, and contribute to the savings required across 2026/27 and beyond. However, many of these initiatives remain at an early stage and the Council has not yet identified the full pipeline of transformation activity and savings required to meet the MTFS over the medium term. It is therefore too early to assess with confidence either the deliverability of the programme or the scale and timing of the benefits that will ultimately be realised.

38. The smarter commissioning sub-programme remains a particular area of focus for Commissioners, given the scale of the savings to be delivered. The Council is recruiting a senior officer to lead and drive the programme. However, as with all cross-directorate transformation, successful delivery will depend on a strong 'One Council' approach, with significant engagement and support from across the organisation. Teams will need to work differently together, share ownership of delivery and be prepared to change established practices if the anticipated benefits from these complex programmes are to be realised.

39. The timescales for delivery are ambitious. Any material slippage will create additional financial pressure elsewhere in the Council, as transformation benefits that are delayed or not realised will require compensating savings to be found from other sources. The next phase must therefore move decisively from establishing the programme and identifying opportunities to disciplined delivery, clear accountability and demonstrable benefits realisation.

Service delivery including governance

40. One of the emerging areas of concern listed in our previous report was around the housing and homelessness services. Improvement plans for both of these areas have now been set out and agreed with Council members. The improvement plans for homelessness have been discussed with MHCLG and the plans for social housing improvement have been shared with the Regulator of Social Housing (RSH). In line with the RSH's strengthened inspection regime, they have just started an inspection of Thurrock's landlord service, with the on-site work scheduled for October.

41. Our previous reports have also referenced the progress made within the Council's planning function. Last month, Thurrock Council reached another significant milestone in this area as Cabinet agreed to publish the draft local plan for public consultation. In making this decision, there was evidence of constructive engagement with officers and members, and the administration demonstrated an awareness of risk and the need to communicate their decisions clearly and transparently to residents.

42. We have seen governance improvements become incrementally more embedded into the Council's operations in areas such as the Annual Governance Statement (AGS). The AGS for 2025/26 provides a comprehensive, honest and transparent self-assessment of the Council's governance and clearly outlines actions that need to be

taken to address areas of weakness. The AGS itself has also now become a part of the Council's regular reporting cycle to Audit Committee, published alongside the Statement of Accounts.

43. Our primary concern in relation to governance remains the work to revise the Constitution and the underpinning procedures, notably the Finance Procedure Rules and the Scheme of Delegations. Updating the scheme of delegations - to strengthen the internal checks and balances and ensure decision-making is taken at the right level - must be addressed as a priority, yet it remains a work in progress.

44. The Council's approach to risk management has improved from its low base over the years, with the establishment of a Risk Management Strategy, framework for its implementation and the introduction of a risk management system. Yet consideration of strategic risk is not yet embedded into the way the organisation operates and does not inform strategic decision making and resources prioritisation. While the Council has brought informative reports on risk management to Audit Committee, it has not yet got into a regular reporting cycle on the corporate risk register. An assessment of the progress in implementing the risk management action plan needs to be reviewed, with a reassessment of its impact via a structured risk maturity methodology and the outcome and resulting actions reported to through to Audit Committee.

Conclusions

45. Thurrock's journey since intervention began has been a positive one. The appointment of a permanent Chief Executive provides a visible indication of how far the authority has travelled. The ending of the Managing Director Commissioner model represents a significant milestone, while the new political and managerial leadership are bringing further impetus to the Council's improvement. Increasingly, the Council's leadership is forming and articulating its own judgements, reflecting on organisational performance and providing robust challenge where issues arise.

46. We are not looking for evidence of a perfect authority. Rather, we need confidence that Thurrock's members, officers, governance arrangements, internal controls, systems and processes are sufficiently robust to maintain the checks and balances expected of a well-functioning council. We need assurance that the Council has credible plans in place with associated delivery, an understanding and management of the risks associated with them, and has developed sufficient organisational resilience to respond effectively when difficult issues arise.

47. At present, we see an organisation that has travelled a considerable distance. However, there continue to be occasions where a lack of urgency, cultural resistance or insufficient corporate accountability reduces our confidence that all of the improvements achieved are yet fully embedded and sustainable. These issues are particularly important given the scale and complexity of the transformation and financial challenges that remain.

48. In light of the progress made and the Council's continued positive trajectory, we consider that it would now be timely to develop an assurance plan, in close discussion with the Council and Government officials. This should set out the evidence required

to support a further step-down in intervention and provide a clearer line of sight towards the Council achieving financial and organisational sustainability. This work should also take account of greater clarity, when available, on the future of devolution and LGR in the region.

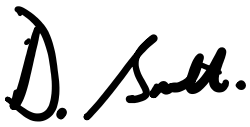
49. Any further de-escalation should, however, remain dependent on the Council demonstrating sustained ownership and delivery of the remaining improvement activity, particularly its plans to transform the organisation, deliver the required savings and reduce its debt. The next phase should therefore test not simply whether improvement continues, but whether Thurrock can sustain it through its own leadership, governance and organisational capability with progressively less reliance on Commissioner intervention.

50. We would be happy to meet to discuss the contents of this letter in more detail.

Yours sincerely,







Gavin Jones **Lead Commissioner**	Denise Murray FCCA **Finance Commissioner**	Dr Dave Smith **Managing Director Commissioner from March 2023 to September 2026**

Appendix 1 - Assessment of progress against July 2025 Directions

Directions 5-11 relate to the processes and running of the intervention. These have not been assessed individually here as they are ongoing elements of the intervention. As noted previously, the Council has continued to engage positively with Commissioners and with the intervention.

Directions		**Progress**
1a.	Ensure compliance with all relevant rules, guidelines and codes relating to the financial management of the Authority.	The Council has strengthened its grip on its financial management as it has settled into a regular rhythm of financial reporting to Cabinet. With each cycle, the Council identifies further areas for improvement or areas where they wish to undertake more detailed reviews. The Council is currently undertaking a revised self-assessment against the Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Management Code, identifying its journey to Code compliance and continuous improvement. While this is still being finalised, this is a positive step forward for the Council. This self-assessment and resulting action plan with clear delivery milestones will help to focus minds on embedding good financial management standards and a long term improvement pathway for long term stable finances. We would encourage the Council to use this as a live document, and in conjunction with the Annual Governance Statement (AGS) and Head of Internal Audit (HoIA) Annual Opinion, this should be embedded in the annual suite of assurance reports with regular updates and major improvement milestones flowing through to executive leadership and the Audit Committee. The Council's draft Statement of Accounts from the financial years 2021/22 to 2024/25 are published and awaiting local audit conclusion. This legacy audit backlog is primarily due to a long standing open local elector formal objection. Its draft Statement of Accounts 2025/26 were published in line with regulatory deadlines and discussed this with members at Audit Committee, alongside the draft AGS 2025/26. The Council continues to engage well with the external auditors and both parties have committed the necessary resources for the agreed 2025/26 audit activities. It is recognised that all legacy accounts will receive a timebound disclaimed opinion and that the limited audit work and lack of assurances on opening balances over such an extensive period means that building back assurance will still require a phased, multi-year program to initially disclaim historical years accounts and thereafter incremental transition from disclaimed opinions back to clean, unmodified accounts. It should be noted that the Council has not been subject to a full audit in many years and will need to prepare for what remains a long-term plan, as they will inevitably go beyond the November 2028

		deadline. Rebuilding strong and transparent financial foundations, local accountability, public confidence and trust in local government finance, must remain a focus and priority not only for the Finance function but for the whole Council. The work to revise the Finance Procedure Rules and the Schemes of Delegation has been slow, subject to repeated delays and formally addressing gaps in decision making remains a weakness in the Constitution. Officers have been working towards a new timeline to bring these back to councillors before the end of the calendar year. Commissioners will continue to press the Council to ensure focus remains on all areas outlined above and achieving regulatory compliance, through the closure of all legacy accounts, compliance with relevant codes and a fit for purpose constitution and schemes of delegation.
b.	Strengthen the Authority's system of internal controls, notably risk management and internal audit, and embed governance and culture improvements across the organisation.	Risk management, although improving, remains an area of weakness. The Council's risk management arrangements were self-assessed in October 2023 at the 'Risk Aware' maturity level 2. This result indicates that there are scattered, silo-based approaches where risk management happens in isolated departments with basic policies but lacks a unified corporate overview. An ambition was outlined in the Risk Management strategy to achieved 'Risk Managed' maturity level 4 by September 2026, meaning an enterprise-wide, systematic approach is fully developed, where risk management is integrated into regular operational management and decision-making. New processes and systems have been put in place to strengthen the way in which the organisation engages with risk. Embedding this across the organisation will take some time, but the Council must quickly ensure there is a regular cycle of reporting on the corporate risk register at both SLT and with members at Audit Committee so that oversight of risks becomes part of the council's way of working and business as usual activity. We previously outlined the Council's failings in not being able to provide a HoIA Annual Opinion. The Interim HoIA's Annual opinion was provided for 2025/26, and while the assessment outcome was "limited assurance" it illustrated an improving trajectory. Following the appointment of a Permanent HoIA and enhanced resourcing to bolster delivery capacity, work continues to bring the rolling 2026/27 Internal Audit Plan back on track. The HoIA's responsibilities also include counter-fraud and with the increased capacity secured and new officers in post it is important that the Council completes a self-assessment against the Global Internal Audit Standards (GIAS) and acts on the findings and ensures that counter-fraud is a genuine priority for the Council, with measurable improvements in performance.

		Achieving compliance with the GIAS, which seeks to ensure high professional quality and clear accountability, remains a target. On Governance, the Council's AGS has now become a regular part of the Council's reporting cycle and has been published alongside a clear action plan to address the weaknesses identified in the report. This honest reflection of the Council's control environment demonstrates an openness and transparency to the public about their position but also evidences that there is a wider understanding and appreciation of the need for robust governance within the organisation. The work to review the Constitution remains outstanding and officers are working with members to finalise this as quickly as possible. There is also a renewed focus on the forward planning of delegated key decisions and embedding risk management into the culture of the organisation. The whole council elections resulted in a large number of new and inexperienced councillors. This has impacted the maturity of council and committee meetings. With the volume of new councillors elected in May, the arrangements and processes for formal council meetings have been tested as new members learn, settle in and ask questions about how the organisation operates. Further improvements to the Overview and Scrutiny (O&S) arrangements, such as plans to strengthen the relationship between Cabinet and O&S committees, will slow down until committee members feel more confident in their roles. However, officers are taking the opportunity to embed improvements in ways of working during the induction process. In Audit Committee for example, the committee are motivated but inexperienced in this area. They have indicated a commitment to building capacity and shifting from passive listening to active scrutiny. There are positive early signs of a healthy curiosity, welcoming co-opted members and they are keen to establish relationships with core officers and the External Audit Partner. Supporting the Committee Chair and broader committee members to increase their effectiveness in their oversight roles will require structured officer support with targeted and timely skills training, focused agendas with clear and succinct reports and, where appropriate, external expert input with onboarding and mentoring to build confidence and ensure effective governance. Members must actively participate in these programs, seek out CIPFA guidelines, and request specialised deep dives into complex topics, to improve their effectiveness over time.

		On the organisational culture, a recent staff survey was conducted internally by the Council to understand the views and concerns of officers, identifying areas of strength and opportunities for improvement. The findings have been shared with staff across the organisation and discussions have taken place to explore the results and agree some actions in response. It is important that the leadership demonstrate to staff that they are listening to their concerns and taking action. With the arrival of the new Chief Executive, we await to see how her leadership and approach impacts the organisational culture, although we have already seen evidence of regular open, honest communications to staff and an early all-staff briefing event.
c.	Ensure that the Authority has personnel with sufficient capability and capacity including access to appropriate specialist expertise where required, enabled by a strengthened corporate culture, a robust officer structure and an effective framework for performance management across the Authority.	The Council is undergoing a significant amount of activity and it is very important that the leadership actively reviews their resources, teams, structures and skills to ensure they can respond to the organisation's ambitions, their multiple change programmes and their statutory requirements. We have seen the leadership recognise this through the procurement of a transformation strategic partner and the creation of new senior roles across transformation and across landlord services to provide additional senior capacity in these core areas. The Council is also seeking expert advice in areas where their skills are more limited, for example to support them with the delivery of major regeneration development projects. As Thurrock goes through significant changes as an organisation, it is important that it considers the skills and capacity it needs for the journey ahead and ensures that there are not only sufficient resources, but that there is sufficient corporate memory and knowledge transfer to support the future organisation. Organisational design should be seen as a core element of its transformation. With the arrival of a new Chief Executive and Head of Paid Service, they may choose to review the officer structures as they see fit, and we will support her with this as needed. Thurrock's workforce will need to be agile and responsive, working collaboratively across the organisation to achieve some of their major change programmes. The Council successfully met its target to roll out elements of its new strengthened performance management policy and framework in April 2026. This coincided with the launch of a new people services policy and support hub to bring together all HR related policies and guidance into one place to make it easier for staff to find what they need. Managers and employees have access to guidance, checklists and templates and a comprehensive training programmes has been delivered support the roll out of this new framework, including e-learning, practical classroom-based and system training.

		Truly embedding this framework with tangible proof that it shapes strategic choices, daily operations, culture and accountability will take some time.
d.	Define and implement the Authority's proposed operating model. This should be backed by a fully resourced and strategic transformation plan, in line with the council's MTFS, Treasury Management Strategy, and Capital Strategy. The Transformation Plan must incorporate a robust multi-year savings plan, that enables financial sustainability and resilience, debt reduction and the delivery of core services and priorities.	Following the development of the Target Operating Model and Transformation Roadmap, the Council is working closely with its strategic transformation partner to take stock of the programme to date, strengthen the programme governance, and the next steps of enhancing and implementing the roadmap. The Council's 2026/27 budget framework included a MTFS, Treasury Management Strategy (TMS) and initial Capital Strategy (CS), which will now need to be aligned with the Target Operating Model to ensure the resources available and planned investments deliver the structural transformation and operational efficiencies required. The transformation roadmap in delivering the improvements required must also prioritise spending and effectively bridge the gap in the high-level or top line savings ambitions outlined in the MTFS, with the development of a medium-term pipeline of credible, evidenced based savings and enabling investments for approval and implementation. Delivering the benefits of this transformation programme is essential for the modernisation of the Council, delivery of national reforms, improvement in residents' interactions with the organisation and its MTFS, TMS and CS journey towards long term financial sustainability. A significant development since our last report is the Government's commitment to repay in-principle £200m of Thurrock's debt in 2026-27. Council officers have been engaging positively with officials on this process, which is another step forward in helping the Council achieve a more sustainable level of debt.
2.	To develop and maintain a revised Corporate Plan which incorporates and builds upon the enhanced Improvement and Recovery Plan and reflects the necessary work remaining to ensure the Authority's compliance with the Best Value Duty.	In the Best Value Inspection Report (June 2023), it describes how the organisation was previously unable to produce and agree a corporate plan. Thurrock Council has now had two annual cycles of publishing and reporting on their corporate plan. This has improved transparency by providing members, officers, residents and partners with a clear assessment of the Council's performance. What was once a significant gap for the Council has now become embedded as business-as-usual activity. Stronger corporate leadership and oversight of the reporting process are now firmly established, supported by positive collaboration with services and clearer accountability for delivery through named action owners across Cabinet and SLT. The improved use of data, regular engagement with Members through O&S, and quarterly reporting to Cabinet all demonstrate the extent to which this

		approach is now integrated into the way the Council operates. Thurrock is increasingly an organisation that values performance insight and evidence, using both to strengthen accountability, inform decision-making and support continuous improvement. The Q4 Corporate Performance Report and 2025/26 Annual Report was reported to Cabinet this month. Work will take place with the new political leadership on resetting the existing Corporate and Improvement Plan to align with their political priorities. We would encourage the Council to continue to ensure their improvement activity and the recommendations from various action plans referenced in this report are incorporated into any revised plan to keep them focused on continuous improvement and achieving Best Value.
3.	To take steps to ensure that the role of Accountable Body to the Thames Freeport is exercised to the satisfaction of the Commissioners.	The Council continues to take its role as Accountable Body seriously and to reflect on internal structures, roles and processes to ensure the smooth running of this activity within the authority. The previous governance issues in relation to the Freeport have now been resolved, with complete transparency and regulatory compliance. It will still take some time for these arrangements and partnerships to mature. Given these improvements, the Council is now able to operate at a more strategic level and work more closely with its local authority and private sector partners, advocating for the community in their discussions. We have been given assurance that they are able to provide distinct oversight with clear separation of delivery and accountability. As the Council builds its vision for economic regeneration and considers the impact on, and benefits for, residents and the Council, the Freeport should be considered a key element of this strategy, and the administration has expressed increased ambition in this area.
4.	To actively work with Commissioners on the work with other councils in the Greater Essex area for unitary local government and the Devolution Priority Programme on implementing any such proposals later agreed upon.	Thurrock had been engaging with partners to prepare for LGR and had been playing an important and active role in the proposed transition. In so doing it has been calling upon its learning from the intervention and its experience as an existing unitary council. We await an update from the Government on next steps for LGR in Greater Essex, however we note the Minister's stated commitment to this policy. Commissioners will therefore support Thurrock to prepare to end well by ensuring it maintains focus and pace of delivery for any outstanding improvement activity or being mindful of what activity may carry over into any new council.