

Name of meeting: Corporate Governance & Audit Committee
Date: 20 June 2025

Title of report: Draft Annual Governance Statement 2024/25

Purpose of report: To provide the Committee with details of the latest version of the Statement for information and comment prior to formal approval in conjunction with the Annual Accounts later in the year.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not applicable
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	Not applicable
The Decision - Is it eligible for "call in" by Scrutiny?	Not applicable
Date signed off by Director & name Is it also signed off by the Service Director for Finance?	Yes - Kevin Mulvaney 9 June 2025
Is it also signed off by the Service Director for Legal, Governance & Commissioning?	Yes – Samantha Lawton 9 June 2025
Cabinet member portfolio	Cllr Carole Pattison

Electoral wards affected: All
Ward councillors consulted: Not applicable
Have you considered GDPR; Yes
Public

1. Summary

- 1.1 The Committee is asked to note the latest version of the draft 2024/25 Annual Governance Statement, prior to it being signed off by the Chief Executive and Leader of the Council, which concludes that overall, the governance arrangements remain fit for purpose and to consider whether the issues raised reflect the state of the governance and control framework during 2024/25.
- 1.2 As the Statement covers the period up until the Annual Financial Accounts 2024/25 are approved, there may be need for revisions to be made in the text to reflect findings from the external audit and anything else material in the intervening period.
- 1.3 The Statement is a statutory requirement and accompanies the Statement of Accounts in order to provide readers with assurance about the governance and internal control environment in which they have been compiled and to which they relate.
- 1.4 The draft Statement has been compiled following the annual review of the effectiveness of the overall internal control and governance arrangements and

draws on a number of forms of assurance which have been presented to various parts of the Council during the year, including many to this Committee (e.g. annual activity reports), being principally the Annual Report of Internal Audit, reports by the external auditor, Monitoring Officer and from the performance management framework.

- 1.5 The draft Statement highlights a number of what are termed 'Significant Governance Issues'. Whilst two from last year have been progressed to return to a business as usual mode, four of the Issues from the 2023/24 Statement are brought forward, reflecting the wide-ranging nature of the issues and the time needed to embed the remedial action required. Executive Leadership Team are of the view that the remaining planned action and senior management oversight in these areas could enable two of them to be returned to a business as usual mode too, possibly as soon as by the time the Statement is finalised, as the financial position of the Council stabilises further during 2025 and the Council continues to meet the improvement requirements of the Housing Regulator. Consideration has been given to a number of potential new Issues too and one has been incorporated.
- 1.6 The actions and controls the Council is taking are contained within a separate action plan. Since the final Statement will not be agreed until later this year, subject to the approval of this draft by the Committee, it is intended that the draft action plan will be the subject of internal monitoring, with reporting back to Executive Leadership Team and this Committee during the remainder of 2025/26. Any amendments made to the final version will be reflected in monitoring work should there be sufficient time to progress the action during the year.

2. Information required to take a decision

- 2.1 The detail is contained within the draft Statement.

3. Implications for the Council

- 3.1 **Working with People** – None directly
- 3.2 **Working with Partners** – None directly
- 3.3 **Place Based Working** – None directly
- 3.4 **Improving outcomes for children**– None directly
- 3.5 **Climate change and air quality**- None directly
- 3.6 **Impact on the finances of local residents**- None directly
- 3.7 **Other (e.g. Legal/Financial or Human Resources)** - Although each of the sub categorisations above suggest no direct implications, the review of the effectiveness of the internal control and governance arrangements covers all aspects of the Council's operations, including elements of the above, either specifically, indirectly or on a commissioned basis.

4. Consultees and their opinions

- 4.1 The Chief Executive, Strategic Directors, Service Director Legal, Governance & Commissioning, Service Director Finance, Service Director Strategy & Innovation, Service Director Homes & Neighbourhoods and Head of Audit & Risk have commented on the draft Statement.

5. Next steps & Timelines

- 5.1 The draft Statement will be published together with the Annual Accounts at the end of June for the statutory period of public inspection. A finalised version of the Statement will be considered by the Committee ahead of the approval of the Annual Accounts later in the year. The action plan will be revised and updated in responding to the Significant Issues identified. Monitoring will take place on the draft issues identified. When a final statement is approved, this will be monitored.

6. Officer recommendations and reasons

Members are asked to comment on the draft Statement, and to formally note it.

7. Cabinet portfolio holder recommendation

Not applicable.

8. Contact officer

Simon Straker, Audit Manager 01484 221000 (73726)

9. Background Papers and History of Decisions

The 2023/24 Statement is attached.

10. Director responsible

Chief Executive.