

Meeting Name:	Audit, Governance and Standards Committee
Date:	5 September 2024
Report title:	Annual Governance Report 2023-24
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	n/a
From:	Strategic Director of Finance

RECOMMENDATION

1. That the audit, governance and standards committee approve the Annual Governance Statement (AGS) 2023-24 as attached at Appendix 1.

BACKGROUND INFORMATION

2. The Accounts and Audit Regulations 2015 require that the annual governance statement be presented to and approved by an appropriate committee of the council. Under the constitution, the audit, governance and standards committee is the body that formally receives the annual governance statement.
3. The 2015 Regulations require the annual governance statement to accompany the signed and dated accounts and to be approved at the same time as the statement of accounts. The draft annual governance statement for 2023-24 was reviewed by audit, governance and standards committee in June 2023. Formal approval of the statement is now sought.
4. Following this approval, the annual governance statement should be signed by the most senior member of the council and most senior officer, who are the leader of the council and the chief executive.

KEY ISSUES FOR CONSIDERATION

5. Every year, each local authority is required by law to conduct a review of the effectiveness of its system of internal control and to publish a statement reporting on the review, the annual governance statement, with its financial statements.
6. The annual governance statement is therefore a mandatory statement that recognises, records and publishes the council's governance arrangements as defined in the CIPFA/SOLACE framework for good

governance in local authorities. It reflects how the council conducts its business, both internally and in its dealings with others. Its objective is to provide assurance on the effectiveness of the corporate governance arrangements and to identify significant governance issues requiring management action.

7. The draft AGS was circulated to strategic directors and reviewed by the Corporate Management Team (CMT) in May 2024. It was reviewed by the audit, governance and standards committee in June 2024. After the June committee, the draft was sent to the new external auditors KPMG for their comments. Their response noted that the statement covered all mandatory requirements, and no changes were required, but the council could consider emphasising some areas such as setting out how the council engages with the local community, ensuring compliance with the legislation and internal policies and procedures, highlighting internal and external reviews. We have added in some narrative in response to these comments and will consider again in preparing the 2024-5 annual governance statement. In addition, since the draft was presented to the audit governance and standards committee, there has been a change in government, so references have been updated as necessary. The main paragraph changes are:

- 4.3.1, 4.3.3 and 4.3.4
- 6.2.12, 6.2.24, 6.4.4 – 6.4.6.

Policy framework implications

8. There are no policy implications in the proposals in this report.

Community, equalities (including socio-economic) and health impacts

Community impact statement

9. This report is not considered to contain any proposals that would have a significant impact on any particular community or group

Equalities (including socio-economic) impact statement

10. There are no direct equalities implications in the proposals in this report.

Health impact statement

11. There are no direct health implications in the proposals in this report.

Climate change implications

12. There are no direct climate change implications in the proposals in this report.

Resource implications

13. There are no direct resource implications in this report.

Consultation

14. There was no consultation.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	Annual Governance Statement 2023-24

AUDIT TRAIL

Lead Officer	Tim Jones, Director of Corporate Finance	
Report Author	Geraldine Chadwick	
Version	Final	
Dated	23 August 2024	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive, Governance and Assurance	No	No
Strategic Director, Finance	No	No
Cabinet Member	No	No
Date final report sent to Constitutional Team	23 August 2024	