

REPORT TO: Audit and Governance Board

DATE: 4 June 2025

REPORTING OFFICER: Director of Finance

SUBJECT: Draft Annual Governance Statement 2024/25

PORTFOLIO: Corporate Services

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

This report presents the draft 2024/25 Annual Governance Statement (AGS), which will accompany the Council's Statement of Accounts for the same period. The preparation and publication of the AGS is a statutory requirement under Regulation 6 of the Accounts and Audit Regulations 2015.

The format of the statement follows the 2016 best practice guidance issued jointly by CIPFA and the Society of Local Authority Chief Executives (SOLACE).

2.0 RECOMMENDATIONS:

The Board is asked to consider and approve the 2024/25 Annual Governance Statement, subject to any changes or additions considered necessary.

3.0 SUPPORTING INFORMATION

- 3.1 The *Delivering Good Governance in Local Government Framework*, published by CIPFA and SOLACE, sets the benchmark for governance standards within UK local authorities. The Council's 2024/25 Annual Governance Statement has been developed with reference to this guidance and is appended to this report.
- 3.2 The AGS outlines the governance framework in place during 2024/25 and up to the date the financial statements are signed off by the external auditor. The document will therefore be reviewed again ahead of the Board meeting at which the statements are approved.
- 3.3 The AGS sets out how the Council conducts its business lawfully and to proper standards, ensuring that public funds are safeguarded and properly accounted for. It also outlines how the Council meets its duty under the Local Government Act 1999 to secure continuous improvement in the delivery of its functions, with regard to economy, efficiency, and effectiveness.
- 3.4 Assurance for the AGS is taken from a number of sources, which include:
- Leader of the Council and Chief Executive – who sign the AGS to acknowledge their responsibilities
 - Senior management

- S151 Officer (Director - Finance)
 - Monitoring Officer (Director - Legal Services)
 - Senior Information Risk Owner
 - Members – Scrutiny arrangements, Audit and Governance Board, other Regulatory Committees / Boards
 - Performance management framework
 - Risk management framework
 - The work of Internal Audit
 - The work of External Audit
 - The work of other external inspection agencies, such as Ofsted and CQC
- 3.5 The AGS incorporates an action plan outlining the measures to address issues identified through the annual review of the Council's governance arrangements. It also provides an update on progress made in resolving the governance issues highlighted in the 2023/24 AGS.
- 3.6 The Council's Constitution delegates the responsibility to review and approve the AGS to the Audit and Governance Board. As such, the document will be updated if necessary to reflect any feedback from the Board.
- 3.7 Once approved by the Audit and Governance Board, the Annual Governance Statement (AGS) will be signed by the Council Leader and Chief Executive. They are accountable for ensuring that any significant governance issues identified are appropriately addressed and that effective actions are taken to strengthen the Council's overall governance framework.
- 3.8 The final signed version of the AGS will be published on the Council's website.
- 4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS**
- 4.1 In accordance with the Accounts and Audit Regulations 2015, the Council is required to undertake an annual review of the effectiveness of its system of internal control and to publish an Annual Governance Statement (AGS) alongside the annual Statement of Accounts. This process serves as a key mechanism for ensuring that robust governance and control arrangements are in place, and that any areas requiring improvement are identified and addressed.
- 4.2 The Audit and Governance Board is responsible for overseeing the Council's corporate governance arrangements and for agreeing any actions necessary to ensure alignment with best practice. The Annual Governance Statement (AGS) is a public document that confirms the Council's commitment to addressing identified governance challenges and driving continuous improvement.
- 4.3 There are no direct financial implications arising from this report.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

Good governance underpins effective management, strong performance, and responsible stewardship of public funds. It allows the Council to deliver its vision in alignment with its values, engage meaningfully with citizens and service users, and achieve positive outcomes. As a result, good governance plays a key role in advancing all of the Council's priorities.

5.2 Building a Strong, Sustainable Local Economy

See 5.1 above

5.3 Supporting Children, Young People and Families

See 5.1 above

5.4 Tackling Inequality and Helping Those Who Are Most In Need

See 5.1 above

5.5 Working Towards a Greener Future

See 5.1 above

5.6 Valuing and Appreciating Halton and Our Community

See 5.1 above

6.0 RISK ANALYSIS

- 6.1 The Annual Governance Statement (AGS) helps the Council improve its risk management by reviewing its governance arrangements and highlighting any risks or weaknesses. It promotes transparency and accountability through action plans to address areas for improvement. The AGS provides a clear overview of risks and governance practices, and supports informed decision-making by ensuring that risks are managed effectively.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 The Council has to have regard to the elimination of unlawful discrimination and harassment and the promotion of equality under the Equalities Act 2010 and related statutes. Proper governance arrangements will ensure that equality and diversity issues are appropriately addressed.

8.0 CLIMATE CHANGE IMPLICATIONS

- 8.1 None arising directly from this report.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 9.1 None under the meaning of the Act.