

Joint report of the Interim Chief Executive, Interim Deputy Chief Executive and the Monitoring Officer**Corporate Governance Arrangements****1. Purpose of Report**

To inform the Committee of action taken to develop and comply with statutory obligations regarding corporate governance, and to seek approval for the Annual Governance Statement for its inclusion in the Council's published Statement of Accounts for 2025/26.

2. Recommendation

The Committee is asked to:

- 1. RESOLVE that the draft Annual Governance Statement be approved in principle for inclusion in the Council's Statement of Accounts.**
- 2. RESOLVE that responsibility be delegated to the Interim Chief Executive, in consultation with the Chair of this Committee, to make any further amendments deemed necessary.**
- 3. NOTE compliance with the Code on Delivering Good Governance in Local Government.**

3. Detail

The Accounts and Audit Regulations 2015 require authorities to conduct a review, at least once in each financial year, of the effectiveness of its system of internal control and to include an Annual Governance Statement report on the review with its statement of accounts. The Statement will be circulated separately to the agenda. To support this process, the Council follows proper practice as set out in the CIPFA/SOLACE publication *Delivering Good Governance in Local Government: Framework*. This Framework was initially produced in 2007 with a revised version published in April 2016.

CIPFA guidance has requested that authorities include the following additional information in their versions of the Annual Governance Statement:

- An executive summary – including an overall opinion on whether governance arrangements were fit for purpose
- An assessment of effectiveness, setting out how the overall opinion was arrived at
- Where governance needs to improve, including an action plan
- How governance has been improved over the current financial year
- A forward look at governance.

These elements are included to ensure the CIPFA requirements are met.

The Statement includes an explanation of the Council's governance arrangements and an update on the implementation of previously identified improvement actions. It concludes with the draft Annual Governance Statement and the Significant Governance Issues Action Plan for 2026/27. Once approved, it will be signed by the Leader of the Council and the Interim Chief Executive prior to inclusion with the published accounts.

The Chief Audit and Control Officer has confirmed that he considers that the current internal control environment is satisfactory such as to maintain the adequacy of the governance framework.

4. Financial Implications

The comments from the Interim Deputy Chief Executive were as follows:

The production of the Annual Governance Statement is a key component of the Council's governance framework and part of the statutory requirements under the Accounts and Audit Regulations 2015. The approved Annual Governance Statement will be included in the latest Statement of Accounts.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows.

Not applicable.

6. Human Resources Implications

There were no comments from the Human Resources Manager.

7. Union Comments

There were no Union comments.

8. Climate Change Implications

The climate change implications are contained within the report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As this is not a change to policy or a new policy an equality impact assessment is not included.

11. Background Papers

Nil.