

Subject	Annual Governance Statement 2024-25	Status	For Publication
Report to	Authority	Date	05 June 2025
Report of	Director		
Equality Impact Assessment	Not Required	Attached	No
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1 Purpose of the Report

- 1.1 To secure approval for the Authority's Annual Governance Statement.
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2 Recommendations

- 2.1 Members are recommended to:
- a. **Approve the Annual Governance Statement for 2024/25 and authorise its signature by the Chair and Director.**
 - b. **Note the provisional conclusion of the Head of Internal Audit which will be revised if required by the content of the Internal Audit Annual Report.**
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3 Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objectives:
Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times.

Reviewing and gaining assurance around the control environment and the effectiveness of the Authority's arrangements for securing good governance demonstrates an organisation that is self-aware and complying with the relevant legal requirements.

4 Implications for the Corporate Risk Register

- 4.1 The actions outlined in the Annual Governance Statement address various identified risks and areas for improvement, some of which are directly referenced in the Corporate Risk register, while others are subsets of identified corporate risks.

5 Background and Options

- 5.1 The Accounts and Audit Regulations (2015) require the Authority to conduct an annual review of the effectiveness of its system of internal control and to produce an annual

governance statement each year. The statement is considered and approved by the members of the Authority meeting as a whole; following which, it has to be signed by the Head of Paid Service and the Chair. The statement is included in the Statement of Accounts and relied upon by the external auditor as part of the evidence base for their value for money conclusion.

- 5.2 The Annual Governance Statement (AGS) assesses compliance with and performance against the standards set out in the Authority's Local Code of Corporate Governance (available through background papers). The Annual Governance Statement for 2024/25 is attached at Appendix A for approval.
- 5.3 The AGS is produced through a process which involves a review of arrangements in each department by the relevant Assistant Director, who provides an assurance statement to the Director and the Head of Governance and Corporate Services for use as part of the evidence base in reviewing effectiveness and to assemble an overall statement. Other evidence considered in the process includes internal and external audit reports, external assessments – including the independent governance review in 2024, regular performance reporting, assessment of compliance with the Pensions Regulator's General Code, and an exercise to identify areas where the standards set out in the local code are not being fully met, together with the annual reports of the Audit and Governance Committee and the Local Pension Board.
- 5.4 The AGS includes a summary of the assessment of the control environment from the Annual Report of the Head of Internal Audit. Currently this is a provisional assessment, pending the completion of the full Internal Audit Annual Report and should any amendment be required this will be made prior to the publication of the statement as part of the audited accounts.
- 5.5 The review of the 2024/25 arrangements and progress against last year's action plan as detailed in the AGS show that very good progress has been made over the course of the year. Six of the eight actions are already completed or are close to completion (by the end of June 2025). The two remaining actions, as outlined in the AGS, are significantly progressed but will be carried forward to the 2025/26 action plan to reflect that work will continue in these areas in the forthcoming year.
- 5.6 This year's review and action plan reflects an emphasis on meeting the challenges ahead from changes in the external environment and to ensure robust governance underpins the Authority's plans set out in the 2025 – 2028 Corporate Planning Framework. The areas identified for improvement and the actions to be taken are summarised in the action plan for 2025/26 set out in the final pages of the AGS at Appendix A.
- 5.7 The draft AGS has been reviewed by the Head of Internal Audit (Head of Corporate Assurance) and also by the Local Pension Board. Feedback from both has been incorporated in the final version attached for Authority approval at Appendix A.

6 Implications

- 6.1 The proposals outlined in this report have the following implications:

Financial	None directly. Individual actions may require specific resources which will be dealt with through the appropriate decision-making processes as required.
Human Resources	There are a number of actions which will require HR input. This will be factored in to the relevant work plans.

ICT	None directly. There are a number of actions which will require ICT input. This will be factored in to the relevant work plans.
Legal	None directly
Procurement	None directly. The action plan includes further developments to strengthen contract and supplier management as part of the overall procurement arrangements in place.

George Graham, Director

Background Papers	
Document	Place of Inspection
Local Code of Corporate Governance	Local Code of Corporate Governance (sympensions.org.uk)