

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

CORPORATE LEADERSHIP TEAM'S REPORT TO

Audit & Standards Committee
16 June 2025

Report Title: Annual Governance Statement 2024/25

Submitted by: Service Director for Finance (Section 151 Officer)

Portfolios: Finance, Town Centres and Growth

Ward(s) affected: All

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
To recommend that the Annual Governance Statement for 2024/25 be approved for inclusion in the financial statements.			
<u>Recommendation</u> That Committee: 1. Approve the Annual Governance Statement for 2024/25.			
<u>Reasons</u> To seek members approval of the Annual Governance Statement for 2024/25 based upon their satisfaction that it is based upon relevant and reliable evidence.			

1. Background

- 1.1** Members and senior officers are responsible for putting in place proper arrangements for the governance of the Council's affairs and the stewardship of the resources at its disposal.
- 1.2** The Council has approved and adopted a Code of Corporate Governance. A copy of the Code is on our website.
- 1.3** Under the Accounts and Audit Regulations 2015 the Council is required to publish an Annual Governance Statement (AGS) with the financial statements and emphasise the importance of embedding internal control, including the process of risk management throughout the Council. In response the Council produced an AGS for 2024/25 covering corporate governance, financial and other key control issues (the statement is provided as Appendix A).

1.4 The AGS is published with the financial statements. In considering the approval of the AGS Members should satisfy themselves that the statement is based upon relevant and reliable evidence. Details of the evidence relied upon when collating the AGS can be made available by contacting the Service Director for Finance (S151 Officer).

1.5 The AGS includes the following headings:

- Scope of responsibility,
- The governance statement,
- The governance framework,
- The principles of good governance,
- Annual review of the effectiveness of the governance framework
- Looking ahead

2. Issues

2.1 In preparing the AGS officers have considered the Chartered Institute of Public Finance (CIPFA) 'Delivering Good Governance Framework' guidance document.

2.2 The AGS has been produced combining findings from Assurance statements from the Chief Executive, Service Directors and Business Managers, the work of Internal Audit and various corporate working parties and comments from external auditors and other review agencies.

2.3 The 'Looking Ahead' Section of the AGS identifies those areas, following the review of internal controls for the financial year 2024/25 that needs addressing. Action plans where not already in place will be drawn up by officers to address the issues highlighted.

2.4 Not to complete an AGS would be in breach of the legislation already outlined in the background. Completion of the statement is best practice and demonstrates the transparency of the Council's Governance arrangements for 2024/25.

3. Recommendation

3.1 That the Committee approve the Annual Governance Statement for 2024/25.

4. Reasons

4.1 Regular reporting of the Council's financial position is a key discipline supporting sound financial management and corporate governance.

5. Options Considered

5.1 Completion of the statement is best practice and demonstrates the transparency of the Council's Governance arrangements for 2024/25.

6. **Legal and Statutory Implications**

- 6.1 The Council must comply with the Accounts and Audit Regulations 2015, in particular the requirement to publish an AGS with the financial statements.

7. **Equality Impact Assessment**

- 7.1 There are no differential equality issues arising directly from this report.

8. **Financial and Resource Implications**

- 8.1 There are no specific financial implications arising from the AGS, resource requirement linked to action plans will be brought to members as separate projects if required.

9. **Major Risks and Mitigation**

- 9.1 If internal controls are not managed effectively and within the law, public resources will not be safeguarded from waste or properly accounted for.
- 9.2 If internal controls are not reviewed regularly, continuous improvement may not be exercised.

10. **UN Sustainable Development Goals (UNSDG)**

- 10.1 Not applicable for this report.

11. **One Council**

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council ☒

We will make investment to diversify our income and think entrepreneurially.

One Digital Council ☒

We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.

One Green Council ☒

We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle.

12. **Key Decision Information**

- 12.1 This is not a key decision, the report is for informational purposes and is considered best practice.

13. **Earlier Cabinet/Committee Resolutions**

- 13.1 There are no earlier decisions relating to this report.

14. List of Appendices

14.1 Annual Governance Statement 2024/25.

15. Background Papers

15.1 Managers Assurance Statements

15.2 CIPFA guidance – Delivering good governance in Local Government