

## Arrangements for Preparing the Annual Governance Statement 2024/25

1. The current Local Code of Governance follows guidance produced by CIPFA “Delivering Good Governance – The New Framework” – 2016 which makes it clear that the links between governance and public financial management are crucially important.
2. The annual review also takes into account the self-assessment of the CIPFA Financial Management Code (FM Code) during the current financial year (2023/24).
3. The guidance is particularly relevant for the annual review of the system of internal control and publication of the Annual Governance Statement (AGS) that are requirements under the regulations issued by the national governments of the UK. A copy of the guidance can be found in the following link <https://www.cipfa.org/policy-and-guidance/cipfa-bulletins/cipfa-bulletin-06-application-of-the-good-governance-framework-202021>
4. All Local Authorities in England and Wales are required to produce an Annual Governance Statement to support the Annual Statement of Accounts. Its purpose is to publicly demonstrate that there is a continuous review of the effectiveness of the Council’s governance, internal control and risk management arrangements.
5. The Annual Governance Statement is prepared by the Corporate Governance Group and is signed off by the Leader of the Council and the Chief Executive. The Statement describes the arrangements that the Council has in place to deliver the seven principles of effective governance as described within the CIPFA / SOLACE publication – Delivering Good Governance – The New Framework. It is a requirement that the Statement details any Significant Governance Issues identified through the process and sets out the actions that are in place to address these.
6. The Statement is informed by various sources of information including:
  - The annual report of the Head of Internal Audit, Risk and Insurance.
  - Directorate assurance statements.
  - Outcomes of internal and external inspection reports.
  - The system of risk management.
  - The performance management framework.
  - The work of scrutiny committees.

7. A proposed process is outlined below for the preparation of the Statement for 2024/25 which will be presented to Audit Committee for approval at the meeting in July 2024 (draft) and September 2024 (final).

<b>Timing</b>	<b>Action</b>	<b>Responsibility</b>
February/March	Review of last years' statement to confirm that governance arrangements are still as described. Update to reflect any changes in governance that have arisen during the year. This is an ongoing process and updates are provided at each quarterly CGG.	Head of Internal Audit, Risk and Insurance to co-ordinate with input from directorates.
March	Directorates to complete a self-assessment questionnaire/email to confirm that appropriate governance arrangements have been in place at directorate level during the year. Directorates to identify any areas of non-compliance with appropriate governance standards and any significant governance issues for consideration by the Corporate Governance Group.	Head of Internal Audit and Risk to liaise with Directorate Corporate Governance Group representatives.
March	Review of outcomes of internal and external audit work, performance information, risk management information, external assessment reports, scrutiny reviews and directorate assurance statements to identify any significant governance issues arising.	Head of Internal Audit, Risk and Insurance
March	Corporate Governance Group to agree the wording of the statement describing the current governance arrangements.  Corporate Governance Group to review list of potential Significant Governance Issues together with issues from last year's statement and agree the	Corporate Governance Group

	Significant Governance Issues for inclusion on the Statement.	
March/April	Prepare draft AGS 2023/24 for final approval by Audit Committee.	Head of Internal Audit, Risk and Insurance
May	Publish draft on website with draft Final Accounts	Head of Internal Audit, Risk and Insurance
July	Draft AGS to Audit Committee. Signed by Leader and Chief Executive.	Head of Internal Audit, Risk and Insurance
Ongoing	Consider any changes to governance arrangements and update draft AGS if necessary.	Head of Internal Audit, Risk and Insurance
September	Final AGS to Audit Committee. Signed by Leader and Chief Executive.	Head of Internal Audit, Risk and Insurance