



# Borough of Telford and Wrekin

## Audit Committee

Wednesday 29 May 2024

## Annual Governance Statement

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<b>Cabinet Member:</b>	Cllr Nathan England - Cabinet Member: Finance, Customer Services & Governance	
<b>Lead Director:</b>	Anthea Lowe - Director: Policy & Governance	
<b>Service Area:</b>	Policy & Governance	
<b>Report Author:</b>	Rob Montgomery (Audit & Governance Lead Manager), Tracey Drummond (Principal Auditor)	
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<b>Wards Affected:</b>	All Wards	
<b>Key Decision:</b>	Key Decision / Not Key Decision [delete as relevant]	
<b>Forward Plan:</b>	Not applicable	
<b>Report considered by:</b>	SMT – 14 May 2024 Audit Committee – 29 May 2024 Cabinet – 16 May 2024	

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### 1.0 Recommendations for decision/noting:

It is recommended that the Audit Committee:

- 1.1 Approve the Annual Governance Statement 2023/24, attached as Appendix A (including Annex 1), and notes the information in the report

### 2.0 Purpose of Report

- 2.1 For the Audit Committee to review and approve the 2023/24 Annual Governance Statement to accompany the annual accounts.

### 3.0 Background

- 3.1 Under the Accounts and Audit Regulations 2015, the Council is required to produce an Annual Governance Statement and it is best practice that the statement is signed by the Leader and Chief Executive of the Council. This statement should accompany the Annual Accounts.
- 3.2 The Annual Governance Statement for 2023/24 is attached at **Appendix A** and has been developed based on the requirements of the regulations and CIPFA/Solace guidance. The statement includes an action plan (Annex 1) to ensure that we continue to improve our existing governance arrangements.
- 3.3 The action plan attached to the 2022/23 statement (implemented during 2023/24) has been reviewed and updated to reflect current progress. Any actions still in progress from the 2022/23 plan have been incorporated into the 2023/24 action plan, see Annex 1 at **Appendix A**.
- 3.4 The Annual Governance Statement and the Local Code of Good Governance outlines that the Council has a robust governance framework in place but that it is continually reviewing procedures to maintain and demonstrate good corporate governance. It is supported by risk management and sound systems of internal control which are paramount in these continuing times of financial constraint. The Council can be assured that during 2023/24, including during organisational and personnel changes, that the existing or revised governance arrangements have continued to support proper governance. Where required changes to procedures have been agreed by SMT and changes to the Constitution have been agreed by the Council, through the Council's Constitution Committee.
- 3.5 Assurance for the Annual Governance Statement is provided by all areas of the Council and externally by the following:
- a) Leader and Chief Executive – who sign the statement to acknowledge their responsibilities;
  - b) Senior management – Chief Executive, Executive Directors, Directors;
  - c) Chief Financial Officer;
  - d) The Monitoring Officer;
  - e) Members – Scrutiny arrangements, Standards Committee, Audit Committee and other Regulatory Committees;
  - f) Internal Audit;
  - g) Partners;
  - h) External Audit; and
  - i) Other external inspection agencies.
- 3.6 The 2023/24 Annual Governance Statement sets out adherence to the Council's governance arrangements that operated during the period – 1st April 2023 to 31st March 2024 and measures the effectiveness of them.
- 3.7 The Council's current Local Code of Good Governance was previously approved by the Audit Committee to reflect the CIPFA/SOLACE framework including revised

principles and guidance. The Code continues to reflect the Council's culture and values.

#### **4.0 Summary of main proposals**

4.1 Members of the Audit Committee approve the Annual Governance Statement 2023/24, attached as Appendix A (including Annex 1), and note the information in the report.

#### **5.0 Alternative Options**

5.1 There are no alternative options.

#### **6.0 Key Risks**

6.1 There are no key risks associated with this report.

#### **7.0 Council Priorities**

7.1 The report and its recommendations will ensure a community-focussed, innovative council providing efficient, effective and quality services.

#### **8.0 Financial Implications**

8.1 The governance framework includes several financial elements, including the Council's financial regulations, the Medium Term Financial Strategy and the Treasury Management Strategy. These provide the financial parameters, systems, processes and guidelines within which the Council must operate and, as such, assist in the delivery of good governance. Strong financial management also supports the delivery of value for money in ensuring economy, efficiency and effectiveness in the Council's decision making and processes.

The Council's external auditors give an opinion on the financial statements of the authority and a value for money conclusion in their opinion on the accounts and in their Annual Audit Findings Report each year which provides further assurance.

#### **9.0 Legal and HR Implications**

9.1 The Council is required to comply with the requirements of the Audit and Accounts Regulations 2015. Regulation 6 of these Regulations sets out that the authority must conduct a review of the effectiveness of its internal control systems each financial year and prepare an annual governance statement. The annual governance statement must be approved in advance of the annual statement of accounts.

#### **10.0 Ward Implications**

10.1 Borough-wide impact.

### **11.0 Health, Social and Economic Implications**

11.1 There are no health, social or economic implications directly arising from this report.

### **12.0 Equality and Diversity Implications**

12.1 All members of the Internal Audit Team have attended equal opportunities/diversity training. If any such issues arose during any work the appropriate manager would be notified.

### **13.0 Climate Change and Environmental Implications**

13.1 All members of the Internal Audit Team are environmentally aware and if any issues were identified they would be notified to the appropriate manager.

### **14.0 Background Papers**

- 1 CIPFA/SOLACE – Delivering Good Governance in Local Government: Framework (2016 Edition)

### **15.0 Appendices**

- A Annual Governance Statement

### **16.0 Report Sign Off**

<b>Signed off by</b>	<b>Date sent</b>	<b>Date signed off</b>	<b>Initials</b>
Finance	03/05/2024	08/05/2024	AEM
Legal	03/05/2024	16/05/2024	SH