

ANNUAL GOVERNANCE STATEMENT 2024-2025

Head of Service:	Andrew Bircher, Assistant Director of Corporate Services
Report Author	Corporate Governance and Strategy Manager, Performance and Risk Officer
Wards affected:	(All Wards);
Appendices (attached):	Appendix 1: Annual Governance Statement 2024-25

Summary

The Annual Governance Statement (AGS) is an important document which provides assurance concerning the council's governance arrangements, both financial and non-financial. It is prepared on an annual basis for inclusion in the Statement of Accounts. This report seeks the Committee's approval of the draft AGS 2024-25.

Recommendation (s)

The Committee is asked to:

- (1) Approve the 2024-25 draft Annual Governance Statement as set out at Appendix 1, prior to it being signed by the Chief Executive and the Chair of the Strategy and Resources Committee and received to note by Full Council.**
- (2) Nominate and authorise the Chief Finance Officer, in consultation with the Chair and Vice-Chair of Audit & Scrutiny Committee, to make any required amendments to the Annual Governance Statement prior to its submission with the Statement of Accounts.**

1 Reason for Recommendation

- 1.1 To comply with the Accounts and Audit Regulations 2015, the Council must prepare an annual statement which appraises its internal control environment. This is referred to as the Annual Governance Statement (AGS), and forms part of the annual financial statements.

2 Background

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- 2.1 Our governance arrangements aim to ensure that we set and meet objectives; act lawfully, openly and honestly; and do the right things in the right way. In addition, these arrangements also create a framework in which all monies and resources are accounted for, safeguarded, and used efficiently and effectively.
- 2.2 The AGS is an important document which provides assurance concerning our governance arrangements, both financial and non-financial. It is prepared on an annual basis for inclusion in the Statement of Accounts. Before the Chief Executive and Chair of Strategy and Resources Committee certifies the statement, it is presented to the Audit and Scrutiny Committee for approval. It is also intended that the AGS is submitted to Full Council to note.
- 2.3 The draft AGS 2024-25 is attached at Appendix 1. This statement has been prepared with reference to our Code of Corporate Governance, and in consultation with senior management (via Divisional Assurance Statements), and the three statutory officers: Head of Paid Service (Chief Executive), Director of Corporate Services and Section 151 Officer, and Monitoring Officer. The Chief Internal Auditor's opinion is included in the AGS, which provides independent assurance over our systems of internal control and risk management.

3 Risk Assessment

Legal or other duties

3.1 Equality Impact Assessment

- 3.1.1 There are no direct equality implications associated with this report.

3.2 Crime & Disorder

- 3.2.1 There are no direct crime and disorder implications associated with this report.

3.3 Safeguarding

- 3.3.1 There are no direct safeguarding implications associated with this report.

3.4 Dependencies

- 3.4.1 The content of the AGS is, in part, dependent upon the findings of the Chief Internal Auditor's annual conclusion This report is published within this meeting's agenda.

3.5 Other

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- 3.5.1 There are no other implications with this report. Although notably, the report is a form of risk assessment as it provides the council's assessment of its own governance and systems of internal control. Where improvements have been identified, they are listed in the AGS's action plan.

4 Financial Implications

- 4.1 There are no financial implications arising through the preparation and publication of the AGS.
- 4.2 **Section 151 Officer's comments:** None directly arising from the contents of this report.

5 Legal Implications

- 5.1 In order to comply with Regulation 6 of the Accounts and Audit Regulations 2015, the Council must prepare and approve an Annual Governance Statement (AGS). Regulation 10 of the 2015 regulations requires the council to publish the AGS alongside the adopted statement of accounts.
- 5.2 **Legal Officer's comments:** None arising from the contents of this report.

6 Policies, Plans & Partnerships

- 6.1 **Council's Key Priorities:** The following Key Priorities are engaged: N?A
- 6.2 **Service Plans:** The matter is included within the current Service Delivery Plan.
- 6.3 **Climate & Environmental Impact of recommendations:** There are no direct implications arising from this report.
- 6.4 **Sustainability Policy & Community Safety Implications:** There are no direct implications arising from this report.
- 6.5 **Partnerships:** The Southern Internal Audit Partnership deliver the council's internal audit function, and Grant Thornton are the council's external auditors.
- 6.6 **Local Government Reorganisation Implications:** LGR has impacted the council's governance, please see Appendix 1 for further information.

7 Background papers

- 7.1 The documents referred to in compiling this report are as follows:

Previous reports:

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- Annual Governance Statement 2023-2024, Audit and Scrutiny Committee, 25th July 2024. Online available: [Epsom and Ewell Democracy](#) [last accessed 17/06/2025].

Other papers:

- None.