

Non-Executive Report of the:  <b>Audit Committee</b>  Thursday 23 <sup>rd</sup> May 2024	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Julie Lorraine - Corporate Director, Resources	<b>Classification:</b> Open (Unrestricted)
Annual Governance Statement: 2023/24	

<b>Originating Officer(s)</b>	David Dobbs – Head of Internal Audit, Anti-Fraud & Risk
<b>Wards affected</b>	(All Wards)

### Reasons for Urgency

The attached report was not published five clear days in advance of the meeting, due to the significant volume and level of detail that needed to be collated, reviewed, and reflected upon in relation to the Council's governance arrangements for 2023-24.

### Executive Summary

As part of the Annual Accounts and in accordance with the principles of the CIPFA/SOLACE Delivering Good Governance in Local Government Framework, the Council is required to undertake a review of its corporate governance processes, systems, and the assurances on the governance framework to support the creation of an Annual Governance Statement.

### Recommendations:

The Audit Committee is recommended to:

1. Review and agree the Council's Annual Governance Statement in relation to 2023/24.

### 1. REASONS FOR THE DECISIONS

- 1.1. The Accounts and Audit Regulations 2015 require that the Council must agree an Annual Governance Statement, prepared in accordance with proper practices published by the Chartered Institute for Public Finance and Accountancy (CIPFA) for publication with its Statement of Accounts.
- 1.2. The Audit Committee provides an important role in reviewing the effectiveness of governance arrangements within the Council and

therefore the above recommendation above falls within the terms of reference for the committee.

- 1.3. The Annual Governance Statement, which will be included and published within the Statement of Accounts, is now presented to ensure that it can be considered and reviewed appropriately prior to sign-off and publication.

## **2. ALTERNATIVE OPTIONS**

- 2.1. None.

## **3. DETAILS OF THE REPORT**

- 3.1 The Council's Annual Governance Statement forms part of the annual accounts. Its content is derived from various sources and assurance processes. It is informed by annual review of the Council's system of internal control which includes the Annual Report of the Head of Internal Audit and the Annual Review of the Code of Corporate Governance.
- 3.2 The evidence sources collated for draft the Annual Governance Statements were as follows:
  - The annual review against the Council's own Code of Corporate Governance
  - Consultation with, and assurance provided by Corporate and Divisional Directors
  - The results of completed work undertaken during the year by the Internal and External Audit, other inspection bodies and external reviews.
  - A review of progress against the delivery of prior year issues identified in each statement.
- 3.3 The Annual Governance Statement for 2023/24 is presented to the Audit Committee for review and agreement prior to final sign-off from the Chief Executive and Mayor. It will then be included within and published on the Council's website as part of the Statement of Accounts for the same period.
- 3.4 The Accounts and Audit Regulations (2015) and (2022 amendment) require the Statement of Accounts to be made available [in draft form] for public inspection no later than 1<sup>st</sup> June, with the deadline for publishing the audited Statement of Accounts for 2023/24 being 30<sup>th</sup> September.

## **4. EQUALITIES IMPLICATIONS**

- 4.1 There are no specific equalities implications.

## **5. OTHER STATUTORY IMPLICATIONS**

- 5.1 The report meets the requirements of the Accounts and Audit Regulations (England) 2015 which stipulate that the Council must conduct annually a review of the effectiveness of its system of internal control and to approve an Annual Governance Statement.

## **6. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 Other than the compliance requirements set out the Accounts and Audit Regulations 2015 there are no specific financial implications arising from this report.

## **7. COMMENTS OF LEGAL SERVICES**

- 7.1 The Council is required to produce an Annual Governance Statement in accordance with the Accounts and Audit Regulations 2015. Therefore, this report demonstrates the Council's compliance with the regulations.

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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- None.

#### **Appendices**

- Appendix A: Annual Governance Statement 2023/24

#### **Local Government Act, 1972 Section 100D (As amended)**

#### **List of "Background Papers" used in the preparation of this report**

List any background documents not already in the public domain including officer contact information.

- None.

#### **Officer contact details for documents:**

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