

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE: Annual Governance Statement 2024/25	
REPORT OF: Executive Director Corporate Services	
FOR SUBMISSION TO: Audit and Corporate Governance Committee	DATE: 5 February 2026
<p>SUMMARY OF REPORT: This report presents to the Audit and Corporate Governance Committee the Annual Governance Statement for 2024/25.</p> <p>LOCAL GOVERNMENT ACT 1972 – ACCESS TO INFORMATION No documents that require listing have been used in the preparation of this report.</p> <p>CONTACT OFFICER: Raj Shah Chief Accountant 5 Pancras Square London N1C 4AG Telephone: 020 7974 6378 raj.shah@camden.gov.uk</p>	
<p>RECOMMENDATIONS</p> <p>The Audit & Corporate Governance Committee is asked to:</p> <ol style="list-style-type: none"> 1. Approve the Annual Governance Statement for 2024/25 at Appendix A 2. Delegate authority to the Director of Finance to make any final minor amendments to the Annual Government Statement prior to publication of final documents for the Statements of Accounts for 2024-25. 	
<p>SIGNED: Approved by Director of Finance</p> <p>DATE: 26 January 2026</p>	

1. Purpose of Report

- 1.1. This report presents to the Committee the Annual Governance Statement (AGS) for 2024/25. As per the Accounts and Audit Regulations 2015, the Council is required to conduct a review, at least annually, on the effectiveness of its systems of internal control and include an Annual Governance Statement within its Statement of Accounts. Following the review, it must be considered by, and the AGS approved by, a committee.
- 1.2. The committee's terms of reference include to review the AGS prior to approval and consider whether it properly reflects the risk environment and supporting assurances.
- 1.3. In line with the framework, the AGS is an assessment of the Council's performance across all of its activities and describes:
 - Key elements of the Council's governance arrangements, covering all corporate systems and the range of activities for which the Council is responsible;
 - Specific governance arrangements for the 2024-25 financial year;
 - Processes applied in reviewing the effectiveness of the Council's governance framework, including the system of internal control; and
 - Actions proposed to deal with any significant governance issues identified.

2. Background

- 2.1. The Council is required to publish a draft version of its Annual Governance Statement along with the draft Statement of Accounts by the statutory reporting date each year, prior to the commencement of the Period of Inspection and audit of the accounts. Camden published its draft statements on its [website](#) on 30 June 2025, in line with reporting requirements. The draft Annual Governance Statement was agreed by the Executive Director Corporate Services and shared with the Leader prior to publication.
- 2.2. Camden are now finalising the audit and the final 2024/25 Statement of Accounts to meet the backstop date of February 27, 2026. Completion of the accounts requires the approval of a final Annual Governance Statement for 2024/25.
- 2.3. Following approval by the Committee, the Leader of the Council and Chief Executive Officer will be asked to sign the final AGS before re-publication on the Council's website, alongside the final Statement of Accounts.

3. 2024/25 Annual Governance Statement

- 3.1. The Annual Governance Statement (AGS) for 2024/25, is presented in **Appendix A**.

- 3.2. The Statement presents the key elements of the Council's governance framework in place for the 2024/25 year, looking at the key roles and terms of reference of those charged with governance.
- 3.3. Within its Review of Effectiveness the AGS pulls together the findings of the External Auditor, the Council's Internal Audit, as well as considering annual self-assessments conducted by each Executive Directorate.
- 3.4. The External Audit findings feed from the work on the 2023/24 accounts and VFM findings. Although the Council received a disclaimed audit opinion on its 2023/24 statement of accounts this was due to having insufficient time to complete the audit and form an opinion within the reporting period. The external auditor Forvis Mazars did complete a full assessment of the Council's Value for Money arrangements and found no significant weakness to report.
- 3.5. The Internal Audit finding includes the opinion of the Head of Internal Audit, who has reported a Moderate Assurance opinion on the Council's internal control framework, indicating that the overall arrangements for the Council's systems of internal control, risk management and governance are adequate. This opinion is unchanged from 2023/24.
- 3.6. The Management Self Assessment presents the Directorate's view of its own governance arrangements, and looks to identify any significant governance issues against the recommended CIPFA framework of identification. Two significant governance issues have been identified through Management Self-Assessment. The first significant governance issue relates to overspends in the HRA and General Fund in 2024/25 due to rising cases of homelessness in the borough. The second identified significant governance issue also stemmed from the increase in Temporary Accommodation, with increases in TA rent arrears and associated provision for bad debt. Full details and management response are contained in section 6 of the AGS.
- 3.7. No significant change has been made to the Annual Governance Statement since publication of the draft AGS on 30 June 2025.
- 3.8. The Committee are asked to approve the Annual Governance Statement and agree to delegate authority to the Director of Finance to make any further minor amendments prior to its publication as part of the suite of documents for the 2024/25 accounts. Following the Committee's approval the Statement will be presented to the Leader and Chief Executive for signature and be published on the Council website along with the final Statement of Account for 2024/25.

4. Finance Comments of the Executive Director Corporate Services

- 4.1. This is a report of the Executive Director Corporate Services and their views are incorporated into this report.

5. Legal Comments of the Borough Solicitor

- 5.1. By regulation 3 of the Accounts and Audit Regulations 2015 ('the Regulations') the Council is under a duty to ensure that it has a sound system of internal control which: (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives; (b) ensures that the financial and operational management of the authority is effective; and (c) includes effective arrangements for the management of risk.
- 5.2. By regulation 6, each financial year the Council must conduct a review of the effectiveness of the system of internal control required by regulation 3 above and prepare an annual governance statement (AGS). This review must be considered by, and the AGS approved by resolution of, a committee or members of the authority meeting as a whole. Such matters are within the remit of the terms of reference of the Audit and Corporate Governance Committee. The AGS must be approved in advance of the authority approving the statement of accounts and prepared in accordance with proper practices.

6. Environmental Implications

- 6.1. There are no environmental implications.

7. Appendices

Appendix A: Annual Governance Statement 2024/25

REPORT ENDS