

<b>Committee:</b>	Audit and Risk Assurance Committee
<b>Report Title</b>	Annual Governance Statement 2024-25 Update
<b>Date of Meeting</b>	26 June 2025
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<b>Wards Affected</b>	All wards

## 1. Executive Summary

- 1.1 The Audit and Risk Assurance Committee is requested to consider the Annual Governance Statement 2024/ 25 Update.

## 2. Recommendations

The Committee is recommended to:-

- consider and comment upon the process and progress to date on the preparation of the Annual Governance Statement for 2024/ 25.

## 3. Proposals – Reasons for the recommendations

- 3.1 To provide an update on the process used and progress made with regards to the preparation of the Council's Annual Governance Statement for 2024-25.

## 4 Alternative Options Considered

- 4.1 The purpose of the report is to inform the Audit and Risk Assurance Committee on the preparation of the Annual Governance Statement for 2024-25. As such, there is no alternative option.

## Context and Key Issues

- 5.1 The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

- 5.2 In discharging this overall responsibility, the Council is also responsible for putting in place proper arrangements for the governance of its affairs and which includes arrangements for the management of risk.
- 5.3 The Council has adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and completes and publishes a governance statement with its statement of accounts.
- 5.4 The statement is signed by the Chief Executive and the Leader of the Council, who have a responsibility to ensure that the document is supported by reliable evidence and accurately reflects the Council's internal control environment.
- 5.5 The annual governance statement is currently being prepared, making use of the assurances provided from a variety of sources including external and internal audit, the strategic risk register (as presented to the Committee), and any other relevant external reviews that have taken place. This is an inclusive and iterative process drawing on multiple frameworks and the professional opinions of the Council's statutory officers.
- 5.6 There will also be a focus on the progress made against the governance issues identified the 2023/24 statement, as presented to the Committee on 20 February 2025:

Ref	Governance issue as identified in the 2023/24 AGS	Action
1	Governance review and reset	Establish a process to fully map the Council's governance arrangements, to understand and evaluate what changes are necessary, and in doing so to enable these to be delivered sustainably to ensure the smooth, efficient, and effective operation of the organisation.
2	Member/Officer Relationships	To continue to develop strong Member Officer working relationships in line with the Protocol for Member/Employee Relations.
3	Management compliance with regulations and procedures	Establish a council wide assurance and accountability framework for senior management to ensure compliance with regulations and procedures.
4	Organisational structure and efficiency	To complete the senior management restructure, and to ensure that it is operating in an effective manner and meeting the

Ref	Governance issue as identified in the 2023/24 AGS	Action
		requirements of new and emerging executive orders.
5	Transformation Programme	To continue to monitor and deliver the various elements within the Transformation Programme.
6	Housing transformation	To ensure that the actions and resourcing requirements within the Housing Transformation Plan, and from the outcome of the Regulator of Social Housing's judgement, are monitored and delivered in accordance with agreed timescales.
7	Use of interim postholders and consultants	Review current arrangements for the use of all key interim post holders and consultants to ensure that outcomes against cost are clearly defined and are being delivered. Ultimately to move to recruit into key posts.
8	Governance and monitoring arrangements for overseeing group and associated companies.	There is a need for the Council to review its governance and monitoring arrangements for overseeing group and associated companies. This includes those operating at arms-length where they continue to play a key shared role in the Council's provision of services.

- 5.7 As part of its preparation, the governance arrangements within each directorate are being considered, alongside the wider governance framework operating across the Council. Then once prepared, the statement will go through several consultation and approval routes including the Statutory Officers Group, Strategic Leadership Team and the relevant Members, before being presented to the Committee.
- 5.8 This process will help inform any future actions, in addition to those in the table above.
- 5.9 The statement will also continue to operate up to the date of the approval of the Statement of Accounts for 2024-25.

## **6. Financial Implications**

- 6.1 There are no direct resource or financial implications arising from this report.

## **7. Legal and Governance Implications**

- 7.1 The Council is required to prepare a governance statement to report publicly on the extent to which it complies with its code of governance, including how it has monitored the effectiveness of the governance arrangements in the year and on any planned changes in the coming period. The Council's governance statement must accompany its Statement of Accounts.

## **8. Risks**

- 8.1 The Annual Governance Statement takes into account the whole of the Council's risk management framework.

## **9. Equality and Diversity Implications (including the public sector equality duty)**

- 9.1 It was not necessary to undertake an Equality Impact Assessment.

## **10. Background Documents**

None.

## **11. How does this deliver the objectives of the Strategic Themes?**

This report will support the delivery of the following Strategic Themes:-

- Growing up in Sandwell
- Living in Sandwell
- Healthy in Sandwell
- Thriving Economy in Sandwell
- One Council One Team Approach.

The Council has adopted a code of corporate governance which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and underpins the Corporate Plan. The framework requires the Council to prepare an Annual Governance Statement to report publicly on the extent to which it complies with its code of governance on an annual basis, including how it has monitored the effectiveness of the annual governance arrangements in the year, and on any planned changes in the coming period. Every local authority must prepare a governance statement to accompany its Statement of Accounts.