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## **Audit and Governance Committee**

**29 September 2025**

### **Final Annual Governance Statement 2023/24**

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**Report of: Interim Director of Law & Governance (Monitoring Officer)**

**Report Reference No: AG/27/25-26**

**Ward(s) Affected: All Wards**

**For Decision**

#### **Purpose of Report**

- 1 The purpose of this report is for the committee to review and approve the final Annual Governance Statement (AGS) 2023/24 for signature by the Leader of the Council and the Chief Executive. Once approved and signed, the AGS will accompany the Statement of Accounts and be published on the council's website.
- 2 In accordance with the Accounts and Audit Regulations 2015, the AGS should be approved by members of the council meeting, or by a committee, at the same time as the Statement of Accounts is approved. The Audit and Governance Committee has delegated authority to approve the AGS.

#### **Executive Summary**

- 3 The first draft of the AGS 2023/24 was provided to the July 2024 meeting of the committee. Updated versions were subsequently provided to the December 2024 and February 2025 committee meetings.
- 4 The external auditors have now indicated that they have completed their work on the 2023/24 financial statements and as such the proposed final AGS can now be presented for approval and publication on the Council's website alongside the statement of accounts.
- 5 The proposed final AGS 2023/24 at Appendix 1 is unchanged from the version presented to the committee in February 2025.

- 6 Once agreed by the committee, the Statement will be signed by the Leader of the Council and the Chief Executive, and the AGS will accompany the Statement of Accounts and be published on the council's website.

## RECOMMENDATIONS

The Audit and Governance Committee is recommended to:

1. Approve the Annual Governance Statement 2023/24.

## Background

- 7 The council is required to prepare and publish an AGS. This requirement was introduced by the revised CIPFA/SOLACE Good Governance Framework (Delivering Good Governance in Local Government) and is necessary to meet the statutory requirement set out in Regulation 6 of the Accounts and Audit England Regulations 2015.
- 8 The purpose of the AGS process is to provide a continuous review of the organisation's governance arrangements to give assurance on the effectiveness on the processes and/or to address identified weaknesses, supporting the continuous improvement of the authority. This report and Appendix 1 are the results of that review.
- 9 Once approved and signed by the Leader and Chief Executive, the AGS will be published on the council's website, along with the Statement of Accounts, for members of the public, members, officers, and other stakeholders to view.
- 10 Members will be aware that due to delays in external audit completing their work on the financial statements for both 2022/23 and 2023/24, there have been delays in producing the AGS for both years. As a result, there is an element of duplication between the two Statements.
- 11 It should also be noted that whilst the 2023/24 Statement was last updated and presented to Committee in February 2025, the draft AGS for 2024/25 has subsequently been produced and presented to the committee at the July 2025 meeting. The 2024/25 AGS presents the latest position on the council's governance arrangements and will be finalised and presented to the committee in due course.

## Consultation and Engagement

- 12 The proposed final AGS for 2023/24 has been considered by the Corporate Leadership Team (CLT) and senior managers to ensure all issues impacting the council have been considered.

## Reasons for Recommendations

- 13 In accordance with the Accounts and Audit Regulations 2015, the AGS should be approved by Members of the Council meeting, or by a committee, at the same time as the Statement of Accounts is approved. The Audit and Governance Committee has delegated authority to approve the AGS.

## Other Options Considered

- 14 None applicable.

Option	Impact	Risk
Do nothing.	The Annual Governance Statement is not approved by Members of a Council meeting or committee.	Failure to comply with the Accounts and Audit Regulations 2015.

## Implications and Comments

### *Monitoring Officer/Legal/Governance*

- 15 The production of the AGS is required by Regulation 6(1)(b) of the Accounts and Audit Regulations 2015. The Accounts and Audit (Amendment) Regulations 2024 came into force on 30 September 2024 and set the timescales for the publication of the accountability statements, which sets out the timescales by which it must be published.
- 16 For the financial year beginning in 2023, after approving the statement of accounts, the authority should publish its accountability statements on or before the 28 February 2025. As detailed at the February 2025 Audit and Governance Committee, it was not possible to publish the accountability statements by the backstop date. This was due to the external auditor not being in a position to conclude that the financial statements were free from material and pervasive misstatement and receiving a number of objections from a local elector.
- 17 The external auditors have indicated that they have now completed their work on the 2023/24 financial statements and as such, the AGS can now be presented for approval and subsequent publication as part of the accountability statements.

- 18 The preparation of the AGS has been carried out in accordance with the guidance produced by the Chartered Institute of Public Finance (CIPFA) “Delivering Good Governance in Local Government (2016)”.

*Section 151 Officer/Finance*

- 19 There are no financial implications. The production of the AGS aligns with the production of the council’s annual accounts and is published alongside the audited accounts.

*Human Resources*

- 20 There are no direct implications for human resources.

*Risk Management*

- 21 The authority is required to prepare and publish an AGS to meet the statutory requirement set out in Regulation 6 of the Accounts and Audit England Regulations 2015. Failure to do so could result in non-compliance with the requirements of the Regulations.

*Impact on other Committees*

- 22 There are no impacts on other committees.

*Policy*

- 23 There are no direct implications for policy. The production of the AGS provides assurance on the council’s governance arrangements.

<b>Commitment 3: An effective and enabling council</b>
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*Equality, Diversity and Inclusion*

- 24 There are no direct implications for equality, diversity and inclusion.

*Other Implications*

- 25 There are no other implications.

## Consultation

Name of Consultee	Post held	Date sent	Date returned
<i>Statutory Officer (or deputy) :</i>			
Ashley Hughes	S151 Officer	16/09/25	16/09/25
Kevin O'Keefe	Interim Director of Law and Governance (Monitoring Officer)	16/09/25	16/09/25
<i>Legal and Finance</i>			
Steve Reading	Finance Manager	16/09/25	17/09/25
Julie Gregory	Acting Head of Legal Services	19/09/25	18/09/25

Access to Information	
Contact Officer:	Josie Griffiths, Michael Todd Head of Audit Risk and Assurance,  josie.griffiths@cheshireeast.gov.uk, michael.todd@cheshireeast.gov.uk
Appendices:	Appendix 1 – Final Annual Governance Statement 2023/24
Background Papers:	N/A