



**Audit & Standards Advisory  
Committee**  
16 June 2025  
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**Report from the Corporate Director  
of Finance and Resources**

**Lead Member – Deputy Leader &  
Cabinet Member for Finance &  
Resources (Councillor Mili Patel)**

## **Annual Governance Statement 2024/25**

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Not Applicable
<b>Open or Part/Fully Exempt:</b> (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
<b>List of Appendices:</b>	Two Appendix A: Annual Governance Statement Appendix B Local Code of Corporate Governance
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> (Name, Title, Contact Details)	Marsha Henry, Director of Law 07909 001910 <a href="mailto:Marsha.Henry@brent.gov.uk">Marsha.Henry@brent.gov.uk</a>

### **1.0 Executive Summary**

- 1.1. This report sets out the draft Annual Governance Statement (AGS) for 2024/25 as required by the Accounts and Audit Regulations 2015 (as amended).

### **2.0 Recommendation(s)**

- 2.1 That

- a) the Audit & Standards Advisory Committee consider and recommend for approval by the Audit & Standards Committee the Annual Governance Statement as set out in Appendix A.

- b) the Audit & Standards Committee consider and approve the Annual Governance Statement as set out in Appendix A taking into account the observations of the Audit & Standards Advisory Committee.

### **3.0 Detail**

#### **Contribution to Borough Plan Priorities & Strategic Context**

- 3.1 The Annual Governance Statement is required by the Accounts and Audit Regulations 2015 (As amended). It not only supports but evidences the good governance arrangements in Brent which underpins and contributes to the delivery of all of the strategic priorities within the Borough Plan which supports and enhances the Council's activity.

#### **Annual Governance Statement**

- 3.2 The council is required to prepare an Annual Governance Statement and have it approved by the relevant Committee. The statement must be signed prior to the signing of the accounts. The statement must be signed by the Chief Executive and Leader of the Council
- 3.3 CIPFA produced a refreshed framework document in 2016 setting out how local authorities could comply with the requirements to conduct a review and produce the Annual Governance Statement.
- 3.4 The guidance determines that the Annual Governance Statement should "provide a meaningful but brief communication regarding the review of governance that has taken place, including the role of governance structures involved. It should be high level, strategic and written in an open and readable style."
- 3.5 The seven core governance principles, applicable from 2016/17, are as follows:
- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;
  - B. Ensuring openness and comprehensive stakeholder engagement;
  - C. Defining outcomes in terms of sustainable economic, social, and environmental benefits;
  - D. Determining the interventions necessary to optimise the achievement of the intended outcomes;
  - E. Developing the entity's capacity, including the capability of its leadership and the individuals within it;
  - F. Managing risks and performance through robust internal control and strong public financial management, and

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

- 3.6 The review of effectiveness is an ongoing process involving officers responsible for key elements of the governance framework as well as members of the Corporate Governance Group, who throughout the year have oversight of governance related issues.
- 3.7 A Code of Corporate Governance adopted by the Council is included in the Constitution and a copy is contained in Appendix B.
- 3.8 The final part of the statement covers significant governance issues relating to 2024/25. There are no such issues identified that arose this reporting year although we draw attention to the Corporate Peer Challenge, the Procurement Peer Review, referral to the housing regulator.
- 3.9 The following factors should be considered in determining significant issues:
- The issue has seriously prejudiced or prevented the achievement of a principal objective;
  - The need to seek additional funding or divert funding to resolve the issue;
  - The issue has had a material impact on the accounts;
  - The issue has attracted significant public interest or has damaged the reputation of the organisation, or
  - The issue has resulted in formal action being taken by a Statutory Officer.
- 3.10 Improvement areas to further enhance governance arrangements are identified in paragraph 5, Table 1 of the AGS.
- 3.11 Progress in respect of the Improvement plan from last year is as follows:

Improvement Action	Progress on Improvement Plan	Owner
Better use of the Member Hub to ensure that Members are regularly kept up to date with developments and have easy access to necessary documents stored in one central place	Council officers have increasingly tried to promote this amongst Members and direct them to use it via the Members' Bulletin etc. Unfortunately uptake continues to be limited to a few councillors. There are however new initiatives, i.e. the SPI which will be used by Cllrs to access more specific ward information. Council Officers also continue to keep Members up to date and informed via the bulletin, group emails, the	Deputy Director, Democratic & Corporate Governance

	MLD Steering Group and training schedules.	
Quarterly monitoring and reporting of reports (to Council) that are submitted after the given deadline	These are reported as part of the monthly/quarterly KPIs with the appropriate narrative to accompany and provide an explanation for the reasons. Numbers have remained relatively constant with departments reminded of report deadlines etc to ensure that these are adhered to. This is also discussed periodically at the BAB meetings (where requested).	Deputy Director, Democratic & Corporate Governance
To further enhance our approach to risk management by assigning clear roles and responsibilities for the implementation of mitigating actions, scrutinising mitigating actions to ensure they have had the anticipated impact, and transparently reporting on where mitigating actions have been both successful and unsuccessful.	<p>A new addition to the September 2024 iteration of the Strategic Risk report was an enhanced action plan for each of the fourteen strategic risks. In prior iterations, risk owners had outlined actions they intended to implement to further address the risk, however, there was previously no system to follow-up and track these actions and whether they have had a positive impact on managing and mitigating the risk, or not. The enhanced action plan now includes a section to follow-up on actions that were previously outlined and assigns an action owner for increased accountability.</p> <p>This addition was made following recommendations from the March 2024 LGA report, which advised on best practices for councils facing financial challenges. The report shared learnings from five councils with experience of financial or governance challenges, which either led to a S114 notice or capitalisation direction.</p>	Deputy Director Organisational Assurance & Resilience
Development of a programme of coaching, mentoring and leadership development with a focus on EDI to support the EDI strategy	The Council now has Comprehensive People Strategy as well as a training programme in relation to EDI for the Council staff	Director of Human Resources and Organisational Development

Embed new performance framework and balanced scorecard approach at corporate and directorate level.	<p>We now have a corporate balanced scorecard and directorate level versions which are regularly discussed in Lead Member meetings.</p> <p>Overall performance and the scorecard are reported quarterly to CMT and PCG and Cabinet received a quarterly update on performance against the borough plan.</p> <p>We are continuing to refine and improve our performance framework in response to feedback, for example from the LGA Peer Challenge and to ensure that key KPIs are visible in the corporate scorecard.</p>	Director of Communications, Insight & Innovation
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#### **4.0 Financial Considerations**

4.1 There are no Financial Considerations.

#### **5.0 Legal Considerations**

5.1 The Accounts and Audit Regulations 2015 (as amended) require the council to prepare an annual governance statement and have this reviewed by a committee.

#### **6.0 Additional Considerations**

6.1 There are no additional considerations in relation to the following areas arising from the report:

- a) Equity, Diversity & Inclusion considerations
- b) Stakeholder and ward member consultation and engagement
- c) Climate Change and Environmental considerations
- d) Human Resources/Property considerations (if appropriate)
- e) Communication considerations

#### **Report sign off:**

***Minesh Patel***

Corporate Director of Finance and Resource