

 <p><b>Brent</b></p>	<p><b>Audit and Standards Advisory Committee</b> 16 June 2026</p> <p><b>Audit and Standards Committee</b> 16 June 2026</p>
	<p><b>Report from the Corporate Director of Finance and Resources</b></p>
	<p><b>Lead Member - Deputy Leader and Cabinet Member for Finance and Resources</b> <b>(Councillor Gwen Grahl)</b></p>
<p><b>Annual Governance Statement 2025-26</b></p>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Not Applicable
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>List of Appendices:</b>	One Appendix 1: Annual Governance Statement
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	<p>Darren Armstrong, Deputy Director Organisational Assurance and Resilience 020 8937 1751 <a href="mailto:Darren.Armstrong@brent.gov.uk">Darren.Armstrong@brent.gov.uk</a></p> <p>Biancia Robinson, Senior Constitutional and Governance Lawyer 020 8937 1544 <a href="mailto:biancia.robinson@brent.gov.uk">biancia.robinson@brent.gov.uk</a></p>

## 1.0 Executive Summary

- 1.1 This report sets out the draft Annual Governance Statement (AGS) for 2025-26.
- 1.2 In accordance with the Accounts and Audit Regulations 2015 (as amended), the Council is required to undertake an annual review of the effectiveness of its governance framework, including its system of internal control. The outcome of

this review must be formally reported within an Annual Governance Statement, which forms part of the Council's Statement of Accounts.

- 1.3 The draft AGS for 2025–26 is set out at Appendix 1. The format and structure of the Statement has been refreshed for this year and is aligned with the [CIPFA/SOLACE Delivering Good Governance in Local Government Framework Addendum \(2025\)](#).

## **2.0 Recommendation**

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**

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

3.1.1 The Annual Governance Statement (AGS) is a statutory requirement under the Accounts and Audit Regulations 2015 (as amended). It provides assurance on the effectiveness of the Council's governance framework, including systems of internal control, risk management, and organisational culture.

3.1.2 In line with the CIPFA/SOLACE *Delivering Good Governance in Local Government Framework*, the AGS demonstrates how the Council applies the core principles of good governance, including behaving with integrity, ensuring openness and accountability, defining outcomes, and managing risks and performance effectively.

3.1.3 The AGS not only evidences compliance but also provides a structured evaluation of how governance arrangements support the delivery of the Council's priorities. It highlights how decision-making, resource allocation, and oversight arrangements are aligned to strategic objectives, ensuring that public resources are used efficiently, effectively, and in a value-for-money manner. Furthermore, the AGS identifies governance strengths and areas for improvement, supported by a clear action plan to address control weaknesses and enhance organisational resilience. This continuous improvement approach strengthens assurance to members, officers, and stakeholders that the Council is operating within a robust governance framework capable of responding to current and emerging risks.

3.1.4 Through this process, the AGS contributes to maintaining public trust and confidence, underpinning the Council's ability to deliver sustainable outcomes

for residents and communities while meeting statutory obligations and adapting to an increasingly complex external environment.

## **3.2 Background**

- 3.2.1 The Council is required to prepare an Annual Governance Statement (AGS) in accordance with the Accounts and Audit Regulations 2015 (as amended). The AGS must be reviewed and approved by the appropriate Committee prior to the approval of the Statement of Accounts and signed by the Chief Executive and the Leader of the Council. This formal process ensures that those charged with governance provide explicit assurance on the adequacy and effectiveness of the Council's governance framework.
- 3.2.2 The preparation of the AGS is guided by the CIPFA/SOLACE *Delivering Good Governance in Local Government Framework*. This framework sets out seven core principles of good governance and requires local authorities to review, evaluate, and report on how these principles are embedded in practice.
- 3.2.3 Consistent with this guidance, the AGS is intended to provide a balanced, evidence-based assessment of governance arrangements, including systems of internal control, risk management, and decision-making processes. It should present a clear and strategic narrative that explains how governance supports the achievement of corporate objectives, while also identifying significant governance issues and setting out actions to address them. The AGS is therefore a key component of the Council's overall assurance framework, supporting transparency, accountability, and continuous improvement, and providing stakeholders with confidence in the Council's stewardship of public resources.
- 3.2.4 The CIPFA/SOLACE *Delivering Good Governance in Local Government Framework* identifies seven core principles of good governance, which underpin the Council's approach:
- A.** Behaving with integrity, demonstrating a 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 intended outcomes;
  - E.** Developing the entity's capacity, including the capability of its leadership and workforce;
  - 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.

### **3.3 Annual Governance Statement 2025-26**

3.3.1 In developing the 2025–26 AGS, particular emphasis has been placed on moving away from a standardised, compliance-based approach towards a more organisation-specific and reflective narrative. The aim is for the Statement to present a clear and transparent account of how governance arrangements have operated in practice over the course of the year. Accordingly, the AGS is positioned not only as a statement of compliance, but as a narrative of assurance, improvement, and accountability.

3.3.2 The Statement has been structured to provide a clear, comprehensive and transparent account of how the Council’s governance arrangements operated during 2025–26, how their effectiveness has been reviewed, and how the Council intends to strengthen them further in the year ahead. The revised structure:

- sets out the Council’s governance framework and core principles;
- highlights key developments, achievements, and areas of improvement during 2025–26;
- provides an assessment of the effectiveness of governance arrangements;
- identifies any significant governance issues; and
- includes a forward-looking section focused on continuous improvement.

3.3.3 An executive summary is also included to provide an overview, alongside an action plan which will continue to evolve as governance issues are monitored and addressed.

### **4.0 Stakeholder and ward member consultation and engagement**

4.1 None.

### **5.0 Financial Considerations**

5.1 The report is for noting and so there are no direct financial implications.

### **6.0 Legal Considerations**

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

### **7.0 Equity, Diversity & Inclusion (EDI) Considerations**

7.1 None.

**8.0 Climate Change and Environmental Considerations**

8.1 None.

**9.0 Communication Considerations**

9.1 None.

**Report sign off:**

***Minesh Patel***

Corporate Director of Finance and Resources