

AUDIT AND GOVERNANCE COMMITTEE

20 May 2026

Annual Governance Statement 2025/26

Report by Director of Law & Governance and Monitoring Officer

RECOMMENDATION

- 1. The Audit & Governance Committee is RECOMMENDED to approve the Annual Governance Statement 2025/26, subject to the Monitoring Officer making any necessary amendments in the light of comments made by the Committee, after consultation with the Leader of the Council, the Chief Executive, and the Section 151 Officer.**

Executive Summary

2. The Audit & Governance Committee has the responsibility of approving the Council's Annual Governance Statement (AGS) each year.
3. Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles. This includes reporting on how they have monitored and evaluated the effectiveness of their governance arrangements in the previous year and setting out any planned changes in the coming period.

Format of the Annual Governance Statement

4. The Annual Governance Statement (AGS) follows CIPFA and SOLACE guidance, which sets out key principles for local government governance in the "Delivering Good Governance in Local Government: Framework 2016 Edition."
5. The most recent guidance, issued by CIPFA and SOLACE in May 2025, provides updated requirements for the annual evaluation of governance and internal controls, as well as the preparation of the AGS. Serving as an addendum to the original framework, these revisions apply to UK local government statements from the 2025/26 period onward.
6. The addendum also supports the development of a local code of governance, ensuring that authorities implement all essential structures necessary to sustain sound governance practices. It emphasises the importance of conducting comprehensive reviews supported by varied sources of assurance to facilitate robust overall assessments. Authorities are expected to assess whether their governance arrangements remain effective and to identify any significant areas needing improvement.

7. Additionally, the AGS should adopt a forward-looking approach, describing how governance frameworks may be adapted to meet the future requirements of the authority.
8. The council's AGS includes:
 - An opinion on the Council's governance arrangements for 2025/2026 from the Council's Chief Executive and the Leader of the Council;
 - A review of the effectiveness of the Council's governance arrangements for 2025/2026;
 - A conclusion in relation to the effectiveness of those governance arrangements;
 - A review of the action plan from last year's statement;
 - An action plan for the coming year; and,
 - An annex summarising the Council's governance framework.
9. The AGS has been prepared in consultation with the Council's Corporate Governance Assurance Group (CGAG); an officer working group, which is responsible for monitoring the Council's governance arrangements during the year. The statement reflects enquiries made of officers with relevant knowledge, experience, and expertise. The review has been undertaken in consultation with the Council's Head of Paid Service, the Monitoring Officer and Deputy Chief Executive (Section 151 Officer), and all Directors.
10. During the preparation of the AGS, CGAG considered a series of thematic corporate lead statements. These statements, developed by service leads, outline the governance arrangements for the 2025/26 year and identify key areas for attention in 2026/27. CGAG will continue to monitor these areas throughout the forthcoming year.
11. In addition, Director Leadership Teams assessed the level of assurance that they had in their service area regarding colleagues' awareness and compliance.
12. The Strategic Leadership Team (SLT) (comprising the Council's Directors and Statutory S.151 and Monitoring Officers) were asked to reflect on their own view of the governance within their service during 2025/2026 when each completing their own Certificates of Assurance.
13. The action plan for 2026/27 highlights certain aspects of governance which CGAG consider require a particular level of focus this year which might not otherwise be apparent from work regularly reported to the Committee. As such, progress reports on these actions will be reported to the Committee throughout the year. The AGS is therefore a means of giving the Committee, and the public, visibility on those areas of focus.
14. Other governance and audit activity across the Council will be reported to this Committee (and to the Audit Working Group) through the normal work programmes.

Conclusion

15. Based on the position outlined in the AGS, the 'Opinion' expressed in the AGS is:

"It is our opinion that the Council's governance arrangements in 2025/26 were adequate and provide a platform for achieving the Council's priorities and challenges in 2026/27."

16. The Committee is invited to approve the AGS.

Financial Implications

17. There are no direct financial implications arising from this report.

Comments checked by:

Drew Hodgson, Strategic Finance Business Partner

drew.hodgson@oxfordshire.gov.uk

Legal Implications

18. The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised. In discharging these responsibilities, the Council must put in place proper arrangements for the governance of its affairs and effective exercise of its functions.

19. The Accounts and Audit Regulations 2015 require councils to undertake an annual review of their governance. The Regulations require that an Annual Governance Statement, prepared to fulfil this requirement, should form part of the Council's Statement of Accounts. The report is therefore coming to the Committee to meet this purpose and that timescale. A version of the AGS therefore needs to be approved at this meeting.

20. The Regulations also state that the Annual Governance Statement should be prepared in accordance with proper practices. Compliance with the CIPFA guidance (*Delivering Good Governance in Local Government: Framework (2016)/ May 2025 Addendum*) fulfils this requirement. The AGS put forward with this report is compliant with that guidance/framework.

Comments checked by:

Jay Akbar, Head of Legal & Governance Services, and Deputy Monitoring Officer

jay.akbar@oxfordshire.gov.uk

Staff Implications

21. There are no direct staff implications arising from this report.

Equality & Inclusion Implications

22. There are no direct equality and inclusion implications arising from this report.

Sustainability Implications

23. There are no direct sustainability implications arising from this report.

Risk Management

24. There are no direct risk management implications arising from this report.

Anita Bradley, Director of Law & Governance, and Monitoring Officer

Annex: Annex 1: Annual Governance Statement 2025/26

Contact Officers: Sarah Smith, Senior Governance Lead
governance@oxfordshire.gov.uk

May 2026