

Council

24 February 2026



Reading
Borough Council
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Title	Annual Governance Statement 2024/25
Purpose of the report	To make a decision
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Jayne La Grua, Monitoring Officer & Director, Legal & Governance
Report author	Nicky Blacker, Deputy Chief Accountant
Lead Councillor	Cllr Ellie Emberson, Lead Councillor for Corporate Services and Resources
Council priority	Not applicable, but still requires a decision
Recommendations	<ol style="list-style-type: none">1. That the Annual Governance Statement for 2024/25 be approved.2. That the Director, Legal & Governance be authorised to make minor amendments to the Statement, in consultation with the Leader and Chief Executive, prior to signature by the Leader and Chief Executive.

1. Executive Summary

- 1.1. The Council is responsible for ensuring that financial management is adequate and effective and that the Council has a sound system of internal control, which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.
- 1.2. The Accounts and Audit Regulations require local authorities to prepare and publish an Annual Governance Statement (AGS) each financial year, which accompanies the authority's financial statements.
- 1.3. The Annual Governance Statement is a key record of the overall effectiveness of governance arrangements within the Council. The statement reflects the latest guidance from CIPFA/SOLACE on a strategic approach to governance and demonstrates how the key governance requirements have been met.

2. Policy Context

- 2.1. The Council's AGS for 2024/25 is attached at Appendix 1.
- 2.2. Essentially, it outlines for the Council:
 - the scope of governance responsibilities;
 - the purpose of the governance framework;
 - a description of the governance framework against the CIPFA/SOLACE Framework for "Delivering Good Governance in Local Authorities";
 - arrangements for reviewing the effectiveness of the governance framework; and

- governance issues that need to be addressed.
- 2.3. The preparation of the Statement has built on previously established arrangements, which involves the collating of information from a number of sources, both internal and external. The information is analysed, and a draft AGS is produced, discussed with key officers, and any amendments identified are then made.
 - 2.4. To support the Annual Governance review, each directorate is required to complete a Directorate Governance Statement in relation to systems and processes operational within their areas during the year. These are signed off by the relevant Executive Director. The Directorate Statements demonstrate that Directorates have evaluated and assessed their internal control environment.
 - 2.5. The Council receives a substantial amount of assurance from the work that is undertaken by its Internal and External Auditors (KPMG). The role of Internal Audit is to provide independent assurance that the Council's risk management, governance and internal control processes are operating effectively. The role of External Audit is to review the financial statements, obtain evidence that they are materially correct and provide an opinion as to whether these represent a true and fair view of the financial position of the Council. External Audit also provides a value for money opinion assessing whether proper arrangements are in place for securing financial resilience and challenging how the Council secures economy, efficiency and effectiveness.
 - 2.6. The Audit and Governance Committee receives reports and updates from both Internal and External Auditors throughout the year and consider their impact on the control environment.
 - 2.7. One of the assurance statements the Council receives is the annual opinion of the Chief Internal Auditor in respect of the control framework. The opinion of the Chief Internal Auditor in respect of audit work completed in 2024/25 was reported to the Audit and Governance Committee on 16 July 2025 and gives Reasonable Assurance on the internal control environment based on the areas audited.

3. The Proposal

- 3.1. The statement covers the period up to the publication of the accounts, but, as the Statement is signed by the Leader of the Council and the Head of Paid Service, it would be sensible to authorise minor amendments that may be needed before then. The need for material amendment is not currently anticipated. External Audit will review the statement for consistency with their knowledge of the Council but does not "audit" it as such.

4. Contribution to Strategic Aims

- 4.1. The Council Plan has established five priorities for the years 2025/28. These priorities are:
 - Promote more equal communities in Reading;
 - Secure Reading's economic and cultural success;
 - Deliver a sustainable and healthy environment and reduce our carbon footprint;
 - Safeguard and support the health and wellbeing of Reading's adults and children;
 - Ensure Reading Borough Council is fit for the future.
- 4.2. In delivering these priorities, we will be guided by the following set of principles:
 - Putting residents first;
 - Building on strong foundations;
 - Recognising, respecting, and nurturing all our diverse communities;
 - Involving, collaborating, and empowering residents;
 - Being proudly ambitious for Reading.

- 4.3. Full details of the Council Plan and the projects which will deliver these priorities are published on the Council's website. These priorities and the Council Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.
- 4.4. The concept of Governance is cross-cutting and relevant to all Services of the Council and to all of our public facing services. As such it is relevant to the Council's ability to be able to deliver on all of its Corporate Priorities. Good Governance is also strongly linked to the principle of "Building on strong foundations".

5. Environmental and Climate Implications

- 5.1. None arising.

6. Community Engagement

- 6.1. It is not anticipated that there will be public consultation on the Annual Governance Statement. It will however be in the public domain, and is written in such a way to be accessible for members of the public to understand the Council's approach to Corporate Governance.

7. Equality Implications

- 7.1. Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate direct or indirect discrimination, harassment, victimisation, or any other conduct prohibited by the Equality Act 2010;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- 7.2. An Equality Impact Assessment (EIA) is not relevant to this report.

8. Other Relevant Considerations

- 8.1. There are none.

9. Legal Implications

- 9.1. Covered in the main body of the report.

10. Financial Implications

- 10.1. There are no direct financial implications arising from this report.

11. Timetable for Implementation

- 11.1. Not applicable.

12. Background Papers

- 12.1. There are none.

Appendices

1. **Annual Governance Statement 2024/25**