

ANNUAL GOVERNANCE STATEMENT 2024-2025

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Background Information

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts.

The Smaller Authorities' Proper Practices Panel (SAPPP) Guide (March 2025) is issued to support the preparation by smaller authorities in England of statutory annual accounting and governance statements found in the Annual Governance and Accountability Return (AGAR). Section 1 of the AGAR is in the form of a number of statements, known as assertions, to which the authority needs to answer, 'Yes' or 'No'.

The SAPPP Guide sets out the actions that authorities need to have taken either during the financial year or after the financial year-end to answer 'Yes' to each assertion. The authority needs to have appropriate evidence to support a 'Yes' answer, for example, a minute reference.

SUPPORTING EVIDENCE

ASSERTION 1: We have put in place arrangements for the effective financial management during the year, and for the preparation of the accounting statements.

- The Finance & General Purposes Committee considered the 2024-25 budget at its meetings held on 27th November 2023, 3rd and 8th January 2024.
- The draft budget was taken to Full Council for consideration at the Parish Council meeting held on 4th December 2023.
- Full Council approved the budget at the Parish Council Meeting held on 15th January 2024.
- A Precept was set at the Parish Council Meeting held on 15th January 2024.
- The Finance & General Purposes Committee review the Income & Expenditure Report which includes a budget comparison at every meeting. This is then received, verified and noted each month by Full Council.
- The Finance & General Purposes Committee verify the bank reconciliation against the bank statement at their meeting each month which is then received and noted by Council.
- Council adopted the 'Statement of Internal Control' at the Annual Meeting of Council held on 20th May 2024.
- Council use Rialtas Business Solutions, a sector specific finance package, for the recording of all financial transactions.
- Council arranges for Rialtas Business Solutions to close down the accounts for Audit each year.
- The Clerk is also the Responsible Financial Officer for Groby Parish Council as noted in her contract of employment.
- Council had a Financial Reserves Policy which is reviewed annually and adopted on 15th January 2024.

ASSERTION 2: We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness

- Standing Orders and Financial Regulations, which are taken from the National Association of Local Councils Model Templates were adopted at the Full Council meeting held xxx These are reviewed annually.
- The Statement of Internal Control was reviewed by the Finance & General Purposes Committee at their meeting held on 13th May 2024. Council adopted and signed the Statement of Internal Control at the Full Council Meeting held on 20th May 2024. This policy is reviewed annually.
- Council do not have a credit card or petty cash
- Bank signatories were reviewed and revised at the Annual Meeting of Council held on 20th May 2024. These are reviewed annually.
- Salary arrangements are reviewed by the Staffing Committee and approved by Full Council.
- Council engages the services of an external payroll provider.
- Council appointed LRALC Internal Audit Service who carry out internal control checks.

ASSERTION 3: We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.

- All decisions of Council are taken within meetings of Full Council or Committees with delegated authority. All actions are carried out by Groby Parish Council staff unless otherwise stated within the meeting minutes.

ASSERTION 4: We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.

- Following approval of the AGAR at the Council meeting held on 17th June 2024; the 'Notice of Public Rights and Publication of Unaudited Annual Governance and Accountability Return for the Year Ended 31 March 2024' was announced on 21st June 2024 and published on Council's website and on the noticeboard outside the Parish Council Office. The inspection period of electors' rights commenced on Monday 24th June 2024 which was 1 day after the date of announcement and ended on Friday 2nd August 2024 which was a single period of 30 working days (inclusive) and included the first 10 working days of July.

ASSERTION 5: We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.

- The Financial Risk Assessment policy was reviewed and revised by the Finance & General Purposes Committee at their meeting held on 13th May 2024. The revised policy was adopted by Full Council at the Full Council meeting held on 20th May 2024.
- Health and Safety Risks are mitigated by Council engaging the services of external Health and Safety Consultants Stallard Kane, who advise on such matters.

- An annual RoSPA (The Royal Society for the Prevention of Accidents) playground inspection is carried out on all Council owned parks.
- An annual, external Arboriculturist Survey is commissioned to inspect all the trees on Parish Council owned land. All works identified within the survey report are systematically carried out.
- A 3-year contract for Council Insurance is in place with brokers Clear Councils Insurance which was agreed at the Annual Meeting of Council held on 16th May 2022 and runs until 1st June 2025.

ASSERTION 6: We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.

- Council appointed LRALC Internal Audit Service as their independent, internal audit provider for 2024-2025 at the Full Council meeting held on 4th November 2024. Cathy Walsh carried out Groby Parish Council's Internal Audit for the financial year 2024-2025 on 28th May 2025.
- Council took all the necessary steps to facilitate the work of the Internal Auditor and supplied all documentation requested.

ASSERTION 7: We took appropriate action on all matters raised in reports from Internal and External Audit

- Internal Audit recommendations were actioned throughout the year and the comments from the Internal Audit in relation to this are noted within the 2024-2025 Internal Audit Report.
- The Interim External Auditor's report issued on 24th September 2024 could not certify completion of Conclusion of Audit. The report stated that "We must complete our review work before we are able to certify completion and discharge our responsibilities".

In February 2025, the External Auditor, in consideration of objections to the AGAR, raised points of clarification of Council and requested various pieces of information. Council's response was considered and approved at the Full Council Meeting held on 3rd March 2025 and was subsequently sent. These matters are still ongoing.

ASSERTION 8: We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.

- During the 2024-25 budget setting process consideration was given to the costs of the External Audit with the expectation that, as in previous years, objections to the accounts would be received by the External Auditor and that any investigations would be charged out at £355 per hour. An accrual for the estimated External Auditor costs was included in the accounting statements.

ASSERTION 9: Trust Funds

Not Applicable.