Yorkshire Dales National Park Authority **Item 7**

Audit and Review Committee

14 April 2026

Annual Governance Statement 2025/26

Purpose of the Report

1. To seek Members' approval of the Annual Governance Statement for 2025/26.

Recommendations

2. It is recommended that:
    i. Members review and approve the Annual Governance Statement to accompany the 2025/26 Statement of Final Accounts, and the Chair of the Audit & Review Committee signs the Annual Governance Statement; and
    ii. Members confirm that, subject to the matters identified in Table B which are to be addressed in 2026/27, the Authority's internal control systems and governance arrangements are considered to be fit for purpose.

Strategic Framework

3. The information and recommendation(s) contained in this report are consistent with the Authority's statutory purposes and support the strategic planning framework:
    - Corporate Plan Objective 30:
      Operate governance arrangements that are fit for purpose, as reported through the Annual Governance Statement and Annual Governance Report.

Background

4. Regulation 6(1) of the Accounts and Audit Regulations 2015 requires the Authority to conduct an annual review of the effectiveness of its governance arrangements and its system for internal control each financial year and produce an Annual Governance Statement (AGS) which has to be published. The AGS also includes actions for improving our governance in the year ahead.

5. The AGS can either be included in the Statement of Final Accounts or be published as a separate document. The approved AGS 2025/26 will be appended to the Statement of Final Accounts in the usual way.

Scope and preparation of the Annual Governance Statement

6. This Statement has been prepared in line with guidance issued by the Chartered Institute for Public Finance and Accountancy (CIPFA) and Solace “Delivering Good Governance in Local Government: Framework", 2016. The guidance recommends that authorities should test their governance structures and partnerships against the principles in the framework by:

    - reviewing existing governance arrangements;
    - developing and maintaining an up-to-date local code of governance including arrangements for ensuring on-going effectiveness;
    - reporting publicly on compliance with their adopted code on an annual basis

7. An update of the guidance was issued by way of an addendum in May 2025 and replaces chapter 7 of the Framework publication. The 2016 publication and the seven principles of good governance remain unchanged.

8. The Annual Governance Report to this Committee in November 2025 included an assessment and evaluation of the effectiveness of the Authority’s governance arrangements throughout the year, together with a review of the Authority’s Local Code of Corporate Governance. The AGS is the third stage of this process and is the point at which the Authority reports publicly on compliance with the Local Code of Corporate Governance on how the effectiveness of the governance arrangements has been monitored during the year and on any planned actions.

9. The AGS should include:

    a. an acknowledgement of responsibility for ensuring that there is a sound system of governance incorporating the system of internal control, and with reference to the Authority’s Local Code of Corporate Governance;

    b. reference to, and an assessment of, the key elements of the governance framework, and the role of those responsible for the maintenance of the governance environment within the Authority;

    c. an opinion on the level of assurance that the governance arrangements can provide, and confirmation that the arrangements can continue to be regarded as fit for purpose in accordance with the governance framework.

10. The CIPFA guidance recommends that the AGS should be signed by the Chief Executive and a leading Member. The Chair of Audit & Review Committee as the lead Member for the Committee has authority to approve the AGS under the Scheme of Delegation.

11. The AGS must relate to the governance system as it applied during the financial year for the accounts that it accompanies. To date there are no significant control weaknesses which in the opinion of the Head of Internal Audit need to be considered for inclusion in the Annual Governance Statement.

12. The Chief Financial Officer and the Monitoring Officer have reviewed the system for internal control, and the findings are set out in the draft AGS for 2025/26 which is attached as an **Appendix** to this report. **Table A** of the AGS lists those matters which were identified in the 2024/25 AGS and the actions taken to address those matters. **Table B** lists those matters which the current review has identified require addressing over the next twelve months.

Financial Implications

13. None.

Legal Implications

14. The preparation of the AGS ensures compliance with the Accounts and Audit Regulations 2015.

Equality, Diversity and Inclusion Implications

15. None.

Consultation

16. The Chair of the Authority and the Member Champion for Corporate Management have been consulted in connection with the draft AGS.

Conclusion

17. Subject to addressing those matters identified in **Table B**, the Authority's internal control systems and governance arrangements are considered to be adequate and effective.

Clare Burrows
Director of Corporate Services

Michelle Clyde
Chief Financial Officer

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