Cyd-Bwyllgor Corfforedig Gogledd Cymru
North Wales Corporate Joint Committee

NORTH WALES CORPORATE JOINT COMMITTEE

25 September, 2026

TITLE:	Annual Governance Statement 2025/26
AUTHORS:	Mark Watkins, Monitoring Officer

1. PURPOSE OF THE REPORT

1.1. To present the Annual Governance Statement 2025/26, which records the outcome of the annual review of the Corporate Joint Committee's governance and internal control arrangements, and to seek its approval.

2. DECISION SOUGHT

2.1. To approve the Annual Governance Statement 2025/26 at Appendix 1 as the Corporate Joint Committee's statement on internal control for the purposes of Regulation 5 of the Accounts and Audit (Wales) Regulations 2014 (as amended).

2.2 To note and endorse the Governance Improvement Plan for 2026/27 contained within the Statement

2.3. To authorise the Chair and Chief Executive to sign the Annual Governance Statement.

3. REASON FOR THE DECISION

3.1. The Corporate Joint Committee is required to review the effectiveness of its system of internal control at least annually and, following that review, to approve a statement on internal control prepared in accordance with proper practices. The Annual Governance Statement is the means by which the CJC records that review, its overall assurance conclusion and the governance improvements to be progressed during 2026/27.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

4.1. The Accounts and Audit (Wales) Regulations 2014 (as amended) apply to corporate joint committees. Regulation 5 requires the CJC to maintain a sound system of internal control, including arrangements for risk management and adequate and effective financial management; to review the effectiveness of that system at least once each year; to consider the findings of that review; and to approve a statement on internal control. The approved statement will accompany the Statement of Accounts.

4.2. The Annual Governance Statement 2025/26 has been prepared on that basis and having regard to the CIPFA/SOLACE Delivering Good Governance in Local Government Framework. It considers the CJC's wider governance framework, including constitutional and decision-making arrangements, ethical governance, financial management, risk and performance, transparency, programme and partnership governance, organisational capacity, and internal and external assurance.

4.3. The 2025/26 financial year was the first full year following the transfer on 1 April 2025 of the North Wales Growth Deal responsibilities, together with the associated staff, resources, financial responsibilities and governance arrangements, from the former North Wales Economic Ambition Board arrangements into the CJC. The review therefore considers not only compliance with the governance framework, but the extent to which the CJC's expanded organisational and assurance arrangements have been effectively embedded.

4.4. The review has been led by the Monitoring Officer in consultation with the Chief Executive and Chief Finance Officer and draws on evidence and assurance from relevant senior officers and service leads, together with Internal Audit and Audit Wales evidence where available. The Statement distinguishes significant governance issues and material control weaknesses from governance development actions and routine operational matters.

4.5. The Statement concludes that the governance framework provided a reasonable basis for the lawful, accountable and effective discharge of the CJC's functions during 2025/26, while recognising that a number of corporate governance arrangements remain in development or require further embedding. Those matters are reflected in the governance improvement action plan for 2026/27.

4.6. The draft Statement had been programmed for review by the Governance and Audit Sub-Committee on 15 September 2026. Following postponement of that meeting, it has not been possible for the Sub-Committee to review the Statement before this meeting. This does not prevent the CJC from considering the findings of the review and approving the Statement itself under Regulation 5. To preserve the Sub-Committee's assurance role, the Statement and improvement action plan will be presented to its rescheduled meeting at the earliest opportunity, with any material recommendations reported back to the CJC.

5. LEGAL IMPLICATIONS

The legal implications are set out above. Compliance with Regulation 5 requires an annual review of the effectiveness of the CJC's system of internal control, consideration of the findings and approval of the statement on internal control. The statement must accompany the CJC's Statement of Accounts.

6. FINANCIAL IMPLICATIONS

There are no direct financial implications arising from approval of the Annual Governance Statement. Financial management and internal control form part of the annual review, and any resource implications arising from individual improvement actions will be addressed through the relevant budgetary and decision-making processes.

APPENDICES:

Appendix 1: Annual Governance Statement 2025/26

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer:

I am satisfied that the approach taken to the Annual Governance Statement 2025/26 is consistent with the requirements of Regulation 5 and provides a proportionate basis for the CJC's annual governance assurance. The postponement of the Governance and Audit Sub-Committee does not prevent the CJC from approving the Statement itself, but the Sub-Committee's review should be completed at the earliest opportunity and any material recommendations reported back to the CJC.

ii. Statutory Finance Officer:

I am satisfied that the contents of the Annual Governance Statement is a fair reflection of the governance arrangements and relevant activities of the Corporate Joint Committee in 2025/26, that the statement meets the requirements of the Accounting and Audit Regulations to prepare a statement of internal control.