

Meeting: Audit Committee **Date:** 27 May 2026

Wards affected: All

Report Title: Draft Annual Governance Statement 2025/2026

Cabinet Member Contact Details: Councillor David Thomas, Leader of the Council,
David.thomas@torbay.gov.uk

Director Contact Details: Matthew Fairclough-Kay, Director of Corporate Services,
matthew.fairclough-kay@torbay.gov.uk

1. Purpose of Report

- 1.1 The preparation of the Annual Governance Statement provides the opportunity for the organisation to review its processes, controls and objectives and to provide assurance to Members, Senior Officers and stakeholders as to the reliability of its Statement of Accounts and the probity of its operations.
- 1.2 The Annual Governance Statement fulfils the statutory requirement in England for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review with its Statement of Accounts.

2. Reason for Proposal and its benefits

- 2.1. The proposals in this report help us to deliver our vision of a healthy, happy, and prosperous Torbay by setting out publicly the extent to which the Council complies with its own code of corporate governance (part of the codes and protocols of the Constitution), including how it monitored and evaluated the effectiveness of its governance arrangements in the year.
- 2.2 The reason for the decision is to meet the requirements of the Accounts and Audit (England) Regulations.

3. Recommendation(s) / Proposed Decision

- 3.1. That the draft Annual Governance Statement for 2025/2026 be agreed and included in the draft Statement of Accounts and be forwarded to the External Auditors for comment.

4. Appendices

Appendix 1: Draft Annual Governance Statement 2025/2026

Exempt Appendix 2: Appendix to the Annual Governance Statement

5. Background Documents

- Draft Code of Corporate Governance

Supporting Information

6. Introduction

- 6.1 The Annual Governance Statement for 2025/2026 has been prepared and, if agreed by Audit Committee, will be sent to External Auditors with the Annual Statement of Accounts for comment, to be finally approved by Audit Committee later in the year.
- 6.2 Regulations require every local authority to include in their annual Statement of Accounts an Annual Governance Statement signed by the Leader of the Council and the Chief Executive. CIPFA set out how the format that each Annual Governance Statement should follow.
- 6.3 An updated Code of Corporate Governance was approved by the Council at its Adjourned Annual Meeting on 14 May 2026. This Annual Governance Statement has been prepared based on that updated Code.

7. Options under consideration

- 7.1. Members of the Audit Committee may wish to amend and add to the draft Annual Governance Statement.

8. Financial Opportunities and Implications

- 8.1. There are no financial commitments to the council beyond the officer time involved in collating this report.

9. Legal Implications

- 9.1. Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts.

10. Engagement and Consultation

- 10.1. The Statement is prepared with information from Senior Officers across the Council and Internal Audit reports. It has been reviewed by the Chief Executive and Leader of the Council.

11. Procurement Implications

11.1. Not applicable.

12. Protecting our naturally inspiring Bay and tackling Climate Change

12.1. Not applicable.

13. Associated Risks

13.1. That the requirements of the Accounts and Audit (England) Regulations are not adequately met.

14. Equality Impact Assessment

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Age	<ul style="list-style-type: none"> 18% of Torbay residents are aged under 18 years old. 55% of Torbay residents are aged between 18 to 64 years old. 27% of Torbay residents are aged 65 and older. 	There is no differential impact.		
Carers	<ul style="list-style-type: none"> At the time of the 2021 census there were 14,900 unpaid carers in Torbay. 5,185 of these carers provided 50 hours or more of care. 	There is no differential impact.		
Care experienced	<ul style="list-style-type: none"> As of January 2026, there were 277 former care experienced young people aged 18-24 in Torbay. 	There is no differential impact.		
Disability	<ul style="list-style-type: none"> In the 2021 Census, 23.9% of Torbay residents answered that their day-to-day activities were limited 	There is no differential impact.		

	a little or a lot by a physical or mental health condition or illness.			
Gender reassignment	<ul style="list-style-type: none"> In the 2021 Census, 0.4% of Torbay's community answered that their gender identity was not the same as their sex registered at birth. 	There is no differential impact.		
Marriage and civil partnership	<ul style="list-style-type: none"> Of those Torbay residents aged 16 and over at the time of 2021 Census, 44.2% of people were married or in a registered civil partnership. 	There is no differential impact.		
Pregnancy and maternity	<ul style="list-style-type: none"> Between 2013 and 2024, the rate of live births (as a proportion of females aged 15 to 44) has been slightly but significantly higher in Torbay (average of 56.0 per 1,000) than the Southwest (53.4) and broadly in line with England (56.3). For the period 2022 to 2024, rates in Torbay (44.6) have been significantly below England (50.0). 	There is no differential impact.		

<p>Race</p>	<p>In the 2021 Census, 96.1% of Torbay residents described their ethnicity as the following:</p> <ul style="list-style-type: none"> • 1.6% as Asian, Asian British or Asian Welsh • 0.3% as Black, Black British, Black Welsh, Caribbean or African • 1.5% as being of Mixed or Multiple ethnic groups • 96.1% as White • 0.4% described their ethnicity another way. <ul style="list-style-type: none"> • Black, Asian and minoritised ethnic communities are more likely to live in areas of Torbay classified as being amongst the 20% most deprived areas in England. 	<p>There is no differential impact.</p>		
<p>Religion and belief</p>	<p>The 2021 Census showed that the residents in Torbay identify their religion and/or belief as the following;</p> <ul style="list-style-type: none"> • 48.5% are Christian • 0.4% are Buddhist • 0.2% are Hindu • 0.6% are Muslim • Less than 0.1% are Sikh • 0.1% are Jewish • 0.7% have another religion • 43.2% have no religion • 6.3% did not answer 	<p>There is no differential impact.</p>		

Sex	<ul style="list-style-type: none"> • 51.3% of Torbay's population are female. • 48.7% of Torbay's population are male. 			
Sexual orientation	<p>In the 2021 Census, residents described their sexuality as follows;</p> <ul style="list-style-type: none"> • 89% as Straight or Heterosexual • 1.7% as Gay or Lesbian • 1.1% as Bisexual • 0.1% as Pansexual • 0.1% described their sexuality another way • 7.4% of people didn't answer the question 	There is no differential impact.		
Armed Forces Community	<ul style="list-style-type: none"> • In 2021, 3.8% of residents in England reported that they had previously served in the UK armed forces. • In Torbay, 5.9% of the population have previously served in the UK armed forces. 	There is no differential impact.		
Additional considerations				
Socio-economic impacts (Including impacts on child poverty and deprivation)	<ul style="list-style-type: none"> • Torbay is ranked as the 39th most deprived upper tier local authority in England in the Index of Multiple Deprivation 2025. 	There is no differential impact.		

Public Health impacts (Including impacts on the general health of the population of Torbay)	<ul style="list-style-type: none"> For the five-year period 2020 to 2024, data shows there is a 6-year life expectancy gap between males who live in Torbay's least and most deprived areas and, a 3-year gap for females. 	There is no differential impact.		
Human Rights impacts		There is no differential impact.		
Child Friendly		There is no differential impact.		

15. Cumulative Council Impact

15.1. None

16. Cumulative Community Impacts

16.1. None