

Report to:	AUDIT COMMITTEE
Relevant Officers:	Tracy Greenhalgh, Chief Internal Auditor Steve Thompson, Director of Resources Mark Towers, Director of Governance and Partnerships
Date of Meeting	30 June 2016

ANNUAL GOVERNANCE STATEMENT 2015/2016

1.0 Purpose of the report:

1.1 To consider the Annual Governance Statement for 2015/2016.

2.0 Recommendation(s):

2.1 The Audit Committee is asked to approve the Annual Governance Statement for 2015/2016 and consider undertaking a mid-year review of progress against the actions outlined in the Annual Governance Statement.

3.0 Reasons for recommendation(s):

3.1 The Accounts and Audit Regulations (2015) require the Council to conduct a review on the effectiveness of its system of internal control and publish an Annual Governance Statement with the Statement of Accounts.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None.

4.0 Council Priority:

4.1 The relevant Council Priorities are

“The economy: Maximising growth and opportunity across Blackpool”

“Communities: Creating stronger communities and increasing resilience”

5.0 Background Information

5.1 Blackpool Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It needs to ensure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.

The CIPFA Delivering Good Governance publication (2016) defines the various principles of good governance in the public sector and how they relate to each other and are defined as:

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the Council's capacity, including its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting and audit, to deliver effective accountability.

The governance framework at Blackpool Council comprises the systems and processes, culture and values which the Council has adopted in order to deliver on the above principles. The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

The governance framework incorporated into this report has been in place at Blackpool Council for the year ended 31 March 2016 and up to the date of the approval for the statement of accounts for that year.

Does the information submitted include any exempt information?

No

List of Appendices:

Appendix 5a – Annual Governance Statement 2015/2016

6.0 Legal considerations:

6.1 The Accounts and Audit Regulations (2015) require the Council to conduct a review, at least once a year, on the effectiveness of its system of internal control and include an Annual Governance Statement reporting on the review with the Statement of Accounts.

7.0 Human Resources considerations:

7.1 None.

8.0 Equalities considerations:

8.1 None.

9.0 Financial considerations:

9.1 Each of the actions identified in the Annual Governance Statement will be delivered within the constraints of the agreed budget for 2016/2017.

10.0 Risk management considerations:

10.1 Risk management and the control environment have been considered throughout the preparation of the Annual Governance Statement 2016/2017.

11.0 Ethical considerations:

11.1 None.

12.0 Internal/ External Consultation undertaken:

12.1 An Annual Governance Statement Review Group was established in February 2016 and has led on the review of effectiveness and the production of the Annual Governance Statement. This group comprised of the Chief Internal Auditor, Director of Governance and Partnerships, Head of Democratic Governance and Head of Corporate Development, Engagement and Communications.

12.2 A workshop was held on the 15 March 2016 with representation from the Audit Committee, Tourism, Economy and Resources Scrutiny Committee, Standards Committee and Cabinet and facilitated by the Chief Internal Auditor, Head of Democratic Governance and Head of Corporate Development, Engagement and Communications.

12.3 A workshop was held on the 25 April 2016 with key officers involved in governance. This included the Chief Internal Auditor, Director of Governance and Partnerships, Head of Democratic Governance, Head of Organisation and Workforce Development, Head of ICT, Chief Accountant and Corporate Development Manager.

12.4 The Corporate Leadership Team was required to complete a control self-assessment questionnaire providing assurance that their directorates were compliant with a number of key controls.

13.0 Background papers:

13.1 None.