

Annual Governance Statement 2016/2017

Blackpool Council



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Acknowledgement of Responsibility

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 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.

The Principles of Good Governance

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 31st March 2017 and up to the date of the approval for the statement of accounts for that year.

The Governance Framework

The key elements of the structures and processes that comprise Blackpool Council's governance arrangements are summarised below.

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Code of Conduct and Behaviours

Codes of Conduct are in place that define standards of behaviours for elected members and officers. Adherence to these is a key part of good governance. These are further supported by the Council's Whistleblowing Policy, Registers of Interests and Gifts and Hospitality Policies. Processes are in place to deal with non-compliance through the Council's Disciplinary Policy for Officers and the Monitoring Officer and/or Standards Committee for Elected Members.

The Council has developed a set of values which all elected members and officers should adhere to when carrying out their duties and these include being accountable, compassionate, delivering quality services, being trustworthy and fair.

Following a Leadership Summit in the year and considerable consultation a Leadership Charter was developed for officers. The Leadership Charter aims to bring to life the vision for the Council's workforce as outlined in the Workforce Strategy 2016-2020.

A set of Ethical Principles has been developed and these will be reviewed to ensure the appropriate arrangements in place to ensure that the Council behaves in an ethical manner.

The Council strives to deliver equal opportunities to all and equality impact assessments form a part of the decision making process. An Equalities and Diversity Manager is in place at the Council to support managers in discharging their duties.

Commitment to Openness, Communication and Consultation

The Council complies with the minimum requirements of the Transparency Agenda and provides a range of information in the public domain through its website. Key messages are also communicated to residents in the Your Blackpool publication which is delivered to all Blackpool households on a quarterly basis. Social media is used on a regular basis and is proving an effective way to provide the community with important information from the Council. The public are able to attend and speak at Committee meetings and Full Council is broadcast on the Council's website.

The Council has in place a system to respond to Freedom of Information requests and compliance with the timelines is managed by the Information Governance Team.

The Council has refreshed the way in which it consults with the public in the year, in response to reduced resources in this area and the opportunity to attract external funding. A new process which sees consultation driven through the Fairness Commission, which is led by the voluntary sector, is now in place and a Community Orientated Primary Car project, has been piloted. The focus of these consultation exercises is to identify issues in the community but also co-design solutions to the problems.

Structures are in place to ensure consultation with other public sector agencies through the Public Service Board and also local businesses through the Blackpool Business Leadership Group.

Developing, Communicating and Translating the Vision

The Council Plan 2015-2020 sets out the vision for Blackpool to be *'The UK's number one family resort with a thriving economy that supports a happy and healthy community who are proud of this unique town'*. This is supported by the two priorities for the Council which are:

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- The Economy: Maximising Growth and Opportunity across Blackpool.
- Communities: Creating Stronger Communities and Increasing Resilience.

The length of the Council Plan has been reduced and the style in which the plan is written reviewed to ensure that the document is accessible and understandable to employees and residents and the plan contents were agreed following a consultation exercise.

A staff conference was held in the year, hosted by the Chief Executive, which provided an update on the plan and the Council's priorities to employees.

Beneath each priority the plan details the key challenges faced by Blackpool and the key projects and schemes which will be implemented to address these issues. The Council Plan seeks to address the big issues and policy drivers facing local government.

The Corporate Delivery Unit was introduced in the year whose role is to provide challenge and ensure that key outcomes identified in the Council Plan are achieved. To support this team two Priority Boards have been established who are accountable for the delivery of the Council's priorities. A Transformation Board is also now in place which oversees the implementation of the transformation programme and identifies areas where further change is necessary to meet the Council priorities, within the constraints of the budget available. A dedicated Cabinet Member Lead for Transformation has also been identified.

The Council priorities feed into directorate business plans and are a key tool for managers to use when developing business plans. The business plans then feed into Individual performance Appraisals (IPA). New business planning framework has been developed for 2017.

Performance Management

A Policy Framework is in place which sets out the corporate strategies and plans which are in place and the Corporate Delivery Unit have a role in the production, monitoring and management of these key documents.

The Council has reviewed and refined its performance management system and strategic performance will be reported to Corporate Leadership Team and the relevant Scrutiny Committees with local performance indicators being managed through the Business Planning Process. This review has included an overhaul of the key performance indicators which will be measured in 2017/18.

In order to improve performance the Council participates in peer reviews and benchmarking exercises to learn from others and to ensure that services delivered are value for money. In 2016/17 a LGA peer review of the Planning Service was undertaken. CIPFA was also commissioning to undertake a review of the Council's financial resilience with a focus on the savings proposals for 2017/18 onwards. It is also intended that the LGA will be asked to undertake a peer review of Corporate Governance / Health in the future.

The Individual Performance Appraisal process which is in place is part of the Council's wider approach to performance management. The IPA process is an important tool designed to provide an opportunity to establish and understand expectations and to evaluate performance in order to help employees develop to their full potential. The IPA process is not a replacement for day to day people management so in addition employees are supported by their line managers and should be mentored, coached and directed according to their individual needs. This may come through regular one to one meetings, formal supervision meetings, team meetings and

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informal feedback. The Leadership Charter will support the Council's priorities and values and will be included in the Managers IPA template replacing the existing Management Objectives.

Roles and Responsibilities

Responsibilities and functions are in place for each Council Committee including Licensing, Planning, Standards, Scrutiny Committees and Audit Committee. These are reviewed annually with any changes made at the Council's Annual Meeting to ensure that they continue to be fit for purpose. The Executive has agreed a set of criteria relating to the levels of decision making which provide clarity relating to levels of decision making which provide clarity and consistency for decision makers. This has also been reviewed and refined in the last twelve months.

All Council Officers, including the Corporate Leadership Team, have a job description which sets out their roles and responsibilities. Individual objectives for each officer are then parts of the Individual Performance Appraisal process and managers have an additional mandatory set of objectives which they must conform with.

The focus of the Corporate Leadership Team and the Senior Leadership Team has been refreshed to improve consultation of key initiatives and communication of key messages. The Corporate Leadership Team has also been extended once a month to involve key Heads of Service in the decision making process.

Steps have been taken to address some of the concerns with 'hard to recruit to posts' such as the development of the Next Step Blackpool website to recruit Children's Social Workers and Teachers to the area. In addition, there are ongoing investment in digital technologies to help improve capacity across the Council.

The Elected Members have now implemented a hierarchy for the Cabinet and introduced the role of Cabinet Assistants to build capacity in this area and ensure that members of the Cabinet are adequately resource and informed for of the portfolio's they are responsible for.

The Council's Constitution, including the Scheme of Delegation, sets out the arrangements and protocols which are in place to enable effective communication within the authority.

The Council has in place effective arrangements to discharge the Head of Paid Service function and this role is undertaken by the Chief Executive.

The Council has designated a Monitoring Officer and Deputy with appropriate qualifications and experience. The Monitoring Officer has the specific duty to ensure that the Council, its officers and its Elected Members maintain the highest standards in all they do and is responsible to Blackpool Council for ensuring that governance procedures are followed and all applicable statutes and regulations are complied with.

Decision Making

The Constitution sets out the functions and responsibilities of the Council, the Executive and Committees. Included in this are the delegation arrangements adopted by the Council and the Executive and this is reviewed on a regular basis.

All Executive Decisions contain all relevant policy implications including financial, risk management, human resources, equality analysis, ethical considerations, legal considerations and links to Council priorities. All Executive Decisions are subject to finance and legal approval before they are taken forward for a decision to be made. The Monitoring Officer or a designated representative, receive all decisions before they are processed and therefore are able to check the robustness of data quality prior to a decision being submitted for formal approval.

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Cabinet Member and relevant Officer Decisions are published to meet transparency requirements and inform the public.

A framework for undertaking compliance checks to ensure that decision making processes are appropriate has been developed and these reviews are jointly carried out by Internal Audit and Democratic Governance and the findings reported to Audit Committee.

Compliance with relevant Laws, Regulations, Internal Policies and Procedures

A wide range of corporate policies and procedures are in place to ensure compliance with laws and regulations. These cover all key areas including financial management, human resources, procurement, contract management, risk management, business continuity, data protection, health and safety management arrangements and safeguarding arrangements.

Managers are responsible for ensuring that their service adheres to the relevant policies and procedures and Disciplinary and Capability Procedures are in place to deal with non-compliance. Two sessions have also been held within the year with the Senior Leadership Team to emphasise the need for all Heads of Services to ensure compliance.

Internal and external audit arrangements are in place to provide a reasonable level of assurance with compliance of the Council's system of internal control. The Health and Safety Team also undertake a programme of audits to ensure that managers maintain their manuals and comply with statutory requirements.

The Council has obtained PSNN, PCI and N3 security compliance so that it can effectively share data with other organisations including the National Health Service and Department for Work and Pensions. There is an ongoing review of cyber risks and progress against this is monitored by the Audit Committee. An ICT Security Policy is in place.

A Corporate Procurement and Projects Team is in place to support Heads of Services and Service Managers to undertake market engagement for those goods, services and works which are delivered through third-party organisations. Procedures are in place to ensure compliance with the Public Contract Regulations Act 2015, European Union Procurement Directive 2014 and the Council's Contract Procedure Rules. Standard Control Documents are used to ensure consistency of practice, demonstrate value for money and to maximise Social Value through tendering and contract arrangements.

Mandatory training is delivered in a number of ways including through the iPool online system to advise staff of legislative requirements covering Induction, Child Sexual Exploitation, Customer Care, Data Protection Awareness, Equality and Diversity Awareness, Fire Safety Awareness, ICT Security, Infection Control, Safeguarding and Protection of Adults, Safeguarding Children and You and Your Workstation. Completion rates are reported to the Corporate Leadership Team so that action can be taken in services where non-completion is evident.

The Council's Monitoring Officer has a role in ensuring that the Council acts within the remit of relevant law and regulations and that a robust democratic process is maintained. The Monitoring Officer is responsible for the in-house legal team which serves as an additional control to ensure that the Council operates within the constraints of the law and the team hold LEXCEL accreditation.

A number of arrangements are in place to deal with potential breaches to compliance and these include a Data Breach Panel, Corporate Complaints Panel and Serious Case Reviews These are chaired independently of the

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service which has breached requirements to ensure that objective decisions can be taken. Steps have been taken in the year to centralise the complaints function and information governance function which improves resilience in these areas.

A Disclosure and Barring Service Panel is in place which reviews any positive DBS's in relation to pre employment checks to ensure Council wide robust and consistent decision making.

Financial Management

The Council has an appropriately qualified and experienced designated Chief Financial Officer who holds Section 151 responsibilities and a deputy has also been appointed. The Chief Financial Officer has arrangements in place for financial management, financial reporting and value for money which is assessed annually by the Council's external auditors.

Financial Regulations are in place which are supported by a Scheme of Delegation to ensure that managers are aware of the level of expenditure they are able to authorise.

Monthly financial monitoring reports, starting from month 0, are reported to the Corporate Leadership Team, the Executive and Tourism, Economy and Resources Scrutiny Committee.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

The Council facilitates a Public Inspection of the Accounts and publishes details of all payment transactions over and above the minimum requirements of the Transparency Code.

Audit Arrangements

An Audit Committee is in place which is independent of the scrutiny function. As a full committee of the Council it is able to discharge all the core functions of an Audit Committee outlined in the CIPFA Audit Committee: Practical Guidance for Local Authorities (2013), from which the Committee has adopted the model terms of reference. Over the past twelve months that Chair of the Audit Committee has taken steps to raise the profile of the Audit Committee and has presented a report to Full Council on the work of the Committee and has proactively requested Chief Officers to attend Committee to be challenged and held to account where controls issues have been identified.

Modular training is delivered prior to each Audit Committee meeting to ensure that members have the appropriate skills and knowledge to effectively discharge their duties. The Audit Committee undertake annual self-assessments of their performance to identify strengths and areas for development.

The Council has an internal audit team who prepare an Annual Internal Audit Plan which is approved by the Corporate Leadership Team and Audit Committee. This includes a balance of risk and compliance work. The audit opinion and assurance statement for each audit is reported quarterly to the Audit Committee.

In 2016/17 the Chief Internal Auditor's Annual Audit Opinion was that sufficient assurance work was undertaken to provide a reasonable conclusion on the adequacy and effectiveness of the control environment and that the overall control environment at the Council is adequate. However, it recognised the significant financial pressures faced by Children's Services which need to be addressed. Where weaknesses were identified through internal

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audit work the team have worked with management to agree appropriate remedial actions and a timescale for improvement.

The Council's internal audit arrangements broadly conform to the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2010) and the Public Sector Internal Audit Standards. An external review of the Council's compliance with the Public Sector Internal Audit Standards took place in the year which confirmed conformance with the standards. The recommendations made in the external assessment report have been incorporated into the Quality Assurance and Improvement Programme for the service.

External audit arrangements are in place and they are invited to attend Audit Committee to present the findings of their work and raise any concerns which they may have. Effective working relationships are in place with external audit which help ensure that the Council provides timely support, information and responses to the external auditors and considers audit findings and recommendations.

Risk Management

A Corporate Risk Management Group is in place to coordinate and promote risk management activity in line with the Council's Risk Management Framework 2014-2017. It is supported by directorate and thematic risk management groups.

All directorates have nominated risk champions to promote best practice in their areas and ensure that service level risk registers are in place and that risk registers are developed for major projects and partnerships where appropriate.

The Strategic Risk Register is reviewed by the Corporate Leadership Team and considered by the Audit Committee annually. Chief Officers identified in the Strategic Risk Register are required to attend Audit Committee to explain how the risks are being managed and what further mitigating controls may be required.

Risk management should be considered for all decisions made by the Council and these are evidenced in the dedicated section on the decision making template.

A Corporate Business Continuity Plan and Critical Activities List are in place and this is supported by service level business continuity plans.

Counter Fraud and Anti-Corruption Arrangements

The Council has developed counter fraud and anti-corruption arrangements in line with the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption (2014). An Anti-Fraud and Corruption Statement is in place and this is approved by the Corporate Leadership Team and Audit Committee on an annual basis. Any suspected instance of fraud or corruption should be reported to the Chief Internal Auditor so that an appropriate investigation into the matter can be undertaken.

A dedicated Corporate Fraud Team is in place which deals with a range of corporate fraud issues and work has commenced on high risk areas such as insurance fraud, blue badges and council tax. A fraud risk register is in place and this will be further enhanced to continue to inform the Proactive Anti-Fraud Plan.

The Council has appropriate procedures in place to deal with the risk of money laundering and also to raise awareness of the Bribery Act and ensure that appropriate controls are in place to reduce the risk.

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The Council participates in the National Fraud Initiative and progress against this, and outcomes, are reported to Audit Committee on quarterly basis.

A corporate group is in place to review the Council's use of covert surveillance and to ensure compliance with the Regulatory of Powers Act (2000). Where covert surveillance is used by the Council this is reported to Audit Committee each quarter to aid with transparency.

Scrutiny Arrangements

Three Scrutiny Committees are in place which aligns to the Council's priorities including a Resilient Communities Scrutiny Committee, Tourism, Economy and Resources Scrutiny Committee and a Health Scrutiny Committee. These committees help empower elected members and provide them with the opportunity to challenge and hold decision makers to account. These Committees meet on a regular basis and the minutes of the meetings and supporting documentation are published.

Learning and Development

An Induction and Probation process is in place for all new employees in the Council. Following successful completion of this employees will then receive a mandatory Individual Performance Appraisal (IPA). The IPA incorporates an annual and interim review, held at an appropriate time in a private, comfortable space and can be considered as the setting of a 'roadmap' for an employee for the coming twelve months.

A wide range of training is available corporately which is informed from development needs identified in the Individual Performance Appraisal. The Council is committed to leadership development and various courses are available to continue to develop skills and knowledge. A revised leadership development programme will be delivered in 2017/18 and a baseline study will be undertaken to assess how the Council is currently performing in terms of its leadership. An aspiring leadership programme has been delivered to aid with succession planning and provide a development opportunity for managers wishing to progress in the organisation. The attainment of professional qualifications in relevant disciplines is encouraged and the Council is committed to funding studies where appropriate.

A Workforce Strategy is in place and steps are being taken to better align workforce planning with the business plan process however it is recognised that this is in its infancy.

The Council runs an apprentice programme to encourage young people and those who may have struggled to access work previously to engage in employment with the Council. From 2016/17 the way apprentices are funded is changing and work is continuing to address this. Employers with a pay bill of more than £3m will be required to pay an Apprenticeship Levy. Employers who pay the levy will be able to use this to access funding to meet the cost of apprenticeship training and assessment against an approved apprenticeship framework or standard and can be used for existing employees as well as new starters.

Project Search, the job scheme for young people with learning disabilities also ran for a second year where each of the students learn personal and job skills for a two month period before embarking on work placements to find a suitable job for them.

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An induction programme is in place for all elected members. A three year development plan is in place for elected members which helps deliver training to help them fulfil their role. All elected members have a personal development plan which helps to identify training needs.

Partnerships and Joint Working

The Council is involved in a number of key projects with partner organisations in order to transform the way in which services are delivered. Examples include the Better Start Project and Head Start Project which focus on early intervention in order to build resilience in the community. Boards with representation from partner organisations are also in place for key risks faced by the Council to introduce an element of independence and challenge.

Arrangements are in place for the provision of Shared Services with Fylde Borough Council in a number of areas, the most significant being the Revenues and Benefits Service. The Council is also working jointly with other Fylde Coast authorities on the development of an enterprise zone to improve the local economy.

The Council has a number of wholly-owned companies and a Good Governance Framework has been developed and rolled-out across each company in order to strengthen the governance arrangements in place and ensure that the Council's vision for the town, as the shareholder, is able to form part of the direction of travel of each company. The Framework also gives assurance that each company is operating in an effective and accountable way.

Annual Review of Effectiveness

Blackpool Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The stages included in the review process and the key findings from each are summarised below.

Good Governance Group

A Good Governance Group was established in October 2016 and has led on the review of effectiveness and the production of the Annual Governance Statement, including reviewing the 2015/16 statement to ensure that governance issues identified have subsequently been addressed. This group is chaired by the Director of Governance and Partnerships and attended by the Chief Internal Auditor, Head of Democratic Governance, Head of Corporate Delivery Unit, Deputy Head of Legal Services, Head of ICT, Chief Accountant, Equality and Diversity Manager and the Head of Organisation and Workforce Development.

Elected Member Workshop

A workshop was held on the 11th May 2017 with representation from Scrutiny, Audit and the Executive and facilitated by the Chief Internal Auditor and Head of Corporate Delivery Unit.

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The workshop was based around the principles of good governance and elected members were asked to establish what arrangements are already in place and these have been reflected in the overview of the governance framework included in this report. Elected members were also asked to identify areas for further development and these have been incorporated into the significant governance issues action plan.

Key Officer Workshop

A workshop was held on the 24th April 2017 with key officers involved in governance. This included the core Good Governance Group and also the Head of Revenues and Exchequer Services, Fairness Commission Manager and Head of Customer Engagement and Life Events.

The workshop was based around the principles of good governance and an assessment was made as to what controls already form part of the Council's governance framework and also areas which needed further development. This process identified a number of areas of good practice and these have been summarised in the governance framework outlined earlier in this report and areas for improvement have been captured in the significant governance issues action plan.

Control Self-Assessment Questionnaire

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. Each Director was asked to highlight the three most significant control issues faced over the next twelve months and the risks have been incorporated into the significant governance issues action plan.

Progress on 2015/16 Actions

Issue	Actions	Update
Further embed arrangements in place relating to conduct and behaviours to raise awareness and ensure compliance.	Raise awareness of the whistleblowing policy to employees, elected members and the public.	Partially Implemented – The review process has started in the year and will be implemented in 2017/18.
	Further promote the Council's values and embed the Leadership Charter.	Partially Implemented - The Leadership Charter has been developed and an approach agreed with CLT to embed the process. Further actions will be carried forward for the 2017/18 plan to ensure this takes place.
	Review the Ethical Principles to ensure that they remain fit for purpose.	Partially Implemented – The review process has started in the

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Issue	Actions	Update
		year and will be implemented in 2017/18.
<p>The Council needs to review the way in which it consults with residents and ensures that data collected through the consultation process is adequately considered.</p>	<p>When implementing different approaches to engage with the community, such as the Council Couch, there is a need to ensure that elected members are appropriately consulted with and that senior managers engage in the process.</p> <p>The data which the Council collates in relation to the thoughts of the community should be more effectively used to inform decisions relating to service delivery.</p> <p>New ways to consult with residents who do not ordinarily engage in consultation exercises should be considered and there is a need to ensure that consultation exercises are appropriately timed.</p> <p>Improved coordination with partner organisations in relation to data collection could better inform service delivery decisions and avoid potential duplication in consultation processes.</p> <p>Assess the data which the Council makes available to the community to ensure that it contains an appropriate level of detail and is presented in an accessible way.</p>	<p>Partially Implemented - The community engagement activity has recently moved Directorates in response to a changing landscape across the public, voluntary and community sectors and will provide greater opportunities for collaborative community engagement activities in the future. This change in relatively recent and therefore a revised set of actions will be included in the 2017/18 action plan to ensure that they are embedded.</p>
<p>Performance management should be more robust and the data more accessible.</p>	<p>There is a need to review the performance data available to the community to ensure that it is relevant, understandable and empowers residents.</p> <p>The process for setting performance targets should be improved and there is a need to strengthen appropriate intervention in cases of low performance where outcomes may not be achieved.</p> <p>The Delivery Unit should be implemented to</p>	<p>Partially Implemented – The review process has started in the year and will be implemented in 2017/18.</p> <p>Partially Implemented – The review process has started in the year and will be implemented in 2017/18.</p> <p>Implemented – The Delivery Unit</p>

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Issue	Actions	Update
	ensure services deliver appropriate outcomes and improve the quality of performance management data.	has now been established and a work plan in place. The team has been strengthened in its resources to delivery better evidence and evaluation against key projects.
	The Policy Framework should be reviewed to ensure that all appropriate policies and strategies are in place and any gaps are addressed.	Implemented – The Policy Framework has been reviewed and has been approved by the Executive. This will be reviewed at quarterly points throughout the year.
Corporate Policies and Procedures need to be consistently applied.	There is a need to raise awareness of the Corporate Policies and Procedures in place and ensure that all members of the Senior Leadership Team are compliant.	Partially Implemented – Two Senior Leadership Team meetings in the year have been focused on ensuring compliance with corporate policies and procedures. Actions identified at these meetings will be implemented as part of the 2017/18 action plan.
	As the Council continue to transform there is a need to ensure that adequate internal controls are maintained, particularly as there is an increasing move to self-service and reduced resources results in less capacity to maintain controls.	Implemented – The internal audit service delivered the 2016/17 plan which included a combination of risk based and compliance audits to ensure that effective controls are maintained. The internal audit service also provided advice to managers throughout the year when developing changes in systems and processes. The Audit Committee is holding Chief Officers to account where the need for control improvements has been identified.
	Workforce planning needs to more closely aligned to the business planning process to	Implemented – A refreshed business planning approach has

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Issue	Actions	Update
	ensure that workforce pressures are effectively managed and the Council can continue to deliver its statutory duties.	been agreed for 2017/2020 which will ensure that the budget cycle, business planning and workforce planning are more closely aligned.
It is increasingly challenging to set a legal budget due to the austerity measures faced by the Council.	The Corporate Leadership Team need to ensure effective monitoring of the achievement of saving and income targets and balance this with demand pressure for services.	Implemented – The annual savings programme is monitored on a monthly basis by the Corporate Leadership Team, the Executive and Tourism, Economy and Resources Scrutiny Committee.
	Effective financial administration needs to be consistently applied across all services including the accurate and timely raising of sundry debt and the prompt payment of creditor invoices.	Implemented – The creditors and debtors systems are subject to quarterly compliance testing by Internal Audit and any failings identified are reported to the relevant services. Risk based audits are also regularly undertaken in these key financial areas. An Income and Debt Strategy Group is in place which is chaired by the Director of Resources and targets those services which have aged debt or are not effectively managing the income collection process. A Corporate Income Management Group is also in place with cross-departmental representative to oversee the income management process.
Continue to develop and strengthen the challenge to governance arrangements by the Audit Committee.	Consider the benefits of introducing the role of an independent member, with relevant skills and experience, to be represented on the Audit Committee.	Partially Implemented – This has been agreed with the Chair of the Audit Committee and requires approval from Full Council prior to a recruitment process commencing.

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Issue	Actions	Update
<p>Effectively manage risk with reduced resources and ensure that risk management is built into all decisions as the climate for taking riskier decisions grows.</p>	<p>The Senior Leadership Team need to consider risk management in the context of opportunity in order to transform the way in which the Council delivers its services.</p>	<p>Partially Implemented - Managers are being encouraged to take some risks in order to transform the way in which services are delivered. A Risk Management Strategy and a Risk Management Toolkit are in place to help managers effectively manage the risks that they are taking. A Corporate Risk Management Group is in place which is supported by Directorate and Thematic risk management groups.</p> <p>Risk Services is able to advise managers on effective risk management and facilitate risk workshops where appropriate to do so.</p> <p>Further actions to embed risk management will be included in the 2017/18 action plan.</p>
	<p>The Senior Leadership Team need to ensure that risk management is embedded into all decisions taken.</p>	<p>Implemented - Risk management has been built into the decision making process and all decisions include a section on risk management considerations.</p>
<p>Ensure that all elected members feel empowered when carrying out these duties.</p>	<p>Enhance the development programme for elected members to ensure that they have the appropriate skills and knowledge to empower them to carry out their duties.</p>	<p>Implemented – A Members Training Plan covering the period of 2016/2019 is in place, which sets out the member training priorities for this term of office.</p> <p>A Member Training Panel is also in place which meets several times a year. This is a cross-party group that meets to look at learning and development for</p>

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Issue	Actions	Update
		members.
	Raise Elected Members awareness of the policies and procedures in place which enable all members the opportunity to scrutinise, challenge and contribute to the Council's activities.	Implemented – A training calendar outlining all Member training is in place and is sent to members each month. The calendar lists upcoming training for the next three months.

Assurance Statement

The results of the effectiveness of the governance framework have been considered by the Corporate Leadership Team and Audit Committee who have determined that the arrangements are fit for purpose in accordance with the governance framework.

Governance Issues

Actions have been identified as part of the 2016/17 review of the effectiveness of the governance framework and these are captured in the following table. It should be noted that some of the issues identified are not deemed as significant but have been included to aid openness and transparency.

Issue	Actions	Responsible Officer	Target Date
Code of Conduct and Behaviours	Develop and pilot a new face to face diversity awareness course aimed at priority staff and managers, and Elected Members.	Director of Resources	After mid-term review
	Develop an Equality Compliance tool and performance scorecard, to track mainstreaming good practice within all departments linking in to the business planning process.	Director of Resources	After mid-term review
	Review the Whistleblowing Policy to ensure that this aligns to best practice and launch awareness raising for officers and elected	Director of Governance and Partnerships	Prior to mid-term review

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Issue	Actions	Responsible Officer	Target Date
	members.		
	Seek approval from the Corporate Leadership Team and the Executive for the revised Ethical Principles and raise awareness across the Council.	Chief Executive	Prior to mid-term review
Commitment to Openness, Communication and Consultation	Launch and roll out a programme of the 'people's jury' focused on Community Orientated Primary Care based on the finding of the pilot scheme.	Director of Public Health	After mid-term review
	Embed the new process for community engagement through the Fairness Commission.	Director of Public Health	After mid-term review
	Ensure effective links are developed between the community engagement function and elected members.	Director of Public Health	After mid-term review
	Consider what other Councils are doing in terms of effective community engagement in respect of governance.	Director of Public Health	After mid-term review
	Consider how the Council can measure the implementation of the resilient community's priority in terms of outcomes.	Director of Public Health	After mid-term review
	Update the Blackpool4Me website to ensure that the information held is current and that it aligns with the Council's website.	Chief Executive	Prior to mid-term review
	Explore more opportunities in wider service areas as part of the channel shift programme.	Director of Resources	Ongoing
	Improve the level of information published on the Council website so that this is readily available and reduces the number of Freedom of Information Requests.	Director of Governance and Partnerships	Prior to mid-term review
Developing, Communicating and Translating the Vision	Embed the process for reporting and monitoring the success and benefits of the Corporate Delivery Unit.	Chief Executive	Prior to mid-term review

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Issue	Actions	Responsible Officer	Target Date
	Ensure that the new business planning framework is embedded, including the quarterly reporting to the Corporate Leadership Team and that an exercise is undertaken to assess the level of corporate / back office support required to deliver the directorate visions.	Chief Executive	Prior to mid-term review
Performance Management	Embed the new performance management framework which has been agreed for 2017/18.	Chief Executive	Prior to mid-term review
	Request the LGA to undertake a peer review of the Council's Corporate Governance / Health to provide independent assurance and advice on the adequacy of current arrangements.	Chief Executive	Prior to mid-term review
	Embed the Leadership Charter within the Individual Performance Appraisal process and ensure that all employees have an appraisal	Chief Executive	Prior to mid-term review
Compliance with relevant Laws, Regulations, Internal Policies and Procedures	The Compliance Calendar will be finalised and rolled-out to all managers.	Director of Governance and Partnerships / Good Governance Group	Prior to mid-term review
	The managers 'quick guide' section on the Hub will be developed to ensure that there is guidance for all items on the Compliance Calendar.	Director of Governance and Partnerships / Good Governance Group	Prior to mid-term review
	Ensure that decision makers are taking and recording decisions at the right level and that they understand the decision making process and the need for an appropriate level of transparency.	Director of Governance and Partnerships	Ongoing

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Issue	Actions	Responsible Officer	Target Date
	Provide an annual update to Audit Committee on the robustness of the arrangements in place to reduce the risk of a cyber threat.	Director of Resources	After mid-term review
	Implement a robust action plan setting out any required process changes under the General Data Protection Regulations which come into force in May 2018 and raise awareness of the new requirements.	Director of Governance and Partnerships	After mid-term review
Financial Management	Ensure that 2017/18 savings targets are delivered with reduced resource and significant demand pressures.	Director of Resources / All Chief Officers	Ongoing
Audit Arrangements	Seek Full Council approval for the recruitment of an independent member to Audit Committee and aim to have these in post for September 2017.	Director of Governance and Partnerships	Prior to mid-term review
Risk Management	Re-establish the Property Risk Management Group and ensure that this multi-agency group meets at least quarterly.	Director of Resources	Prior to mid-term review
	Review the Risk Management Framework 2014-2017 to ensure that this remains fit for purpose with a focus on ensuring that risk management groups are adequately represented and risk tolerances levels are set.	Director of Resources / Corporate Risk Management Group	After mid – term review
	Launch the revised Risk Management iPool course and deliver business continuity training.	Director of Resources	After mid – term review
	Review the Business Continuity Framework 2014-17 to ensure that it remains fit for purpose and that it encourages good quality plans and includes scenarios to help services test plans	Director of Resources / Corporate Risk Management Group	After mid – term review
Counter Fraud and Anti-Corruption Arrangements	Identify those staff for which counter fraud training is mandatory and ensure completion	Director of Resources	Prior to mid-term review

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Issue	Actions	Responsible Officer	Target Date
	of the course.		
Scrutiny Arrangements	The scrutiny process should be strengthened to improve the level of challenge and look at ways in which other people, such as service users and the private sector, could be called to give evidence as part of the scrutiny process.	Director of Governance and Partnerships	Ongoing
	Ensure that the scrutiny work plan focuses on the key priorities areas and strengthen relationships between the Executive and effective scrutiny.	Director of Governance and Partnerships	Prior to mid-term review
Leadership and Development	Build a baseline survey which will measure current performance against the Leadership Charter pledges. The survey should provide all employees with an opportunity to assess and comment on their managers and enable the future review and measurement of leadership performance at every level within the organisation.	Chief Executive	Prior to mid-term review
	Deliver the refocused Leadership Development Programme through the delivery of four events in the year each of which can be for 100 employees. The events should be taster / signposting sessions comprising of Council processes, techniques and new skills and new learning and soft skills.	Chief Executive	Ongoing
	Increase the robustness of succession plans across the Council.	Chief Executive / All Chief Officers	After mid-term review
	Develop digital skills across the Council to assist in the use of innovation technological solutions to build capacity.	Director of Resource / Chief Executive	After mid-term review
	Implement a robust action plan to ensure that the Council maximises the Apprenticeship Levy through a cross-	Chief Executive	Ongoing

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Issue	Actions	Responsible Officer	Target Date
	departmental working group.		

Conclusion

We propose over the coming year to take steps to address the significant governance issues identified to further enhance governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: (Leader of the Council)

Signed: (Chief Executive)
