

Report to:

AUDIT COMMITTEE

Relevant Officer:

Mark Towers, Director of Governance and Partnerships

Date of Meeting:

17 January 2019

ANNUAL GOVERNANCE STATEMENT 2017/2018 HALF-YEAR REVIEW

1.0 Purpose of the report:

1.1 The purpose of this report is to provide Audit Committee with an update on progress made on the actions identified in the Annual Governance Statement 2017/2018.

2.0 Recommendation(s):

2.1 To consider the Annual Governance Statement for 2017/2018.

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 reporting on the review with the Statement of Accounts. Best practice states that this should be a continual process throughout the year and not just undertaken as an annual exercise.

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:

3.4 None.

4.0 Council priority:

4.1 The Annual Governance Statement is relevant to all Council priorities.

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.

This report provides an update in terms of the progress which has been made in implementing the actions identified in the Annual Governance Statement.

5.2 Does the information submitted include any exempt information? No

5.3 List of Appendices:

Appendix 4(a)– Annual Governance Statement 2017-18 Half-Year Review

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 2018/19.

10.0 Risk management considerations:

10.1 Risk management and the control environment have been considered throughout the draft of the Annual Governance Statement.

11.0 Ethical considerations:

11.1 None.

12.0 Internal/ External Consultation undertaken:

12.1 In October 2016 a Good Governance Group was formed at the Council. One of the roles of the group will be to prepare the Annual Governance Statement and oversee the delivery of the identified actions.

The Good Governance Group comprises of:

- Director of Governance and Partnerships
- Head of Audit and Risk
- Chief Accountant
- Head of ICT

- Transformation Manager
- Head of Democratic Governance
- Strategic Equality and Diversity Manager
- Head of HR and Organisational Development
- Deputy Head of Legal Services

13.0 Background papers:

13.1 None.

Appendix 4(a) - Annual Governance Statement 2017-18 Half-Year Review

Issue	Actions	Responsible Officer	Target Date	Mid-Term Progress
<p>Code of Conduct and Behaviours</p>	<p>Raise awareness of the whistleblowing policy to officers and elected members through communication and training.</p>	<p>Director of Governance and Partnerships</p>	<p>Before mid-term review</p>	<p>Partially Implemented:</p> <p>Awareness of the policy has been raised with elected members and training is being scheduled as part of the Members Induction programme.</p>
	<p>Review the guidance available for elected members relating to conflict management / intimidation in public office and communicate the support packages available such as training and access to the Employee Assistant Programme.</p>	<p>Director of Governance and Partnerships</p>	<p>After mid-term review</p>	<p>Partially Implemented:</p> <p>A programme of training on registration of interests for all councillors has been held (39 of 42 councillors attended), with updated forms and guidance documents issued.</p> <p>The Employee Assistance Programme has been promoted with members of the Council (through emails and notices in group rooms).</p> <p>The Government response to the consultation on intimidation in office (from the Committee on Standards in Public Life) is currently being awaited.</p> <p>Members have been made aware of the option to use a political party address for their contact details on the Council website.</p>

Issue	Actions	Responsible Officer	Target Date	Mid-Term Progress
<p>Commitment to Openness, Communication and Consultation</p>	<p>Continue to improve how the Council communicates through the implementation of the recommendations identified in the LGA Peer Review.</p>	<p>Director of Communications and Regeneration</p>	<p>Before mid-term review</p>	<p>Partially Implemented:</p> <p>The team are continuing to improve how the Council communicates through the implementation of the recommendations in the LGA Peer Review.</p> <p>They are also looking at how the team is structured and taking opportunities to recruit to the team where possible.</p> <p>The team are working to the team's strengths and drawing on best practise from across the country.</p>
	<p>Continue to deliver the channel shift agenda to improve accessibility to residents and reduce demand on Council resources.</p>	<p>Director of Resources</p>	<p>After mid-term review</p>	<p>Partially Implemented:</p> <p>The Channel Shift group continue to deliver online projects for the benefit of residents and to assist with demand on Council Services. Projects delivered since the last report include further changes to the bulky matters online process, residential bin changes, street cleansing reporting, environmental protection complaint reporting, tip permits and alley gate key ordering.</p> <p>Further work has been carried on improving the Council website and the</p>

Issue	Actions	Responsible Officer	Target Date	Mid-Term Progress
				<p>rollout of mobile working for Social Workers and Visiting Officers has been completed.</p> <p>A number of other services are now available online including electronic landlord payment schedules and self-service modules for both Revenues and Benefits.</p> <p>Several telephony reviews have been undertaken to allow services to manage demand in a more proactive way whilst also encouraging channel shift, leading to a better customer experience when contacting the Council.</p>
	Continue to improve the level of information published on the Council website so that this is readily available.	Director of Governance and Partnerships	After mid-term review	<p>Implemented:</p> <p>The Council's website has continued to develop through the provision of content and services. The number of unique users rose from 1,162,578 in 16/17 to 1,425,988 in 17/18.</p>
	Undertake a resident's survey to assess how they perceive the Council and use the outcome to inform the future direction of the Council.	Director of Strategy (Assistant Chief Executive)	Before mid-term review	<p>Implemented:</p> <p>The resident's survey has concluded and been reported to CLT, with a clear majority of indicators showing positive change. The survey will now be</p>

Issue	Actions	Responsible Officer	Target Date	Mid-Term Progress
				undertaken annually to track change and further inform budget and strategic planning.
	Develop and roll out a toolkit to services in relation to good practice when undertaking consultation exercises.	Director of Public Health	Before mid-term review	Not Implemented: Development of the toolkit was put on hold pending the outcome of an internal audit of community engagement audit.
Developing, Communicating and Translating the Vision	Develop a communications plan ready for translating the Council Plan into information which is accessible and interesting to different audiences.	Director of Communications and Regeneration	After mid-term review	Partially Implemented: The revised Council Plan is set for approval by February 2019. Plans are in place for internal and external communication of the Council Plan.
Performance Management	Embed a new performance management framework with outcome based indicators across the Council.	Director of Strategy (Assistant Chief Executive)	Before mid-term review	Implemented: New Performance Framework, data-gathering and reporting mechanisms are in place.
Roles and Responsibilities	Update the organisational charts to accurately reflect the Senior Leadership Teams roles and responsibilities to assist elected members identify who to contact to seek advice.	Director of Governance and Partnerships	Before mid-term review	Implemented: These have now been done and elected members have access to them.

Issue	Actions	Responsible Officer	Target Date	Mid-Term Progress
Compliance with Relevant Laws, Regulations, Internal Policies and Procedures	Ensure that the Council complies, as far as reasonably possible, with the requirements of the General Data Protection Regulations.	Director of Governance and Partnerships	Before mid-term review	Partially Implemented: Training has been undertaken with elected members and senior managers on a face to face basis. An iPool course has been written and has been sent out to all employees. Currently 70% of employees who have access to iPool have completed the training and focus groups have been arranged to roll-out training to staff who are not computer based.
	Increase monitoring of the Policy and Strategy Framework to ensure that key documents are refreshed on a timely basis.	Director of Governance and Partnerships	Before mid-term review	Implemented: A report on the monitoring of the Policy and Strategy framework is considered by the Council's Corporate Leadership Team once a month. This identifies forthcoming strategies and those to be reviewed along with key deadlines and actions for officers.

Issue	Actions	Responsible Officer	Target Date	Mid-Term Progress
	Assess how to strengthen contract management arrangements across the Council.	Director of Resources	After mid-term review	<p>Partially Implemented:</p> <p>Contract management is not purely a procurement responsibility it sits with Heads of Service and budget holders except for corporate contracts which sits with the Head of Procurement and Projects.</p> <p>A contract management guide already exists to advise responsible officers of the simple steps to do contract management well.</p> <p>In addition the Procurement Team is about to launch a new iPool course on contract management. The Good Governance Group will consider recommending that the iPool course is mandatory for all officers with contract management responsibilities.</p> <p>The Procurement and Development Team is looking at contract management functionality available on our e-tendering software, but at the moment it would not resolve the simple issue that responsible officers need to make time to do simple contract management tasks well.</p>

Issue	Actions	Responsible Officer	Target Date	Mid-Term Progress
Risk Management	Undertake an independent review of all service level risk registers to improve the quality of the information contained in the risk registers.	Director of Resources	After mid-term review	<p>Partially Implemented:</p> <p>Risk Workshops have been held across the Resources, Governance and Partnerships, Chief Executives and Community and Environmental Services Directorates and service level risk registers updated.</p> <p>Plans are in place to ensure that all other directorates go through this review process before the end of the financial year.</p>
	Embed and ensure buy in to the Risk Management Framework 2018/21 across the Council focusing not only of the threats which risks can create but the opportunities that they bring for innovation and transformation.	Director of Resources	After mid-term review	<p>Partially Implemented:</p> <p>The Risk Management Framework has been rolled out across the Council. An internal audit is currently underway to assess how well this is embedding across the Council.</p>
	Enhance how strategic risks are reported to the Audit Committee to enable effective review and challenge and demonstrate to correlation between the strategic risk register and Council strategies and plans.	Director of Resources	Before mid-term review	<p>Implemented:</p> <p>A revised approach of reporting progress against the Strategic Risk Register to Corporate Leadership Team and Audit Committee has been implemented.</p>

Issue	Actions	Responsible Officer	Target Date	Mid-Term Progress
<p>Scrutiny Arrangements</p>	<p>Deliver the actions arising from the review of the scrutiny function by North West Employers.</p>	<p>Director of Governance and Partnerships</p>	<p>After mid-term review</p>	<p>Partially Implemented:</p> <p>A development review of scrutiny was undertaken in conjunction with North West Employers during 2018 and a full feedback event on the report was held with key members and officers in September 2018.</p> <p>A working group has been established to consider the review and recommended actions on a range of areas – feedback will be in January 2019 with a report to Council later that month on some key principles.</p>
<p>Learning and Developing</p>	<p>Review methods of training available for elected members through the Member Training Panel and consider the wider use of e-learning, webinars and involvement in training sessions being held for officers.</p>	<p>Director of Governance and Partnerships</p>	<p>After mid-term review</p>	<p>Partially Implemented:</p> <p>Webinars are currently being developed ahead of the Members Induction 2019 – initially to include introductory briefings to Chief Officers and work of their departments.</p> <p>An online module for registration of interests for members is currently being developed through the iPool facility.</p> <p>Further external web tools will be promoted as part of the member’s</p>

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				induction programme, e.g. by the Local Government Association.
	Increase the robustness of succession plans across the Council.	Chief Executive	Before mid-term review	<p>Partially implemented:</p> <p>The second Leadership survey is now complete and a Leadership Development programme will follow. Succession planning will be embedded within the appraisal process from April 2019.</p>
	Deliver a Leadership Development Programme based on the outcome of the Leadership Survey.	Chief Executive	After mid-term review	<p>Partially implemented:</p> <p>The second Leadership survey is now complete and Chief Officers have been provided with the overall Council results and results and comments from their own Directorates. A Leadership Development programme will be put in place following discussions and outputs from each DMT.</p>
	Continue to develop digital skills across the Council to assist in the use of innovative technology solutions to build capacity through the further roll out of	Director of Resources	After mid-term review	<p>Partially implemented:</p> <p>The rollout of Windows 10 is at 50% and approximately 600 employees have received training on how to work smarter using Office 365.</p>

Issue	Actions	Responsible Officer	Target Date	Mid-Term Progress
	new devices and Microsoft 365 and training around cyber skills.			New Cyber Security training has been launched.
Partnership and Joint Working	Consider how elected members can network with other public sector partners at neighbourhood level.	Director of Public Health	After mid-term review	<p>Partially Implemented:</p> <p>Community engagement training is being developed for elected members and will be delivered as part of the induction programme.</p> <p>It will also be a recommended as part of best practice that elected members are notified of any engagement within their areas.</p>
	A Framework for the implementation of shared services and partnership / joint working arrangements will be developed.	Director of Governance and Partnerships	After mid-term review	<p>Implemented:</p> <p>A SharePoint site has now been created to as a repository for working arrangements and a framework agreed by the Council's Corporate Leadership Team.</p>