

Report to:	AUDIT COMMITTEE
Relevant Officer:	Mark Towers, Director of Governance and Partnerships
Date of Meeting	30 November 2020

ANNUAL GOVERNANCE STATEMENT 2019/2020

1.0 Purpose of the report:

1.1 To present the Annual Governance Statement 2019/2020 to the Audit Committee.

2.0 Recommendation(s)

2.1 The Audit Committee is asked to consider and approve the Annual Governance Statement for 2019/2020.

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.

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 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 Chartered Institute of Public Finance and Accountancy (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 2020 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 5(a) – Annual Governance Statement 2019/2020

6.0 Financial considerations:

6.1 Each of the actions identified in the Annual Governance Statement will be delivered within the constraints of the agreed budget for 2020/2021.

7.0 Legal considerations:

7.1 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.

8.0 Risk management considerations:

8.1 Risk management and the control environment have been considered throughout the draft of the Annual Governance Statement 2019/2020.

9.0 Equalities considerations:

9.1 None

10.0 Sustainability, climate change and environmental considerations:

10.1 None

11.0 Internal/ External Consultation undertaken:

11.1 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 2018/2019 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 Head of Audit and Risk, Head of Democratic Governance, Transformation Manager, Head of Legal Services, Head of ICT, Chief Accountant, Head of Information Governance and the Head of Organisation and Workforce Development.

A workshop was held on 30 July 2020 with representation from Scrutiny, Audit and Standards and facilitated by the Director of Governance and Partnerships, Head of Audit and Risk and Transformation Manager.

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.

Discussions on the interim Annual Governance Statement and the final draft of the Annual Governance Statement were also held with the Leader of the Council and Chair of Audit Committee.

12.0 Background papers:

12.1 None