

**Report to:**

**AUDIT COMMITTEE**

**Relevant Officer:**

Mark Towers, Director of Governance and Partnerships

**Date of Meeting:**

23 January 2020

## **ANNUAL GOVERNANCE STATEMENT 2018-2019 HALF-YEAR REVIEW**

### **1.0 Purpose of the report:**

1.1 To provide the Audit Committee with an update on progress made on the actions identified in the Annual Governance Statement 2018-2019.

### **2.0 Recommendation(s):**

2.1 To consider the Annual Governance Statement half-year review for 2018/2019.

### **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:

N/a

### **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.

Does the information submitted include any exempt information?

No

#### **List of Appendices:**

Appendix 5(a) – Annual Governance Statement 2018-2019 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 There are no additional human resource implications as a result of this report.

**8.0 Equalities considerations:**

8.1 There are no equalities considerations as this is a monitoring report.

**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 2018/2019.

**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 This report is in line with the Council's values in particular to be accountable.

**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
- Head of Legal Services
- Head of Information Governance

**13.0 Background papers:**

13.1 None.

