

Report to:	AUDIT COMMITTEE
Relevant Officer:	Heather Morrow, Head of Heritage Peter Legg, Head of Economic and Cultural Services
Date of Meeting:	3 March 2022

AUDIT FOLLOW UP – BLACKPOOL MUSEUM PROJECT

1.0 Purpose of the report:

1.1 To consider a progress report on the recommendations made in the internal audit report of the Blackpool Museum Project issued on 4 November 2020.

2.0 Recommendation(s):

2.1 To consider the actions being implemented to address the audit recommendations relating to the Blackpool Museum Project.

3.0 Reasons for recommendation(s):

3.1 To enable the Audit Committee to consider an update and progress report on the audit recommendations.

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

3.3 Is the recommendation in accordance with the Council’s approved budget? Yes

4.0 Other alternative options to be considered:

4.1 None.

5.0 Council priority:

5.1 The relevant Council priority is:
Communities: Creating stronger communities and increasing resilience.

6.0 Background information

6.1 At its meeting in April 2021, the Audit Committee agreed to invite Heads of Service to the meeting to provide an update in relation to internal audit recommendation implementation.

6.2 The report being considered at this meeting relates to the Blackpool Museum Project audit with the background, scope and assurance statement as follows:

6.3 The Council's ambition for Blackpool's first museum is for it to tell the extraordinary story of Britain's first and largest seaside resort – the place that has played an unrivalled role in the development of British popular entertainment over the past 150 years.

The project is being delivered by the Council, however a new and independent charitable company will be established to operate the Museum. After considering the various options, in September 2017, the Project Board chose the Palatine Building as the preferred site for the Museum. The Palatine Building is a landmark building on the promenade between the Tower and Coral Island housing the Sands Venue and Wild West Diner. The building is being redeveloped by Coolsilk Property and Investment Limited into a 5* hotel and leisure complex. The first floor of the building will be leased by the Council for a period of 28 years and will be sublet to the newly formed operating company as part of the agreement.

The Museum aims to be fun, accessible and celebratory - filled with objects, film, magic and performance for all the family to enjoy. It will be a new type of museum which aims to blend the best museological practice with a lively, active visitor experience and an emphasis on pure fun. The focus of the Museum is national popular culture and the huge role that Blackpool has played over the years in British entertainment encompassing dance, variety, comedy, magic and circus. The design is experiential, giving visitors a taste of each form as they learn more about Blackpool's role in popular culture.

6.4 **Scope**

The scope of the audit was to review:

- The management and progress of the Blackpool Museum Project;
- The creation of the new company and the governance arrangements between the new company and the Council, particularly in relation to Charity Commission regulations; and
- The impact of Covid-19 on the project, including projected timescales and potential funding/grants pressures.

6.5 **Assurance Statement**

It was considered that the controls in place are adequate with some risks identified and recommendations made as to how these can be further mitigated. The impact of the Covid-19 pandemic and how it will affect the Blackpool Museum once open is unknown, but recommendations have been made in order to further strengthen the approach in this area.

6.6 Does the information submitted include any exempt information? No

7.0 List of Appendices:

- 7.1 Appendix 3(a) - Internal Audit Recommendations and Agreed Actions.
- Appendix 3(b) - Update Report on Audit Report Recommendations

8.0 Financial considerations:

- 8.1 The controls being implemented will be done so within current budget constraints.

9.0 Legal considerations:

- 9.1 Risks need to be effectively managed in order to comply with relevant legislation.

10.0 Risk management considerations:

- 10.1 To enable the Audit Committee to gain assurance that risks are being effectively managed.

11.0 Equalities considerations:

- 11.1 Where equality analysis is appropriate these will have been undertaken whilst making decisions relating to the subject.

12.0 Sustainability, climate change and environmental considerations:

- 12.1 Any matters relating to sustainability, climate change and environmental considerations will be considered when making decisions relating to the subject.

13.0 Internal/external consultation undertaken:

- 13.1 The progress report has been prepared in conjunction with the relevant Head of Service and Chief Officer.

14.0 Background papers:

- 14.1 None.