



Blackburn with Darwen Borough Council

Annual Governance Statement

**For the year ended 31 March 2024 and up to the date
of the June 2024 Audit & Governance Committee**

ANNUAL GOVERNANCE STATEMENT

Foreword by the Chief Executive – Chair of the Statutory Governance Officers Group

Blackburn with Darwen Borough Council recognises that there always will be risks that it must manage effectively. Whilst it recognises that due diligence will not always ensure that it gets things right first time, it continues to put in place assurance frameworks and enhance existing arrangements that are intended to ensure that its system of governance is fit for purpose and has flexibility to meet the challenges that the change agenda brings. During the year, the Council has had to put in place processes to allow it to respond to the cost of living crisis and the impact that this has had on both the Council's budget, with rising costs and reduced income, and on service users and the demand for Council services.

The Resources Directorate has continued to promote the Council's strategic approach to governance and assurance. The key developments and on-going arrangements in governance 2023/24 included the following:

- Continuing review and refresh of the Council's Constitution.
- Completion and review of Director annual assurance statements, which reflect the seven principles of good governance in support of the Annual Governance Statement.
- Regular deep dive review and challenge of corporate risks by the Audit & Governance Committee.
- Corporate Assurance Board (CAB) and Statutory Governance Officers Group (SGOG) meetings continue on a regular basis.
- The Council's 2023/24 NHS Data Security and Protection Toolkit (DSPT) compliance audit has been submitted and accepted by the self-assessment tool as 'standards met' and certification has been awarded. This enables the Council to continue to exchange data with the NHS.
- The Council has demonstrated that its IT infrastructure is sufficiently secure to connect to the Public Services Network during the period.
- Continuing embedding of information security awareness through the annual refresh of the e-learning toolkit, and monitoring staff completion of mandatory training.
- On-going participation in the National Fraud Initiative.
- Publication of a Risk Management Policy Statement and implementation of a refreshed Risk Management Strategy and Framework and supporting toolkit.
- On-going use of the risk register template to record and monitor strategic and departmental risks, including a quarterly review of strategic risks by CAB.
- Revision of the Medium Term Financial Plan and Capital Programme.
- Annual Audit & Governance Committee self-assessment arrangements to evaluate its effectiveness against best practice guidance.
- The on-going formalised, structured member training and development programme including mandatory and optional courses.
- The Audit & Governance Committee routinely inviting senior officers to attend meetings and holding them to account for actions to address significant issues identified by Audit & Assurance in respect of key systems.
- The review of significant partnerships and external bodies the Council is represented on to confirm the Council representation is appropriate and the governance arrangements in place are adequate.
- The Local Government Association (LGA) Corporate Peer Challenge (CPC) report highlighted the Council as having strong, visible and well respected political and managerial leadership with senior leaders having a clear understanding of Blackburn with Darwen as a place, its opportunities and challenges.
- The Joint Targeted Area Inspection (JTAI) of Blackburn with Darwen noted that partnership working is strong and concluded that credible plans are in place, building on the existing

strengths to create an environment where children's voices are consistently central to safeguarding decisions, both strategically and operationally.

SCOPE OF RESPONSIBILITY

As a local authority, the Council is required by law to review its governance arrangements at least once a year. Preparation and publication of an Annual Governance Statement in accordance with the CIPFA/SOLACE Delivering Good Governance in Local Government Framework (2016) (the Framework) fulfils this requirement.

Blackburn with Darwen Borough Council (the Council) is responsible for ensuring that:

- its business is conducted in accordance with relevant laws and regulations, and proper standards; and
- that public money is safeguarded and properly accounted for.

It also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk, and to ensure that the responsibilities set out above are being met.

The Audit & Governance Committee fulfils the core functions of an audit committee, as identified in the Chartered Institute of Public Finance and Accountancy (CIPFA) *Audit Committees - Practical Guidance for Local Authorities and Police 2018*. It monitors and responds to the work of internal and external audit and has overall responsibility for reviewing the framework of corporate governance.

The Council has approved and adopted a Local Code of Corporate Governance, which is consistent with the seven principles of the Framework. A copy of the Code is on our website at www.blackburn.gov.uk; it is contained within the Constitution. This statement explains how the Council has complied with the seven principles set out in the Framework during 2023/24 and the Code and how it meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015, which requires all relevant bodies to conduct a review of the effectiveness of its system of internal control at least once a year and prepare an Annual Governance Statement, reporting on the review.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems, processes, culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and it can therefore only provide reasonable, and not absolute, assurance of effectiveness. It is based on a continuous process that is designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of both those risks being realised and their impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Blackburn with Darwen Borough Council for the year ended 31 March 2024 and up to the date of approval of the annual statement of accounts.

THE GOVERNANCE FRAMEWORK

The Council has had robust systems of internal control, corporate governance and risk management arrangements in place for many years, which have led to good financial management, the delivery of efficiencies and planned investment in priorities. The Council is already implementing improvements to these business systems and processes.

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Some of the key features of the governance framework are set out in the following paragraphs.

Principle A – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

1. Develop, communicate and embed the codes of conduct and define the standards of behaviour for members and staff.

The Council Constitution contains codes of conduct for Members and officers. New Members accept their code of conduct as part of their Acceptance of Office declaration. They are also provided training on the Code of Conduct as part of their induction. All Members need to complete and submit a 'General Notice of Registrable Interests' form, which includes information relating to gifts, hospitality and pecuniary interests. These are published on the Council website. New staff appointees sign the staff Code of Conduct as part of their induction. In addition, each Department maintains a register of gifts and hospitality and of personal interests, in accordance with the recently revised Standing Financial Instruction 12 – Register of Personal Interests. Members and officers are expected to update their register of interests to reflect relevant changes. The Employee Code of Conduct was updated in October 2013 and is reflected in the Constitution. The Constitution also contains the Member/Officer Protocol, which sets out the roles and expectations for working together.

2. Define and document the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication in respect of the authority and partnership arrangements.

The Council is legally and constitutionally obliged to maintain and keep up to date its Constitution. The Council Constitution was updated in July 2023 to reflect the resolutions/decisions made at Full Council since July 2022. This included changes in organisational structure previously noted and agreed, statutory changes and changes to the delegations.

The annual update also reviewed Executive Member portfolio responsibilities. Amendments are made as necessary during the course of the year to reflect changes in the law and other changes which would require full Council approval. The Constitution is due to be further reviewed and updated in 2024/25 to reflect the further changes to the organisational structure and other changes, such as changes to the Executive Member portfolio responsibilities. The reviewed Financial Procedure Rules and Contracts & Procurement Procedure Rules, was approved by full Council and incorporated in the Constitution.

The Council has adopted the Leader and Executive model of governance. The Council's Constitution sets out the relative roles and responsibilities of the Leader and Executive, Officers and Committees of the Council. It defines, through the procedure rules, how day-to-day activities must be undertaken and it allocates statutory responsibilities to designated posts/positions. The decision-making processes are also defined by the Constitution and Executive Member decisions. Executive decisions may only be taken after both the Finance, and Legal departments have been consulted and considered any implications. The Constitution also sets out the overview and scrutiny arrangements, including the review ('call-in') of executive decisions.

At the start of the pandemic, decision-making meetings were paused until national legislation was enacted and local technology was put in place to permit on-line meetings. This enabled all council meetings, including scrutiny and other business to be conducted through remote means to ensure that the Council continued to be governed in accordance with its Constitution and decisions properly made. Since 6th May 2021 the legislation allowing remote council meetings expired and the Council reverted to face-to-face meetings. Full council meetings have continued to be webcasted to enable the public to listen and view from home.

During the pandemic no existing delegations or powers were altered, nor have any additional powers/delegations been provided to the Chief Executive or any other officers. There is a delegated power in the Constitution for the Chief Executive to incur expenditure or take action in an emergency or disaster, which was used as required at the start of the pandemic. This power was used after consultation and approval from the Leader, formally recorded as an officer decision, and published as usual.

The respective roles of the Section 151 Officer, Monitoring Officer, the statutory Scrutiny Officer and Senior Information Risk Officer (SIRO) ensure legality, financial prudence and transparency in transactions in accordance with legislative requirements.

The CAB meet regularly during the year. It sits alongside the Corporate Leadership Team (CLT). CAB provides effective assurance and challenge in respect of the Council's overall performance in meeting its strategic objectives and statutory duties, and progress in delivering against the Council's missions and key performance indicators. This has increased the Board's focus in the right areas and improved its effectiveness as a senior management team. The Extended Leadership Team continues to meet on a regular basis alternating workshop sessions and bite sized update meetings. This has provided flexibility to discuss items such as borough events, elections, constitutional matters, urgent operational issues and planning for member meetings. Team activities have also been undertaken to develop CLT working together effectively as a group.

The Council continues to be proactive in developing partnerships with its public sector partners including the NHS and Lancashire Constabulary. These partnerships and their governance arrangements are captured through the annual and mid-year Significant Partnerships Register reviews. The reviews are undertaken by the Chief Executive's Support Team and a final report is submitted to Audit and Governance Committee along with a copy of the Register.

The Council has a procedure for recording and publishing decisions made by officers, in line with the Government's transparency agenda and the Access to Information Procedure Rules in the Constitution. Such decisions are subject to the scrutiny arrangements outlined in the Constitution.

Principle B – Ensuring openness and comprehensive stakeholder engagement

3. Review the Corporate Plan and Vision and translate into objectives for the authority and its partnerships.

The Council adopted the current corporate plan at Policy Council in December 2022. It was developed following a significant programme of engagement with residents, staff, councillors and partners. It sets out a clear mission - we want every single resident, no matter who they are, to have a good quality of life.

To achieve this vision, we are making progress on four core missions.

- A more prosperous borough where no one is left behind;
- Every child and young person to have opportunities to fulfil their potential;
- Deliver our climate emergency action plan; and
- Build happier, healthier and safer communities.

Members affirmed the Corporate Mission at Policy Council in November 2023. Work continues to embed corporate missions in everything we do.

Before Finance Council in February 2024, the Council undertook a budget survey to understand residents' priorities as part of the budget setting process. The online survey was open to every resident of the borough aged 16 or over and was carried out alongside a programme of face-to-face engagement at key locations across Blackburn with Darwen over a period of six weeks from October to December 2023.

Questions covered what the Council's priorities should be whilst delivering each of the four core missions in its corporate plan; feedback on some specific spending proposals and how rising living costs might be affecting residents.

The results were drawn from an unweighted/self-selecting sample size with the face-to-face engagement used to provide more targeted results. 856 people responded overall – 493 online and 365 from the face-to-face engagement.

The process will be repeated ahead of the next budget setting process for 25-26.

After the pandemic, the first partnership conference was held in March 2023, and the second in March 2024. Planning for March 2025 is underway, and the intention is to continue to build on the format and provide a dedicated space for partners to engage directly with the Council and develop shared plans together.

We are also working with Sport England, as the accountable body for Pennine Lancashire's Local Delivery Pilot 'Together an Active Future'. The £13m of available funding will enable the six Local Authority areas to work together with people and partners to test different approaches to understand better why people are less active in Blackburn with Darwen than nationally and to work with partners in systems and places to make being active easier for everyone.

The Council formulated a comprehensive suite of 40 Key Performance Indicators (KPIs) to ascertain progress against the outlined ambitions within the Corporate Plan, across a diverse spectrum of services and priorities. These KPIs were monitored throughout 23/24.

A mid-year performance report was presented to the Policy Council in November 2023, offering insights into the progress made against these indicators. Additionally, regular updates and assurance are provided to the Corporate Leadership Team on a quarterly basis.

Looking ahead, departments will be refreshing their Corporate KPIs for the upcoming year. This is to ensure that the KPIs remain aligned with evolving standards, including those set by the Office for Local Government (Oflog) metrics and other government frameworks. Additionally, key deliverables identified in the Corporate Plan will also be closely monitored to ensure progress aligns with organisational objectives. These deliverables encompass a range of strategic actions aimed at advancing the Council's overarching ambitions.

4. Measure the quality of services for users.

Customer/resident satisfaction for the services they receive has always been a key priority for the Council and customer service is also an embedded principle within the Corporate Plan. Key measures are included in the current Corporate Plan, with specific arrangements for statutory services, including Adults and Childrens social care. Customers also have the opportunity to join our Customer Panel to improve Council services. Updated Customer Standards are being consulted on with the Customer Panel before implementation in 2024.

5. Establish clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.

The Council produces a rolling online news and information service to residents via social media and a website 'Shuttle News'. A hard copy magazine with a place promotion focus called the Shuttle Extra is published annually and delivered to homes throughout the borough. This includes adverts about key Council services as well as information about the Council budget and Council Tax. Media enquiries are dealt with promptly following agreed protocols. Commercial services across the council also operate their own marketing. Stakeholder mapping and communication is part of normal service delivery both at a corporate level and within services and projects. A citizens jury was used recently for climate emergency strategy work. Corporately overseen internal communications helps ensure that factual information about the Council is provided and staff can be effective advocates for the Council and help dispel misinformation.

The Council website provides access to Council papers, including Committee agendas, minutes, relevant reports and decisions. It can be translated into different languages using a Google Translate function available on each page.

The Council also owns and manages its own outdoor advertising assets, including 66 bus shelters across the borough, two digital screens, 58 roundabout signs, 21 billboards and digital totems in both Blackburn Bus Station and Blackburn Train Station.

The Council is continuing to deliver on its commitment to tackle inequality, oppression and enabling people to maximise their potential through its Integration and Community Engagement. As a result of this work, new and emerging communities such as those resettling from Ukraine are settling into life in the borough and are positively contributing and accessing everything the Borough has to offer. From local adult learning provision, supporting individual faith and spiritual needs through to determining employability options, this local asset based approach is unique to the Borough and draws upon skills gained from previous work being part of the Integrated Area Programme.

The Council continues to work together with residents, businesses and the voluntary sector to overcome local challenges. Through its Lancashire Volunteer Partnership, residents continue to be involved in a structured approach to volunteering by gaining, developing and using vital skills and knowledge to make a difference in their borough.

The Council undertakes relevant consultation and engagement when preparing its budgets. Equality Impact Assessments (EIAs) are undertaken, and each department has dedicated EIA Champions to support the completion of these assessments. In advance of final decisions on the budgets and resources, any potential impact on residents, services and the voluntary and community sector is considered, and mitigation is put in place.

Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits

6. Enhance the accountability for service delivery and effectiveness of other public service providers.

The Blackburn Place Based Partnership (PBP) is part of the new Lancashire and South Cumbria Integrated Care Partnership (ICP) structure and sees us working with the NHS, voluntary, community, faith and social enterprise (VCFSE) organisations and the wider community to take collective responsibility for providing better joined up care and support for residents and delivering the ambitions of the ICP. The PBP will develop a plan that will deliver changes and improvements in services to meet the distinctive needs and characteristics of our borough. ICPs were brought in as part of changes in the way health and care services are planned, paid for and delivered across England.

The changes saw the creation of Integrated Care Systems across the country. They are made up of two parts – an Integrated Care Board and an ICP. The role of the ICB is to allocate the NHS budget and commission services for the population, taking over the functions previously held by clinical commissioning groups (CCGs) and some of the direct commissioning functions of NHS England. The ICP is a statutory joint committee of the ICB and local authorities in the area. It brings together a broad set of partners to support partnership working and develop an ‘integrated care strategy,’ a plan to address the wider health care, public health and social care needs of the population. The ICB is required to have regard to this plan when making decisions. We are proud to play our part in all levels of the ICS.

The Council is working closely with Blackpool and Lancashire councils to progress the case for more devolution of resources, powers and flexibilities to the region. A deal with Government has been signed and work is now underway to establish a new Lancashire Combined County Authority.

As part of the process to deliver a devolution deal for Lancashire, a public consultation was undertaken in December and January. Two face-to-face events were held in Blackburn with Darwen for residents to find out more about the deal and its implications. Several engagement events were also held with businesses and partners. The consultation was promoted through Council channels as well as in the media. Over 1,800 responses were received during the consultation. In total 186 responses came from businesses and representative groups, including a number from key organisations and large employers who supported the deal. The number of responses received were similar to public consultations undertaken for devolution deals in other areas. Feedback saw the majority of respondents welcome the proposal which focusses on eight priorities: Innovation, Trade and Investment, Skills, Transport, Net Zero and Climate Change, Digital and Cyber, Culture and Tourism, Housing and Land, and Delivering Our Ambitions.

The Blackburn with Darwen Community Safety Partnership (CSP) has merged with the CSP’s of Burnley, Hyndburn and Rossendale following agreement by members and the Police and Crime Commissioner of Lancashire. Blackburn with Darwen administers the Pennine Lancashire Community Safety Board and retains its duty as a Local Authority alongside the Police, Fire

Service, Health and National Probation Service who work together to reduce crime and anti-social behaviour.

The Partnership has grown in size and strength and now includes a wide range of partners from both the statutory and voluntary sector from across the Sub Region. Collectively it is achieving positive outcomes for vulnerable individuals, families and communities.

The Partnership has developed the Pennine Serious Violence Board in response to the Serious Violence Duty. Using our existing partnership structures to collaborate and plan to prevent and reduce serious violence in our communities. The Pennine Serious Violence Plan captures the partnership delivery across Blackburn with Darwen, Burnley, Hyndburn, Rossendale and Pendle.

7. Incorporate good governance arrangements in respect of partnerships and other joint working as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the authority's overall governance arrangements.

Both annual and mid-year Significant Partnerships Register updates continue to be undertaken with a report presented to the Audit and Governance Committee following the full review in March 2024. The report is presented to the Corporate Assurance Board and Statutory Governance Officers prior to presentation at Audit & Governance Committee. The Register will undergo a mid-year review following the completion of the internal audit process in quarter 1 2024-25. Updates to key information within the Register will continue to be undertaken throughout the year to reflect changes in departmental responsibilities and lead officers.

The Council is the host authority for the Lancashire Police and Crime Panel. The Council provides legal and secretarial advice and support to enable the Panel to carry out the functions and responsibilities set out in the Police Reform and Social Responsibility Act 2011 and the Regulations made under it.

The JTAI report in July 2023 noted that partnership working is strong. The Lancashire and South Cumbria Integrated Care Board and NHS trusts' safeguarding leads, the police and children's social care are equal partners and active contributors in the development and implementation of the revised safeguarding partnership arrangements. Action by senior partners to include local school leaders is a significant improvement.

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes

8. Review the effectiveness of the decision-making framework, including delegation arrangements, decision making in partnerships and robustness of data quality.

The Constitution provides the framework for decision-making. It includes delegations to various committees, Executive Members and officers, and scrutiny arrangements for holding decision makers to account. The decision making process is set out in Article 13 of the Constitution and responsibilities are identified in Part 3. The Monitoring Officer also holds and maintains a record of sub-delegations by each Chief Officer and is responsible for ensuring lawfulness and fairness of decision-making.

The Council's data quality policy underwent review this year in alignment with corporate data management standards. The policy has been updated to accurately reflect the Council's stance on data quality, with a focus on maintaining data to a high standard across all services. This

document will be made available in various formats, consistent with BwDBC's practice on publicly accessible documents.

Following this review process, a mechanism is expected to be introduced in 2024/25 that will be dedicated to measuring data quality, thereby ensuring robust assurance of the measurement and quality of data across the organisation.

The Data Quality Policy is an integral aspect of the Council's commitment to data integrity, and it will continue to adapt and be reviewed in alignment with any national or local practices and advancements in technology.

The Council has continued to carry out and record equality analysis and impact assessments (EIA) as a key stage in the decision-making process using the EIA Toolkit. This has now been strengthened with Elected Members receiving training for Equality, Diversity and Inclusion and EIAs on a biennial basis. The previous training took place in February 2023. The next training is currently scheduled for November 2024.

A corporate exercise has taken place to identify additional departmental leads to undertake and support the EIA process. These departmental leads have completed an in-person training session. Departments will continue to be monitored to ensure they are sufficiently represented following staff departures.

The annual Audit and Assurance Plan and supporting Strategic Statement set out the internal audit resources and skills required to deliver an effective internal audit service for the Council each year. The staff resources are considered adequate for the Council's current needs to ensure that it meets the requirements of the Accounts and Audit Regulations. The resources are prioritised to evaluate and improve the effectiveness of the Council's risk management, control, and governance processes for the higher priority areas identified in the annual Internal Audit Plan, which is approved by the Audit & Governance Committee at its meeting in March/April each year. Reviews of these areas are required to inform the Head of Audit & Assurance annual internal audit opinion which contributes to the Annual Governance Statement.

Principle E – Developing the entity's capacity, including the capability of its leadership and individuals within it

9. Identify the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training.

The Council has developed a workforce strategy for 2023 to 2026 with the following ambitions:

- A more diverse and inclusive workforce, where no-one is left behind;
- An engaging culture where everyone has a voice;
- Strong and visible leadership where autonomy and innovation are advocated; and
- Supporting continuous development where everyone is encouraged to reach their potential.

The priorities for year 1 have been met with continued investment in leadership and management development, developing the BwD & Me approach and continuing to embed our TRACK values. By better use of workforce data, we continue to prioritise training & development to meet our statutory responsibilities, and developing our workforce for current and future needs. The investment in entry level roles at graduate level, our own leadership pathway, leadership &

management resources on our learning hub and minimum management standards is supporting succession planning at all levels of leadership and management.

Principle F – Managing risks and performance through robust internal control and strong public financial management

10. Review the effectiveness of the framework for identifying and managing risks and demonstrate clear accountability.

Overarching responsibility for risk management lies with the CAB. Chief Officers are identified as owners of the risks identified in the Strategic Risk Register, which is considered by the CAB on a quarterly basis. The CAB review includes consideration of significant new or emerging risks identified for inclusion in the register. Risk management reports, including a summary of the Strategic Risk Register, are presented at each Audit & Governance Committee meeting. The Committee also carries out a detailed review and challenge of a selection of strategic risks on a regular basis during the year.

A corporate Risk Management Policy Statement is in place and published. It is a key element of the Council's corporate planning process and the Corporate Governance Framework. The Policy Statement sets out the Council's intent with the management of risks. It includes a definition of the Council 'appetite' for risk across a range of key risk categories. These are based on a selection of relevant key risk categories recommended in The Orange Book – Management of Risk, Principles and Concepts (2020) published by HM Government.

The Policy and supporting Risk Management Strategy and Framework provide a consistent corporate approach to ensure that robust and effective risk management procedures are embedded into the Council's culture so that risk management is an integral part of the decision making process and the supporting systems and procedures used by Members, Chief Officers and staff at all levels. These documents combine to set out the Council's approach for the systematic management of risk, the culture and roles and responsibilities of all managers and decision makers to achieve this.

The Risk Management Toolkit and risk register provide a consistent approach to risk management across the Council. Each department has its own risk register and is required to consider risk at each departmental management meeting.

The Executive Member and Executive Board Decision templates include a section to record and consider key risks as part of the decision making process. The Management Accountability Framework (MAF) Director's Exception/Dashboard Report also contains a risk section.

Directors are required to confirm that there are sound corporate governance, control and risk management arrangements operating within their Departments, in accordance with the Council's procedures and practices that uphold the Code of Corporate Governance, on a six monthly basis. They should identify any areas of concern and action that they are taking to address these, via their MAF Dashboard Report. This report is reviewed, along with progress against the Corporate Plan priorities, and reported to the Chief Executive and the Audit & Governance Committee through the MAF thematic summary included in the Audit & Assurance Progress Reports.

The six monthly assurance statement covers the effectiveness of the internal controls, risk management and governance arrangements within Departments and relevant corporate risks. This includes safeguarding assets, monitoring compliance with Council policies and objectives, budget management, risk management, and health and safety. MAF is an evolving process and refinements and extensions to its coverage will continue.

The Statutory Governance Officers Group (SGOG) draws together the sources of assurance, including those provided through MAF, and having challenged them, produces the Annual Governance Statement for consideration by the Audit & Governance Committee. The SGOG is chaired by the Chief Executive and has the Monitoring Officer, Senior Information Risk Owner and Section 151 Officer as members.

The Council produces integrated financial monitoring reports covering revenue and capital expenditure, which are reported to Executive Board on a quarterly basis each year. Ongoing financial implications are incorporated into the following year's budget strategy. In addition, the budget setting process starts prior to September each year and includes leadership meetings with Directors to ascertain any pressures and or savings within their portfolios, Inflation and legislative changes are reviewed by the Corporate Finance team. These processes are underpinned by the Council's Financial Management System, which has facilitated the production of more timely and detailed information to Members and Officers at all levels. The system continues to be developed and produce cost and working efficiencies within both the Finance Department and the Council as a whole.

The LGA CPC saw examples of strong corporate governance and a commitment to ongoing review and improvement. The report noted there are robust financial planning and monitoring arrangements in place, and these had improved since the council's Corporate Peer Challenge in 2018.

The Departmental Business Continuity Plans and the Functional Emergency Plans are constantly being reviewed and we are still working on streamlining them. Business Continuity Plans have been reviewed in 2023 and the team undertook an audit of each plan in late 2023. The structure of the organisation has continued to change, resulting in plans being further amended. The Corporate Business Continuity Plan contains all critical/priority functions and essential prioritised services at the White Dove Centre in times of IT outage etc. and this was updated in late 2023.

The Corporate Emergency and Business Continuity plans are tested annually in alternate years. The corporate exercise for April 2024 was based on a Counter Terrorism scenario (Emergency Preparedness Planning). This exercise not only provides training to attendees, but it is also an opportunity for plans to be tested and any amendments made where required.

The Civil Contingencies Service delivers an annual corporate training programme internally to employees and volunteers to ensure that they are all trained in the roles they are either expected to perform or volunteer to perform for the Council. The team has continued to respond to a number of concurrent emergencies in the community over the last 12 months.

The team will continue to deliver a programme of training/exercising, emergency preparedness and response to an emergency or disruption. This is now a mandatory service provision to all schools in the borough, including Independent, Free, Academy and Community schools to ensure consistency. To further support, the team developed an SLA, which was launched in 2022, which a number of schools purchased to access the support required for emergency preparedness. This SLA has also been rolled out for 2024.

The Corporate Health and Safety Policy clearly states that health and safety is the responsibility of all employees and managers within the Council, with clear leadership from Chief Officers. The Chief Executive retains overall responsibility for the management of health and safety in the Council. The Policy is due to review and update in May 2024. The health and safety guidance

documents have also undergone full a review during 2023/24, ahead of migration to the new intranet site.

The Health and Safety Committee meet quarterly with senior managers representing all departments in the council, to discuss key issues and actions taken to address these. Accident, incident and near miss statistics and trends are reported at this forum and improvements to health and safety are discussed and agreed. Incident data is also provided to Chief Officers on a quarterly basis through the Corporate Assurance Board. Health and Safety Task Groups are also commissioned from time to time as appropriate, for example, the Health & Safety Action group for services at Davyfield Road Depot and the internal Violence & Aggression focus group continues to meet and more recently, we have re-established the Road Risk Management Group.

Employees receive health and safety training upon induction and in line with role requirements thereafter. A range of classroom courses and e-learning training are available to all members of staff. Chief Officers agreed to some mandatory health and safety e-learning for all employees, to be refreshed on a three yearly basis. Currently these are Health and Safety in the Workplace, Manual Handling and Fire Safety Awareness and Display Screen Equipment (DSE) for designated users.

Corporate Compliance checks, which were established last year will be rolled out again in September 2024. These are to be completed by Service Managers and those with responsibility for a building, in order to check compliance against health and safety legislation. A rolling health and safety audit programme is now in progress for the Council, with higher risk departments and services prioritised. Audit reports and compliance levels are shared with Service Managers, relevant director and will also be reported at the Health & Safety Committee and Corporate Assurance Board.

Service Level Agreements are offered to schools across the Borough for a health and safety service, and we have maintained business throughout 2023-24 and into the New Year, with over 50 schools purchasing this service from the team. The new SLA for 2024-25 has been rolled out which many schools already repurchasing.

The Council has an online portal for staff to report all accidents, incidents and near misses. All reports are investigated, and steps are taken to reduce the chances of a recurrence. Four (4) incidents were reported to the HSE via RIDDOR in the 2023-24 period, which is one less than the number of incidents reported during 2022/23.

11. Ensure the 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's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government. In May 2023 the Annual Council approved the Chief Executive assuming the statutory Section 151 Chief Finance Officer responsibilities when the previous postholder left the Council on 21 May 2023, on an interim basis. The statutory responsibilities transferred to the new postholder following his appointment in September 2023.

12. Ensure the assurance arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2010).

The Council's assurance arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit. The Statement identifies that the Head of Internal Audit in a public service organisation plays a critical role in delivering the organisation's strategic objectives by:

- i. objectively assessing the adequacy and effectiveness of governance and management of risk, giving an evidence-based opinion on all of the aspects of governance, risk management and internal control; and
- ii. championing best practice in governance and objectively commenting on responses to emerging risks and proposed developments.

To perform this role the Head of Internal Audit must:

- i. be a senior manager with regular and open engagement across the organisation, particularly with the Leadership Team and with the Audit & Governance Committee;
- ii. lead and direct an internal audit service that is resourced to be fit for purpose; and
- iii. be professionally qualified and suitably experienced.

13. Financial Management (FM) Code of Practice.

CIPFA launched the FM Code of Practice in November 2019. It was developed on behalf of MHCLG in the context of increasing concerns about the financial resilience and sustainability of local authorities. Full compliance was expected for the 2021/22 financial year.

The Code clarifies how Chief Finance Officers should satisfy their statutory responsibility for good financial administration as required in section 151 of the Local Government Act 1972 and emphasises the collective financial responsibility of the whole leadership including the relevant elected members.

The Code is set by CIPFA on behalf of MHCLG. Compliance with the Code is obligatory but is not currently referenced in legislation meaning that it is not statutory guidance. However, it draws heavily on existing statutory guidance:

- Role of the Chief Financial Officer in Local Government;
- Prudential Code for Capital Finance; and
- Code of Practice on Local Authority Accounting in the United Kingdom

The FM Code has six key themes aimed at strengthening the financial resilience and sustainability of local authorities:

- (i) Organisational **leadership** – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture.
- (ii) **Accountability** – based on medium-term financial planning that drives the annual budget process supported by effective risk management, quality supporting data and whole life costs.
- (iii) Financial management is undertaken with **transparency** at its core using consistent, meaningful and understandable data, reported frequently with evidence of periodic officer action and elected member decision making.
- (iv) Adherence to professional **standards** is promoted by the leadership team and is evidenced.

- (v) Sources of **assurance** are recognised as an effective tool mainstreamed into financial management, including political scrutiny and the results of external audit, internal audit and inspection.
- (vi) The long-term **sustainability** of local services is at the heart of all financial management processes and is evidenced by prudent use of public resources.

Performance against the six key themes is measured by 19 standards, which are arranged over seven sections:

- (i) The responsibilities of the chief finance officer and leadership team
- (ii) Governance and financial management style
- (iii) Long to medium-term financial management
- (iv) The annual budget
- (v) Stakeholder engagement and business plans
- (vi) Monitoring financial performance
- (vii) External financial reporting

An assessment has been made of the Council's compliance with the 19 Standards in the Code. The assessment has identified that the Council is well placed to evidence compliance with the Code. This was supported by a review of the evidence by Internal Audit.

14. Ensure effective counter-fraud and anti-corruption arrangements are developed and maintained.

The Audit & Assurance Team takes part in the National Fraud Initiative on behalf of the Council and monitors the completion of the fraud awareness e-learning package by staff. It also monitors whistle-blowing calls and emails received by the Council and carries out investigations into reports of potential or suspected fraud and non-compliance with financial policies and procedures or financial irregularities.

The Council's current Counter Fraud Policy Statement and Counter Fraud Strategy 2022/25 were approved in June 2022. These take account of the latest guidance set out in the Fighting Fraud and Corruption Locally Strategy (2020) and provide an effective structure and approach to ensure that the counter fraud arrangements in place are embedded into the everyday processes of financial management activity and decision making within the Council. They demonstrate to the local community and other stakeholders the Council's commitment to the prevention, deterrence and detection of fraud and corruption. The documents set out the Council's approach to the management of fraud risks and defines responsibilities for action.

The Policy Statement and Strategy provide a clear statement of the Council's commitment and approach to this area from the Leadership team down. They provide a framework that should ensure a consistent approach is in place to embed robust and effective counter fraud arrangements into the Council's culture so that it is an integral part of the systems and procedures followed by Members, Chief Officers and staff at all levels.

Having considered all the principles, the organisation has adopted a satisfactory response that is appropriate for the fraud and corruption risks identified and commits to maintain its vigilance to tackle fraud.

15. Ensure effective management of change and transformation.

In the final year of our Digital Strategy, we continue to work towards our 4 work streams of:

- Digital first for our services;
- Enable transformation for our staff;

- Data driven organisation; and
- Secure and resilient technology.

Over the last 12 months we have built up capacity within the Digital Team to ensure that we design user centric services for the residents, customers and businesses of our borough. All new and redesigned services become digital by default however user research is conducted to ensure we leave no one behind and a service is provided for anyone that is digitally excluded. We have supported BwD staff have been to make use of Office 365 and Teams features and a successful roll out was implemented in December 2023.

From a data perspective we have focussed primarily on the largest areas of Council spend and those subject to imminent external inspections, Adult and Childrens social care. Specialist resource has been deployed in both areas to create comprehensive data structures which are now being used to produce regularly automated dashboards. Reports in both areas are being created which can be used by team managers and operational staff to better manage caseloads, through to summary level metrics which can be used by strategic decision makers.

An active programme of Power BI training has taken place with a range of staff across the organisation now trained in producing reports. This has enabled reporting development to continue in those areas where the core corporate team hasn't been able to support, due to the above-mentioned priorities. This training has seen the creation of a range of management dashboards, including areas such as customer contact, complaints and workforce data.

Since August 2023 the Transformation Board has been chaired by Deputy Chief Executive. This board sets and prioritises transformation work and projects for Digital and IT. A Transformation Approach has been developed for Digital and IT projects as well to support this. This continues to be successful and keeps projects moving at a steady pace.

A new Cyber Security Strategy and governance structure has been created and deployed this year to respond to and mitigate the significant security risks and necessary work programme related to cyber security. There has been an extensive technology refresh that is designed to enhance our ability to defend and recover from a cyber attack. Additional expertise has been brought in at various levels to enhance our in-house capability.

16. Ensure effective arrangements are in place for the discharge of the monitoring officer function.

As the Head of Paid Service, the Chief Executive is responsible for ensuring that Directors and Members both understand the need for sound internal controls and governance arrangements and to apply these in practice.

17. Ensure effective arrangements are in place for the discharge of the head of paid service function.

The functions of the Monitoring Officer are set out in the Council's Constitution. The role of Monitoring Officer forms part of the specific responsibilities of the Deputy Director, Legal & Governance.

18. Undertake the core functions of an audit committee.

The Audit & Governance Committee provides independent assurance and high-level focus on the audit, assurance and reporting arrangements, which underpin good governance and compliance with financial standards. It provides independent assurance on the adequacy of the

risk management framework, and internal control environment and to the extent that these meet the objectives of the Local Code of Corporate Governance. It oversees the internal and external audit arrangements, helping to ensure efficient and effective assurance arrangements are in place. This includes the integrity of financial reporting and annual governance processes.

The Audit & Governance Committee is responsible overall for monitoring compliance with policies and procedures and for setting defined standards, where need be; this includes responding to reports from the Council's external auditor.

The Audit & Governance Committee has monitored its own effectiveness against the criteria outlined in the CIPFA Position Statement: Audit Committees in Local Authorities and Police 2022 and Audit Committees: Practical Guidance for Local Authorities and Police 2022 edition. The overall results reported to the Committee in March 2024 showed that the Committee arrangements are largely compliant with the CIPFA Statement and that there is a strong belief by its members that the Committee is operating effectively.

19. Ensure compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

Directors are responsible for ensuring that, within their areas of responsibility, they establish and maintain effective systems of risk management, governance and internal control, complying with legislation, grant rules, the Council's own rules, etc. This includes both responding to recommendations by internal and external inspection processes and working with partner organisations.

A key element of assurance available to the Council and the Audit & Governance Committee are the annual assurance statements made by each director, which support the Annual Governance Statement. These require directors to take personal responsibility for the operation of adequate and effective governance and internal control systems within their departments, which include compliance with applicable laws and regulations. This assurance includes their line reports areas of responsibility. The directors' assurance statements closely reflect the seven CIPFA/SOLACE principles of good governance and the Council's Local Code of Corporate Governance.

The Council submitted evidence on 23/02/2024 to the NHS Information Governance Toolkit (Data Security and Protection Toolkit) and has been awarded a status of 'Standards Met'. The submission will enable the Council to continue to exchange data with NHS bodies.

During 2023-24 there have been 1251 Freedom of information (FOI) requests submitted. This is an increase of 18.7% against 2022/23 (1054). The compliance rate at the end of 2023/24 was 93.01%.

During 2023-24 there have been 462 Subject Access Requests (SARs) submitted. This is an increase of 3.4% against 2022/23 (447). The compliance rate at the end of 2023/24 was 95.24%.

During 2023/24 there were four complaints made to the Information Commissioner's Office (ICO). This is a 100% increase on the number of complaints registered with the ICO in 2022/23 (2).

During 2023/24, there were 84 recorded information security incidents. This is a 3.7% increase on the number of information security incidents registered with the Information Governance Team in 2022/23 (81). Incidents where the cause has been identified as process failure as opposed to human error will continue to be reviewed to ensure the suggested remediation actions have been completed within the timescale required. All human error breaches have been

followed up with line management instructions and retraining where appropriate. All third-party data breaches have been assessed in accordance with their significance and reported to the ICO. No action has been taken by the ICO to date as a result of any third party reported incidents.

Audit & Assurance produces an internal audit charter, internal audit strategy, annual internal audit plan and three year strategic audit plan that are approved by the Audit & Governance Committee. The annual plan examines the Council's systems of risk management, control, and governance. It reports to individual managers on the outcomes of its audit reviews, agreeing management actions with them. Finalised reports and action plans are issued to relevant Directors. The team also regularly reports to the Audit & Governance Committee on the progress and outcomes of its planned work. At the year-end, a mandatory Head of Internal Audit opinion report is produced, which is part of the process to support the Annual Governance Statement. Routinely during the year Audit and Assurance reports to the Chief Executive, SGOG and Audit & Governance Committee on governance matters of particular importance through its independent reviews of MAF Exception reports.

20. Whistleblowing and for receiving and investigating complaints from the public.

The Council's Whistle-blowing and Corporate Complaints Policies are available on the Internet. Both define what steps will be taken in investigating allegations of potential or suspected fraud or irregularity reported by staff and those recently employed by the Council. This includes agency workers and employees seconded to a third party. Contractors working for the Council may also use the provisions of the policy to raise concerns regarding any contractual or other arrangements with the Council.

Principle G – Implementing good practices in transparency, reporting and audit to deliver effective accountability

21. Identify and communicate the vision and intended outcomes for citizens and service users.

A key part of the corporate culture at Blackburn with Darwen Borough Council is for residents, Elected Members and staff to have a clear overview of the Council's priorities for service delivery. This is communicated in the form of a published Corporate Plan.

The Council's current Corporate Plan runs until the end of March 2027. This new plan was adopted at Policy Council in 2022 and includes four core missions that were re-affirmed at Policy Council in November 2023. Alongside the publication of the Corporate Plan were 40 Key performance Indicators which provide a barometer on the Council's delivery against the plan.

Performance management arrangements have continued throughout the year. Following the Covid pandemic, the reporting frequency has increased back to a quarterly basis with reports taken to the Corporate Assurance Board and reported through to Full Council every six months. An annual report on the Corporate Plan performance is to be presented at the Council Forum in July 2024, serving as a comprehensive overview of achievements encountered throughout the year.

Member and officer led challenge processes have taken place, with reports to the Leader of the Council and Corporate Leadership Team (CLT). The focus has been on improving services, delivery of the corporate priorities and strengthening accountability to Elected Members. Priority issues are highlighted and discussed with all directors and the Chief Executive at Corporate Assurance Board. A challenge summary is produced and is used to brief the Chief Executive. The summary includes data for discussion on the Corporate Plan, Management

Accountabilities Framework (MAF) and any other key items pertinent for discussion; for example, HR data (sickness and Health & Safety), Business Plans, good news stories, key dates etc.

Throughout the year, quarterly reporting and examination of corporate plan performance KPIs occurred at internal Corporate Assurance Board meetings, and a mid-year report was published to Policy Council in November 2023.

At these meetings, priority issues were highlighted and deliberated upon with all directors and the Chief Executive, ensuring scrutiny and challenge. Regular briefings on the KPIs were also provided to the leader on a quarterly basis.

The Council's political and managerial leadership is widely respected, highlighted in the recent corporate peer challenge. The confidence that partners have in the Council is in part inspired by its track record in stepping up to its responsibilities in partnerships across Lancashire and by its ability to deliver. Political and managerial leaders are experienced and, along with wider membership of the Council and staff, are passionate and committed to the area. This gives the Council a clear understanding of the place and its communities.

The Medium Term Financial Strategy (MTFS) is reviewed at Finance Council, and builds upon the priorities agreed at Policy Council and identified within the Corporate Plan.

Progress during 2023/24 on significant governance issues identified in the 2022/23 Annual Governance Statement

Title	CIPFA Criteria	2022/23 Issue / Actions being taken during 2023/24	Year-end Progress Update to 31 March 2024
<p>1. Long term financial sustainability of the Council</p>	<p>1,2,3,4,5,6</p>	<p>The development of the 2023/24 budget (and the Financial Strategy 2022/25 and update to the Medium term Financial Plan 2023/26) is set against a continuing challenging national economic backdrop and on-going pressures on public finances and spending. Although the Council's Core Spending Power will increase this is predicated on a number of assumptions and is not sufficient to make up for the funding reductions the Council has experienced since 2010 nor is it reflective of the significant changes in demand for services and increased costs that the Council is experiencing.</p> <p>These include the significant pressures the Children's Services budget experienced throughout 2022/23 which are expected to continue into 2023/24. Those pressures are predominantly centred on Commissioned Placements, Foster Care and Adoption payments, as well as SEN Transport.</p> <p>There is also the potential for an increase in contract costs in respect of the extra care and sheltered housing contract and the LD supported living framework for Adults Social Care as rates are likely to rise significantly in order to reflect the current market process and ability to attract suitable workforce to support increasingly complex packages of care in the community.</p> <p>Following Covid-19 it is likely that the Council will see the risk of increased contract costs across the wider sector including Residential, Nursing and Domiciliary care.</p> <p>In addition there a range of other cost pressures that the Council is subject to which need to be managed. Some of</p>	<p>The Council agreed its General Fund Budget and Capital Programme for 2024/25 at its meeting towards the end of February 2024. In doing so, agreement was given to the implementation of savings totalling c£4.0m. Councillors were also provided with an updated Medium Term Financial Plan which, to the period 2027/28, indicated a funding gap of c£16.5m over the next 3 years.</p> <p>The next update of the Medium Term Financial Plan is due to be reported to the Executive Board in June 2024. As the Council's current Financial Strategy is due to be refreshed, work will be undertaken in the coming months to do this with a view to taking a refresh of the Strategy to the Executive Board in due course.</p> <p>It is also worth noting that, following work undertaken by Grant Thornton on the Council's Value for Money Assessment, an Improvement Recommendation was made indicating that <i>'Going forward, the Council should ensure that the budget efficiencies set are realistic and achievable'</i>. Consideration of this will be given as the Council develops proposals that will help it achieve a balanced, sustainable budget over the medium term.</p>

	<p>these are generic (pay award, National Living Wage and non-pay inflation) and some specific to services.</p> <p>The Council remains heavily dependent on government funding to both provide services and to invest in economic growth and regeneration. To the extent that this remains constrained and there continues to be limits on the Council's ability to raise income locally, either imposed by Government or because of the nature of the local economy, the Council will continue to experience difficulties in achieving a balanced budget.</p> <p>Whilst the 2023/24 budget is balanced there remains a budget gap of c£12.2m to 2025/26. The Financial Strategy, amongst other matters, provides a broad framework by which the Council can implement measures to deal with this gap. The Strategy is based around the following themes:</p> <ul style="list-style-type: none">• Growing the council tax bases;• Charging for services, reviewing fees and charges, reducing subsidies, and considering new fees and charges etc;• Saving costs through transformation; and• Stopping spending on low priority areas or working with other partners to deliver services that would otherwise be delivered by the Council. <p>For 2023/24, the focus will be to deliver the agreed budget without any further need for remedial action or calling on the Council's reserves.</p> <p>The Council is taking a strategic approach to the delivery of savings over the medium term through a series of workstreams. Amongst other matters, these are considering the structure of the organisation, how the Council delivers services, the operating models in both Adult and Children's social care and how we exploit technology through the transformation of frontline and back office services.</p>	
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2. Children’s & Education and Adult Inspection Readiness

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Children’s Services & Education are subject to inspection from Ofsted, the Care Quality Commission (CQC) and HMI Probation, along with the Joint Targeted Area Inspection (JTAI) of the Council, Police and Health partners in relation to the wider safeguarding partnership.

Over the coming year the directorate may be subject to a focused inspection following our ILACS full inspection in March 2022, and a local area SEND inspection, which includes Children’s Services and Health.

Preparation for the focused visit is part of our Children’s Strategic Improvement Board agenda, which has transitioned from a monthly meeting frequency to a six-weekly one. The areas of improvement identified in the recent JTAI will be included in the Board monitoring arrangements.

Preparation for the Area SEND inspection is managed through the SEND Strategic Partnership Board. This board has partners from Education, Health, Adult and Children’s social care.

Childrens Services Progress:

Considering the timing of previous inspections and the inspection pathways that we are subject to, it is reasonable to anticipate that Children’s Services & Education will undergo a focused visit and an Area SEND inspection within the next 12 months.

Focused visit (Ofsted ILACS framework):
The responsibility for ensuring readiness for the focused visit sits with Children’s Services SLT and Children’s Strategic Improvement Board also maintains oversight.

- The ILACS Annex A evidence undergoes continuous updates, with monthly meetings scheduled for review and oversight by the Deputy Director of Children’s Social Care and with quarterly sign offs by the DCS.
- Our regional LGA advisor leads on stocktakes three times a year as a minimum, across the whole system from early help through to permanence and leaving care.
- Periodic external scrutiny and insights are playing a pivotal role in supporting our improvement journey, exemplified by our commissioning of peer reviews, work with SLIP partners, and external moderation of audits and QA activity.
- Self-evaluation (SEF) of the quality and impact of social work practice is reviewed and updated three times a year. Annually the SEF is shared with NWADS and OFSTED for our Annual Conversation. Last NWADCS peer review was in January 2024 and OFSTED Annual Conversation was in February 2024. Both processes

			<p>tested the quality and impact of social care practice and outcomes for children and young people.</p> <ul style="list-style-type: none"> • The monthly routine audits have been established and a forward plan has been created. Auditors are continuing to identify good practice and areas for improvement. Recent external moderation demonstrates a better understanding from auditors of what good looks like. Although practice remains variable, some progress can be identified. Further work is being developed to close the loop, following audit actions. <p>Area SEND inspection (Area SEND framework):</p> <p>The responsibility for ensuring readiness for the Area SEND inspection sits with the multi-agency SEND Strategic Partnership Board. SEND has gained political momentum within the Department for Education (DfE) within the past 12 months.</p> <ul style="list-style-type: none"> • Inspection readiness is a standing agenda item for the SEND Strategic Partnership Board. • A designated Social Care Officer (DISCO) for SEND has now been in post for 6 months (best practice requirement), analysing quality of practice and improvements, in particular aligning social care, education and health agendas to improve outcomes for children and young people with SEND. • The next SEND conference will be held in July 2024. This will bring partners together to provide a borough wide response to
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			<p>support children and young people with SEND.</p> <ul style="list-style-type: none"> • Specific leads have been designated for each section of the Area SEND Annex A. Regular monthly meetings with the deputy director and nominated leads have progressed to support the compilation of evidence folders. Additionally, a meeting with health services took place in February 2024 for their contributions and are currently reviewing their evidence. • DCS to review/ sign off current documentation for SEND Annex A in April 2024. • Staff Engagement session focused on SEND in March 2024 with all Children's Services and Education workforce invited. In addition, the DSCO has completed awareness raising activity with Children's Social Care workforce, around SEND inspection and expectations. • Five tier EHCP quality assurance framework has been implemented, combining the existing Invision 360's digital EHCP quality assurance tool with improved multi-agency assurance and a new impact and experience level. The Level 3 audits that were piloted in early October 2023 (multi-agency) were successful and are now embedded in routine practice. <p>The department feels that progress to date addresses key issues and actions identified and is on target at this stage of the year due to the presence of control measures such as regular reviews of Annex A evidence banks,</p>
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		<p>Adult Social Care: Under the Health and Care Act 2022, from 1st April 2023 Local Authority Adult Social Care departments are also being inspected by Care Quality Commission (CQC) and assessed for their compliance with Care Act 2014 and other legislative requirements. The Act gives inspectors new powers to allow them to provide a meaningful and independent assessment of care at a local authority and integrated care system level.</p> <p>There is a reputational risk to the Council if we fail to prepare appropriately and subsequently receive a poor outcome. A self-assessment has been carried out against identified key themes and quality statements. Gaps in provision and areas for development have been identified, with plans to address these gaps being developed. Subject matter experts have been identified and working groups established to gather, validate and log pieces of evidence. Governance arrangements are in place to report activity into Senior Leadership Team.</p>	<p>ongoing support and assurance from both the Children's Strategic Improvement Board and the SEND Strategic Partnership Board, the development of the Children's Services & Education Improvement Plan and the revision of departmental priorities. These initiatives are vital in maintaining alignment with our shared vision and driving continuous improvement.</p> <p>Adult Social Care Progress: As at March 2024 the CQC are yet to announce which North West LA's they intend to inspect.</p> <p>The draft self assessment has been completed and served the basis for an ADAS LGA review on the proposed return.</p> <p>An Assurance Group has been set up to oversee the development of the evidence base for each of the CQC Quality statements.</p> <p>Key risk areas have been identified notably Care Act carers assessments, lack of embedded co-production and case file audits. The quality of the care home sector has another market shaping challenge. The Commissioning team is being completely reorganised so as to ensure the statutory requirement to have a good quality market place is delivered upon.</p> <p>CQC Staff Support Sessions have included;</p> <ul style="list-style-type: none"> • 18/01/24 - Cath Jones (Ex DASS) and Helen Boyle (ADASS Associate) facilitated several staff support sessions
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			<ul style="list-style-type: none"> • The objective of the session was mainly to provide an opportunity for frontline staff to tell their story confidently. • Feedback to SLT 19/01/24 on areas staff expressed they were proud of and worked well, along with areas for improvement. • We are forming an action plan in the Governance Group 13/02/24 to address reflections and recommendations. • We plan to roll out similar support sessions to staff across the department in the coming months. • We will also be providing briefing sessions to key partner agencies. <p>Peer Challenge Check-in</p> <ul style="list-style-type: none"> • ADASS held a peer challenge in March 2023 from which an action plan was formed. • We held a review meeting 29/01/24 to discuss how we felt the challenge meeting went, and progress on the action plan. • Feedback slides were received on Friday 09/02/2024. • Feedback will be reviewed in the Business Planning Afternoon 14/02/2024.
<p>3. Completion and Sign-off of Financial Statements by External Audit</p>	<p>1,4</p>	<p>The Council's Statement of Accounts for the years 2020-21 and 2021-22 have not been signed off by the external auditors, Grant Thornton. This creates a significant resource issue for the corporate finance team in terms of delays and the workload arising from having three separate years of accounts open. As a result of earlier years not being signed off the closure of the 2022-23 accounts and therefore production of the 2022-23 Statement of Accounts and</p>	<p>The Council's Statement of Accounts for 2021/22 was given an unqualified audit opinion by the External Auditors in w/c 18th March.</p> <p>Work to conclude and publish the Statement of Accounts for 2022/23 (delayed because of the delay in the sign-off of 2021/22 Statement of Accounts) is underway with a target of</p>

		<p>subsequent audit will be delayed. The issues compound year on year. In addition the Council has new auditors, Mazars for financial year 2023-24 and there is potential that they will not start their audits until Grant Thornton have completed the prior years.</p>	<p>published the unaudited Statement of Accounts by 31st March 2024. It is unclear at this stage whether these Accounts will be audited by Grant Thornton.</p> <p>The Government has recently consulted on arrangements for clearing the backlog of outstanding audit opinions. The outcome of the consultation is currently awaited but this is likely to state that audit opinions on Statements of Accounts up to and including 2022/23 must be issued by 30th September 2024.</p> <p>Work has started on the closure of accounts for 2023/24 which will lead up to the production of the Statement of Accounts for 2023/24. It is anticipated that the unaudited Statement of Accounts for 2023/24 will be published by the statutory deadline of 31st May 2024.</p> <p>In the meantime, the Council has met with its new External Auditor, Mazars who are currently in the process of handover with Grant Thornton.</p>
<p>4. Corporate and Departmental Performance Management System</p>	<p>1,2,3,5</p>	<p>The Corporate Plan 2023/27 was launched following Policy Council in December 2022. Alongside this, a new suite of Corporate KPIs is being developed and will be measured from Q1 2023/24.</p> <p>Business Planning guidance has been refreshed and issued for 2023/24 and all departments will finalise their plans by end of April. A new Performance Management Framework has been developed and rolled out as part of the Corporate Plan launch.</p> <p>Corporate Plan Performance reporting alongside the Departmental MAF report will become a twice-yearly update to Corporate Assurance Board in 2023/24. We will be building</p>	<p>The Corporate Plan was launched in December 2022 and a new suite of Corporate KPIs has now been agreed. Normal reporting of the KPIs resumed in Q2 2023/24, although some exceptions remained due to additional work that is required around collating reporting data.</p> <p>Business Plans were completed by departments using the new Business Plan template and aligned with the new Corporate Plan.</p>

		<p>and developing departmental performance reporting in 2023/24. This will see regular updates on service performance being reported at Corporate Assurance Board in 2023/24.</p>	<p>Progress has been made with regards to Corporate Performance reporting, and an update was presented to Policy Council re progress against the Corporate Plan.</p> <p>More in-depth departmental and service performance reporting has started and is reported at CAB. By March 2024 all departments had undertaken a report and an evaluation will take place to review the learnings from this to ensure consistency in reporting.</p>
<p>5. Property, Plant and Equipment (PPE) Valuations</p>	<p>1,4,5</p>	<p>During the audit of the Statement of Accounts for 2020/21, the External Auditor experienced significant difficulties obtaining adequate assurance of the valuation of the Council's PPE. As a consequence, for 2021/22, they employed their own Valuer to provide support to them and to critically examine the Council's valuations for the Statement of Accounts for 2021/22. Again, this highlighted significant issues with the quality of valuations.</p> <p>As a consequence, the Council has outsourced the valuation of assets for accounting purposes for 2021/22 onwards.</p>	<p>As part of their assessment of the Council's Value for Money Arrangements for 2021/22 and 2022/23, the External Auditors (Grant Thornton) made a Key Recommendation to the Council to improve the process by which the land and building parts of the Council's Property, Plant and Equipment Asset valuations. In anticipation of this, the Council had already taken action to outsource the production of valuations.</p> <p>For the land and building parts of the Council's Property, Plant and Equipment Assets valuations, a third party company has been employed to produce valuations for 2023/24. This is based on Terms of Engagement that reflect the exacting accounting requirements of both the Chartered Institute of Public Finance and Accounts (CIPFA) and the Registered Institute of Chartered Surveyors (RICS).</p>

REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. This review of effectiveness is informed by the statements from the Council's Chief Executive and Directors, who each sign an annual assurance certificate regarding the effectiveness of the governance arrangements in place within their areas of responsibility, the Head of Audit & Assurance's annual opinion report, and by comments made by the external auditors and other inspection agencies.

The Council regularly reviews its Constitution and has delegated to the Audit & Governance Committee responsibility for reviewing the effectiveness of the governance framework and for reporting to the Executive Board where it thinks that there are issues that must be considered by the Executive.

The Scrutiny Committees set their own annual work plans and report to the Council both quarterly and annually. These Committees continue to monitor the performance and delivery of the Executive, engaging and challenging through a variety of scrutiny review methodologies, traditional reviews, appreciative and collaborative inquiries. Where appropriate, Members will utilise Task and Finish Groups outside of Committee to scrutinise and work with Officers on a wide range of issues. Overview and Scrutiny arrangements have been reviewed and revised and their effectiveness will be monitored.

The Audit & Governance Committee, in addition to having responsibility for reviewing the Corporate Governance Framework, also has responsibility for reviewing the effectiveness of risk management arrangements. The Committee receives an annual risk management report. The 2022/23 report concluded that "the Council continues to maintain robust and effective risk management processes".

The Standards Committee promotes and maintains high standards of Member conduct and monitors the operation of the Code of Conduct. A new Member's Code of Conduct was approved by Council on 30 August 2012 in accordance with the Localism Act 2011. This included new arrangements for dealing with member complaints. The Committee also examines the training needs of Members relating to the Code of Conduct and if necessary make appropriate recommendations.

The Standards Committee reviews the Member Code of Conduct and Complaints procedures on an annual basis and the latest versions are included as part of the Constitutional updates to Council.

Any matters following investigation, which require a hearing for determination of a potential breach of the code of conduct would be considered by the Hearings Panel (Sub Committee of the Standards Committee) who would make appropriate recommendations.

External inspection and assurance by External Audit during the year

The Audit Findings Report for the year ended 31 March 2022 and the Auditor's Annual Report for 2021/22 and 2022/23 were presented by the Council's external auditor to the Audit & Governance Committee in March 2024. The External Auditor noted that the Council is operating in an increasingly uncertain financial environment. The Council, as with all local authorities, will need to continue to plan with little certainty over funding in the medium term. A small number of improvement review were made relating to the review of expenditure to avoid overspends and setting achievable savings efficiencies.

The Reports also noted the following:

- The information published in the financial statements, was consistent with their knowledge of the Council and the financial statements they had audited.
- There are good systems in place for oversight of the budget. The Finance Department engages with budget holders to assist in the budget setting. Finance teams undertake regular assessments of the forecast outturn position to inform the normal financial planning process.
- No significant weaknesses were identified in arrangements to ensure the Council manages risk to its financial sustainability. Improvement recommendations were made for some arrangements in place that can be enhanced.
- The External Auditor found no evidence of significant weaknesses in the Council's arrangements for ensuring it makes appropriate decisions in the right way in 2021/22 or 2022/23.
- Overall the External Auditor was satisfied the Council had adequate arrangements for improving the way it delivers its services and delivering efficiencies and improving outcomes for service users in 2021/22 and 2022/23. There was no evidence of any significant weaknesses. A small number of improvement recommendations were made.

The external auditors did not make any statutory recommendations or exercise any of their additional statutory powers or duties under the Local Audit & Accountabilities Act 2014 in the course of their work for the 2020/21 audit year.

Significant weakness was identified in relation to difficulties encountered as part of the audit of the Council's financial statements with regards to land and building valuations for financial reporting purposes. A key recommendation was made regarding this area for the Council as part of their work on arrangements to secure value for money.

We have been advised of the result of the review of the effectiveness of the governance framework by the Audit & Governance Committee and SGOG, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined below.

SIGNIFICANT GOVERNANCE ISSUES

A key element of the annual governance review process is also to identify any significant internal control issues. The Council has adopted the approach recommended by CIPFA, which has identified what may be considered generally as a significant issue. These criteria are:

1. The issue has/may seriously prejudice or prevent achievement of a principal objective;

2. The issue has/may result in a need to seek additional funding to allow it to be resolved;
3. The issue has/may result in significant diversion of resources from another aspect of the business;
4. The issue has/may lead to a material impact on the accounts;
5. The issue, or its impact, has/may attract significant interest or seriously damaged the reputation of the Council;
6. The issue has/may result in formal action being taken by the Section 151 Officer and/ or the Monitoring Officer;
7. The audit committee, or equivalent, has advised that it should be considered significant for this purpose, or
8. The Head of Internal Audit has reported on it as significant in the annual opinion on the internal control environment.

Significant governance issues identified during 2023/24 are outlined in the following table:

Title	CIPFA Criteria	Issue / Actions being taken	Responsible officer(s)
<p>Long term financial sustainability of the Council</p>	<p>1,2,3,4,5,6</p>	<p>The development of the Council’s budget for 2024/25 was undertaken in a period of continuing challenge for most local authorities. The national public finances continue to be in a weak position and funding settlements for Local Government in recent years (including 2024/25), whilst improved compared to the early years of austerity, continue to be tight and are set against rising demand for services and increased costs as a consequence of higher than expected inflation (although this has since started to reduce to normal levels).</p> <p>The Council has experienced one of the highest funding reductions of Unitary Councils across the Country since austerity began. This is despite being amongst the most deprived Boroughs according to the Indices of Multiple Deprivation, a position that was compounded by the deep impact of Covid-19 with Blackburn with Darwen experiencing some of the worst and enduring effects of the Pandemic. Equally, the Council remains heavily dependent on government funding to both provide services and to invest in economic growth and regeneration. To the extent that this remains constrained and there continues to be limits on the Council’s ability to raise income locally, either imposed by Government or because of the nature of the local economy, the Council will continue to experience difficulties in achieving a balanced budget.</p> <p>Whilst the Finance Council meeting in February 2024 agreed a balanced budget</p>	<p>Chief Executive and Directors</p>

		<p>for 2024/25, an update on the Council's Medium Term Financial Plan for the period to 2026/27 indicated that there was an estimated funding gap in 2025/26 of c£9.1m rising to c£13.2m in 2026/27. Work is currently underway to update the Council's Medium Term Financial Forecast.</p> <p>The Council has a clear Financial Strategy which balances the need to grow the prosperity of the local economy with the need to take action, as necessary, to identify and deliver savings and efficiencies to achieve a balanced budget.</p> <p>There remains continuing demands on Adults and Childrens Services. These demand pressures are expected to persist and have a consequent impact on the Council given its responsibilities.</p> <p>Details of the Council's budget challenge and the work being undertaken to address it have been reported regularly to the Executive Board. In particular, a range of activity is being progressed to deliver the Council's Financial Strategy based around the themes – 'Grow, Charge, Save and Stop'. This activity includes taking a strategic approach to the delivery of savings over the medium term through a series of workstreams. Amongst other matters, these are considering the structure of the organisation, how the Council delivers services, the operating models in both Adult and Children's social care and how we exploit technology through the transformation of frontline and back office services.</p> <p>As in previous years, work continues to review and realign budgets to service activity. Where it is considered necessary, adjustments have been made to Portfolio Budgets to reflect this.</p>	
<p>Children's & Education Inspection Readiness</p>	<p>1,2,3,5</p>	<p>Children's Services & Education are subject to inspection from OFSTED, the Care Quality Commission (CQC) and Youth Justice Board, along with the Joint Targeted Area Inspection (JTAI) of the Council, Police and Health partners in relation to the wider safeguarding partnership.</p> <p>The directorate was subject to a JTAI during 2023/24 and more recently an ILACS Focused visit on Care Leavers in April 2024. Over the coming year it is reasonable to expect there will be a local area SEND</p>	<p>Strategic Director Children's & Education</p>

		<p>inspection, which includes Children’s Services and Health.</p> <p>Preparation for inspections is part of our monthly Improvement Boards’ agenda. The Children’s Strategic Improvement Board has oversight of the Ofsted ILACS Inspection requirements. The areas of improvement identified in the recent inspections have been included in the Board’s monitoring arrangements. The Improvement Board continues to receive updates on service performance, ILACS Annex A, data analysis and QA/Audit activity, along with exception reports from other directorates including finance and HR.</p> <p>Whilst there is evidence to support the direction of travel in addressing the improvements identified from previous inspections this will only be confirmed following the next ILACS inspection in due course.</p> <p>Preparation for the Local SEND inspection is continuing. This is managed through the SEND Operational Improvement Board and SEND Strategic Board. This board has partners from Education, Health, Adult and Children’s social care.</p>	
<p>Adults Inspection Readiness</p>		<p>Under the Health and Care Act 2022, from 1st April 2023 Local Authority Adult Social Care (ASC) departments are being inspected by the Care Quality Commission (CQC) and assessed for their compliance with Care Act 2014 and other legislative requirements. The Act gives inspectors new powers to allow them to provide a meaningful and independent assessment of care at a local authority and integrated care system level.</p> <p>There is a reputational risk to the Council if we fail to prepare appropriately and subsequently receive a poor outcome. A self-assessment has been carried out against identified key themes and quality statements. Gaps in provision and areas for development have been identified, with plans to address these gaps being developed. Subject matter experts have been identified and working groups established to gather, validate, and log pieces of evidence. Governance arrangements are in place to report activity into Senior Leadership Team.</p> <p>The anticipated CQC inspection will include a review of co-production activity and citizen</p>	<p>Strategic Director Adults and Health</p>

		<p>engagement and involvement with the Service. This will cover how ASC consults, engages, and co-produces with people who use its services to develop these services. The results from co-production should be used to help the Council rectify gaps in current systems and provide positive evidence for the inspection.</p> <p>As a minimum the Council should be able to describe its current ethos and approach to co-production. Currently the Council does not have an approved Co-production policy in place. This policy will be developed during the year, in consultation with the Corporate Policy team.</p>	
<p>Sign-off of Financial Statements by External Audit</p>	<p>1,4</p>	<p>The external audit of the Council's 2022/23 draft Statement of Accounts for has not yet started. This creates a significant resource issue for the corporate finance team in terms of delays and the workload arising from having multiple separate years of accounts open. As a result of delays in the sign off of earlier years the closure of the 2022/23 accounts was delayed causing further delays in the production of the 2023/24 Statement of Accounts and subsequent audit</p> <p>The issues compound year on year. In addition, the Council has new auditors, Mazars, for the 2023/24 financial year. There is the potential that they will not start their audits until Grant Thornton have completed the prior years' audits or, as is more likely, Mazars will be required to undertake some audit work on the 2022/23 Statement of Accounts as Grant Thornton seek to end their relationship with the Council following the expiry of the audit contract.</p> <p>In addition, since the audit of the Statement of Accounts for 2020/21, the External Auditor has experienced significant difficulties obtaining adequate assurance of the valuation of the Council's PPE. As a consequence, for 2021/22, they employed their own Valuer to provide support to them and to critically examine the Council's valuations for the Statement of Accounts for 2021/22. Again, this highlighted significant issues with the quality of valuations. The External Auditor made a key recommendation to improve this area in the Auditor's Annual Report 2021/22 and 2022/23.</p>	<p>Strategic Director Finance and Resources</p>

		As a consequence, the Council outsourced the valuation of assets for accounting purposes for 2021/22 onwards. The work for 2022/23 has been completed but has not yet been reviewed by External Audit.	
Reporting of Officer Decisions	5, 6	Reporting of Officer Decisions that are compliant with the Council's Constitution needs to be more transparent than at present. Decisions taken by Officers under delegation should, in accordance with the Openness and Transparency Regulations, be reported in an open and transparent way. In addition, where required to do so, all reporting and approval should be undertaken via the Mod.Gov system.	All Directors

We propose over the coming year to take steps to address the above matters to further enhance our 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
Chief Executive

Date:
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