



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Belfast City Council – Proposed Assurance Framework
Date:	13 May 2008
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Relevant Background Information

In simple terms, assurance is about knowing what is actually going on and having the evidence to prove it.

In a large organisation, it can be difficult for senior managers, Members and other stakeholders to know what assurances they are getting on the way their organisation is run, whether they are adequate or address their real areas of concern. To aid understanding, progressive councils in GB, NHS Trusts and other government bodies have begun to map their 'assurance frameworks' and have related these to the process of producing their annual governance statement to aid greater understanding of how their organisation is gaining its assurances.

An assurance framework shows the key sources of assurance and the basis upon which this assurance is provided.

Key Issues

Over the past 2-3 years there has been considerable effort put into developing and implementing the key elements of an assurance framework within Belfast City Council. Significant progress has been made in terms of:

- implementing a process whereby managers are required to sign annual assurance statements
- implementing risk management
- developing business planning and related performance reporting arrangements
- re-constituting the Audit Panel
- further developing the professionalism of the internal audit function, including the commissioning of an external review of the service and the planned implementation of risk-based audits, whereby the actions taken to manage key risks in risk registers

will be examined

- developing a Code of Governance.

It is now possible to begin to map the key elements of the Council's proposed Assurance Framework. The proposed **Assurance Framework** is attached at Appendix 1. The proposed framework shows:

- the main sources of assurance, such as financial control, performance management, internal and external audit
- the basis on which these key sources of assurance are provided
- how the Code of Governance relates to these assurances
- how the Audit Panel and Strategic Policy and Resources Committee have a key role to play in reviewing and approving the annual governance statement and overseeing the assurance framework as a whole.

As the elements within the proposed assurance framework are developed further over the next year, it will be important to provide an assurance to the Audit Panel that each source of assurance is reliable, that the framework as a whole is adequate and that there are no significant gaps.

Much of the detailed work of AGRS is related to reviewing the various sources of assurance and the key elements of the Council's internal control framework and we will continue to report to the Audit Panel on these areas. We are also planning on reporting on the adequacy of the assurance framework as part of the process of completing the 2008/09 Annual Governance Statement.

The framework will also be useful as a communication tool, enabling those involved and affected by the various assurance reviews / processes to see how particular pieces of work and functions 'fit in' to an overall framework.

Resource Implications

There are no significant resource implications.

Recommendations

That the Committee notes the Council's proposed assurance framework as set out at Appendix 1.

A review of the adequacy of this framework will be undertaken on an annual basis by AGRS at the end of the 2008/09 financial year, as part of the process of producing of the Annual Governance Statement.

Key to Abbreviations

AGRS – Audit, Governance and Risk Services

GB – Great Britain

KPIs – Key Performance Indicators

NHS – National Health Service

VFM – Value for Money

Documents Attached

Appendix 1 – Belfast City Council - Proposed Assurance Framework