West Lindsey District Council

Guildhall Gainsborough
Lincolnshire DN21 2NA
Tel: 01427 676676 Fax: 01427 675170

AGENDA

This meeting will be recorded and the video archive published on our website

Governance and Audit Committee
Tuesday, 15th October, 2019 at 2.00 pm
Council Chamber - The Guildhall

Members:	Councillor John McNeill (Chairman)
	Councillor Mrs Jackie Brockway (Vice-Chairman)
	Councillor Mrs Tracey Coulson
	Councillor Christopher Darcel
	Councillor David Dobbie
	Councillor Mrs Caralyne Grimble
	Councillor Mrs Angela White
	Alison Adams
	Andrew Morriss
	Peter Walton

1. **Apologies for Absence**

2. **Public Participation Period**
   Up to 15 minutes are allowed for public participation. Participants are restricted to 3 minutes each.

3. **Minutes of Previous Meeting**   (PAGES 3 - 9)
   Of the meeting dated 25 July 2019.

4. **Members Declarations of Interest**
   Members may make any declarations of interest at this point but may also make them at any point during the meeting.

5. **Matters Arising Schedule**   (PAGE 10)
   Matters Arising schedule setting out current position of previously agreed actions as at 7 October.

6. **Public Reports for Consideration**
   i) Annual Fraud Report 2018/19   (PAGES 11 - 23)

Agendas, Reports and Minutes will be provided upon request in the following formats:

Large Clear Print: Braille: Audio: Native Language

Ian Knowles
Head of Paid Service
The Guildhall
Gainsborough

Monday, 7 October 2019

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Governance and Audit Committee held in the Council Chamber - The Guildhall on 23 July 2019 commencing at 2.00 pm.

Present: Councillor John McNeill (Chairman)
Councillor Mrs Jackie Brockway (Vice-Chairman)

Councillor Mrs Tracey Coulson
Councillor David Dobbie
Councillor Mrs Caralyne Grimble
Councillor Mrs Angela White
Alison Adams
Andrew Morriss
Peter Walton

In Attendance:

Alan Robinson	Strategic Lead Governance and People/Monitoring Officer
Tracey Bircumshaw	Strategic Finance and Business Support Manager
Zlati Kalchev	Internal Audit
Natalie Kostiuk	Customer Experience Officer
Michael Norman	Auditor Mazars
Matthew Waller	Internal Audit
James Welbourn	Democratic and Civic Officer

Apologies: Councillor Christopher Darcel

10   PUBLIC PARTICIPATION PERIOD

There was no public participation.

11   MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 18 June 2019 were approved as a correct record.

12   MEMBERS DECLARATIONS OF INTEREST

None.

13   MATTERS ARISING SCHEDULE

The matters arising schedule was noted.

14   ANNUAL GOVERNANCE STATEMENT 2018/19

Members considered the Annual Governance Statement for 2018/19 along with the

associated Action Plan. Also considered was the closure of the Annual Governance Statement 2017/18 and Action Plan.

The Monitoring Officer introduced the report, adding that it was a retrospective look at how West Lindsey District Council's (WLDCs) governance arrangements were tested, and how they performed. The Annual Governance Statement identified issues to come over the course of the year, which included risk management, a peer review, a governance review, and Member and induction training.

Following this introduction, Members asked questions of officers present. The following points were highlighted:

- Payment Card Industry Data Security Standards (PCIDSS) referred to taking cardholder payments by machine, or over the telephone. Scans were performed on a quarterly basis on systems and firewalls to make sure that they were secure. Access to, and movements of appliances were also logged;

- Members of staff have to be trained in PCIDSS. A review took place on this topic, resulting in a 'substantial' outcome;

- The issue of online training for Members could fall within the remit of the reformatted Member Development Group. Any Members interested in joining the Member Development Group should reply to an email sent to them on this topic from Democratic Services;

- On a monthly basis Finance check the 'higher-level', or larger spend amounts of WLDC related organisations; contract spends were captured. Smaller spends of £250 or less were looked at as part of Budget Monitoring reports by the Finance team;

  No one officer at WLDC can spend a budget without it being signed off by a colleague;

- Generally speaking, when WLDC enter into any partnership an exit strategy would be built in. Most of this work would be completed in conjunction with Lincolnshire Legal.

> **RESOLVED** to:
>
> (1) Approve the Annual Governance Statement for 2018/19 and the associated Action Plan;
>
> (2) Sign off the Action Plan for 2017/18 as completed.

15   AUDITED STATEMENT OF ACCOUNTS

Members considered the 2018/19 audited Statement of Accounts.

Members had received the unaudited statement of accounts on 31 May; these accounts were now presented as audited. The accounts had been prepared in accordance with statutory guidance and in compliance with approved accounting policies.

The Strategic Finance and Business Support Manager highlighted the following points:

- Income and expenditure accounts showed a surplus of £1.583m, which compared to the revenue outturn of £3.133m, after taking into account statutory adjustments;

- West Lindsey District Council (WLDC) had net assets of £5.571m, with usable reserves totalling £23.631m;

- The General Fund Working balance was above the minimum provision of £2 million, and stood at £3.849m;

- WLDC remained well placed to meet the liabilities of future risks. In relation to cashflow for income and expenditure, there had been an increase of £2.113m.

Following this introduction, Members asked questions of officers. Further information was provided:

- The pension fund deficit reduced between 2016/17 and 2017/18. The main influence was around the assets and liabilities of the fund. There was a triennial review of the entire pension fund undertaken by actuaries, reassessing Council contributions to make sure the deficit was paid off within a 20 year timeline;

- There were 353 authorities in local government; WLDC were positioned in the upper quartile of this list in terms of their share of the deficit;

- The major impact on the surplus for the provision of services of £1.858m was the adjustment to the pension fund. Previously this had been a reduction in monies paid, whereas this year it had been an increase;

- The general fund balance would mitigate any risks in the short term. There were also contingency reserves for the commercial investment properties.

    Brexit was difficult to assess at this point in time;

- The longer term debtors figure consisted of a number of external loans to third parties; for example:
    - the joint venture company for Market Street Renewal,
    - an independent developer loan of £200k to construct units;
    - intercompany loans with Sure Staff and West Lindsey Staffing Company;

- The fall in the net expenditure figure was due to a number of statutory adjustments to the amounts in the expenditure statement- statutory overrides where the Council Tax payer should be charged. These adjustments related to items such as capital purchases, financial income and expenditure;

- When WLDC receive grants, they come with a range of conditions. Unapplied grants were held on the balance sheet as a creditor;

- The provision of reserves had increased significantly;

- Following a review of business rate provisions for appeals, it was decided that these were being over-provided for;

- Currently WLDC was performing above the target for commercial investment; the property portfolio equated to a significant amount of money;

- The overall financial strategy was increasing income generation, and had long-standing plans in place to deal with critical issues;

- Internal Audit had looked at the investment approach and awarded positive levels of assurance;

- The largest provisions seemed to be for those appeals for business rates, informed by the threats that exist. The provisions were prudent;

- In 2018/19 WLDC were part of the 100% business rates retention pilot. This meant that there was no Revenue Support Grant (RSG), but 100% retention of business rates.

  The retention of business rates was down to 50% in 2019/20, but the government had promised a 75% retention scheme in the future;

- The Minimum Revenue Provision (MRP) policy states that WLDC would not charge revenue for commercial investment properties funded through prudential borrowing. A valuation volatility reserve would mitigate any shortfall in the borrowing compared to the sale of any asset.

RESOLVED to:

(1) Confirm there were no concerns arising from the Financial Statements within the Statement of Accounts that needed to be brought to the attention of Full Council;

(2) Approve the Statement of Accounts for 2018/19;

(3) Permit the Section 151 Officer and the Chairman of the Governance and Audit Committee to certify the letter of representation to West Lindsey District Council's Auditor, Mazars, on completion of the audit.

16   ISA 260 REPORT

Members considered the External Auditor's report on the quality of the Statement of Accounts and the Annual Governance Statement for 2018/19.

The External Auditor highlighted sections of the report:

- Work in the area of 'significant risk' had been completed, along with the work relating to pensions;

- 3rd party verifications for WLDC's bank accounts and investments were still awaited;

- There were no outstanding queries with officers;

- Materiality set out the framework for the external audit; it was based on gross operating expenditure from the previous year;

- The proposal was to give an unqualified opinion, in addition to an unqualified value for money (VfM) conclusion. No broader audit powers had been needed;

- The significant findings and risks were listed as being:
  - Management override of controls;
  - The valuation of property, plant and equipment and investment properties;
  - The valuation of net defined pension liability;

- Statutory guidance was that there should be an MRP for investment properties. Local authorities should interpret this as they see fit. The financial impact for this year had been negligible;

- Under the banner of VfM, there had been two broad areas of further work around the commercialisation strategy and WLDC's sustainability;

- No additional representations were asked for as part of this work. The Committee's acceptance on misstatements relating to pensions was requested.

The Chairman did raise with the External Auditor that it was unfortunate that the ISA 260 report was supplementary to the agenda; ideally the report needed to be given the same time consideration as the Statement of Accounts, and needed to be considered before the Statement of Accounts report.

Following questions from Members, further information was provided:

- The VfM conclusion was underpinned by the policy on the Minimum Revenue Provision;

- Commercialism was initially identified as a risk; WLDC was categorised as a smaller authority investing significant funds for a Council of their size;

- Misstatements did not make a substantial difference for future pensions payments as they were below the materiality threshold.

RESOLVED to accept the content of the report.

17   ANNUAL VOICE OF THE CUSTOMER REPORT 2018/19

Members considered a report on customer feedback from the year 2018/19, as well as looking at the customer contact data.

The following points were highlighted:

- This was the first report on customer feedback using a new process agreed previously;

- Both compliments and comments had increased in number, but complaints had decreased from the previous report;

- Updates to customer satisfaction levels were reported through the Progress and Delivery paper, a quarterly report that was seen by Overview and Scrutiny, Prosperous Communities and Corporate Policy and Resources Committees.

Following questions and comments from Members, further information was provided:

- Complaints for Waste Services and Street Cleansing have decreased, in part due to more specific reporting being able to break these complaints down. For example, missed bins only becomes a complaint when it was a repeated problem;

- Comments were suggestions that WLDC could look at in the future. Comments were grouped with complaints and compliments as being statements about a service. The Customer Satisfaction Survey was more automated, but does work alongside the complaints, compliments and comments service;

- Online forums such as Facebook were monitored for any feedback or questions for the Council.

RESOLVED to:

(1) Note the content of the Voice of the Customer report;

(2) Note that the processes and procedures used to gain insight into Customer Experience were robust and adequate.

18   INTERNAL AUDIT Q1 19/20

Members considered an update on progress by the Audit partner, against the 2019/20 annual programmes.

During Quarter 1 five reviews had been completed by the Internal Audit team:
- Key Controls   -   Substantial Assurance
- Investment Programme   -   Substantial Assurance
- Payment Card Industry   -   Substantial Assurance
  Data Security Standard
  Follow up
- Planning Enforcement   -   Limited Assurance
  Follow up

- ICT Capacity and Capability   -   Consultancy work

Members expressed disappointment that Planning Enforcement had received limited assurance again; Internal Audit confirmed that this would be followed up. Any 'limited assurance' audit would receive the same treatment. The Monitoring Officer outlined to Members that when the initial audit was carried out the team was in the early stages of a restructure, and it was clear that more staffing resource was required. Subsequently, the resource in that team had been doubled.

The actions outstanding within that team had now been completed, but needed to be tested by Internal Audit. Once the service was running effectively and efficiently, the resourcing requirements would be revisited.

The Chairman gave his thanks to Matt Waller from Internal Audit for all the work he had done with this Committee.

RESOLVED to note the report.

19   WORK PLAN

The workplan was noted – an Independent Member gave his thanks to report writers for producing promising reports without being overly glossy.

The meeting concluded at 3.42 pm.

Chairman

Governance & Audit Committee Matters Arising Schedule

Purpose:
To consider progress on the matters arising from previous Governance & Audit Committee meetings.

Recommendation: That members note progress on the matters arising and request corrective action if necessary.

Matters arising Schedule

Status	Title	Action Required	Comments	Due Date	Allocated To
Green	**Pensions Misstatements**	**The Chairman of Governance and Audit requested that misstatements be covered as part of the Accounts Closedown paper in March.**	**(blank)**	**10/03/20**	**Caroline Capon**
Green	**Modern slavery training**	**At the Corporate Policy and Resources meeting on 19 September 2019 one of the recommendations from the Modern Slavery Statement report was to refer the subject of modern slavery training to the Governance and Audit Committee for them to look at on their workplan.**	**It is believed that this is being picked up by the Member Development Group at present - this is to be confirmed with the Chairman at committee.**	**15/10/19**	**James Welbourn**

Governance and Audit Committee	
Tuesday, 15 October 2019	

Subject: Annual Fraud Report 2018/19

Report by: | Executive Director of Resources

Contact Officer: | Tracey Bircumshaw
Strategic Finance and Business Support Manager

tracey.bircumshaw@west-lindsey.gov.uk

Purpose / Summary: | To appraise Members with details of identified fraud and counter fraud activity during the year 2018/19 and to provide assurance that policies procedures and mitigations are in place to counter fraud activity.

RECOMMENDATION(S):

1. That members endorse the content of this report and support the ongoing counter fraud work to protect the Authority's interests.

IMPLICATIONS

Legal:

None from this report

Financial : FIN/91/20/TJB

The Council contributes £3,000 per annum to the Lincolnshire Fraud Partnership and £1,290 per annum for participating in the National Fraud Initiative.

During the year Council Tax overpayment penalties have totalled £1,260 and Housing Benefit Overpayments £19,975 including £8,717.78 of penalties)

Staffing :

Staff receive mandatory e-learning on fraud awareness cyber crime and money laundering.

Equality and Diversity including Human Rights :

None from this report

Risk Assessment :

The Council maintains a Fraud Risk Register. The occurrence of fraud is considered low risk due to the mitigations in place.

Data Protection Implications : None from this report

Climate Related Risks and Opportunities : None from this report

Title and Location of any Background Papers used in the preparation of this report:

1. Purpose of this report

1.1 The report provides an overview of fraudulent activity during 2018/19

1.2 It seeks to inform members of counter fraud activity and to provide assurance and demonstrate that the Council continues to have a robust counter-fraud culture and effective counter-fraud arrangements in place to ensure fraud risks are managed effectively.

1.3 Whilst the Council, through its policies, procedures and internal controls makes efforts to protect itself, fraud is considered a growing concern, therefore vigilance is required at all times.

1.4 At Appendix 1 there is an illustrative Annual Audit report which will be published on the West Lindsey District Council (WLDC) website.

2 Background

2.1 Fraud is defined as a deception deliberately practiced in order to secure a gain (or cause a loss).

The areas particularly looked at for risks of financial crime are in relation to fraud, corruption, theft, bribery, and money laundering.

Fraud – 'the intentional distortion of financial statements or other records by persons internal or external to the authority which is carried out to conceal the misappropriation (misuse) of assets or otherwise for gain'. Through false representation, failing to disclose information or abuse of power

Corruption – 'the offering, giving, soliciting, or acceptance of an inducement or reward which may influence any person to act inappropriately'.

Theft – 'appropriating property belonging to another with the intention of permanently depriving the other of it'.
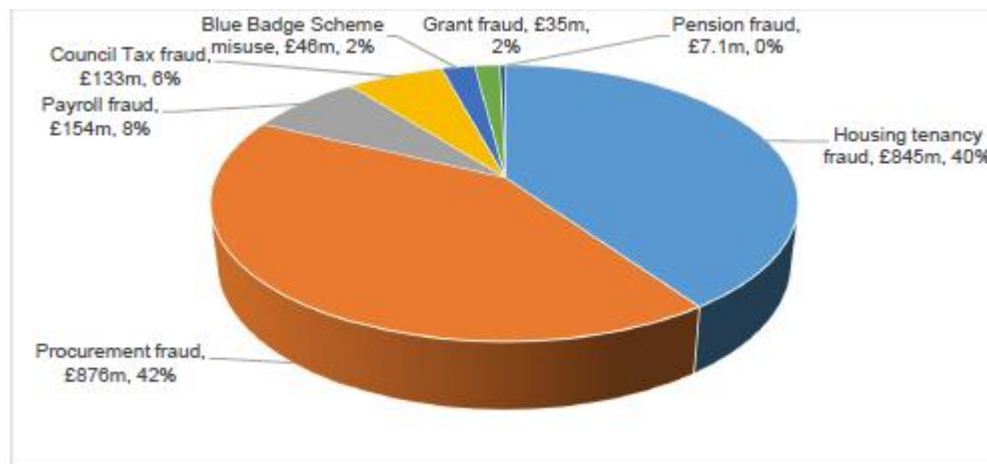
Bribery – 'is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage'.

Money laundering – 'an activity which falls within the Proceeds of Crime Act 2002, (as amended by the Serious Crime Act 2015 and new regulations 2017) whereby criminally obtained money or other assets are exchanged for clean money or assets with no link to their origins'.

Whistleblowing – 'when a person reports suspected wrongdoing at work. Officially this is called 'making a disclosure in the public interest.

2.2 Fraud costs the UK economy in the region of £193 billion per year. With the cost of fraud to local government being £2.1bn, money that could be used for local services.

The illustration below breaks down these estimated losses;

Pie chart labels:
- Blue Badge Scheme misuse, £46m, 2%
- Council Tax fraud, £133m, 6%
- Payroll fraud, £154m, 8%
- Grant fraud, £35m, 2%
- Pension fraud, £7.1m, 0%
- Housing tenancy fraud, £845m, 40%
- Procurement fraud, £876m, 42%

3. Fraud Activity 2018/19

3.1 During the year there have been instances of suspected theft from the Council's parking machines totalling £329. This was over a number of days at a number of machines, and has since stopped. An investigation was undertaken internally, however due to the low value and no substantial evidence the matter was not pursued with the Police.

There has been 1 instance where we have received email instructions to transfer funds – this was reported to the Police Fraud Unit.

Our Tekal Company had a fraudulent transaction of £9k taken from its bank account. This was reported to the Information Commissioner's Office, and details sent to the Police Fraud Unit. The money was refunded by the bank.

3.2 Activity in relation to Revenue and Benefits fraud is detailed below;

- Council Tax Fraud overpayments
  - 18 cases where sanctions were placed each with a £70 penalty charge totalling £1,260.
- Housing Benefit Fraud
  - cases of proven fraud totalling £19,975 (incl. penalties £8,717.78)

- Housing Benefit Matching Service
  - Identified Claimant errors totalling £27,241.23
  - Local Authority errors totalling £272.64
  - Government Error (DWP) - £607.21

3.3 Data matching - National Fraud Initiative (NFI)

The National Fraud Initiative matches data held in public and private sector bodies to prevent and detect fraud. This is a bi-annual exercise with a variety of services included in each exercise as prescribed by NFI.

During 2018/19 the following matches were identified and have been investigated. The charts below provide information on the outcome of investigations, identified savings, and savings categorised by service area.

In relation to Creditors, these relate to 14 duplicate payments (system and manual error) which were identified as part of our normal due diligence processes shortly after occurrence; all amounts were fully recovered.

The number of matches processed aggregated by status

- Opened (21)
- Closed - Already Known (52)
- Closed - No Issue (426)
- Closed - Error (66)
- Closed - Referred to DWP (1)

Total outcomes by organisation split by actual and estimate

- Total Estimated Savings (£625.17)
- Total Actual Savings (£32,648.64)
- Total Savings (£33,273.81)
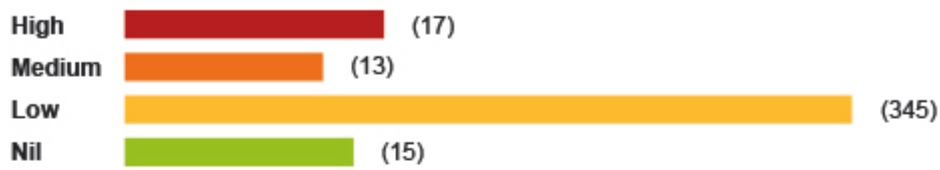
Total Outcomes by Service

- Creditors (£27,806.30)
- CT Reduction (£4,655.96)
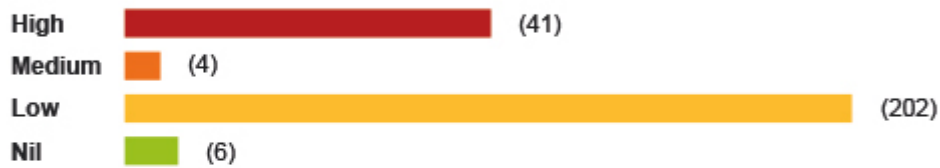- Housing Benefit (£811.55)

The graphs below display the counts of individuals with potential fraud risk factors identified. Broken down into dataset types, individuals are assigned a cumulative score based on the number of matches identified and then grouped into categories. Individual matches are then investigated.

In relation to Payroll all were expected matches; in relation to Waiting Lists these mainly related to individuals being on other authorities' lists.

Council Tax Reduction Scheme

High	(17)
Medium	(13)
Low	(345)
Nil	(15)

Housing Benefit Claimants

High	(41)
Medium	(4)
Low	(202)
Nil	(6)

Payroll

High	(1)
Medium	(3)
Low	(0)
Nil	(4)

Waiting List

High	(66)
Medium	(2)
Low	(0)
Nil	(0)

3.4 Fraud Partnership

We are a member of the Lincolnshire Fraud Partnership and as such meet on a quarterly basis. We work together to create a Fraud Plan and to share knowledge and expertise and to identify new fraud risks.

During the year we had a number of notifications from the Lincolnshire Fraud partnership informing us of attempted frauds experienced in other partner authorities, these included, attempts to change a creditors bank details, telephone scams where caller purporting to be from HMRC or Police with the objective to get the victim to pay money. False creditor invoices with incorrect bank details. Emails requesting transfer of funds etc. The finance team and relevant other officers are notified upon receipt however are vigilant in their roles.

The Partnership supported the Fraud Awareness Week 11-17 November 2018.

3.5 A number of Internal Audits were undertaken during the year which are relevant to countering fraud;

- Payroll – Substantial Assurance
- Insurance – High Assurance
- Sales and Invoicing – Substantial Assurance
- Commercial Planning – Substantial Assurance

4. Counter Fraud Policies

During 2018/2019 there was a full review of fraud policies to ensure compliance with legislation, statutory instruments and new regulations. This Committee approved the following Policies:

- Anti-Money Laundering Policy;
- Prevention of Financial Crime Policy;
- Anti-Fraud and Corruption Policy;
- Anti-Bribery Policy.

The annual review will be undertaken shortly with any material changes reported to this Committee for approval.

5. Proactive Work Programme 2019/20

Risk Area	Planned For	Current Status	Responsible Officer
Various fraud areas	Jan 2020	NFI matches investigated	T. Bircumshaw
Fraud Awareness Training - Members	May 2019	Delivered as part of Member inductions	A. Robinson
Fraud Awareness Training - Staff	Jan 2020	Now part of on boarding and induction	T.Bircumshaw/ A.Robinson
Mandatory Training – Cyber Crime Fraud Awareness Anti Money Laundering	March 2020	E-learning available on training platform Now part of on boarding requirements. Annual completion	T Bircumshaw
Annual Policy Review	Jan 2020	Commences November 2019	T. Bircumshaw
Joint procurement of Single Persons Discount Review 2020	Mar 2020	Lincolnshire Finance Officers – decision to progress	T. Bircumshaw
New Counter Fraud Leaflet New Counter Fraud Posters – 3 variants to create interest	Nov 2020	Lincolnshire Fraud Partnership initiative for International Fraud Awareness Week 17-23 November 2019	Lincolnshire Fraud Partnership

ANNUAL AUDIT REPORT 2018/19

Our report provides details of counter fraud activity for 2018/19, including incidents of fraud. The report also seeks to give assurance of our resilience to countering fraud and corruption.

Highlights

18 cases of **Council Tax Support** with penalties of **£1,260**
2 Fraud proven **Housing Benefit** cases worth **£8,717** (including penalties)
We completed a review of our **Fraud Risk Register**
All staff undertook mandatory **e-learning** Fraud Awareness training
We continue to participate in the **National Fraud Initiative**
New **Fraud Policies** were approved

Fraud Activity 2018/19:

During the year there has been one instance of suspected theft from the Council's parking machines, totalling £329. This was over a number of days, and has since stopped. An investigation was undertaken internally, however due to the low value and no substantial evidence, the matter was not pursued with the police. There has been one instance where we have received email instructions to transfer funds, which was reported to the Police Fraud Unit. Our Tekal Company had a fraudulent transaction of £9,000 taken from its bank account. This was reported to the Information Commissioners Office, and details were sent to the Police Fraud Unit. The money was refunded by the bank.

Revenue and Benefits Housing Fraud:

The activity in relation to Revenue and Benefits Fraud is as follows. There were 18 cases of Council Tax Fraud overpayments that were sanctioned, each with a £70 penalty charge, totalling £1,260. The cases of proven Housing Benefit Fraud totalled £19,975 (includng penalties of £8,717.78). The Housing Benefits Matching Service identified Claimant errors totalling £27,241.23, Local Authority errors totalling £272.64, and Government errors (The Department for Work and Pensions) totalling £607.21.

Fraud Partnership:

We are a member of the Lincolnshire Fraud Partnership. We work together to create a Fraud Plan, to share knowledge and expertise, in order to identify new fraud risks. These have included attempts to change a creditors bank details, telephone scams where the caller was purporting to be from HMRC or the police, with the objective to get the victim to pay money, false creditor invoices with incorrect bank details, and emails requesting the transfer of funds. The finance team and relevant other officers are notified upon receipt, however they are vigilant in their roles. The partnership supported the Fraud Awareness Week, 11-17 November 2018.

Internal Audits:

A number of Internal Audits were undertaken during the year which are relevant to countering fraud. These included insurance (high assurance), payroll, commercial planning, and sales and invoicing (all substantial assurance).
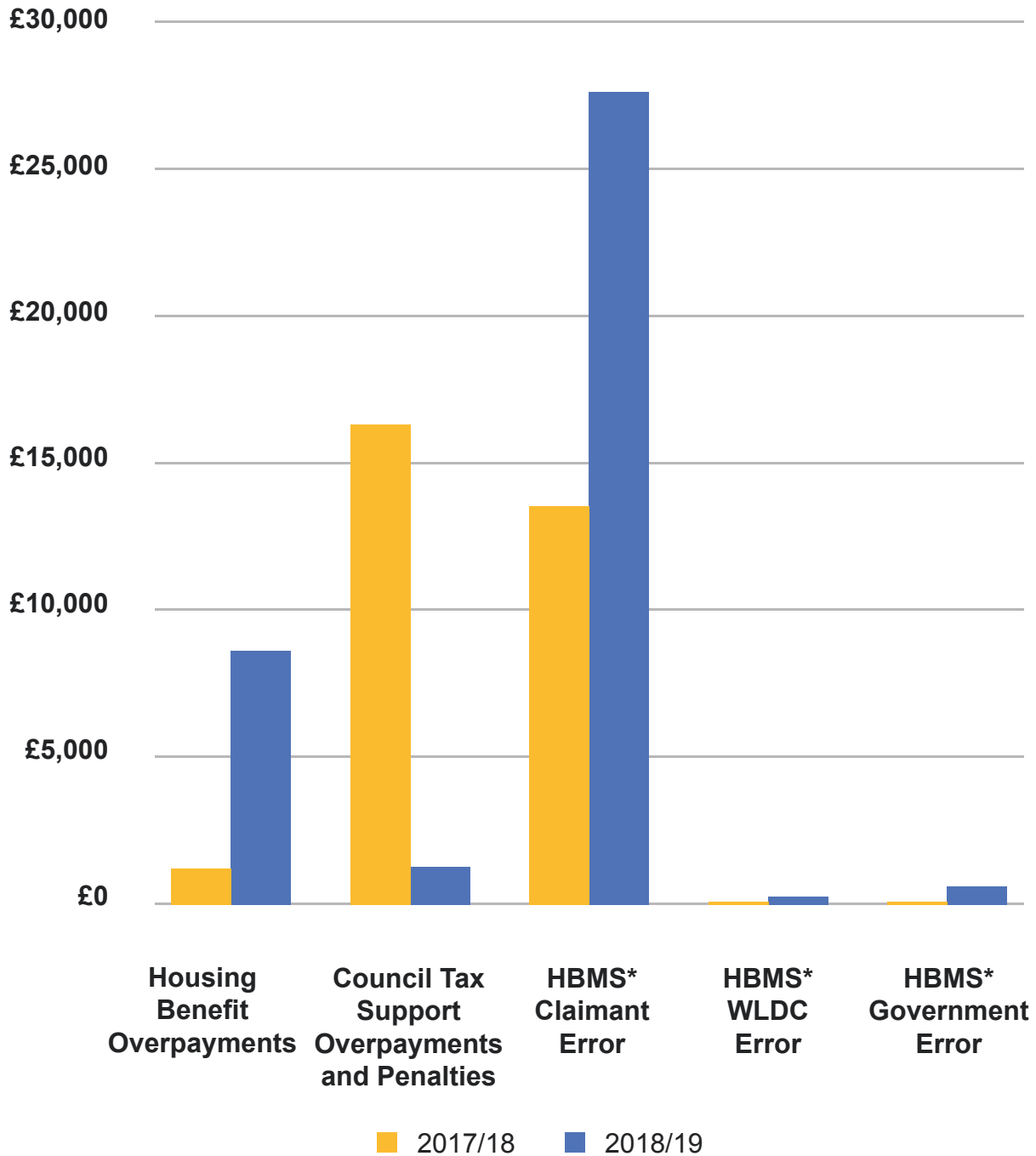
Counter Fraud Policies:

During 2018/19, there was a full review of fraud policies to ensure compliance with legislation, statutory instruments and new regulations. This committee approved the following policies: Anti-Money Laundering Policy, Preventation of Financial Crime Policy, Anti-Fraud and Corruption Policy, and Anti-Bribery Policy. The annual review will be undertaken shortly, with any changes being reported to this committee for approval.

National Fraud Initiative:

We match data with other public sector organisations, the process identified £32,648.64 of issues, £27,806.30 of which related to Creditor payments which had been identified during normal procedures and fully recovered.

HOUSING AND COUNCIL TAX: KEY DATA

Bar chart showing:

	£0	£5,000	£10,000	£15,000	£20,000	£25,000	£30,000

- Housing Benefit Overpayments
- Council Tax Support Overpayments and Penalties
- HBMS* Claimant Error
- HBMS* WLDC Error
- HBMS* Government Error

Legend: 2017/18, 2018/19

* Housing Benefit Matching Service

NATIONAL FRAUD INITIATIVE (NFI): KEY FACTS

The National Fraud Initiative matches data held in public and private sector bodies to prevent and detect fraud. During 2018/19, the following matches were identified:
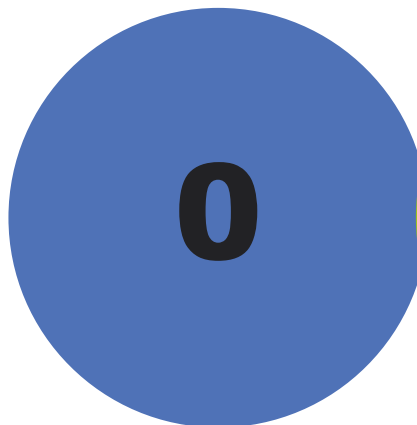
Total:

£32,648.64

545

Processed

21

Opened (Investigating)

479

Cleared (Already Known & No Issue)

0

Frauds

66

Errors

MANAGEMENT INFORMATION

These charts provide information on the outcome of investigations, identified savings, and categorised by service area. In relation to Creditors, these were 14 duplicate payments (system and manual error) which were identified as part of our normal due diligence, all amounts were fully recovered.
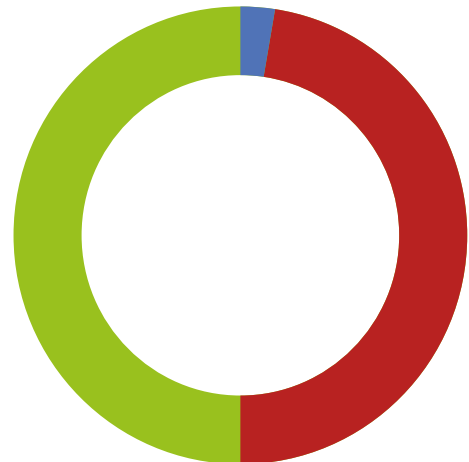
The number of matches processed aggregated by status

- Opened (21)
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- Closed - No Issue (426)
- Closed - Error (66)
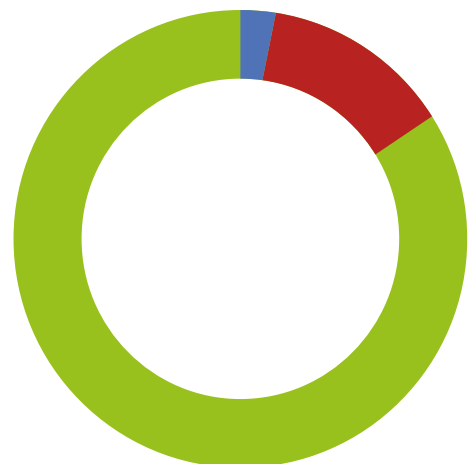- Closed - Referred to DWP (1)

Total outcomes by organisation split by actual and estimate

- Total Estimated Savings (£625.17)
- Total Actual Savings (£32,648.64)
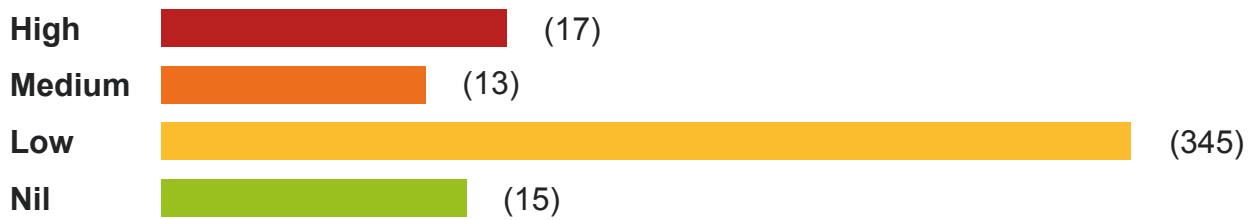- Total Savings (£33,273.81)

Total Outcomes by Service

- Creditors (£27,806.30)
- CT Reduction (£4,655.96)
- Housing Benefit (£811.55)

NFI FRAUD RISKS

The graphs below display the counts of individuals with potential fraud risk factors identified. Broken down into dataset types, individuals are assigned a cumulative score based on the number of matches identified and then grouped into categories. Individual matches are then investigated.

Council Tax Reduction Scheme
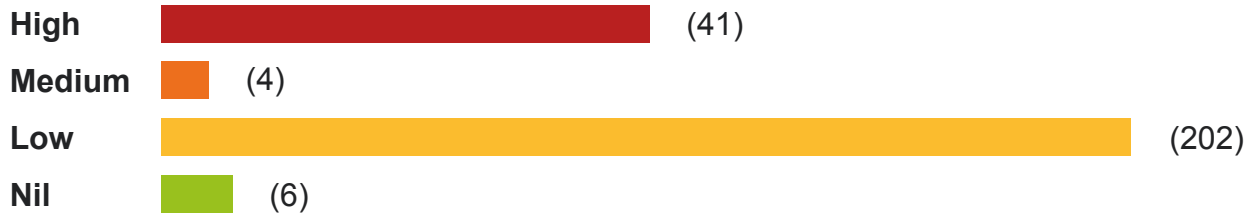
High (17)
Medium (13)
Low (345)
Nil (15)

Housing Benefit Claimants

High (41)
Medium (4)
Low (202)
Nil (6)

Payroll

High (1)
Medium (3)
Low (0)
Nil (4)

Waiting List

High (66)
Medium (2)
Low (0)
Nil (0)

Agenda Item 6b

Subject: Internal Audit Quarter 2 Progress Report 2019/20

Report by:	Lucy Pledge (Head of Service – Corporate Audit & Risk Management – Lincolnshire County Council)
Contact Officer:	Ian Knowles, Executive Director of Resources Ian.knowles@west-lindsey.gov.uk
Purpose / Summary:	The report gives members an update of progress, by the Audit partner, against the 2019/20 annual programmes agreed by the Audit Committee in March 2019.

RECOMMENDATION(S):	1) **Members consider the content of the report and identify any actions required.**

IMPLICATIONS

Legal: None directly arising from the report

Financial: None directly arises from the report.

Staffing: None.

Equality and Diversity including Human Rights:

NB: A full impact assessment **HAS TO BE** attached if the report relates to any new or revised policy or revision to service delivery/introduction of new services.

None arising from this report

Risk Assessment: N/A

Climate Related Risks and Opportunities: None arising from this report

Background Papers: No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report**.**

Internal Audit

Progress Report

West Lindsey District Council
September 2019

Assurance
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DISTRICT COUNCIL

Contents

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Introduction

The purpose of this report is to:

- Provide details of the audit work during the period 11.03.2019 – 10.06.2019
- Advise on progress with the 2019/120 plan
- Raise any other matters that may be relevant to the Audit Committee role

Key Messages

During the period we have completed two pieces of audit work.

1
HIGH ASSURANCE

Assurances

The following audit work has been completed and a final report issued:

- ICT Infrastructure Plans (joint review with NKDC) – Substantial Assurance
- Housing Benefit Subsidy Testing – High Assurance

1
SUBSTANTIAL ASSURANCE

0
LIMITED ASSURANCE

Note: The assurance expressed is at the time of issue of the report but before the full implementation of the agreed management action plan. The definitions for each level are shown in Appendix 1.

0
LOW ASSURANCE

High and Substantial Assurance

Housing Benefits Subsidy - High	We examined thirty cases as part of the work undertaken to support the subsidy claim in respect of payments made in the 2018/19 financial year. One error was identified. This related to a single claim's payments being set to calendar monthly rather than 4 weekly (including 4 rent free weeks). Over the course of a full year, there would not have been any material change in benefit, however the change went back into the prior year and provided benefit over what should have been a rent free period. As a result an overpayment of approximately £155 had occurred. We considered that the circumstances that led to the overpayment are unlikely to reoccur (we have not previously encountered such an error), and that it would also be unlikely for such an error to produce a material overpayment or underpayment, we therefore recommended no actions.
ICT Infrastructure Plans - Substantial	We found that the Council's ICT strategy and associated expenditure requirements are clearly set out. The strategy gives the Council's vision and plans for improving service delivery through better use of ICT. The strategy is underpinned by expenditure requirements, as set out in the ICT strategy and the 10 year IT Roadmap. Further financial information on the cost of the strategy is included in a report the Corporate Policy and Resources Committee in December 2018. This shows the Council's commitment to spending around £1.75 million in the next five financial years to deliver a number of programmes identified in its ICT strategy. These include replacing their desktop estate with mobile devices, to aid their agile working policy, improving the ICT infrastructure and procuring new income management, financial management and customer relationship management systems, plus a refresh of servers and storage in the Cloud.

1 Draft Reports
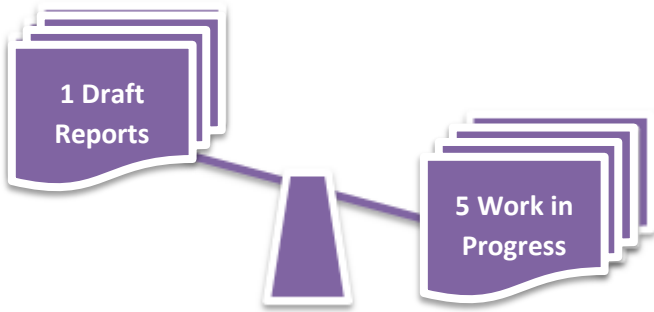
5 Work in Progress

Audits reports at draft

We have one audit at draft report stage:

• Vulnerable Communities

This will be reported to the committee in detail once finalised.

Work in Progress

We have the following 2019/20 audit's in progress

• Corporate Plan Delivery and the Golden Thread
• Project Management Review
• ICT – Members' Devices
• ICT – Public Services Network
• Key Controls – Financial Resilience

Internal Audit's performance is measured against a range of indicators. The statistics below show our performance on key indicators year to date.
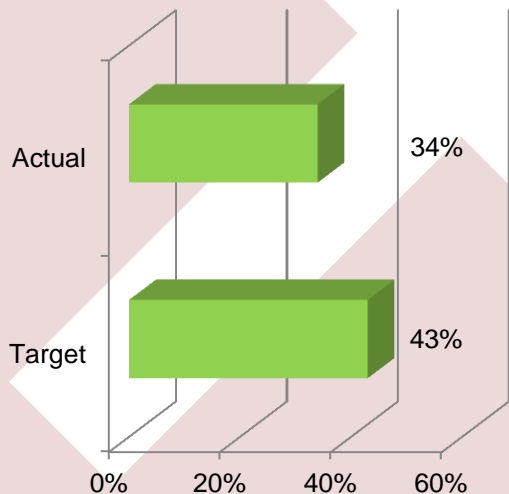
Performance on Key Indicators

100%

Rated our service Good to Excellent

High achievement of Audit KPI's to date

Delivery of Plan

Actual — 34%

Target — 43%

0%   20%   40%   60%

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CIPFA Guidance

The institute is calling for the public sector to provide recognition, support and encouragement for heads of internal audit and their teams via 5 principles;

1. HIA's should champion best practise in governance, assessing the adequacy of governance and management of existing risks, commenting on responses to emerging risks.
2. HIA's should give an objective and evidence based opinion on all aspects of governance, risk management and internal control.
3. Must be a senior manager with regular and open engagement across the organisation.
4. Must lead and direct an internal audit service that is resourced to be fit for purpose.
5. Must be professionally qualified and suitably experienced.

https://www.publicfinance.co.uk/news/2019/04/cipfa-publishes-public-sector-internal-audit-advice

CIPFA Better Governance Forum- Audit Committee

This is a CIPFA statement around the role of the Head of Internal Audit in public sector organisations. The purpose of it is to assist the audit committee members in understanding the Head of Internal Audit and sets out the support that the audit committee should provide to that role.

https://cl-assets.public-i.tv/sandwell/document/07a___CIPFA_Audit_Committee_Update.pdf

The Orange Book- Management of Risk

A government published paper which explains the principles and concepts of risk management. It also highlights how risk can be split into 5 principles; governance and leadership, integration, collaboration, processes and continual improvement.

https://www.gov.uk/government/publications/orange-book

Guidance for Audit Committees- Cloud Services

This document provides guidance to audit committees about cloud services. It prompts questions that the audit committee members could ask those responsible their digital strategy.

https://www.nao.org.uk/wp-content/uploads/2019/04/Guidance-for-audit-committees-on-cloud-services.pdf

Assurance Lincolnshire wins award

The latest award won by Assurance Lincolnshire was the "Good Governance and Risk Management" at the Public Finance Awards 2019. This was for work on culture, value and ethics. We beat teams from the Police, Northern Ireland Water, The NHS, The Treasury and Transport for London.

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High

Our critical review or assessment on the activity gives us a high level of confidence on service delivery arrangements, management of risks, and the operation of controls and / or performance.

The risk of the activity not achieving its objectives or outcomes is low. Controls have been evaluated as adequate, appropriate and are operating effectively.

Substantial

Our critical review or assessment on the activity gives us a substantial level of confidence (assurance) on service delivery arrangements, management of risks, and operation of controls and / or performance.

There are some improvements needed in the application of controls to manage risks. However, the controls have been evaluated as adequate, appropriate and operating sufficiently so that the risk of the activity not achieving its objectives is medium to low.

Limited

Our critical review or assessment on the activity gives us a limited level of confidence (assurance) on service delivery arrangements, management of risks, and operation of controls and / or performance.

The controls to manage the key risks were found not always to be operating or are inadequate. Therefore, the controls evaluated are unlikely to give a reasonable level of confidence (assurance) that the risks are being managed effectively. It is unlikely that the activity will achieve its objectives.

Low

Our critical review or assessment on the activity identified significant concerns on service delivery arrangements, management of risks, and operation of controls and / or performance.

There are either gaps in the control framework managing the key risks or the controls have been evaluated as not adequate, appropriate or are not being effectively operated. Therefore the risk of the activity not achieving its objectives is high.

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7

Outstanding Audit Recommendations at 31st August 2019

Activity	Issue Date	Assurance	Total recs	Recs Imp	Priority of Overdue Recommendations			Recs not due
					High	Medium	Low	
Corporate Plan	March 2019	Substantial	5	2		1		2
Customer First Programme	Nov 2018	Substantial	5	4		1		

Audit	Scope of Work	Start Planned date	Start Actual date	End Actual date	Status/ Rating
Members Devices with NKDC	Joint review with NKDC to review the training and security of members devices.	Q1 Apr - June 2019	June 2019		Work In progress
Internal P3M3 Project management review support	To support the Council in its review of project and programme management systems against the best practice and standards of the P3M3 maturity model.	Q1 Apr - June 2019	Aug 2019		Work In progress
Vulnerable Communities	Review the Council's strategic and operational approach and management to address vulnerable communities in the district.	Q1 Apr – June 2019	June 2019		Draft Report
New Depot Project Support	Support the Council on project work to consider the future for the waste depot.	Q1 Apr – June 2019	May 2019		Work In Progress
Housing Benefits Subsidy	Test a sample of benefit cases to on behalf of the external auditor Mazars to provide assurance on the subsidy claimed by the Council.	Q2 July – Sept 2019	May 2019	July 2019	Final Report Substantial
Delivery of the Corporate Plan and the "Golden Thread" concept.	Review the "Golden Thread" concept that links service delivery to Corporate plans to ensure services understand how their work supports corporate aims.	Q2 July – Sept 2019	Aug 2019		Work In Progress

Audit	Scope of Work	Start Planned date	Start Actual date	End Actual date	Status/ Rating
ICT - Public Sector Network (PSN)	Joint review with NKDC to review the Councils compliance with standards and best practice.	Q3 Oct – Dec 2019			Terms of Reference
Programme and Project Management	Provide assurance that the Council's Programme and Project management systems are understood by services and complied with.	Q3 Oct – Dec 2019			Terms of Reference
Key Controls – Financial Resilience	Provide assurance that the Council has clear process and controls in place to manage financial resilience.	Q3 Oct – Dec 2019			Terms of Reference
Combined Assurance	Document the Council's critical areas to provide an assurance rating to inform the audit plan and report to management and members.	Q3 Oct – Dec 2019			
ICT Cyber Security Joint with NK	Review cyber security controls against best practice and national standards.	Q4 Jan – Mar 2020			
Good Governance follow up	Follow up on the 2018/19 report and recommendations to provide continued assurance on Good Governance and Culture.	Q4 Jan – Mar 2020			

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Audit	Scope of Work	Start Planned date	Start Actual date	End Actual date	Status/ Rating
Key Controls – areas to be agreed	Carry out key control testing on critical Council services.	Q4 Jan – March 2020			
Audit Follow Up work – Planning Enforcement & Food Safety & Environmental Protection.	Follow up 2018/19 limited assurance areas to provide assurance that improvements have been implemented.	Q4 Jan – March 2020			

Agenda Item 6c

	Governance and Audit Committee
	Tuesday 15 October

Local Government Ombudsman (LGO) Annual Review Letter 2018/19 Report

Report by:

Ian Knowles
Executive Director of Resources

Contact Officer:

Natalie Kostiuk
Customer Experience Officer
natalie.kostiuk@west-lindsey.gov.uk

Purpose / Summary:

Report on the LGO Annual Review Letter 2018/19 covering complaints referred to the LGO during the 2018 to 2019 period. Examining upheld complaints, learning actions and benchmarking/trends.

RECOMMENDATION(S):

That committee members welcome the report from the Local Government Ombudsman and acknowledge the work which has been undertaken to incorporate the learning from the report's findings into how West Lindsey District Council works as an organisation.

IMPLICATIONS

Legal:
None arising directly from this report.

Financial : FIN/77/20

Members agreed via a report made to the Governance & Audit committee in July 2018 to delegate authority to award compensation up to a value of £2,500 to the Executive Director of Resources subject to consultation with the Chairman of the Governance and Audit Committee.

The LGO recommended payments included in this report of £350 which have been funded from existing overall resources.

Staffing :
None arising directly from this report.

Equality and Diversity including Human Rights :
By understanding, in more detail about how customers interact with the Council means we will be able to address issues that are preventing them from accessing services in an equal manner.

Data Protection Implications :
None arising directly from this report.

Climate Related Risks and Opportunities:
None arising directly from this report.

Section 17 Crime and Disorder Considerations:
None arising directly from this report.

Health Implications:
None arising directly from this report.

Title and Location of any Background Papers used in the preparation of this report :

Link to the Local Government Ombudsman Website Annual Review Letter for West Lindsey District Council:

https://www.lgo.org.uk/documents/councilperformance/2019/west%20lindsey%20district%20council.pdf

Link to the Local Government Ombudsman Website Complaint Decisions for West Lindsey District Council:

https://www.lgo.org.uk/Decisions/SearchResults?q=west%20lindsey%20district%20council&t=both&fd=0001-01-01&td=2019-09-02&dc=c%2Bnu%2Bu%2B&sortOrder=descending

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Risk Assessment :

N/A

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes | | **No** | **X**

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes | | **No** | **X**

Local Government Ombudsman Annual Review Letter 2018/19 Report

Contents

Executive Summary

This report examines the Local Government Ombudsman (LGO) Annual Review Letter 2019 covering complaints that our customers referred to them during the 2018-2019 period ending 31st March 2019.

The data in this year's report refers to some decisions (4 in total) that were made during the 2018/19 period in conclusion to complaints that were initially referred to the LGO in 2016/17. These were complex complaints which took a long period of time to investigate and conclude.

Historical data on complaints referred to the Local Government Ombudsman (LGO) is included along with detailed comparison to last year's figures and findings.

The report goes on to explain the complaints that were upheld by the LGO and includes details of the recommended actions and learning that has taken place.

Finally the report compares how West Lindsey District Council has performed overall nationally and with 20 other similar local authorities in terms of the amount of complaints referred, investigated and upheld by the LGO.

1 Introduction

1.1 If a customer is unhappy with the outcome of their complaint or the way it has been handled by WLDC they are entitled to refer their complaint to the LGO for an independent investigation.

1.2 The LGO will only investigate a complaint once it has been dealt with through the West Lindsey District Council Customer Experience Policy 2018/19 Complaints Process and if it meets their criteria for investigation.

1.3 Certain issues that have another formal route of appeal will not be investigated by the LGO.

1.4 There is no cost to the authority for work carried out by the LGO.

1.5 Each year the LGO publish an Annual Review letter for each authority detailing the amount of complaints referred to them, investigated by them and upheld by them. This year new statistics regarding the authority's compliance with recommendations has also been included. The full Annual Review Letter can be found in **Appendix 1** of this report.

1.6 The information published by the LGO allows each authority to examine how they compare to other authorities.

1.7 LGO investigations and decisions on complaints allow us to learn and make improvements to the way we run our services and deal with customers on a daily basis. We can also learn from LGO complaints and decisions made for other authorities, when decisions are published they are shared with Team Managers.

1.8 *"As ever, I would stress that the number of complaints, taken alone, is not necessarily a reliable indicator of an authority's performance. The volume of complaints should be considered alongside the uphold rate (how often we found*

fault when we investigated a complaint), and alongside statistics that indicate your authority's willingness to accept fault and put things right when they go wrong. We also provide a figure for the number of cases where your authority provided a satisfactory remedy before the complaint reached us, and new statistics about your authority's compliance with recommendations we have made; both of which offer a more comprehensive and insightful view of your authority's approach to complaint handling". – **Quote taken from the annual review letter 2019.**

1.9 The graph below illustrates how many WLDC complaints have been referred to and upheld by the LGO each year since 2009.

1.10 The LGO do not necessarily investigate all complaints referred to them, during the 2018/19 period 20 complaints were referred to the LGO but only 10 complaints were investigated. It should also be noted that during the 2018/19 period four final decisions were received which related to complaints that were referred to the LGO initially in 2016/17, these complaints required complex investigation hence the delay in a decision being reached. The inclusion of these four decisions has increased the overall upheld rate for this particular year.

Historical Data - Number of complaint referred to, investigated and upheld by the LGO per year
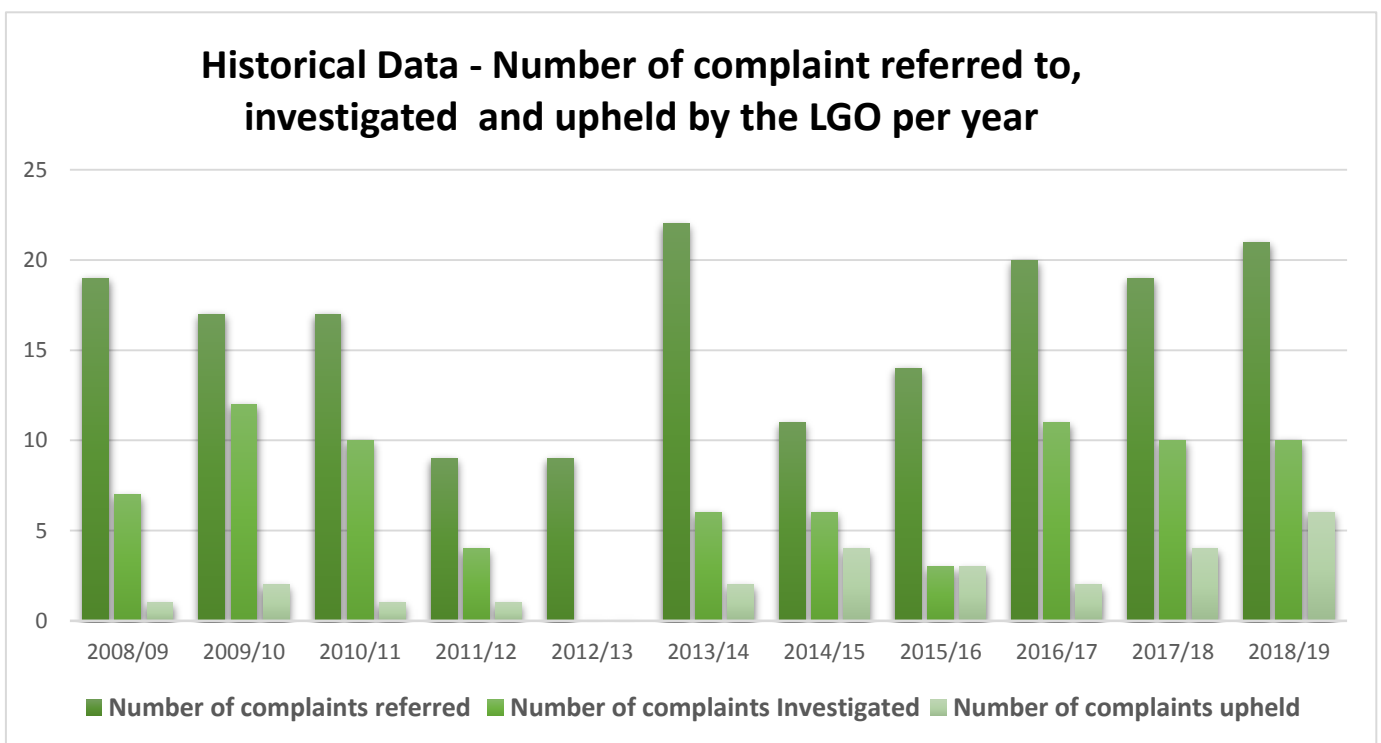
- **Number of investigations carried out and upheld complaints for 2012/13 period unknown due to change in LGO procedures.**

2 Annual Review Letter Figures

2.1 In total 20 complaints were referred to the LGO in 2018/19, which is a similar number to previous years. The table below illustrates which services the complaints related to compared with the previous two years.

2.2 Once again the majority of complaints referred to the LGO were relating to Planning and Development. Over 50% (11 out of 20) of the complaints referred to the LGO during 2018/19 related to Planning and Development. 5 of these complaints were closed after initial enquiries; 1 was referred back to WLDC as being a premature referral to the LGO, 5 were investigated, 4 were upheld and 1 was not upheld. These will be examined in more detail later on in the report.

	Benefits and Tax	Corporate and Other Services	Environment Services	Highways and Transport	Housing	Planning and Development	Total
2018/19	4	1	3	0	1	11	20
2017/18	3	2	2	0	0	12	19
2016/17	3	1	4	1	2	9	20

2.3 In total 21 decisions were made by the LGO in the 2018/19 period.

2.4 4 complaints were referred back to WLDC for local resolution. This occurs when a customer has not initially made their complaint known to us or given us the chance to investigate and resolve their complaint 'in house'. The LGO will only investigate complaints once they have been investigated via the authority under the Council's complaint process.

2.5 7 complaints were closed after initial enquiries. This occurs when the LGO receive a complaint and consider the initial information including details of the complaint. If the LGO decide that it is unlikely that any fault will be found or that any harm has occurred they will not investigate the matter further.

2.6 In total 10 detailed investigations were carried out by the LGO.

2.7 4 complaints investigated by the LGO were not upheld. No fault was identified.

2.8 6 complaints investigated by the LGO were upheld as fault was identified. Please note however that as mentioned previously four of these decisions were relating to complaints that were referred to the LGO initially in 2016/17, these complaints required complex investigation hence the delay in a decision being reached. The inclusion of these four decisions has increased the overall upheld rate for this particular year. The WLDC overall upheld rate for the 2018/19 period is 60% which is an increase of 20% compared to the previous year where 10 complaints were investigated and 4 were upheld giving a previous upheld rate of 40%.

2.9 The table below shows how these figures compare to the previous two years:

	2018/19	2017/18	2016/17
Complaints and enquiries received by the LGO	20	20	19
Number of detailed investigations carried out by the LGO	10	10	11
Number of complaints upheld by the LGO	6	4	2
Upheld complaint percentage %	60%	40%	18%

2.10 There is one outstanding decision due from complaints referred to the LGO during the last year period 2017/18. This decision will be reported in next year's annual review letter report.

2.11 The upheld rate of 60% is an increase compared to previous years. This is also higher than the average upheld rate of similar authorities which is 43%. As explained above the upheld rate for 2018/19 is increased due to the four 2016/17 complaint decisions being made in 2018.

3   Upheld Complaints

3.1 In total the LGO carried out detailed investigations for 10 complaints. 6 of these complaints were upheld. The table below shows information on the upheld

complaints and the remedies that were recommended by the LGO. The received and decided dates illustrate the length of time it took the LGO to investigate the complaints.

Reference	Category	Received by LGO	Decided	Decision	Remedy
16016431	Benefits & Tax	June 17	18 Jun 18	Upheld - Maladministration & Injustice	Financial redress: Avoidable distress/time and trouble
16016433	Planning & Development	April 17	14 Jun 18	Upheld - Maladministration & Injustice	Apology, Financial redress: Avoidable distress/time and trouble, Procedure or policy change/review
17004095	Planning & Development	May 17	14 Jun 18	Upheld - Maladministration & Injustice	Apology, Financial redress: Avoidable distress/time and trouble, Procedure or policy change/review
17004202	Planning & Development	Oct 17	25 Jun 18	Upheld – Maladministration , No Injustice	Null
18000131	Planning & Development	April 18	12 Sep 18	Upheld – Maladministration , No Injustice	Null
18001268	Environmental Services & Public Protection & Regulation	June 18	20 Sep 18	Upheld - Maladministration & Injustice	Apology, Financial redress: Avoidable distress/time and trouble

3.2 The details below include the history and the findings of the 6 complaints that were upheld by the LGO. The recommended actions have been completed.

3.3 **16016431 Benefits and Tax (Maladministration & Injustice)**
Remedy: Financial redress: Avoidable distress/time and trouble
Referred to LGO: June 2017, Decision received: June 2018

This case was regarding a complicated council tax matter where liability orders had to be obtained in respect of missed payments. Some council tax payments had been made using bills of exchange that were presented on pieces of wood and via other none usual methods which were not accepted. A delay in payments that were made being matched up to the customer's account led to a charging order being issued in error, this has since been withdrawn.

The LGO concluded that there was fault by the Council when it obtained a charging order against the complainant for council tax arrears because it had received payments. The LGO recommended the Council remove charges of £178. The Council has already removed charges of £109.50 and has agreed to remove a further £68.50.

3.4 **16016433 Planning and Development (Maladministration & Injustice)**
Remedy: Apology, Financial redress: Avoidable distress/time and trouble, Procedure or policy change/review – Same complaint as 17004095
Referred to LGO: April 2017, Decision received: June 2018

This complaint was made by two separate parties and related to a recent planning application decision where permission had been granted. The complainants felt that the Council had granted planning permission for development near their homes without properly considering the impact on their amenity. They claimed they would consequently suffer a loss of light, increased overshadowing and devaluation of their properties. The customers also complained they had been to time and trouble pursuing matters.

The LGO concluded that there were some faults in how the Council decided to grant planning permission. The decision would probably have been the same without those faults but the faults caused the complainants unnecessary frustration and concern. The LGO recommended that the Council apologise, make payments to the complainants and review and improve some practices.

The Council agreed to review what happened in this case and give officers who deal with planning applications a briefing note (anonymised as necessary) on what went wrong, particularly the inaccurate information given about what the previous planning applications had decided and any changes needed to minimise the chance of similar faults in the future, particularly when dealing with applications with a detailed planning history. The Council agreed to keep a written record of committee site visits.

3.5 **17004095 Planning and Development (Maladministration & Injustice)**
Remedy: Apology, Financial redress: Avoidable distress/time and trouble, Procedure or policy change/review – Same complaint as 16016433
Referred to LGO: May 2017, Decision received: June 2018

This complaint was made by two separate parties and related to a recent planning application decision where permission had been granted. The complainants felt that the Council had granted planning permission for development near their homes without properly considering the impact on their amenity. They claimed they would consequently suffer a loss of light, increased overshadowing and devaluation of their properties. The customers also complained they had been to time and trouble pursuing matters.

The LGO concluded that there were some faults in how the Council decided to grant planning permission. The decision would probably have been the same without those faults but the faults caused the complainants unnecessary frustration and concern. The LGO recommended that the Council apologise, make payments to the complainants and review and improve some practices.

The Council agreed to review what happened in this case and give officers who deal with planning applications a briefing note (anonymised as necessary) on what went wrong, particularly the inaccurate information given about what the previous planning applications had decided and any changes needed to minimise the chance of similar faults in the future, particularly when dealing with applications with a detailed planning history. The Council agreed to keep a written record of committee site visits.

3.6 **17004202 Planning and Development (Maladministration, No Injustice)**
Remedy: Null
Referred to LGO: October 2017, Decision received: June 2018

This case was regarding a recent planning application decision. The customer said the Council was at fault in its handling of planning applications for a site near their home. In particular they say the Council: accepted a planning application with a proposal description which did not accurately reflect the details of the application and liaised with the applicant to alter the description without a new application being submitted; failed to publish a decision notice on its website informing residents of the outcome the application and the conditions attached to it; did not consult them on an application for the compliance of a condition; and did not properly consider their complaints and provided inadequate and nonsensical replies. For the above reasons the customer said there had been fault which has altered the outcome of the planning process resulting in a development which is harmful to their amenity.

The LGO ended their consideration of this complaint because they did not find any evidence of fault which altered the outcome of the planning applications complained about. However, the LGO did find some evidence of fault by the Council in its handling of the customer's complaint. They also noted the Council should have uploaded details of its decision on the reserved matters application to its website when it told the customer it would. Both matters necessitated the customer making complaints which might otherwise have been avoided. The LGO recommended that the Council apologise to the customer in writing for the cumulative impact of these matters. The Council agreed

3.7 **18000131 Planning and Development (Maladministration, No Injustice)**
Remedy: Null
Referred to LGO: April 2018, Decision received: September 2018

This case was regarding a historical Section 106 agreement. The customer complained that the Council failed to monitor compliance with a Section 106 agreement for a development where they live. The customer also said the Council's decision not to take enforcement action to require compliance with the terms of the Section 106 agreement was wrong.

The LGO concluded that there was evidence of fault by the Council because it failed to monitor compliance of the Section 106 agreement as it should have done. However, The LGO did not consider this has resulted in an injustice to the customer. The LGO did not find any evidence of fault by the Council regarding its decision not to take enforcement action against the developer. For these reasons, the LGO ended their consideration of this complaint.

3.8 **18001268 Environmental Services & Public Protection & Regulation**
(**Maladministration and Injustice**)

Remedy: Apology, Financial redress: Avoidable distress/time and trouble
Referred to LGO: June 2018, Decision received: September 2018

This case was regarding a noise complaint. The customer was located in the WLDC district but the noise was originating from a location over the border in a neighbouring district and authority area. The customer complained that WLDC failed to take any action into his noise complaint because it wrongly signposted them to a neighbouring council. When the customer was referred back to WLDC the noise had stopped so could not take any action.

The LGO concluded WLDC was not at fault when it passed the noise complaint to another authority. But WLDC should have also investigated the customer's complaint at the same time. Failure to do so has caused the customer some uncertainty whether WLDC should have taken action against the power station to stop the noise. In recognition for the faults identified above The LGO recommended that we apologise to the customer for the uncertainty and time and trouble experienced and pay the customer £150 for the time, trouble and uncertainty experienced.

4   Compliance with Ombudsman Recommendations

4.1   The LGO now produce statistics on compliance which are the result of a series of changes that the LGO have made to how they make and monitor their recommendations to remedy the fault they find. The LGO's recommendations are specific and often include a time-frame for completion, allowing them to follow up with authorities and seek evidence that recommendations have been implemented. These changes mean the LGO can provide these new statistics about WLDC's compliance with their recommendations.

4.2   WLDC received a 100% score for compliance with LGO recommendations for the 2018/19 period:

Complaints where compliance with the recommended remedy was recorded during the year	4
Complaints where the authority complied with LGO recommendations on time	4
Complaints where the authority complied with LGO recommendations late	0
Complaints where the authority has not complied with LGO recommendations	0
Compliance Rate	100%

5   Learning from LGO Complaint Investigations

5.1   Learning has taken place via the LGO complaint investigation findings and decisions, various amendments have been instigated following these outcomes.

5.2 Changes in procedures have taken place to improve the way our services run and to ensure our customers have the best experience possible. Some examples are included below:

5.3 Customer standards have been implemented that set out what our customers can expect from us in terms of responding to and answering queries.

5.4 As recommended by the LGO a review of what happened in a planning and development case took place and officers who deal with planning applications were given a briefing note (anonymised as necessary) on what went wrong, particularly the inaccurate information given about what the previous planning applications had decided and any changes needed to minimise the chance of similar faults in the future, particularly when dealing with applications with a detailed planning history.

5.5 Following on from the LGO recommendations the new West Lindsey District Council Code of Practice for Planning Committee Site Visits was designed and implemented which includes guidance on what details are required to be recorded during Planning Committee site visits.

5.6 Since one of the complaints regarding a recent planning application decision was investigated and referred to the LGO in 2017 the way complaints are dealt with has been improved. There is now a dedicated officer that handles, investigates and responds to complaints and a new process is in place to improve the complaint experience for our customers.

5.7 New procedures for uploading planning documents and decisions have been implemented to ensure unnecessary delays do not occur.

5.8 New policies and procedures for Section 106 agreements have been implemented and there are now more robust standards of compliance monitoring.

5.9 Following the LGO investigation into the above noise complaint the procedures for dealing with and investigating noise complaints where the noise originates from another district area have been updated in line with the recommendations made and the fact that WLDC should have also investigated the complaint as well as signposting to the neighbouring authority.

6 Comparison with other Local Authorities Nationally

6.1 The LGO deals with 366 Local Authorities in total.

6.2 WLDC is number 210/366 overall in terms of the number of complaints referred to the LGO per each authority (the highest being 455 complaints escalated for Birmingham City Council).

6.3 WLDC is number 185/366 in terms of the number of complaints which were upheld by the LGO per each authority (the highest being 77 upheld complaints for Birmingham City Council).

6.4 WLDC is number 138/366 overall in terms of the percentage % of upheld complaints (the highest being 100%) A total of 24 Local Authorities nationally had 100% of their complaints upheld by the LGO.

7 How we compare with other similar Local Authorities

7.1 A list of 20 local authorities that are similar to WLDC in terms of size, population and services etc. has been compiled so that some meaningful benchmarking and comparison can take place.

7.2 The tables in **Appendix 2** of this report show how WLDC compares to the other 20 similar Local Authorities.

7.3 In terms of how many complaints have been referred by customers to the LGO WLDC is number 6 out of 21.

7.4 In terms of our upheld complaint percentage WLDC is number 9 out of 21.

Appendix 1: LGO Annual Review Letter 2018/19

Local Government &
Social Care
OMBUDSMAN

24 July 2019

By email

Ian Knowles
Executive Director of Resources
West Lindsey District Council

Dear Mr Knowles

Annual Review letter 2019

I write to you with our annual summary of statistics on the complaints made to the Local Government and Social Care Ombudsman about your authority for the year ending 31 March 2019. The enclosed tables present the number of complaints and enquiries received about your authority, the decisions we made, and your authority's compliance with recommendations during the period. I hope this information will prove helpful in assessing your authority's performance in handling complaints.

Complaint statistics

As ever, I would stress that the number of complaints, taken alone, is not necessarily a reliable indicator of an authority's performance. The volume of complaints should be considered alongside the uphold rate (how often we found fault when we investigated a complaint), and alongside statistics that indicate your authority's willingness to accept fault and put things right when they go wrong. We also provide a figure for the number of cases where your authority provided a satisfactory remedy before the complaint reached us, and new statistics about your authority's compliance with recommendations we have made; both of which offer a more comprehensive and insightful view of your authority's approach to complaint handling.

The new statistics on compliance are the result of a series of changes we have made to how we make and monitor our recommendations to remedy the fault we find. Our recommendations are specific and often include a time-frame for completion, allowing us to follow up with authorities and seek evidence that recommendations have been implemented. These changes mean we can provide these new statistics about your authority's compliance with our recommendations.

I want to emphasise the statistics in this letter reflect the data we hold and may not necessarily align with the data your authority holds. For example, our numbers include

common issues we are finding as a result of change and budget constraints. Called, Under Pressure, this report provides a contribution to the debate about how local government can navigate the unprecedented changes affecting the sector. I commend this to you, along with our revised guidance on Good Administrative Practice. I hope that together these are a timely reminder of the value of getting the basics right at a time of great change.

Yours sincerely,

Michael King
Local Government and Social Care Ombudsman
Chair, Commission for Local Administration in England

Local Authority Report: West Lindsey District Council
For the Period Ending: 31/03/2019

For further information on how to interpret our statistics, please visit our website

Complaints and enquiries received

Adult Care Services	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environment Services	Highways and Transport	Housing	Planning and Development	Other	Total
0	4	1	0	3	0	1	11	0	20

Decisions made

				Detailed Investigations			
Incomplete or Invalid	Advice Given	Referred back for Local Resolution	Closed After Initial Enquiries	Not Upheld	Upheld	Uphold Rate (%)	Total
0	0	4	7	4	6	60	21

Note: The uphold rate shows how often we found evidence of fault. It is expressed as a percentage of the total number of detailed investigations we completed.

Satisfactory remedy provided by authority

Upheld cases where the authority had provided a satisfactory remedy before the complaint reached the Ombudsman	% of upheld cases
0	0

Note: These are the cases in which we decided that, while the authority did get things wrong, it offered a satisfactory way to resolve it before the complaint came to us.

Compliance with Ombudsman recommendations

Complaints where compliance with the recommended remedy was recorded during the year*	Complaints where the authority complied with our recommendations on-time	Complaints where the authority complied with our recommendations late	Complaints where the authority has not complied with our recommendations	
4	4	0	0	**Number**
	100%		-	**Compliance rate****

Notes:
* This is the number of complaints where we have recorded a response (or failure to respond) to our recommendation for a remedy during the reporting year. This includes complaints that may have been decided in the preceding year but where the data for compliance falls within the current reporting year.
** The compliance rate is based on the number of complaints where the authority has provided evidence of their compliance with our recommendations to remedy a fault. This includes instances where an authority has accepted and implemented our recommendation but provided late evidence of that.

Appendix 2: Complaints received by the LGO compared to 20 similar Local Authorities

Local Government & Social Care OMBUDSMAN	Complaints and Enquiries Received (by Category) 2018-19								
Authority Name	Adult Social Care	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environmental Services, Public Protection and Regulation	Highways and Transport	Housing	Planning and Development	Other	Total
East Lindsey District Council	0	3	0	0	6	6	2	12	1	30
Babergh District Council	1	1	1	0	3	0	5	12	3	26
North Devon District Council	0	2	2	0	6	0	2	13	0	25
Torridge District Council	0	6	0	0	5	0	3	11	0	25
Daventry District Council	0	5	0	0	2	1	4	12	0	24
West Lindsey District Council	0	4	1	0	3	0	1	11	0	20
Mid Devon District Council	0	2	4	0	3	0	3	6	0	18
South Hams District Council	0	2	1	0	5	1	0	8	0	17
Selby District Council	0	2	1	0	1	0	1	10	0	15
South Somerset District Council	0	2	3	0	0	0	1	8	0	14
West Dorset District Council	0	2	0	0	5	1	1	5	0	14
Allerdale Borough Council	0	2	1	0	3	2	0	3	0	11
Breckland District Council	0	3	2	0	1	0	1	4	0	11
Derbyshire Dales District Council	0	0	1	0	2	1	3	4	0	11
Hambleton District Council	0	1	2	0	0	0	0	6	0	9
Mid Suffolk District Council	0	0	1	0	0	0	1	7	0	9
North Kesteven District Council	0	1	3	0	1	0	1	3	0	9
South Holland District Council	0	1	2	0	3	0	2	0	1	9
King's Lynn & West Norfolk Council	0	3	0	0	1	0	0	4	0	8
Copeland Borough Council	0	1	2	0	0	0	0	2	0	5
Cotswold District Council	0	0	0	0	0	1	0	3	0	4

Appendix

				Complaints and Enquiries Decided (by Outcome) 2018-19					
Authority Name	**Invalid or Incomplete**	**Advice Given**	**Referred Back for Local Resolution**	**Closed after Initial Enquiries**	**Not Upheld**	**Upheld**	**Total**	**Uphold Rate (%)**	**Average uphold rate (%) of similar authorities**
Cotswold District Council	0	0	1	2	0	1	4	100	43
North Kesteven District Council	0	0	2	4	0	1	7	100	43
North Devon District Council	1	2	4	13	1	5	26	83	43
Selby District Council	0	1	5	6	1	2	15	67	43
South Hams District Council	2	1	4	4	2	4	17	67	43
South Holland District Council	0	2	1	6	1	2	12	67	43
Derbyshire Dales District Council	0	2	2	3	2	3	12	60	43
King's Lynn & West Norfolk Council	0	0	1	6	2	3	12	60	43
West Lindsey District Council	**0**	**0**	**4**	**7**	**4**	**6**	**21**	**60**	**43**
Breckland District Council	0	0	2	8	3	4	17	57	43
Hambleton District Council	0	0	1	6	1	1	9	50	43
Mid Suffolk District Council	0	1	3	4	1	1	10	50	43
Mid Devon District Council	1	1	2	10	2	1	17	33	43
Daventry District Council	1	0	5	6	4	1	17	20	43
East Lindsey District Council	3	0	9	11	8	2	33	20	43
Allerdale Borough Council	0	0	3	4	5	1	13	17	43
Babergh District Council	2	1	5	8	4	0	20	0	43
Copeland Borough Council	0	0	0	2	0	0	2	0	43
South Somerset District Council	0	0	4	9	6	0	19	0	43
Torridge District Council	0	0	9	6	3	0	18	0	43
West Dorset District Council	1	0	4	4	3	0	12	0	43

continued: Complaint decisions by the LGO compared to 20 similar Local Authorities

Governance and Audit Committee	
Tuesday, 15 October 2019	

Subject: Member Development - Annual Report

Report by: Executive Director of Resources

Contact Officer: Alan Robinson
                              Director of Governance / Monitoring Officer

                              alan.robinson@west-lindsey.gov.uk

Purpose / Summary: To demonstrate progress to date and to set out
                             the plans of the Member Development Group
                             over the coming years.

RECOMMENDATION(S):

1. That Members accept this report as an accurate reflection of Member Development over the past municipal year;

2. That Members approve the priorities as identified by the Member Development Group, those being: online training options, the induction process for Members elected through by-elections and initial work on the full 2023 Induction Programme;

3. That Members agree to receive a further report no later than April 2020 in which options for alternative methods of delivery (ie, online training options) will be detailed and approval sought for actions in the 2020/21 municipal year.

IMPLICATIONS

Legal: Members must receive training to sit on certain previously agreed Committees. If this training is not provided, the Council could be open to judicial review.

Financial: FIN/83/20/SL Member Development has existing budgets allocated of £10,000 per municipal year and an additional rolling £9,000. There are no new financial implications at this stage however this may be amended once alternative delivery options are identified.

Staffing: Any staffing requirements for training events or development opportunities would be met within existing staff numbers and there are no additional duties identified outside of existing job roles.

Equality and Diversity including Human Rights: Consideration has been given to how training expectations may impact Members' travel requirements and how these can be limiting according to location or disability. Alternative methods of delivery will aim to further alleviate any individual difficulties.

Risk Assessment: N/A

Data Protection Implications: N/A

Climate Related Risks and Opportunities: N/A

Title and Location of any Background Papers used in the preparation of this report:

Report to G&A Committee 19 June 2018:

https://democracy.west-lindsey.gov.uk/documents/s8574/Member%20Development%20-%20Committee%20Report%20GA%20June%202018.pdf

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman) **Yes** [ ]   **No** [X]

Key Decision:

A matter which affects two or more wards, or has significant financial implications **Yes** [ ]   **No** [X]

1   Introduction

1.1   The Governance and Audit Committee is responsible for the monitoring of Member Development and has committed to receiving an annual report in order to maintain oversight.

1.2   This report seeks to demonstrate what has been achieved throughout 2018/19, with specific focus on the 2019 Induction Programme following the all-out elections in May 2019.

1.3   Following the first year of the Member Development Group, this report will highlight the priorities of the group for the coming year and beyond.

2   Summary of Development 2018/19

2.1   In comparison with other years, there were fewer development sessions provided in 2018/19. This was, in part, because all statutory training had been maintained within previous years meaning there were no Members considered 'out of date' with training for committees such as Planning or Licensing.

2.2   Alongside the internally provided sessions such as those for Statements of Accounts, CIL and Neighbourhood Plans, there were sessions provided by Officers from the East Midlands Regional Cyber Crime Unit (regarding cyber security) and the East Midlands Special Operations Unit – Special Branch (discussing prevention of terrorism and extremism).

2.3   Attendance figures were relatively low in comparison with the previous year. Average attendance in 2017/18 was around a third of all Councillors. In 2018/19, this dropped to below a fifth, with an average attendance of just 18.3%.

2.4   It was recognised, by Officers and Members alike, that priorities for the 2018/19 municipal year were focussed elsewhere and for this reason, development sessions were kept to a minimum.

2.5   In addition to changing priorities for Councillors, the Member Development Group was tasked with preparing the Induction Programme for 2019, details of which are given below.

3   Induction Programme 2019

3.1   The Induction Programme ran from the night of the all-out elections on 2 May 2019, through to the end of May with a small selection of sessions provided in June.

3.2   Nearly all Elected Members received a West Lindsey District Council Welcome Pack on the night of the election results. Those who were not present on the night received them at their Acceptance of Office signing

on Tuesday 7 May. The Welcome Pack was designed to be a 'go to' reference point for the key information considered relevant for both new and returning Councillors.

3.3   During the sessions on 7 May, members of the Democratic Services team spoke with Councillors on an individual basis regarding the aims of the Induction Programme. The initial three-week programme consisted of ten main topics with sessions offered in daytime and evening slots. Each topic was allocated two sessions with the aim of enabling Councillors to attend at a time to best suit them.

3.4   The initial induction topics were not considered mandatory for Councillors although it was highly recommended that newly elected Members attended as many sessions as they could. Returning Councillors were advised that it would also be beneficial for them to attend in order to understand any changes or updates that may have taken place since the last time they attended relevant sessions.

3.5   For those committees where there is a mandatory element of training required (ie Planning, Licensing, Regulatory and Governance and Audit Committees), the sessions were compulsory for members of the committee but all Councillors were invited to attend.

3.6   Full attendance details are provided in Appendix 1 however the average attendance across all sessions was 31.84%. This figure is slightly distorted by the fact that some of the mandatory sessions were only compulsory for a small number of Councillors. The average attendance across non-mandatory sessions was 33.01%.

3.7   At the conclusion of the induction period, once all mandatory and non-mandatory sessions had been completed, Councillors were contacted individually for their feedback on three main areas: the Welcome Pack, the Induction Programme as a whole and the individual sessions they had attended. For those Councillors who had not attended any sessions, they were asked to provide feedback as to why they had not attended. This was in order to gauge whether there was anything that could be done differently to engage with those Councillors.

3.8   Of the 36 Members, 20 responses were received. This was a response rate of 55.56% which is above average in comparison with other feedback requests within the Democratic Services team. Feedback was, on the whole, positive across all aspects of the induction period. A full summary is provided in Appendices 2 and 2a, the main points are given below.

3.9   <u>Feedback on the West Lindsey District Council Welcome Pack</u>
Very positive overall and several returning Councillors commented that the pack was better than anything they had received previously. That said, there is room for improvement as there have been requests for additional information such as a map of the building / meeting rooms and a schedule of meetings dates as far into the future as possible.

3.10   Feedback on the Induction Programme
        This was specifically asking for comments and thoughts on the content
        of the programme, such as the timings of the sessions and whether the
        summary information was sufficient. On the whole, Councillors spoke
        favourably about the programme although there was an overall sense
        that sessions could be better tailored towards either new Councillors, or
        returning Councillors, rather than trying to address both levels of
        knowledge in one session.

3.11   Feedback on Induction Sessions
        There was a range of comments regarding individual sessions and, not
        surprisingly, there was a difference of opinions running across the
        comments from new Councillors compared to those of the returning
        Councillors. In general, new Councillors found the most benefit from
        attending the non-mandatory induction sessions whilst returning
        Councillors felt there was limited benefit. In contrast, the new Councillors
        spoke about the positive contribution made by returning Members and
        felt they had added to the overall success of the sessions. There was
        clearly a range of presentation styles with some criticism of 'death by
        powerpoint' however there was overall praise for the Officers involved
        with presenting the sessions and acceptance that Councillor interaction
        would have an impact on each session.

3.12   Within the Democratic Services team we have reviewed formal and
        informal feedback from Councillors and Officers involved with the
        programme. The responses have been reassuringly positive although
        where there has been constructive criticism (such as missing information
        in the Welcome Pack or the timings of induction sessions) this will be
        used to make improvements in preparation for the induction in 2023. The
        Member Development Group has also received a summary of the
        induction feedback and has used this to shape their future work plans.

4   **Member Development Group**

4.1   In June 2018, the Governance and Audit Committee agreed to the
        formation of a Member Development Group. The aim of this group was
        initially to provide Member involvement in the Induction Programme
        following the 2019 all-out elections. With the conclusion of the induction
        period, the Member Development Group continues to help shape the
        programme of events over the coming months and years.

4.2   The first meeting of the Member Development Group was held on 5
        September 2019. The updated Terms of Reference for the group were
        agreed and are attached at Appendix 3. The priorities for the group were
        agreed to be: preparing an improvement plan for alternative methods of
        delivery, widely agreed to be online training sessions; designing an
        induction process for those Councillors elected through a by-election;
        beginning preparation for the 2023 induction building on the recent
        experience of 2019.

4.3   The Member Development Group is available on modern.gov as a subscribable group for all Councillors. Agendas, papers and minutes are distributed via modern.gov in line with all committees. All Councillors are invited to subscribe to the group and offer comments and suggestions via members of the group or the Democratic Services Team.

5   Timeline

5.1   The Member Development Group will finalise their working timeline at the next meeting on 14 November 2019. This will be based on initial findings from the Democratic and Civic Officer regarding online training options and will also take into account any recommendations or requests from the Governance and Audit Committee.

5.2   The provisional time scales for each strand of the group's focus are:

5.2.1   Online Training
Research, testing and feedback to have been undertaken and completed prior to the end of this municipal year in readiness for a decision by the Governance and Audit Committee to be made as to whether the online options should be adopted. Assuming it is agreed to begin offering online training options, these would come into effect for the municipal year 2020/21.

5.2.2   By-Election Inductions
The group recognised that it would not be feasible to replicate the 2019 Induction Programme in its entirety for a single Member elected through a by-election. However it has long been acknowledged that those joining the Council outside of all-out elections have often received a limited induction. The timescale for producing a By-Election Induction Programme has not yet been fixed but it has been given priority by the group and should be established by the end of the 2019/20 municipal year. In the event of a by-election taking place prior to the completion of a By-Election Induction Programme, the Democratic Services Team will work with key Senior Officers and Councillors to ensure the newly elected Councillor is fully supported in their new role.

5.2.3   Induction Programme 2023
The group have identified improvement opportunities for the 2023 Induction Programme that would be best realised whilst the lessons learned from 2019 are still current for all involved. The proposed deadline for the completion of the draft Induction Programme is May 2022, in preparation for the Annual Report to the Governance and Audit Committee in June 2022 where suggestions and recommendations could still be included. The deadline for finalisation of the Induction Programme is proposed to be no later than January 2023.

5.3   A provisional timeline of development sessions proposed for the coming months and over the remainder of the four-year term is attached at Appendix 4.

6   Conclusion

6.1   Members are asked to:

6.1.1   Accept this report as an accurate reflection of Member Development over the past municipal year;

6.1.2   Approve the priorities as identified by the Member Development Group, those being: online training options, the induction process for Members elected through by-elections and initial work on the full 2023 Induction Programme;

6.1.3   Agree to receive a further report no later than April 2020 in which options for alternative methods of delivery (ie, online training options) will be detailed and approval sought for actions in the 2020/21 municipal year.

Appendix 1: Attendance at Induction 2019

Session Title	Total No of Attendees	% of Members	% attendance of Members for whom it was mandatory
How the Council Makes Decisions	12	33.3%	
Commercial Awareness	15	41.7%	
Risks, Protections & Policies	9	25%	
Your Role in the Local Community	12	33.3%	
Overview of Committees	13	36.1%	
Standards & Communications	16	44.4%	
Safeguarding	11	30.6%	
Webcasting	12	33.3%	
Scrutiny Workshop	7	19.4%	
Mandatory for Committee Attendance			
Introduction to Planning	13	36.1%	73.3%
Taxi & General Licensing	12	33.3%	100%
Licensing Act 2003	12	33.3%	100%
Governance & Audit	9 (+3 independents)	25%	100%
Planning Workshop	13	36.1%	60%
G&A: Statement of Accounts	6 (+3 independents)	16.7%	85.7% (relevant for that meeting only and Member did not sit)

Average attendance across non-mandatory induction sessions of 33%

Appendix 2: Induction Programme 2019 – Feedback

*NB: some responses were written outside of the framed questions, please see appendix 2a for further comments.

WELCOME PACK	
Did you find the Welcome Pack useful?	Yes: 13 No: 1
Was the information in the Welcome Pack easy to navigate around?	Yes: 14
Was there any information in the Welcome Pack that you found unnecessary?	Yes: 5 (LGA Guide, WLDC Policies, anything that was also available online) No: 6
Having had three months in office, do you think there was anything that should have been included in the Welcome Pack but wasn't?	-Map of building & meeting rooms -More info on the iPad -Committee dates for next civic year -Map of car-parking options in Gainsborough
Do you have any other comments about the Welcome Pack?	'brilliant' 'very reassuring' 'forms should be for new cllrs only' 'good to receive on election night' 'could have been branded'

INDUCTION PROGRAMME	
Were you interested in seeing what the Induction Programme had to offer?	Yes: 10
Were the sessions held on days / at times that meant you were able to attend?	Yes: 10 No: 1 (a 3rd option would be good)
Was there sufficient information provided as to what each session covered?	Yes: 7 No: 2 (needed more specific details as to what each session would provide)
Was there enough guidance as to which sessions were recommended for you (ie, as a new / returning Councillor)?	Yes: 8 No: 1
Were you aware of any expectations for your attendance at any/all of the Induction Programme?	Yes: 7
Do you have any other comments regarding the Induction Programme?	-'more focus on commerciality of council' -'do webcasting before Annual Council' -'comprehensive programme'

INDUCTION SESSIONS	
Did the sessions meet your expectations of what was going to be covered?	Yes: 9
Did you find the session format engaging?	Yes: 7 (relaxed yet professional) No: 2 (some more so than others)
Was the information provided to you useful in your role as Councillor?	Yes: 10 (very much so)
Were the sessions adequately catered for (eg, refreshments, stationery, handouts where appropriate)?	Yes: 10 (although too much paper!)
Do you think the sessions you attended could have been delivered in any other way?	Online: 7 Recorded: 1 Role play / Interactive: 2 Recognise different needs of new vs returning cllrs
Do you have any other comments about any or all of the sessions you attended?	-'groups should have mandated their cllrs to attend' -'single point of contact within team was very helpful'

Appendix 2a: Selection of Comments – Councillor Feedback

- Overall my first impressions have been that the Council and Staff are all very professional, helpful and very competent.

- Firstly I would like to complement the team on the Induction pack and process. I wish that it would have been available when I was first elected. Looking back there was no information and it took months to find out what was going on, so this is a vast improvement.

- Can't we make taking up role of Councillor being dependent on completing a full induction programme? It is important that all Councillors are fully conversant with the requirements and that we have all been made aware of the same information.

- I think the Induction classes I attended were poorly attended and I hear that others were also not well supported for whichever reason. I think it is time to explore on line modules such as school governors have to complete and to pitch future modules for 2 levels, newly elected, returning cllrs. I supported the Induction programme because I could revise, and meet new members we were all encouraged to support this programme.

- I thought the Induction was much improved on past programmes but I think we have to explore on line modules to capture greater numbers

- nominating someone from the council for the new councillors for them to phone if they require help and I would like to thank you for the help you gave me.

- It was all very carefully constructed, especially the choices of dates and times for attendance.

- It offered a comprehensive programme, to enable understanding of the structure of the Council and its responsibilities to the community.

- Generally speaking the sessions were well run and very informative, yes legislation, rules, procedures etc..can be repetitive and difficult to understand without the background knowledge provided. However , the way it is delivered makes a difference and can honestly say All Officers and Staff came across in a professional manner in their presentations.

- It was good to refresh my memory, after a while of doing the work.

- The sessions I attended were of a uniformly high standard with the speakers' commitment and passion for their subject being very clear. I was delighted to have attended and indeed to have learned from each and every one.

- I was very pleased to have received details of the Induction Programme as part of the candidates pack. It was reassuring that to know that we would not just be thrown in at the deep end.

- I believe that the session on the structure of the Council and nature of the committees should have been held at the beginning. A compulsory session on registration day? This would have helped when we were asked by the group on which committees we were interested in serving on. I also think there is a need for two further sessions:
  *The nature of Council papers. The protocol of questions and motions to Council.
  *A session on scrutiny of Council Finances

- If I had been a new councillor I would have liked the 5:30 sessions to start at 6:00

- The same returning councillors who usually attend training turned up for all the induction training. This was helpful to new councillors as we could give examples of our personal experience. Some councillors did not attend the induction sessions and at least one of them has never attended any training sessions as far as I am aware. This means that they are not as well-informed as those councillors who attend.

- other committees should have a requirement of training so that those councillors who do not attend would have an incentive to do so, if they wanted to sit on a particular committee. E.g. Commercial Training to sit on Prosperous Communities.

- it was not suitable for a mixed attendance of new & old, perhaps it would have been better to split it into a combined sessions for both followed by a specific questions and answers for the new people and of course open to those returners who wanted to stay.

- The quality of the content and delivery varied markedly between the different sessions - one of the early sessions was very poor and really put me off wanting to attend other sessions, however the session on safeguarding was excellent

- An excellent introduction for new councillors, not too many councils would have taken the trouble that officers did. Well done!

Appendix 3: ToR

Governance & Audit Committee – Member Development Group

Terms of Reference

1. Background

1.1 The Governance and Audit Committee is responsible for the monitoring of Member Development and has committed to receiving an annual report in order to maintain oversight.

1.2 Following the meeting of Governance & Audit Committee in June 2017, it was agreed that Member Development would be reviewed with the aim of improving attendance, providing relevant and engaging sessions and demonstrating the benefit of such development sessions for all Members.

1.3 A report was presented to Committee in June 2018 in which it was suggested that the Member Development Plan be re-written and a Member Development Group be created in order to have Member involvement with the updated Member Development Plan, this was subsequently agreed.

1.4 Throughout the 2018/19 municipal year, the Member Development Group was focussing on the Induction Programme for May 2019, following the all-out elections. With this concluded, the wider aims of improving attendance and offering alternative options can be explored.

2. Purpose of the Member Development Group

"To provide Member involvement and guidance for the re-write of the Member Development Plan and ongoing contribution to the Annual Report."

3. Scope and Focus of the Work

3.1 The group will be expected to be involved with finalising the schedule of statutory sessions for the coming four-year term, following the conclusion of the 2019 Induction Programme.

3.2 The group will be involved in considering how to provide a suitable induction period for those Councillors who join the council through by-elections.

3.3 Focus will also move towards identifying alternative methods of delivery in order to maximise attendance numbers for provided sessions.

3.4 There will be ongoing work with regard to Member engagement, identifying areas of development not included in the statutory four year plan and reviewing development data in order to provide an annual report to Committee.

Appendix 3: ToR

4.   Methodology

      1.   To review previously provided development sessions including those delivered through the 2019 Induction Programme, with a view to considering ongoing relevance of such sessions.

      2.   To understand the balance of statutory sessions vs information sessions and the balance of returning Councillors vs newly elected candidates.

      3.   To review attendance figures and ascertain main obstacles with a view to identifying, and testing, alternative delivery options.

      4.   To work with colleagues to improve Member engagement at provided sessions.

      5.   To assess development provision on an annual basis, to include feedback scores, attendance records and Member satisfaction.

5.   Outcomes

5.1   To demonstrate increased attendance at development sessions.

5.2   To improve Member satisfaction scores by providing relevant and engaging sessions.

5.3   To provide development opportunities for Members in a variety of ways, such as online resources or via modern.gov.

5.4   To produce an annual report for G&A Committee as per current arrangements.

5.5   To maintain a comprehensive Member Development Plan which highlights the commitment of the Council in relation to Member development and also details what is expected from all involved.

5.6   To initiate and continue a rolling 'wish list' of development sessions, identified by Members, to be considered on an annual basis for inclusion in the four year plan and in line with the current annual report to G&A Committee

6.   Membership of the Group

6.1   All Members have been invited to be involved with the group. It was agreed that there should be the opportunity for membership across all political parties and for both newer and more established Councillors to be involved. Core membership has since been identified as Councillors J. McNeill (Chairman of G&A), M. Devine, C. Grimble, K. Panter, D. Rodgers, B. Waller and A. Welburn. Councillors P. Howitt-Cowan, A. White, S. Bunney and S. England will be invited as reserve members should anyone be unable to attend a meeting. All

Appendix 3: ToR

Member Development Group will be available to all Councillors and comments and suggestions will be welcomed in advance of each meeting.

The group will be supported by officers as appropriate.

7.   Timescales

7.1   The annual report will be presented to G&A Committee in October 2019 and will include analysis of the Induction Programme feedback, a programme of statutory development sessions for the coming four years and a timeline of agreed actions.

7.2   Further time scales for the group will be agreed as per the annual report.

8.   Frequency of meetings

8.1   It is suggested that the group meets in early September 2019, with subsequent meeting dates to be set in line with the above.

8.2   It is suggested that the group meets on average 3 – 4 times a year to maintain work on delivery methods, Member engagement and the annual report.

Appendix 4: Indication of Future Member Development Sessions

Date	Time & Location	Title	Summary	Recommended Attendance
Thursday 7 November 2019	4.30pm – 6.00pm Ancholme	Treasury Management	Session provided as per Councillor request for Members to be offered opportunities for greater understanding of capital investment and treasury management.	All Councillors are welcome. Members of the CP&R and G&A Committees are highly recommended to attend.
Tuesday 14 January 2020	12noon – 1.00pm Ancholme	G&A Treasury Management	In preparation for the report at G&A on Draft Treasury Management Strategy	**Please note this session is mandatory for Members of the G&A Committee.** As always, all Councillors are welcome!
Wednesday 29 January 2020	5.45pm – 9.00pm Council Chamber	The Role of Councillors in Planning	The second of two specialist workshops provided by Trevor Roberts Associates	Highly recommended for all Councillors, especially those on Planning Committee. *Please note: Attendance may be mandatory for Members of the Planning Committee*

TO BE ARRANGED:

There will be a selection of planning training sessions throughout 2020 and beyond. These will be likely to be available for Parish Councils to attend and a full programme will be shared once finalised.

MANDATORY SESSIONS:

Training for Planning, Licensing and Regulatory Committees will need to be completed by all committee members no later than June 2021. These dates will be confirmed no

later than in the next report to the Governance and Audit Committee in order to allow Members sufficient time to book the events in their diaries.

ADDITIONAL SESSIONS:

The Council is committed to providing development sessions for the benefit of all Councillors as needs arise. This will continue to be the case and Members are invited to speak with their colleagues in the Member Development Group should there be specific subjects they would wish to see covered.

Governance & Audit Committee	
15th October 2019	

Subject: WLDC Risk Strategy 2019-2023 and Six-Month Review of Strategic Risks

Report by:	Executive Director of Resources
Contact Officer:	Corporate Governance & Policy Manager/Deputy Monitoring Officer
Purpose / Summary:	1. To present to Committee for consideration and approval, the Council's revised Risk Management Strategy 2019-2023. 2. To present to Committee for review the strategic risks facing the Council as at October 2019.

RECOMMENDATION(S):
1. That Members approve the Council's Risk Management Strategy 2019-2023.
2. Members obtain assurance that strategic risks are being captured, considered and managed effectively

IMPLICATIONS

Legal: None

Financial: FIN/70/20/TJB

There are no specific financial implications of this report.

However, effective risk management ensures that there is a robust mechanism to identify, analyse and mitigate risks which may have an impact on delivery of our plans and finances.

Staffing: None

Equality and Diversity including Human Rights: None

Data Protection Implications: None

Climate Related Risks and Opportunities: None

Section 17 Crime and Disorder Considerations: None

Health Implications: None

Title and Location of any Background Papers used in the preparation of this report :

None.

Risk Assessment: None

1   Introduction

1.1   Risk management is a statutory requirement for local government to ensure business continuity and is an essential component of corporate governance.

1.2   By having effective risk management practices in place and embedded as part of everyday working and decision making, the Council can ensure that it is focusing on the right areas and can direct scarce resources at those issues most likely to have an adverse effect on the achievement of strategic aims.

1.3   This is particularly pertinent in the current economic and ever changing environment within which local government operates.

1.4   This report contains two sections. The first introduces the draft Council Risk Management Strategy 2019-2023 for approval, while the second section presents the Council's strategic risks for review.

2.   Draft Risk Management Strategy 2019-2023

2.1   The previous Strategy covering the period 2016-2018 was produced and approved by Members in 2016. This has now been updated to take account of and complement the Council's new Corporate Plan (2019-2023); to reflect the current context within which the Council is operating and to bear relation to current internal structures and areas of responsibility.

2.2   The revised Strategy takes account of the very good work that has taken place in relation to risk management within the Council during the intervening period. This has been endorsed by the Head of Internal Audit

2.3   The Strategy sets out the Council's approach to managing risk and also details the authority's 'risk appetite' as being *'Creative and Aware'* in nature. This means that the Council is willing to take calculated risks to seize opportunities (innovation) and achieve success. The Council will consider all delivery options and choose the one that is most likely to result in successful delivery while also providing a good level of reward.

2.4   The Strategy is supported by a similarly reviewed Approved Code of Practice (ACoP). This is an internally focused piece of guidance which helps to ensure consistency in approach and sets out the appropriate roles and responsibilities across the Council in relation to risk management.

2.5   To support the delivery of the revised Strategy, externally facilitated risk management training has taken place for staff and Members. This work was positively received by all who took part. Part of this work determined the 'risk appetite' of the Council (as a collective body) referred to at 2.3 above.

2.6   One main amendment made from the previous Strategy is the introduction of consideration of inherent (current) risk levels and target (desired future or residual) risk levels against each risk. The Strategy sets out explanations of these concepts on pages six and seven.

2.7   The draft Strategy has been reviewed and is supported by the Council's Member Risk Champion, Mrs Alison Adams and also Assurance Lincolnshire.

2.8   The Committee is asked to review and approve the draft West Lindsey District Council Risk Management Strategy 2019-2023 which is presented in Appendix A.

3. Strategic Risks: Six Month Review

3.1   Following the production and adoption of the Council's new Corporate Plan 2019-2023, it has been necessary to revise the strategic risks facing the Council. This is because strategic risks are considered as being those faced by the Council that, if materialised, would affect the delivery of corporate priorities. This approach reflects the guidance provided by the Association of Local Authority Risk Managers (ALARM). This body advocates that strategic risks should focus on the long-term objectives of the organisation, which can be affected by areas such as financial concerns, political risks, legal and regulatory changes and changes in the physical environment.

3.2   The Council's Management Team review strategic risks quarterly and they are presented to Governance and Audit Committee on a six-monthly basis to provide assurance that such risks are being managed appropriately. .

3.3   In revising the strategic risks, the opportunity has been taken to review the means by which the level of risk is assessed. Using the correlation between **likelihood** and **impact** to calculate the severity of the risk (low, medium, high), risk managers are now asked to assess the *current* (inherent) level of risk. This is the level of risk taking into account existing mitigations (if any) and prevailing circumstances. A further assessment is then made to determine the *target* (residual) level of risk that would be desirable and what (further) mitigations are required to reach this level. Work is then progressed to implement such mitigating actions.

3.4   Based on the objectives of the new Corporate Plan the strategic risks have been identified as being:

Corporate Plan Theme	Strategic Risk
Our People	Health and wellbeing of the District's residents does not improve
	Inadequate support is provided for vulnerable groups and communities

	Inability to raise local educational attainment and skills levels
Our Place	The local economy does not grow sufficiently
	The local housing market and the Council's housing related services do not meet demand
	Insufficient action taken to create a cleaner and safer district
Our Council	Inability to set a sustainable balanced budget
	The quality of services do not meet customer expectations
	Inability for the Council's governance to support quality decision making
Overarching	Inability to maintain critical services and deal with emergency events
	Failure to comply with legislation including Health and Safety matters
	ICT Security and Information Governance arrangements are ineffective

3.5 The scoring matrix used to assess the severity of risks is illustrated below:

I m p a c t	Critical	4	8	12	16
	Major	3	6	9	12
	Minor	2	4	6	8
	Negligible	1	2	3	4
		Hardly Ever	Possible	Probable	Almost Certain
		Likelihood			

3.6 The following guidance is available to determine which classification of likelihood and impact is applied:

You should assign a number in the range 1-4 as follows:	
Likelihood: 1 = Hardly Ever (<5%) 2= Possible (5-35%) 3= Probable (35-75%) 4= Almost Certain (>75%)	
1 = Negligible Impact: • Minor service disruption • Minor Injury • Financial loss < £250k • Isolated complaints	**2 = Minor Impact** • Service disruption • Loss time injury • Financial loss >£250k - £500k • Adverse local media coverage

	• Failure to achieve a service plan objective
3 = Major Impact • Significant service disruption • Major/disabling injury • Financial loss >£500k - £1m • Adverse national media coverage • Failure to achieve Corporate Plan objective	**4 = Critical** • Total service loss for a significant period • Fatality to employee, service user or other • Financial loss >£1m • Ministerial intervention in running service

3.7   This methodology enables each risk to be categorised as either low, medium or high in nature and prioritisation as regards mitigations can be applied in order to reduce the risk to target levels.

3.8   To identify the triggers; impacts; current controls and actions for improvement, discussions have been held with key officers. The strategic risk register is in Appendix B.

3.9   The Committee is asked to review the register:

a. Review the current controls and actions for improvement for relevance and completeness
b. Review the scoring applied to each risk and determine its appropriateness.

West Lindsey District Council

Risk Management Strategy

2019 - 2023

West Lindsey
DISTRICT COUNCIL
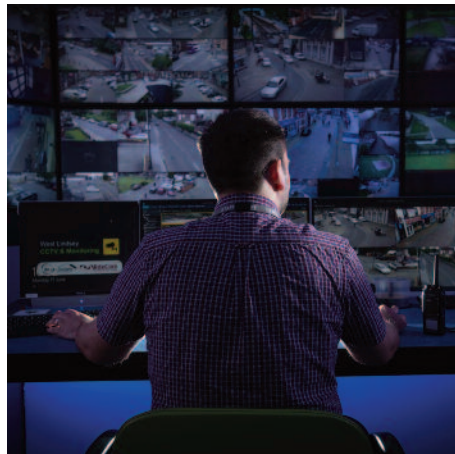
Risk Management Policy Statement - Context

West Lindsey District Council is a complex organisation, providing a diverse range of services to approximately 100,000 people living and working in West Lindsey. It works with other public, private and voluntary bodies to make West Lindsey a great place to be where people, businesses and communities can thrive and reach their potential.

The last few years have provided unprecedented challenges for the Council in delivering its services. Responding to funding challenges means that we have had to develop a very different model for local government. One that now entails looking at alternative ways of empowering our communities to live independent lives; takes advantage of commercial opportunities and targets external funding streams to help deliver key strategic objectives. Whilst these changes have created many opportunities, they have also generated significant risks and uncertainty.

The Council has had to manage the risks and opportunities associated with the delivery of our outcomes, by adopting good risk management principles. This document is focused on providing the risk management principles, tools, techniques, advice and support to ensure as an organisation, we are able to continue to take advantage of future possibilities and also plan and mitigate adequately against uncertainty.

Risk is unavoidable. It is an important part of life that allows us all to move forward and develop. Successful risk management is about ensuring that we have the correct level of control in place to provide sufficient protection from harm, without stifling our development. The Council's overriding attitude to risk is to operate in a culture of empowerment, creativity and innovation, in which all key risks are identified in all areas of the business, are understood and proactively managed, rather than avoided. Risk management therefore needs to be engrained within the Council and our key partners. We need to have the structures and processes in place to ensure the risks and opportunities of daily Council activities are identified, assessed and addressed in a standard way. We do not avoid risk but instead seek to proactively manage it. This will allow us not only to meet the needs of the community today, but also be prepared to meet future challenges.

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What are the Council's risk management objectives?

• Understand and review the Council's overall 'appetite for risk' and develop leadership capacity and skills in identifying, understanding and managing the risks facing the Council;

• Maintain a strategic approach to risk management to make better informed decisions which is vital to successful transformational change;

• Continue to set the 'tone from the top' on the level of risk we are prepared to accept on our different strategic and key service delivery priorities;

• Acknowledge that even with good risk management and our best endeavours, things can go wrong. Where this happens we use the lessons learnt to prevent it from happening again;

• Integrate risk management into how we run Council business/services. Sound risk management processes help us to achieve our core purpose, priorities and outcomes;

• Support a culture of well-measured risk taking throughout the Council's business, including strategic, operational, programme, partnership and project. This includes setting risk ownership and accountabilities and responding to risk in a balanced way, considering the level of risk, reward, impact and cost of control measures;

• Ensure that the Council continues to meet all statutory and best practice requirements in relation to risk management;

• Take a pro-active approach to mitigate the risk of fraud related activity;

• Ensure risk management continues to be a key and effective element of our Corporate Governance arrangements;

How are our objectives going to be met?

• Maintain a robust and consistent risk management approach that will:

- identify and effectively manage strategic, operational and project risks;
- focus on those key risks that, because of their likelihood and impact, make them priorities;

• Ensure accountabilities, roles and responsibilities for managing risks are clearly defined, communicated and understood throughout the organisation;

• Continue to treat risk as an integral part of business planning, service delivery, key decision making processes and project and partnership governance;

• Communicate risk information effectively through a clear reporting framework;

• Increase understanding and expertise in risk management through targeted training and the sharing of good practice;

• Annually reviewing The Risk Management Framework to take account of changing legislation, government initiatives, best practice and experience gained within the Council.

Councillor Giles McNeill
Leader West Lindsey District Council
September 2019

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Risk Management Approach

1. Introduction

The purpose of the risk management approach outlined in this document is to:

• Provide standard definitions and language to underpin the risk management process;

• Ensure risks are identified and assessed consistently throughout the organisation through the clarification of key concepts;

• Clarify roles and responsibilities for managing risk;

• Implement an approach that meets current legislative requirements and follows best practice and relevant standards.
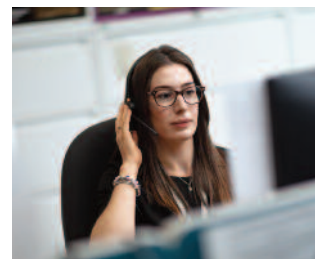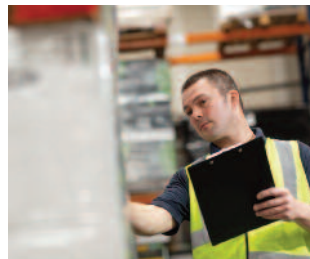
2. Definitions

Risk can be defined as an uncertain event that, should it occur, will have an effect on the Council's objectives and/or reputation. It is the combination of the probability of an event (likelihood) and its effect (impact).

Risk management generated opportunities can arise as a consequence of effectively managing risks, for example additional grant funding or improved working practices.

Risk Appetite refers to how much risk the Council is prepared to take in order to attain benefit or, in other words, the individual and total impact of risk it is prepared to accept in the pursuit of its strategic objectives.

Following work with key officers and Members, the Council's overall risk appetite has been assessed as "Creative and Aware". This means that the Council is willing to take calculated risks to seize opportunities (innovation) and achieve success. The Council will consider all delivery options and choose the one that is most likely to result in successful delivery while also providing a good level of reward. (See Appendix 1 for more information).

Risk Management is the systematic application of principles, approach and processes to the identification, assessment and monitoring of risks. By managing our risk process effectively we will be in a better position to safeguard against potential threats and exploit potential opportunities to improve services and provide better value for money.

Risk management is applied at all levels of service delivery and includes:

• **Strategic Risks** – Risks that could have an effect on the successful achievement of our long term core purpose i.e Corporate Plan priorities and outcomes. These are:

- risks that could potentially have a Council or wider impact and/or
- risks that cannot be managed solely at a business unit level because higher level support/intervention is needed.

• **Service (Operational) Risks** – Risks at a business unit level that could have an effect on the successful achievement of the group and business unit day to day outcomes or objectives. Potentially these risks could have a significant financial, reputational and/or service delivery impact on the business unit as a whole.

• **Contract Risks** – Risks that could have an effect on the successful achievement of the contract's objectives in terms of delivery, outcomes and value for money. Contract risks are managed throughout the contracting process including contract management/business as usual.

• **Programme/Project Risks** – Risks that could have an effect on the successful achievement of the programme or project's outcomes or

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objectives in terms of service delivery, benefits realisation and engagement with key stakeholders (service users, third parties, partners etc.). A key role of programme/project managers and sponsors is to ensure that all risks are captured and managed appropriately.

• **Information Related Risks** – Of great importance is the recognition that we face risks related to information governance and security, and the handling and the processing of data.

• **Fraud Risks** – Risks associated with activities that have the potential for exposure to fraudulent or corrupt activity.

• **Partnership Risks** – Risks that could have an effect on the successful achievement of the partnership's outcomes or objectives including engagement with key stakeholders (service users, third parties, partners etc.). These can be strategic and/or operational depending on the size and purpose of the partnership.

3. Approach

This section details the agreed arrangements that are needed to maintain and ensure the on-going effective management of risk across the organisation. Recent assessments of the Council's approach to risk management by the Head of Internal Audit have concluded that our procedures are working effectively. This supports the notion that for a number of years the Council has successfully worked towards a comprehensive and integrated approach to risk management where:

• staff are clear about what risk management is intended to achieve;

• significant risks are being identified and managed effectively;

• training and guidance on risk management are easily accessible;

• a consistent corporate approach is followed using a common 'risk language'; and

• it is seen as an integral part of good corporate governance.

The Council's approach to risk management is based on best practice and is set out in the diagram below:

Diagram 1: West Lindsey District Council's Risk Management Approach
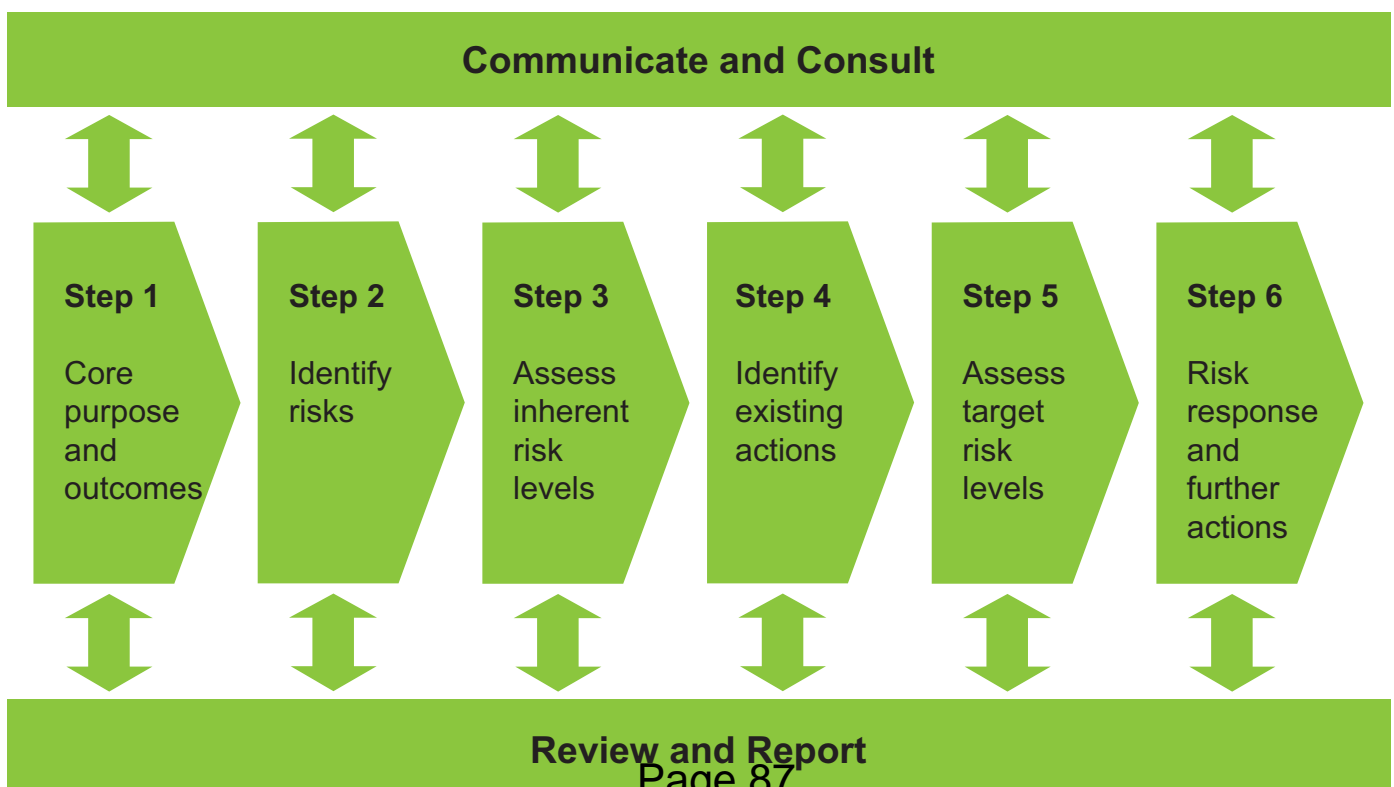
Step 1: Core Purpose & Outcomes

Before we can identify our risks we need to establish the context by looking at what we are trying to achieve and what our proposed outcomes are. Depending on the area under review, the relevant objectives and outcomes will usually be detailed in existing documents, including the following:

• West Lindsey District Council Corporate Plan (for core purpose, priorities and outcomes);

• Business Improvement Plans (for group/service level outcomes, objectives and actions);

• Counter-Fraud and Corruption Policy;

• Finance Strategy and Medium Term Financial Plan;

• Project Brief/Project Initiation Document (for project aims and objectives);

• Partnership Agreements (for partnership aims and objectives).

Step 2: Identify Risks

There are a number of different types of risks that an organisation may face including financial loss, failure of service delivery, physical risks to people, risk of legal action and damage to the organisation's reputation.

Describing the risk is equally important to ensure that risks are fully understood, and to assist with the identification of actions. The cause and impact of each risk must also be detailed. Once identified, all strategic and operational risks are recorded in the Council's centrally held Risk Register. A risk owner must be allocated and recorded against each risk on the risk register. Such accountability helps to ensure 'ownership' of the risk is documented and recognised. A risk owner is defined as a person with the accountability and authority to effectively manage the risk.

Step 3: Assess Inherent Risk Level

To ensure resources are focused on the most significant risks, the Council's approach to risk management is to assess the risks identified in terms of both their potential likelihood and impact so that actions can be prioritised.

The risk management process requires each risk to be assessed twice – inherent and target risk levels.

The first assessment (the 'inherent' risk level) is taken on the basis that there is no action being taken to manage the identified risk and/or following an evaluation of current mitigating actions that the Council has in place. This provides an estimation of the worst case scenario if the risk were to occur.

To ensure that a consistent scoring mechanism is in place across the Council, risks are assessed using the agreed criteria for likelihood and impact detailed in Appendix 2. When assessing the risk, the highest measure identified in each table is the score taken to plot the risk level on the risk matrix (Diagram 2).

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The point at which likelihood and impact cross, determines the risk level. For example, Possible Likelihood (2) and Critical Impact (4) would result in a risk level of 8. The matrix uses a "traffic light" approach to show high (red), medium (amber) and low (green) risks.

IMPACT					
	Critical	4	8	12	16
	Major	3	6	9	12
	Minor	2	4	6	8
	Negligible	1	2	3	4
		Hardly Ever	Possible	Probable	Almost Certain
	LIKELIHOOD				

Diagram 2: Risk scoring matrix

The Council considers the inherent risk to ensure that:

• informed decisions can be made about the consequences of stopping risk actions that are currently in place; and

• resources are not wasted over-controlling risks that are not likely to happen and would have little impact.

Step 4: Identify Existing Risk Actions

Existing actions, which are helping to mitigate or minimise the likelihood and/or impact of the risk occurring, are identified for each risk. These actions are specifically those in place or completed.

Step 5: Assess Target Risk Level

The second assessment (the 'target' risk level) re-evaluates the risk, taking into consideration the effectiveness of any required future actions required to further strengthen the current mitigations. In other words, the reality if the risk were to occur once all mitigations are in place. Target risk levels are prioritised by applying the same criteria and matrix used for assessing the gross risk level (Step 3). It is the risk owner's responsibility to ensure that the agreed target risk level for each risk is an accurate reflection of the likelihood and impact measures detailed in Appendix 2.

The Council considers the target risk to ensure that:

• identified risks are prioritised in terms of their significance as it is not practical or possible to manage every risk all of the time; and

• existing actions are relevant and effectively managing and/or reducing the likelihood or impact of the identified risks.

Step 6: Risk Response and Further Actions

Not all risks can be managed all of the time, so having assessed and prioritised the identified risks, cost effective action needs to be taken to manage those that pose the most significant threat

Risk may be managed in one, or a combination of the following ways:

• Avoid - A decision is made not to take a risk;

• Tolerate - A decision is taken to accept the risk;
.
• Transfer - All or part of the risk is transferred through insurance or to a third party;

• Treat - Further additional actions are implemented to reduce the risk;

• Terminate – Take actions to fully mitigate the risk or withdraw from activities associated with identified risks.

It is important to note that the Council has a risk appetite, where it is prepared to accept the risk. This is illustrated by the black line on Diagram 2 and means that any risk that has been assessed as a 'net red' risk must be a priority for immediate management action. A decision needs to be taken whether to avoid, transfer or treat the risk (an inherent red risk should not be accepted without assurance that robust mitigations will be implemented as a matter of urgency).

Step 7: Review and Report

Risk management should be thought of as an ongoing process and as such, risks need to be reviewed regularly to ensure that prompt and appropriate action is taken to reduce their likelihood and/or impact. West Lindsey's approach is one whereby:

• Strategic Risks are managed and reviewed by the Management Team and are also presented for review to the Governance & Audit Committee on a six-monthly basis;

• Service Risks are reviewed regularly (via monthly service team meetings) and are managed at an operational level.

Overview of both operations is carried out by the Corporate Governance Team. Risk registers are created and maintained on the Council's central risk management register. This enables the Council to record and manage risks in a consistent way, map risks to objectives and risk types, monitor and review risks and produce meaningful management reports.

The Annual Governance Statement (AGS) process incorporates the review and challenge of business unit and significant project risk registers and can result in the identification of actions for improvement to be incorporated within the AGS' Yearly Action Plan.

Risk Management Approach - Cont'd

4. Roles and Responsibilities

To ensure risk management is effectively implemented, all WLDC Members and officers should have a level of understanding of the Council's risk management approach and regard risk management as part of their responsibilities:

Council: The Council has the ultimate responsibility for discharging all of the Council's functions to either a Committee or specific officer.

Governance and Audit Committee: This Committee is responsible for monitoring the effective development and operation of risk management and corporate governance for the Council. The Committee will agree the approach and monitor management actions to make sure that key risks are managed. The Committee receives six-monthly updates, or as requested, on the position relating to strategic risks, thereby ensuring that they hold the Management Team to account for the effective management of risks by officers.

Overview and Scrutiny Committee: This Committee has responsibility for reviewing and scrutinising the decisions made by, and performance of, committees and council officers to ensure that risk management has been applied and adds value and quality to decision making.

Member Risk Champion: The Governance and Audit Committee has appointed an Independent Member to fulfil this role. The purpose is to provide an effective link between the Committee and the Council to provide assurance that risk management is part of day to day activity across the Council. The Member Risk Champion will also promote the risk management approach with Members and be the recognised point of contact for Members in relation to risk management.

Section 151 Officer: This statutory role ensures compliance with all statutory requirements for accounting and internal controls and that the financial affairs of the Council are lawful and value for money is achieved. Any irregularities or unlawful practise must be reported to the appropriate body.

Monitoring Officer: This statutory role ensures the Council, its officers and elected Members maintain the highest standards of conduct in all that they do. Reports must be filed where matters are, or are likely to be illegal, or amount to maladministration.

Management Team: The Management Team fulfil two functions:

• Ownership and monitoring of Strategic Risks facing the Council.

• Ensure that risk management is undertaken in a consistent manner across the Council.

Strategic risks are defined as those that potentially affect the workings of the Council as a whole and would impact on its functioning and/or reputation. The Executive Directors are assigned overall ownership of relevant strategic risks, meaning that they must ensure that risks are monitored, mitigated, reviewed and updated on a regular basis. Additionally, Management Team are charged with identifying any emerging strategic risks. To assist, Management Team receive quarterly reports based on the content of the strategic risk register. Refresher training is also provided for Management Team to ensure they remain appreciative of developments in the art of risk management.

Senior Leadership Team (SLT): This group, consisting of team managers, meets on a quarterly basis and discusses among other matters, service risks. Members of the group are asked to raise any service risks that are escalating in nature. This enables open

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discussion on the risks facing service managers and a collective approach to identifying mitigating actions or other appropriate responses.

SLT are also presented with details of any service risks that have not been reviewed in line with planned review dates. Action is requested to ensure that risk owners provide updates to the risk register accordingly.

SLT is also the forum within which risk management training and workshops take place. Additionally, SLT will promote the aims of the risk management Approved Code of Practice (ACoP) and review its effectiveness and relevance.

Data Protection Officer: This statutory role ensures that the Council addresses matters relating to the requirements of the General Data Protection Regulations (GDPR) and steps are taken to mitigate against the risk of the inappropriate disclosure of personal data held by the Council.

Corporate Health and Safety Officer: This role works to ensure that the safety and well-being of staff and visitors to Council premises are protected by addressing any risks of accidents or work-related ill-health arising.

Service Teams: Across service areas, team managers are responsible for ensuring that risks and opportunities are reviewed and discussed at every team meeting – risk management is a standing agenda on team meeting agendas. Service risk registers are up to date with controls clearly detailed and any further mitigating actions set out with timescales for completion and ownership assigned. Review dates must also be updated.

Team Managers: These officers will also adhere to the risk management ACoP and promote its existence and application among team members.

Assistant Director of Operations: Regular meetings take place between the Assistant Director and team managers. Part of these discussions are dedicated to a review of service risks with assurance provided on the part of the team manager that risk management is undertaken effectively across the service area.

Portfolio Board: The Portfolio Board consists of the Executive Directors and other senior managers. The Board is responsible for overseeing and ensuring that programme/project risks across all Boards are identified and managed and that control mechanisms are in place and are effective. It will also ensure that the procedures and policies are followed and support the Council's approach to risk management.

Programme Boards: A number of Programme Boards are in operation within the Council. They take an overview of project risks and management controls within their programme areas and manage the risks that are beyond the tolerance levels of projects. They are assisted in

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this by the Sponsors and Programme Managers allocated to each board who provide objective oversight of programme and project development.

Project Sponsors/Managers: It is the role of project sponsors and managers to ensure that risks and opportunities within their projects are managed at an appropriate level and in accordance with the risk appetite and that risks are escalated to the Programme Boards where deemed necessary.

Business Continuity Management: The Council works in partnership with Lincolnshire County Council and the other District Councils on arrangements for business continuity. A County wide steering group monitors and ensures that all partners comply with the legal requirements for business continuity. Team managers will ensure that their emergency and business continuity plans are up to date and fit for purpose.

Corporate Governance Team: The Corporate Governance Team provides risk management support for Management Team, staff and Members and arranges training for officers and Members as appropriate.

Officers: All officers have a responsibility to raise any risks that they become aware of to their team managers and for ensuring that they are involved in managing risks.

Members: Members are responsible for facilitating a risk management culture across the Council and ensuring that their needs for risk management training are met.

Internal Audit: Internal Audit (Assurance Lincolnshire) is responsible for auditing the key elements of the Council's risk management process and taking a risk based approach to inform the internal audit plan. They are also responsible for taking an independent view that internal controls are robust and monitored and are operating effectively.

Greater Lincolnshire Risk Management Partnership: The Council is committed to membership of the Greater Lincolnshire Risk Management Partnership. Its aims are to promote working together to ensure a county wide approach to risk management and collaborating with partners in the County to deliver a co-ordinated approach to risk management, training and best practise.

Lincolnshire Counter Fraud Partnership: The Council plays an active role within the partnership to ensure fraud awareness work and closer working with services is undertaken to develop knowledge and the reporting of fraud and corruption related risks.

5. Embedding Risk Management

The fact that we are refreshing our approach to risk management to reflect changing circumstances, demonstrates our recognition of both the need for and the benefits of effective risk identification and management. However, the existence of this document alone will not fulfil our objectives.

The creation of a risk aware culture underpins innovation and change and recognises that not all risks need to or can be managed down to the lowest level. It also supports the allocation of scarce resources to areas where we can make most difference. Such an appreciation of risk is essential as the Council operates within tight financial conditions and has to adopt a more commercial and entrepreneurial manner.

We recognise that creating a risk aware culture is about more than just populating a register. It concerns maintaining an appropriate mind-set across the Council which does not respect hierarchies or organisational structures. Identification and discussion of risks is to be welcomed and takes place within a supportive environment. The Council also acknowledges that the identification and assessment of risks is an iterative process and develops as initiatives progress and/or external influences change.

Risk management can only be embedded into the organisation when it is part of everyday activity and drives decision making. We have made great strides in this regard and aim to ensure that all levels of the organisation continue to understand their role and responsibility for managing risks within their areas of influence and tolerance. In addition to setting out roles and responsibilities as detailed above, the Council has a number of activities and processes in place, to ensure that there is a high level of compliance across the organisation in respect of risk management.

• **Approved Code of Practice:** We have produced (and updated) an Approved Code of Practice (ACoP) for colleagues to refer to when considering risk management. It provides a straightforward source of reference, sets out roles and responsibilities and assists in fostering a consistent approach across the Council;

• **Core Competency:** All officers expected to consider risk management as part of their role will have it detailed within their job description;

• **Training:** Both Members and officers receive risk management training via workshops, e-learning and general support from the Corporate Governance Team;

• **Reports:** Risks are identified in all relevant committee reports that recommend a new or revised policy or allocation of resources;

• **Templates:** The Council's project management methodology directs project leads to consider and record any risks and mitigating actions associated with project delivery. Continuing compliance with this requirement and the quality of input is monitored;

• **Service Improvement Plans:** These are produced on an annual basis by Service Managers and it is a requirement that any risks to service delivery are set out and reviewed within the plan;

• **Team Meetings:** All team meeting agendas should include service risks as a standard agenda item for discussion;

•**Horizon Scanning:** This is an on-going feature whereby officers across the organisation are provided with regular reports detailing developments in the external environment.

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6. Culture

The Council will be open in its approach to managing risks. Lessons from events that lead to loss or reputational damage will be shared as well as lessons from things that go well. Discussion on risk in any context will be conducted in an open and honest manner. Reports will continue to detail the options and risks related to any policy or proposal requiring decision.

7. Training and Awareness

Having developed a robust approach and established clear roles and responsibilities and reporting lines, it is important to provide Members and officers with the knowledge and skills necessary to enable them to manage risk effectively.

The Council will continue to use expertise contained within Assurance Lincolnshire to provide awareness and training sessions on risk management for Members and officers. Bite-size refresher sessions will be provided via the Council's e-learning platform.

The Council's Risk Management ACoP will continue to be used along with this document as a source of reference for all relevant parties on how the Council expects risks to be considered and managed.

Furthermore, the Council will continue to be an active member of both the Greater Lincolnshire Risk Management Partnership and the Lincolnshire Counter Fraud Partnership; using them as opportunities to share best practise and keep abreast of developments in these areas.

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Appendix 1

When risk appetite is properly understood and clearly defined, it becomes a powerful tool, not only in taking well-measured risks, but also for improving performance and decision making.

At the most basic level, an organisation's 'appetite' for risk is how much risk it is prepared to take in order to attain benefit or, in other words, the individual and total impact of risk it is prepared to accept in the pursuit of its strategic objectives.

In order for an organisation to obtain a clear picture of its risk 'appetite' there are two things that must firstly be understood:

• What is the organisation's 'capacity' for risk? i.e. the ability to take risk re financial and other resources.

• What is the organisation's 'attitude' to risk? i.e. the willingness of management and staff to take risk.

An evaluation of an organisation's risk appetite can be placed on a continuum ranging from Risk Averse through to Hungry:

Recent work has been undertaken with key officers and Members at the Council. This involved individuals considering a series of statements aligned to a number of risk categories as detailed:

• Projects & Major Change - (Innovation/Technology/Devolved Authority)

• Reputation & Public Confidence - (Scrutiny of Decision)

• Business Continuity – (Business Resilience)

• Finance & Money - (Financial Loss/Value for Money/Allocation of Resources/Risk & Return)

• Regulatory Standing & Legal Compliance - (Challenge/Safeguarding)

• People – (Staff Health/Wellbeing & Leadership)

• Partnerships – (Governance)

• Performance & Service Delivery – (Performance)

Each statement represented a differing attitude to risk (based on the headings above) and participants were asked to consider each statement and provide their individual response to each of them. The results were collated and provided an overall assessment of the Council's collective risk appetite as "Creative and Aware." Such knowledge is helpful as it provides all concerned with a consistent determination in regard to the level of risk the Council is prepared to take in any given scenario.

Averse As little risk as possible

Cautious Preference for safe delivery options

Creative & Aware Willing to consider all potential delivery options

Opportunist Actively seeking opportunities for improved delivery options

Hungry Eager to be innovative and take choices with greater inherent risk

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Appendix 2

Officers and Members are provided with the guidance detailed in the table below to determine which classification should be applied in terms of likelihood and impact:

You should assign a number in the range 1-4 as follows:	
Likelihood	
1 = Hardly Ever (<5%)	
2= Possible (5-35%)	
3= Probable (35-75%)	
4= Almost Certain (>75%)	
1 = Negligible Impact	**2 = Minor Impact**
Minor service disruption	Service disruption
Minor Injury	Loss time injury
Financial loss < £250k	Financial loss >£250k - £500k
Isolated complaints	Adverse local media coverage
	Failure to achieve a service plan objective
3 = Major Impact	**4 = Critical**
Significant service disruption	Total service loss for a significant period
Major/disabling injury	Fatality to employee, service user or other
Financial loss >£500k - £1m	Financial loss >£1m
Adverse national media coverage	Ministerial intervention in running service
Failure to achieve Corporate Plan objective	

This methodology enables each risk to be categorised as either low, medium or high in nature. Prioritisation as regards potential mitigations can be applied, or the Council's response to the risk can be re-considered (avoid, tolerate, transfer, treat, terminate).

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Risk Ref: Our People 1		Risk Owner: Eve Fawcett-Moralee			Date: 25.09.2019		
Description of Strategic Risk: Health and wellbeing of the District's residents does not improve.							
Trigger	Impact	Current Controls		Likelihood	Impact		Risk Score
1. Failure of leisure contract 2. Outreach service is ineffective 3. Wellbeing service does not achieve outcomes 4. Health Partnership is ineffective	1. Increased burden on frontline services 2. Reduced life expectancy and health for residents 3. Less economically active residents 4. Adverse economic impact on district 5. Council Tax support costs increase 6. Potential impact on the on-going viability of leisure services	1. Leisure Contract monitoring 2. Wellbeing service in place with clear objectives and PIs covering H&W 3. WLDC Board representation 4. Health Partnership with terms of reference and work plan 5. Active membership of County Wide Health Scrutiny Panel		3	3		Current Score 9: Target Score: 6
		Commentary: Key aspect to support this risk is the development of a Wellbeing Strategy					
Actions for Improvement				Completion Date	Officer		Risk Review Date
Health partnership is under review - need to develop a Wellbeing Strategy				June 2020	AD Housing and Wellbeing		28/02/2020

Risk Ref: Our People 2		Risk Owner: Eve Fawcett-Moralee		Date: 25.09.2019		
Description of Strategic Risk: **Inadequate support is provided for vulnerable groups and communities**						
Trigger	Impact	Current Controls	Likelihood	Impact		Risk Score
1. Lack of strategic focus on relevant matters with LCC. 2. Inability to identify and reach vulnerable groups. 3. Insufficient/inaccurate data analysis to establish need. 4. Lack of engagement with and from vulnerable groups.	1. Cycle of dependency is perpetuated. 2. Demand pressures on services and resources. 3. Rural Isolation and increase in rural poverty. 4. Increased demand on formal/informal support networks. 5. Inability of communities to reach self-sufficiency.	1. Innovation re service provision 2. Selective licensing scheme operating 3. Support for residents of Hemswell Cliff and Scampton Action Group established 4. Data research and analysis expertise in place. 5. Safeguarding policies and procedures operating. 6. Wide-range of enforcement tools. 7. Effective multi-agency partnership working.	3	3		Current Score: 9 Target Score: 6
			Commentary: Audit into this area currently underway. Due to report December 2019.			

Actions for Improvement		Completion Date	Officer	Risk Review Date
Produce a baseline of district demography and cross-reference data		underway	EK	28/02/2020
Produce detailed understanding of housing need (for Gainsborough only)		underway	DK	
Build on success of Alchemy event and secure access foundation award		2nd bid 30.10.19	EFM/GW	
Gainsborough South West Ward and Hemswell strategies		Dec 19 committee	GW/DK	
Financial assistance and poverty reduction schemes to be implemented		Not in the work programme yet		

Risk Ref: Our People 3		Risk Owner: Eve – Fawcett-Moralee		Date: 25.09.2019		
Description of Strategic Risk: **Inability to raise local educational attainment and skills levels**						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
1. Poor teaching standards. 2. Lack of stability within schools. 3. Lack of appropriate role-modelling to raise aspirations. 4. Insufficient out-of-school support or mentoring. 5. Failure to address issues relating to Gainsborough in particular.	1. Adverse effect on the career/further education opportunities of young people. 2. Inability of local job market to meet recruitment needs of employers. 3. Wage profile of the economy does not rise. 4. Poorer life chances for young people. 5. Increased welfare dependency and rise in vulnerable groups. 6. Viability of education and skills providers threatened.	1. Mentoring Scheme in place with local schools 2. Made in Gainsborough apprenticeship scheme established 3. West Lindsey Employment & Skills Partnership operating in line with approved strategy and delivery plan.	4	3	Current Score: 12	
					Target Score: 9	
			Commentary: On-going work on the part of the WLESP is a major contributory factor. Effective lobbying on related issues is essential.			

Actions for Improvement	Completion Date	Officer	Risk Review Date
Measure effectiveness of existing actions and draw learning	On-going	AB	28/02/2020
Deliver against West Lindsey Employment & Skills Strategy and Delivery Plan.	On-going	AB	
Consider role WLDC as an employer can play in further supporting this agenda.	Ongoing via Board	AB	

Risk Ref: Our Place 1		Risk Owner: Eve Fawcett-Moralee		Date: 29.09.2019		
Description of Strategic Risk: The local economy does not grow sufficiently						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
1. Slow take-up of strategic employment land. 2. Ineffective marketing of the District to attract inward investment. 3. Loss of a major employer(s) 4. Workforce skills do not match needs of employers.	1. GVA does not grow. 2. Adverse effect on new job creation and upskilling of workforce. 3. Migration of skilled/educated workers out of the District. 4. Impinges on population growth ambitions.	1. NNDR Policy established. 2. EIA impact assessments undertaken. 3. Grant funding for FEZ in place? 4. On-going promotion via Invest Gainsborough and Discover Gainsborough brands. 5. Made in Gainsborough apprenticeship scheme in place. 6. Development Partner appointed.	3	3	Current Score: 9	
			Target Score: 6			
			Commentary: The Council must influence the shape of key regional strategies and the workings of the GLLEP to ensure the District's growth ambitions and needs are fully reflected.			
Actions for Improvement			Completion Date	Officer	Risk Review Date	
Planning for Growth initiative with Greater Lincs			Bid submission Oct 19	EFM	28/02/2020	
Review of planning policies in general and the review of the Local Plan in particular			Sept 2020	RH		

Risk Ref: Our Place 2		Risk Owner: Eve Fawcett-Moralee		Date: 25.09.2019		
Description of Strategic Risk: **The local housing market and the Council's housing related services do not meet demand**						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
1. Housing developers do not build in the District. 2. Lack of suitable development land. 3. Lack of intelligence on housing need/demand. 4. New properties do not match need/demand of local housing market. 5. Existing housing stock is in poor condition. 6. Empty properties not brought back into use. 7. Housing service does not have capacity or skills to meet customer needs and demands. 8. Lack of Council strategic direction and understanding of statutory functions and associated tasks. 9. Information systems do not support efficient service delivery.	1. Deterioration in condition of existing housing stock. 2. Increase in number of empty properties. 3. Increased homelessness and overcrowding. 4. Increase in numbers of vulnerable residents. 5. Increased pressure on housing services. 6. Lack of growth across District.	1. CLLP in progress and review underway. 2. Housing Strategy approved. 3. New IT system operating in Home Choices service. 4. Development Partner appointed. 5. Selective Licensing Scheme implemented. 6. Housing & environmental health enforcement action taken. 7. Housing Assistance (financial) Policy.	3	3	Current Score: 9 Target Score: 6 Commentary: Actions in Housing Strategy are enablers to mitigate against the risk.	
Actions for Improvement			Completion Date	Officer	Risk Review Date	
Review the need for strategic capacity within the service			01/04/2020	EFM	28/02/2020	

Risk Ref: Our Place 3		Risk Owner: Ian Knowles		Date: 25.09.2019		
Description of Strategic Risk: **Insufficient action taken to create a cleaner and safer district**						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
1. Lack of robust enforcement policies. 2. Lack of capacity to respond effectively to service demand. 3. Ineffective messages about social responsibility. 4. Ineffective partnership working arrangements. 5. Inability to effectively implement new legislation. 6. Unexpected outbreak of environmental or health related issue.	1. Residents of the District feel unsafe. 2. Rise in number of crime and enforcement related incidents. 3. Reputational damage. 4. Increase in no. of complaints. 5. Increased threat of illness/harm to residents. 6. Adverse effect on natural wildlife habitats and bio-diversity. 7. Demand pressures on front-line services.	1. Award winning Waste Collection and Street Cleaning Service. 2. Trade Waste service provided. 3. Enforcement policies operating to oversee all relevant areas. 4. CCTV operations in place. 5. Press/media coverage of successful prosecutions and enforcement cases. 6. Adequate officer capacity deployed to cover enforcement matters.	2 Commentary: Plans for a single depot will support the continuing success of the waste service.	4	Current Score: 8 Target Score: 4

Actions for Improvement	Completion Date	Officer	Risk Review Date
Review of available technology to support enforcement action.	31/03/2020	AG	28/02/2020
Ensure permanent resource is in place to prevent enviro crime	31/12/2019	AG	

Risk Ref: Our Council 1		Risk Owner: Ian Knowles			Date: 25.09.2019		
Description of Strategic Risk: **Inability to set a sustainable balanced budget**							
Trigger	Impact		Current Controls	Likelihood	Impact		Risk Score
1. Commercial ventures do not realise expected financial gains. 2. Government funding arrangements do not match estimates used in financial modelling. 3. Outcomes of: Business Rates Review; Farer Funding Review; Comprehensive Spending Review; expected savings, efficiency or income initiatives do not deliver expected benefits. 4. Cessation of grant/match-funding streams. 5. Growth forecasts for District are not realised. 6. Unanticipated rise in demand for services. 7. Invest Gainsborough does not deliver.	1. Case for Gainsborough is not made (Place make). 2. Cuts or reductions in services. 3. Staff redundancies. 4. Inability to deliver Corporate Plan priorities. 5. Growth of the District stagnates. 6. Reputational damage.		1. MTFP in place. 2. Successful commercial trading and investment programme. 3. Annual business planning. 4. Regular budget monitoring. 5. Identification and use of grant-funding opportunities. 6. Value for Money Strategy adopted. 7. Lobbying strategy. 8. Regular review of the commercial property portfolio. 9. Volatility reserves maintained.	2	4		Current Score: 8
							Target Score: 8
				Commentary: Close monitoring of the current spending profile; good performance mgt and benchmarking coupled with progressive service planning will support the minimisation of this risk.			

	Completion Date	Officer	Risk Review Date
8. Schemes for other market towns do not materialise. 9. Business planning is not robust.			
Actions for Improvement	**Completion Date**	**Officer**	**Risk Review Date**
Business Plan for Crematorium to be reviewed/refreshed	31/11/2019	IK	31/03/2020
Financial resilience to be assessed	31/03/2020	TB	

Risk Ref: Our Council 2		Risk Owner: Ian Knowles		Date: 25.09.2019		
Description of Strategic Risk: **The quality of services do not meet customer expectations**						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
1. Poorly trained staff. 2. Systems and processes do not adequately support service delivery. 3. Resources available do not match demands on services. 4. Higher than expected customer expectations. 5. Insufficient attention paid to customer feedback.	1. Rise in number of complaints. 2. Reputational damage. 3. Financial loss – compensation costs and income reductions. 4. Reduction in market share of traded services. 5. Ineffective support for vulnerable customers.	1. Procedure in place to receive customer feedback; including complaints. 2. Customer Experience Officer appointed. 3. Training and development plans for officers. 4. Performance measures in place/monitored and reported. 5. Customer First Programme in development.	2	4	Current Score: 8 Target Score: 4 Commentary: The Customer First programme is designed to put the customer at the centre of every service and will help to mitigate this risk.	

Actions for Improvement	Completion Date	Officer	Risk Review Date
Promote and generate better use of technology	On-going	MC	31/03/2020
Maximise self-service opportunities	On-going	MC	
Implement training programme for key staff	31/03/2020	MC	
Undertake service reviews via Customer First Programme	31/03/2020	MC	

Risk Ref: Our Council 3		Risk Owner: Ian Knowles			Date: 25.09.2019	
Description of Strategic Risk: **Inability for the Council's governance to support quality decision making**						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
1. Ineffective governance framework. 2. Poorly trained Members. 3. Out of date Council Constitution. 4. Ambiguity around the ambitions of the Council.	1. Inefficient use of resources. 2. Reputational loss. 3. Rise in no. of Standard Complaints. 4. Judicial Reviews. 5. Delay in delivery/cancellation of key Council projects. 6. Poor rating from Internal/External for governance arrangements. 7. Poor Staff/Member working relationships and low morale. 8. Loss of opportunities.	1. Member training and development programme in place. 2. Member/Officer protocols established. 3. Annual review of the Council's Constitution. 4. Members' Code of Conduct in place. 5. Robust corporate governance framework. 6. Annual schedule of audits and internal/external audit oversight. 7. Corporate Plan 2019-2023 approved. 8. Programme Boards operating to oversee project development. 9. Annual Governance Statement produced.	2	4	Current Score: 8 Target Score: 8 Commentary: Ensuring that all decisions are evidenced based and robust governance will continue to minimise the likelihood of this risk.	

Actions for Improvement	Completion Date	Officer	Risk Review Date
Implement actions from the Governance Review – Culture & Values	30/06/2020	AR	31/03/2020
Hold Peer Review – Jan 2020	31/03/2020	IK	

Risk Ref: Overarching Risk 1		Risk Owner: Ian Knowles		Date: 25.09.2019		
Description of Strategic Risk: Inability to maintain critical services and deal with emergency events						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
1. Loss/failure of critical systems. 2. Inadequate response to incident or emergency. 3. Lack of, or ineffective, partnership working. 4. Lack of emergency planning or disaster recovery arrangements. 5. Ineffective communication arrangements. 6. Inadequate response to Brexit related issues	1. Inability to deliver critical/key services. 2. Increased risk of harm to vulnerable customers. 3. Financial loss. 4. Reputational damage.	1. Robust infrastructure and back-up arrangements. 2. Package of information security incident policies and procedures. 3. IT Disaster Recovery Plan. 4. Emergency planning and business continuity arrangements. 5. Membership of LRF Partnership. 6. Regular training for Strategic and Tactical Commanders 7. Specific Brexit related planning meetings held.	2	4	Current Score: 8
					Target Score: 8	
			Commentary: Effective business continuity and emergency planning responses are in place. More frequent testing will be a key priority.			
Actions for Improvement			Completion Date	Officer	Risk Review Date	
Draw up schedule of testing of relevant internal plans			31/03/2020	IK	31/03/2020	

Risk Ref: Overarching Risk 2		Risk Owner: Ian Knowles		Date: 25.09.2019		
Description of Strategic Risk: **Failure to comply with legislation including Health and Safety matters**						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
1. Breach of legislation. 2. Failure to seek or follow legal advice. 3. Complaint from external organisation or member of public. 4. Whistleblowing report. 5. Increase of reportable incidents in specific work areas or activities. 6. Increase of insurance claims. 7. Accidents not reported or investigated. 8. Increase absence rates or other work related absences. 9. Non-compliance with primary legislation or Council policies. 10. Project work not planned effectively to control H&S risk. 11. Managers and employees not effectively trained in H&S matters.	1. Reputational damage. 2. Financial loss. 3. Judicial Review. 4. Prosecution for H&S related incidents. 5. Employees injured through work activity. 6. Increased insurance claims and insurance premiums. 7. Member of public, contractor or employee killed at work, possible corporate manslaughter action. 8. Staff sickness rates increase due to lack of compliance with good H&S practice. 9. Increased employer/employee litigation through inconsistent approach to managing H&S in the workplace. 10. Unable to defend H&S claims or disputes.	1. Corporate H&S Officer in place. 2. H&S Champions across the Council. 3. General H&S training provided. Service specific H&S training and safe working procedures including lone working. 4. H&S incident reporting arrangements. 5. Service level H&S risk assessments undertaken and regular H&S walks undertaken to identify hazards. 6. Reporting to Mgt Team/JSCC on H&S incidents. 7. Regular H&S and stress mgt training for all staff. 8. Council subscription to Employee Assistance Programme for staff. 9. Regular inspections of property, including car	2	4	**Current Score: 8** **Target Score: 8**
			Commentary: This risk is fully mitigated at present with a range of current controls in place.			

12. Absence of robust H&S monitoring and recording system. 13. Fire Risk Assessments not current and reviewed by Managers.		parks. Pro-active maintenance programme. 10. Early resolution of reported defects. 11. Public Liability and Employers Liability insurance in place. 12. Legislative implications included on all reports. 13. Compliance with current legislation and best practice. 14. Membership and use of Legal Services Lincolnshire.	
Actions for Improvement		**Completion Date**	**Officer**	**Risk Review Date**
Approve & deliver new Waste Services depot to provide safe working environment		31/03/2021	AS	31/03/2020

Risk Ref: Overarching Risk 3		Risk Owner: Ian Knowles		Date: 25.09.2019		
Description of Strategic Risk: **ICT Security and Information Governance arrangements are ineffective**						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
1. Significant data breach or loss of data. 2. Successful cyber security incident. 3. Lack of staff awareness or training. 4. Inadequate infrastructure or ICT security arrangements. 5. Lack of or inadequate policies and guidance	1. Significant adverse impact on service delivery. 2. Financial loss/fines imposed by ICO. 3. Potential ransom demands for release of data. 4. Reputational damage. 5. Loss of personal and business related data.	1. Robust ICT security systems in place. 2. PSN accreditation. 3. Up to date infrastructure and back-up arrangements. 4. Business continuity arrangements established. 5. Relevant policies covering ICT usage and information security. 6. Data Protection Officer and Senior Information Risk Owner roles in place. 7. On-going training and awareness for staff. 8. Process in place for the reporting and investigation of data breaches and learning loop applied.	3	4	Current Score: 12 Target Score: 8 Commentary: Continuous monitoring of officer training and promotion of incident reporting will further mitigate against this risk.	
Actions for Improvement			Completion Date	Officer	Risk Review Date	
Deliver against 10 year infrastructure development plan			On-going development	CD	31/03/2020	

Governance and Audit Workplan to May 2020 as at 20 September 2019

Purpose:
This report provides details of reports scheduled for committee for the 2019/20 electoral cycle.

Recommendation:
1. That members note the report.

Date	Title	Lead Officer	Purpose of the report
14 JANUARY 2020			
14 Jan 2020	Certification of Grants and Returns	Tracey Bircumshaw, Strategic Finance and Business Support Manager	To present the outcome of the External Audit of Grant Claims and returns
14 Jan 2020	Draft Treasury Management Strategy	Tracey Bircumshaw, Strategic Finance and Business Support Manager	To provide members with the opportunity to review the Strategy and to provide assurance prior to recommending to Council for approval.
14 Jan 2020	Internal Audit Draft Annual Plan Report 2020/21	James Welbourn, Democratic and Civic Officer	To present to members the draft annual internal audit plan based on assurance mapping and risk assessments across the Council's critical services.
14 Jan 2020	Internal Audit Q3 19/20	James Welbourn, Democratic and Civic Officer	To present the update for quarter 3 to G and A committee
14 Jan 2020	Accounts Closedown 2019/20 - Accounting Matters	Caroline Capon, Corporate Finance Team Leader	To review and approve the accounting policies actuary assumptions and materiality levels that will be used for the preparation of the 2018/19 accounts. For the External Auditor to explain the process of the External Audit of the Statement of Accounts and approach to the Value for Money Audit 2018/19.

10 MARCH 2020

10 Mar 2020	Internal Audit Charter	James Welbourn, Democratic and Civic Officer	IA Charter for 20/21

14 APRIL 2020

14 Apr 2020	Internal Audit Q4 19/20	James Welbourn, Democratic and Civic Officer	To present the update for quarter 4 to G and A committee
14 Apr 2020	Annual Constitution Review	Katie Coughlan, Senior Democratic & Civic Officer	Annual review ahead of annual council in 2020