

Guildhall Gainsborough  
Lincolnshire DN21 2NA  
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## AGENDA

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

**Governance and Audit Committee**  
Tuesday, 28th September, 2021 at 2.00 pm  
Council Chamber - The Guildhall

**PLEASE NOTE DUE TO CAPACITY LIMITS WITHIN THE GUILDHALL THE PUBLIC VIEWING GALLERY IS CURRENTLY SUSPENDED**

This Meeting will be available to watch live via: <https://west-lindsey-public-i.tv/core/portal/home>

**Members:**

- Councillor John McNeill (Chairman)
- Councillor Mrs Jackie Brockway (Vice-Chairman)
  
- Councillor Stephen Bunney
- Councillor Mrs Tracey Coulson
- Councillor Christopher Darcel
- Councillor David Dobbie
- Councillor Mrs Caralyne Grimble
  
- 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 - 13)  
To confirm and sign as a correct record the Minutes of the Meeting of the Governance and Audit Committee held on Tuesday 20 July 2021.
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** (PAGES 14 - 15)  
Matters Arising schedule setting out current position of previously agreed actions as at 20 September 2021.
6. **Public Reports for Consideration**
- i) Update on Statement of Accounts 2020/21 and External Audit (PAGES 16 - 21)
  - ii) Annual Governance Statement 2020-21 and Closure of Action Plan 19-20 (PAGES 22 - 33)
  - iii) Strategic Risk Review (PAGES 34 - 57)
  - iv) Recommendation from the Standards Committee - Adoption of a New Code of Conduct for Members (PAGES 58 - 83)
7. **Workplan** (PAGES 84 - 86)

Ian Knowles  
Head of Paid Service  
The Guildhall  
Gainsborough

Monday, 20 September 2021

## WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Governance and Audit Committee held in the Council Chamber - The Guildhall on 20 July 2021 commencing at 2.00 pm.

- Present:**
- Councillor John McNeill (Chairman)
  - Councillor Mrs Jackie Brockway (Vice-Chairman)
  
  - Councillor Stephen Bunney
  - Councillor Mrs Tracey Coulson
  - Councillor Christopher Darcel
  - Councillor David Dobbie
  - Andrew Morriss
  - Peter Walton
- In Attendance:**
- Tracey Bircumshaw Assistant Director of Finance and Property Services and Section 151 Officer
  - James O'Shaughnessy Head of Policy Strategy and Sustainable Environment / Deputy Monitoring Officer
  - Emma Redwood Assistant Director People and Democratic Services
  - Lucy Pledge Internal Audit
  - Amanda Hunt
  - Natalie Kostiuik Customer Experience Officer
  - Katie Storr Democratic Services & Elections Team Manager (Interim)
- Apologies:** Alison Adams
- Membership:** There were no substitutes appointed for the meeting.

### 8 WELCOME AND THANKS

The Chairman welcomed all Members to the Meeting and highlighted the Covid secure measures which would be in place throughout the meeting.

He paid thanks to Councillors White and Grimble who, up until Council in June, had been serving Members of the Committee, for their services to the Committee.

### 9 PUBLIC PARTICIPATION PERIOD

There was no public participation.

### 10 MINUTES OF PREVIOUS MEETING

**RESOLVED** that the Minutes of the previous Meeting of the Governance and Audit Committee held on 15 June 2021 be approved and signed as a correct record.

## **11 MEMBERS DECLARATIONS OF INTEREST**

There were no declarations of interests made at this point in the meeting.

## **12 MATTERS ARISING SCHEDULE**

With no comment the Matters Arising Schedule was duly **NOTED**.

## **13 ANNUAL FRAUD REPORT 2020/21**

Members considered the Annual report on identified fraud during 2020/21 and the proactive measures undertaken to counter fraud during the year and for the following year.

The report provided an overview of fraudulent activity during 2020/21, the details of which were contained in Section 3 of the report.

The report also sought to inform Members of counter-fraud activity, and to provide assurance and demonstrate that the Authority continued to have a robust counter-fraud culture and effective counter-fraud arrangements in place, ensuring fraud risks were managed effectively. Sections 4 and 6 set out proactive work undertaken this year and the planned programme of pro-active work for the year to come.

Debate ensued and Members posed a number of questions. Reference the number of fraud cases identified in West Lindsey which was much lower in comparison to both the Lincolnshire and national average, whilst this was a positive situation, Members questioned why this might be the case?

Members also noted that during the Covid period the approach to debt recovery had been more lenient and questioned whether this could be a factor in the low number of fraud cases identified.

In response Members were advised that due diligence was undertaken on all applications for monies, whether that be a benefit application or an application for grant funding. Robust internal controls were in place and high assurances had been received on all relevant audits, as such, Officers were confident that procedures were in place to identify suspected fraud cases.

The recent Business Grant scheme had identified a number of high-risk individuals and companies, all of which had been investigated on an individual basis, and reported to the National Fraud Agency where appropriate.

Members raised three areas where they considered it would be useful to have additional information in future years these being: -

- \* Cyber and IT crimes, due to their high profile nature in recent times and increased reliance on IT systems and on-line working;
- \* Procurement Fraud, particularly given the emergency arrangements which had been in place, seeking Assurance that all procurement undertaken on behalf of West Lindsey was in accordance with procedure; and
- \* Working from home, which had the potential to open up new fraud opportunities.

In response Officers indicated they were happy to include information on those areas future reports. Assurance was also given that appropriate firewalls were in place to safeguard IT systems from cybercrime. These had proved successful to-date and continued to be monitored and updated appropriately.

Procurement procedure rules were in place and the authority worked closely with procurement Lincolnshire, in ensuring those procedures were effective. In terms of working from home all high risk systems had within them a segregation of duties. For example, a person placing an order was not permitted to authorise the same order for payment.

All audits undertaken during the pandemic relating to internal controls had received good audit assurances. Whilst noting the assurance provided in respect of systems and finance there were still concerns raised around the possibility of confidential information being disclosed as a result of home working.

Assurance was offered that all staff had been fully appraised of the risks around data disclosure. Computers were configured to lock screen within a very brief amount of time. Officers had also been provided with headsets for use within the home environment. It was however accepted that this was an area that needed to continue to be monitored.

**RESOLVED** that: -

- (a) the anti-fraud work undertaken during 2020/2021 and the fraudulent activity identified thereby be noted;
- (b) Members are assured that the Council's anti-fraud work has been, and will continue to be, sufficiently robust and effective; and
- (c) the proposed anti-fraud work to be undertaken during 2021/2022 be supported.

#### **14 ANNUAL VOICE OF THE CUSTOMER REPORT 2020/21**

Members consider the Annual Voice of the Customer report, which summarised customer feedback from the year 2020/21 and which analysed customer contact and demand data.

The Voice of the Customer Report not only examined customer feedback but also took into account a wider scope of customer views, expectations and opinions which had been collected from a number of customer contact channels, including, day-to-day interactions, compliments, comments and complaints received (customer feedback) and customer satisfaction survey responses. The focus being to turn these insights into actionable solutions to drive continuous improvement and deliver a better service for our customers in

line with the objectives of the Corporate Plan.

There had been a decrease in complaints overall and an increase in compliments received. A smaller number of complaints had been upheld overall. Where complaints had been upheld it had resulted in changes to processes and procedures; improvements in information provided to customers; and improvements to the online booking system.

Customer demand overall had decreased and there had been a considerable shift to online transactions given the circumstances of the past year, with the reception area remaining closed. The temporary closure of some services, such as certain waste services and the Trinity Arts Centre, for example, had resulted in a reduced number of telephone calls.

Members noted the number of variances which had been in play the past year making year on year comparison difficult. That being said Members commented on the positive position and recognised that the Council had responded well, overall, to the situation. Members also welcomed the fact that response times had only increased minimally given all the additional duties placed upon the Council during the pandemic.

Reference paragraph 2.18/19 in the report, which related to an increase in complex cases, Members questioned why this may be the case?, Whether this trend was expected to continue? And whether any mitigating actions were required.

In responding Officers advised, that complex cases primarily related to planning, one case being almost 20 years old. It had been recognised that other organisations, included time limits for complaints, including the LGO. This was something the Councils current policy did not include and as a result the Council occasionally found itself dealing with very old matters. It was therefore intended that the Policy would be reviewed and submitted to the relevant committee for approval within the next few months.

Members posed further questions, and in particular sought information regarding the waste service, noting there had been an increase in compliments but also a rise in complaints. Information was sought as to how many of these related to fly tipping as Ward members had seen an increase in the number of residents contacting them regarding this matter.

In response, the presenting Officer advised that only where the service had failed to respond to a complaint would it feature in this report, as such the total number fly-tipping service requests sat with the service. Officers undertook to provide the required data to the Councillor concerned outside of the meeting.

Again referencing the number of complex cases Members spoke of their concern and of their experiences within the wards in dealing with complaints. Some were often minor issues complicated by the approach taken by the complainants. Concerns were raised that this was now having a wider impact with examples being provided.

Officers thanked Members for acknowledging the complexities of dealing with complaints but gave assurance that policies were in place to address both vexatious complaints and vexatious contact.

Members considered it was important that time and resources were used appropriately. A member of the Standards Committee indicated that similar concerns had been raised at

their previous meeting. A number of complaints often related to a misunderstanding around roles and responsibility and it was therefore hoped in respect of standards complaints that training and information could be provided to residents and Councillors in order to manage their expectations and improve their understanding.

**RESOLVED** that: -

- (a) the contents of the Annual Voice of the Customer report be noted;
- (b) Members are assured that robust and effective measures are in place to improve the overall customer experience; and
- (c) the work of the Customer Experience Officer and the Councils 'right first time' approach be supported.

## **15 INTERNAL AUDIT ANNUAL REPORT 2020/2021**

Members gave consideration to the Annual Internal Audit Report which aimed to provide a summary of the audit work undertaken over the past year. The report included an opinion on the overall adequacy of and effectiveness of the governance framework and internal control system and the extent to which the Council can rely on it; informed on how the plan was discharged and of overall outcomes of the work undertaken; and drew attention to any issues particularly relevant to the Annual Governance Statement.

Key messages highlighted to the Committee included, the Auditor's overall opinion. The opinion had been delivered in the context of Covid and the Head of Audit was pleased to advise that the Council continued to have effective governance risk and control processes.

The Council had adapted well during these unprecedented times and the report gave a positive assurance opinion across all areas. Governance, risk and financial control were performing well. Internal control was performing adequately, recognising the complex environment in which the Council had been working under and in recognition that there would always be areas of improvement. The report set out the detail and rationale behind the opinion.

In terms of the delivery plan, it had been a very challenging period, with most of the plan completed in the second half of the year. However the Auditor was pleased to report that 93% of the original plan had been delivered with the help and support of Council officers. Free and unfettered access had been granted across all areas.

Where there had been slippage, this was identified in the report, along with the actions being taken to remedy the position.

Debate ensued and Members congratulated the Council on how it had responded to the risks associated with Covid. Members also welcomed the proactive work which had been undertaken in addressing the issues raised in the previous year's AGS.

Through the course of the debate and in recognising how internal controls may be increased going forward, it was suggested that further ICT training for Members would be of

assistance. The Chairman indicated this matter would be referred to the Member Development Group in the first instance.

The Section 151 officer addressed Committee advising that as a management team they were pleased with the Audit report and its recognition of how, as an organisation, Officers had come together to continue to deliver. The Chairman and Members echoed those sentiments.

**RESOLVED** that

- (a) having considered the Head of Audit's Annual Report and Opinion for 2020/2021 no further actions had been identified; and
- (b) the Committee would take into account this Annual Report and the Head of Internal Audit's opinion when considering the Council's Annual Governance Statement 2020/21.

## **16 INTERNAL AUDIT QUARTER 1 REPORT 21/22**

Members considered a report which provided an update of progress, by the Audit partner, as at 30 June 2021, against the 2021/2022 annual programmes, which had been agreed by the Audit Committee in April 2021.

During the period, two assurance audits had been completed and three audits were currently in progress, two at the draft stage. During the quarter, work had also commenced on drafting the Terms of Reference for those audits within the Plan scheduled for Quarters one and two.

The completed audits being:-

Key Controls – receiving High Assurance  
Lea Fields Crematorium – receiving Substantial Assurance

Audits in draft stage were -

ICT Helpdesk – Draft report stage  
Covid Business Grant – Draft report stage  
Together 24 – Fieldwork

Information on each was included within both the body of the report and Appendix 3

A total of 21 agreed actions had yet to be implemented (3 High, 15 Medium and 3 low) No overdue actions were outstanding. Appendix 2 provided details of those actions where extended implementation dates had been agreed.

The Full Audit Plan was set out at Appendix 3. The matters of interest included within the report were also highlighted to the Committee.

In opening the debate, the Chairman referred to the extension of deadlines in respect of audit actions and whilst some of these extensions were entirely appropriate, caution was



expressed, in extending deadlines to avoid them being late. Referring to the amount of work that had been undertaken in recent years to ensure that audit actions were completed in a timely manner.

Referring to the information on page 82 and the importance of Officers' attitudes towards governance systems, Members praised Officers for their approach of openness and honesty, something which had been referenced in the recent Peer Review. Members were of the view that Officers were open to being scrutinized and saw the benefits of challenge. The importance of professional and courteous scrutiny was recognised and this was an area that Members should continue to receive training in.

Regarding the open and honest culture, and recognising that there had been considerable changes at senior management level and that the issue of culture was always a fragile one within any organisation during a period of change it was questioned whether this would remain. In conclusion, the Chairman referenced the information contained within the report, regarding Liverpool City Council, and some of the failings which had been identified. Reference was made to standing orders and their importance, providing the Chairman with an opportunity to remind Members that this was an area the Council had identified for review as part of its Constitutional report the previous year.

**RESOLVED** that having considered the content of the report, no further actions be identified.

## **17 DRAFT ANNUAL GOVERNANCE STATEMENT 2020/21**

Consideration was given to a report which presented the draft Annual Governance Statement for 2020/21. The Committee were asked to review its content and identify any additional issues they considered should be contained in the associated action plan, prior to receiving the final document for approval at its next meeting

Ordinarily, the Authority was required to produce an Annual Governance Statement for approval by 31<sup>st</sup> July each year to accompany the Council's Statement of Accounts. Members noted the timeframe, as last year, had been extended to 30 September 2021.

Having reviewed the year; taken account of progress against the AGS 2019/20 action plan and having also considered recommendations made within various governance related reports/audits, the matters suggested for possible inclusion in the action plan were: -

- Living with Covid-19 roadmap#
  - Complete review of corporate procurement procedures#
  - Ensure compliance to meet the standards of the Financial Management Code
  - Produce a Cultural Strategy\*
  - Clarify what 'social regeneration' means to the Council, what it will deliver and how to resource it\*
- 
- # Carried forward from the 2019/20 AGS action plan
  - Emanating from the Peer review action plan.

The draft statement and action plan have been shared with Internal Audit who had raised no

concerns.

Discussion ensued and the Chairman recognised that a number of areas had not been completed, simply, due to the additional duties placed upon the Council during the Pandemic.

Assurance was sought that the impact working remotely had on staff had been assessed. In response Officers advised that staff have been regularly surveyed, with the results being reported to the Joint Staff Consultative Committee. These results had also been shared in the Members' update. In response to further questions around the nature of the surveys, it was recognised that it was often difficult for individuals to recognise stress within themselves. Surveys had been anonymous but grouped within teams allowing trends to be identified, the results of which were shared with Assistant Directors for addressing through their relevant team managers. Further Assurance was offered that the Covid-19. Roadmap, having been identified as an action for the AGS, would mean Members would receive regular reports around the impact and mitigating actions. The Chairman questioned whether there was an action around culture giving the significant changes within the senior management team. In response Officers advised that the peer review process could be revisited in two years time. Furthermore there was an audit planned around culture and ethics, similar to that undertaken approximately 3 years ago, and as such the tracking of culture would be overseen through these pieces of work. Given the information provided the Chairman indicated he would welcome an update at a future Chairs Briefing, regarding the peer-review and whether there was any intention for a follow-up review to be completed.

**RESOLVED** that

- (a) having reviewed the draft Statement, no additional governance related matters be included in the draft statement; and
- (b) Having reviewed the proposed set of issues, arising during the year and intended to form the Action Plan for 2020/21, they be agreed.

## **18 UNAUDITED STATEMENT OF ACCOUNTS 2020-21**

The Committee were presented with the Unaudited Statement of Accounts for Scrutiny. The accounts had been approved for issue by the S151 Chief Finance Officer on 1 July 2021 to the auditor, Mazars, which was prior to the statutory deadline of 31 July 2021.

The Committee was responsible for the approval of the Statement of Accounts and any material amendments of the accounts recommended by the external auditors. The Audited Statement of Accounts would therefore be presented to the Committee again on 28 September 2021 after the audit process.

Members of the Governance and Audit Committee would be provided with specific training on the Statement of Accounts to enable them to meet the requirements.

Taking information from the main Statements within the Accounts, i.e. the Income and Expenditure Account, the Movement in Reserves and the Balance Sheet, the financial performance indicators provided a view of the Council's financial stability and health.

The Council remained in a healthy position, with good levels of Usable Reserves, however the impact of the increase in the Pension Liability reflected an inability for the Authority to meet its liabilities. The pension fund was not an immediate concern, and the increased liability, was mainly due to the financial assumptions of the value of liabilities in the current economic climate.

The main elements of the Statement were detailed in Section 3 of the report and were highlighted to the Committee.

Debate ensued and reference the balance sheets, whilst acknowledging the level of reserves the Council still held, but recognising the fluctuating situation, particularly in respect of liabilities such as pension, assurance was sought that the Council had enough in reserves for future years .

In responding, Officers advised that the Council had increased its reserve from previous years. However the value of the assets was now less than that of liabilities the reasons for this was outlined to the Committee in detail. Officers were satisfied this gave the Council some level of resilience, but also the opportunity to continue to invest. The MTFP identified a balanced budget, but recognised a potential £1,000,000 shortfall within five years. Officers again provided assurance and were confident that this matter would be addressed in the ensuing years. A number of national issues were yet to be determined including business rate retention policy and the review of fairer funding across all local authorities, both of which had the potential to impact the council's finances. All assumptions within the plan had been made with the level of prudence providing further assurance.

In responding to further questions, the Section 151 officer indicated the two greatest areas of concern and unknowns with potentially significant implications were the outcome of the business rates retention and the fairer funding for local authorities. It was also unclear how long government support would be provided to support the Covid recovery. Treasury management practices of the council also allowed fluidity, allowing the council to respond if necessary.

Members questioned the scenario, should the assumptions within the report not fall within the Council's favour. The Section 151 officer outlined the potential implications, and how the MTFP allowed for these and mitigated against them, where appropriate. Reference was made to the VAT exemption limits, which HMRC determined had been breached. Officers outlined the circumstances, the calculation applied and indicated the ruling was being challenged. Officers were confident in being successful however, Members were advised that in the event the challenge was not successful approximately £740,000 would need to be paid to HMRC from the general fund.

There was some discussion as to whether the Statement of Accounts should refer to some staged targets in respect of carbon management. However given this staged target approach was not part of an agreed policy at this time, no amendments were considered appropriate at the current time.

The Committee commented that both this and the previous papers demonstrated that Officers had a handle on the processes and systems in place across the organisation and it

was suggested this is where Members should take their assurance from.

It was questioned whether the trust fund arrangement should be looked at going forward and whether this was now appropriate.

The Chairman also questioned how much of the reduction in allowances claimed by Members was as a result of the broadband allowance now being payable within the basic allowance, as opposed to savings from travel. Officers undertook to provide this information outside of the meeting.

At the request of Councillors, Officers outlined the difference between usable and non usable reserves referred to within the accounts, the latter mainly being for accounting adjustments such as differences in asset valuation.

Members were again reminded that full training would be provided prior to the meeting in September, the date of which would be circulated in due course.

**RESOLVED** that

- (a) having had the opportunity to review the Unaudited Statement of Accounts there are no comments from the Committee which need to be referred to the Section 151 Officer for subsequent discussion with the Council's External Auditors, Mazars;
- (b) the uncertainty around the Pension Fund Valuations which may result in amendments to the Statement of Accounts be accepted; and
- (c) the scale fee for the External Audit of the Statement of Accounts for 2020/21 be noted.

**Note:** Councillor Dobbie left during consideration of the above item of business at 3.16pm and was not present for the vote.

## **19 WORKPLAN**

The Workplan as set out in the report was **NOTED** with the addition of the further item for September's meeting, a new code of Conduct for Members, following a recommendation by the Standards Sub-Committee the previous week.

The meeting concluded at 3.49 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

Meeting	Governance and Audit Committee				
Status	Title	Action Required	Comments	Due Date	Allocated To
Black	<b>Statement of Accounts Training</b>	<p>from mtg on 15 June</p> <p>Reminder that Cllrs would be required to undertake statement of Accounts Training before the July Committee , as was standard practice and requirement of cttee membership .</p> <p>Likely to be held day of the cttee.</p>	<p><b>Please work with demo services to ensure arrangements are made and clear communications sent to Members. 12/7/2021</b></p> <p><b>This year training will be held in advance of the September Committee Meeting and will be held virtually on a day before the committee but not the day of the Committee itself .</b></p> <p><b>All arrangements made and will be held on 21 /9 - date has been communicated and invites sent</b></p> <p><b>This has now been superseded due to the delay in the SOA . Training will be held before November's meeting.</b></p>	15/08/21	Tracey Bircumshaw

<b>Black</b>	<b>Follow up of LGA Peer Review</b>	<p>Extract from the mins of meeting July 21: -  When discussing the AGS  Officers advised that the peer review process could be revisited in two years time.  Furthermore there was an audit planned around culture and ethics, similar to that undertaken approximately 3 years ago,  Given the information provided the Chairman indicated he would welcome an update at a future Chairs Briefing, regarding the peer-review and whether there was any intention for a follow-up review to be completed.</p>	<p><b>The Chief Executive has had initial conversations with the LGA about this matter. The Chief Executive has also spoken with both the Leader and the Chairman of this Committee</b></p>	20/09/21	Ian Knowles
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# Agenda Item 6a



**Governance and Audit  
Committee**

**Tuesday, 28 September  
2021**

**Subject: Update on Statement of Accounts 2020/21 and External Audit**

Report by:

Assistant Director of Finance and Property  
Services and Section 151 Officer

Contact Officer:

Tracey Bircumshaw  
Assistant Director of Finance and Property  
Services and Section 151 Officer

[tracey.bircumshaw@west-lindsey.gov.uk](mailto:tracey.bircumshaw@west-lindsey.gov.uk)

Purpose / Summary:

To inform members that the approval of the  
Statement of Accounts will be delayed

## **RECOMMENDATION(S):**

1. Members note the reasons for the delay of the approval of the Statement of Accounts.



## IMPLICATIONS

**Legal:**

The Accounts and Audit (Amendment) Regulations 2021 have implemented these new deadlines by amending the Accounts and Audit Regulations 2015 make it a statutory requirement to publish an audited Statement of Accounts by 30 September 2021.

**Financial : FIN/90/22/TJB**

None from this report

**Staffing :**

None from this report

**Equality and Diversity including Human Rights :**

None from this report

**Data Protection Implications :**

None from this report

**Climate Related Risks and Opportunities:**

None from this report

**Section 17 Crime and Disorder Considerations:**

None from this report

**Health Implications:**

None from this report

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

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**Risk Assessment :**

Inadequate timescale to restate the accounts for changes in pension fund valuation.

As a consequence a delay in the issuing of an audit opinion

**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. Background**

### **1.1 The Accounts and Audit (Amendment) Regulations 2021**

The council is required by The Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015 to present its Statement of Accounts (and associated documents) for public inspection for a period of 30 working days, which must include the first 10 working days of June, this allows for a common inspection period with all other (Category 1) local authorities.

However, the Ministry of Housing, Communities & Local Government has extended the statutory deadlines for local authorities to approve and publish their accounts for the 2020/21 and 2021/22 financial years.

The revised deadlines applicable to local authorities are as follows:

- Approve Draft Accounts 31 July (previously 31 May).
- Public Inspection Period to start on or before first working day of August (previously included first 10 working days of June).
- Publish Final Audited Accounts 30 September (previously 31 July).

The Accounts and Audit (Amendment) Regulations 2021 have implemented these new deadlines by amending the Accounts and Audit Regulations 2015.

## **2. Material changes to the Accounts**

- 2.1 The Council received £0.992 of Additional Restrictions Grant during 2020/21, which was for the purpose of providing direct support to businesses, or for wider business support activities, determining how much funding to provide to businesses and exactly what businesses get targeted and was deemed that these discretions deemed the Council was not acting as an agent of the Government

As at the 31 March there was no indication that there were conditions to repay any unspent amounts as at the grant end date of 31 March 2022. Therefore the grant was correctly recognised in the Comprehensive Income and Expenditure Account with remaining balances transferred to the Revenue Grant Unapplied Reserve.

Subsequently in July 2021, the Department for Business, Energy and Industrial Strategy clarified that any unspent amounts would be required to be repaid, and therefore should be recognised as a revenue receipt in advance and therefore a Short Term Creditor within the accounts. Due to the material value of this transaction (£0.992m) being above our materiality levels, the accounts have required restatement.

## **3. Pensions Liability**

- 3.1 The Pension Liability valuation as at the 31 March was estimated by our actuary, Barnett Waddingham, and totalled £48.605m. We have this week received an updated report on the valuation as at 31 March 2021 reflecting the

actual valuation of £47.453m. Due to the material change of £1.152m the accounts are currently being restated and will be represented to the auditor for final review.

#### **4. Pending Issues**

- 4.1 We reported in our accounts for 2020/21 a contingent liability in relation to our partial exemption calculation being exceeded in year due to exceptional capital expenditure in the year in relation to the Crematorium design and construction. Evidence was provided over a 7 year period. At the time HMRC had issued a notification that they considered the breach exceptional but not insignificant and that £0.740m relating to 2019/20 VAT would be repayable. The Council has submitted an appeal against this decision and has yet to receive the HMRC's response.

#### **5. Statement of Accounts**

- 4.1 As a consequence of these changes and the need to update the Statements, the statutory deadline will not be met.
- 4.2 As with many other councils throughout the country who have a similar issues and in addition to ongoing audits, West Lindsey District Council will be listed as not meeting the statutory deadline.
- 4.3 Mandatory training for the members of the Governance and Audit Committee will be rearranged once the amendments to the Statements have been finalised.
- 4.4 The Statement of Accounts 2020/21 and External Auditors reports will therefore be presented to the next meeting of the Governance and Audit Committee on 9 November 2021.



# Agenda Item 6b



**Governance & Audit  
Committee**

**28 September 2021**

**Subject: Annual Governance Statement 2020-21 and Action Plan and  
Closure of the Annual Governance Statement 2019-20 Action  
Plan**

Report by:

Chief Executive

Contact Officer:

Emma Redwood  
Assistant Director People & Democratic (Interim) &  
Deputy Monitoring Officer

Purpose / Summary:

To present to Members the Annual Governance  
Statement for 2020-21 and Action Plan and  
Closure of the Annual Governance Statement  
2019-20 Action Plan

**RECOMMENDATION(S):**

1. That Members approve the Annual Governance Statement for 2020-21 and associated Action Plan
2. That Members sign off the Action Plan for 2019-20 as completed

## IMPLICATIONS

**Legal:** The AGS must comply with the Accounts and Audit (England) Regulations 2011

(N.B.) Where there are legal implications the report **MUST** be seen by the MO

**Financial : FIN/89/22/TJB**

**Staffing : None**

(N.B.) Where there are staffing implications the report **MUST** have a HR Ref

**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**

**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**

**Key Decision:**

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

**Yes**

**No**



## **1. Background**

- 1.1 The Annual Governance Statement (AGS) is a formal statement under the Accounts and Audit (England) Regulations 2011, which details the Council's governance arrangements and issues for the previous year as an annual report of governance.
- 1.2 The system of corporate governance is the way in which we direct and control our services and functions to ensure that we make the best use of all resources.
- 1.3 Assurance of governance arrangements involves a process to test the framework and to gain confidence that it is operating as intended and that we are, "doing the right things, in the right way, for the right people in an open, honest, inclusive and timely manner." (CIPFA 2007)
- 1.4 Under normal circumstances the Council is required to produce an AGS for approval by the end of July to accompany the Council's Statement of Accounts. However, due to the covid19 situation the timeframe has been extended to the end of September 2021.
- 1.5 The AGS includes a summary of the governance framework and identifies those areas where further action is required to achieve greater assurance.

## **2. Developing The Annual Governance Statement 2020-21**

- 2.1 Sources of information used to develop the AGS include:
  - The Combined Assurance Report 2020-21
  - Internal Audit Annual Report
  - Internal Audit reports
  - The management of Strategic and Service risks
  - External Audit Annual Audit Letter
  - Complaints and lessons learnt
  - Consultation results
  - Ombudsman investigations
  - Service Managers – any service or performance issues, including signed assurance that the internal control and governance assurance framework has been upheld, covering:
    - Review of key controls
    - Budget setting and allocation of resources
    - Performance management
    - Risk management
    - Financial and legal implications

### **3 The Framework**

- 3.1 The Governance Framework follows the seven principles of good governance as set out in CIPFA's "Delivering Good Governance in Local Government Framework" (2016 edition) and is formed by the systems and processes, standards, policies and activities through which it accounts to, engages with and leads the community.
- 3.2 Additionally this year, reporting bodies are asked to consider the contents of the CIPFA Bulletin 06, concerning the impact of the continuing Covid-19 pandemic on governance in local government bodies.
- 3.3 Under each of the principles we have identified improvements that have taken place during the year, activity to support the principle, any significant issues and actions that will be undertaken to address any issues or to develop the principles further.
- 3.4 Within the Statement, reference has been made to the significant events or issues that have arisen during the year and the findings of any governance related reports. These include audit findings and the Council's on-going response and recovery from the Covid-19 pandemic, to mitigate its effect on governance, resourcing and financial implications and in addition, to support economic recovery and community wellbeing.

### **4. Annual Governance Statement 2020-21**

- 4.1 The AGS for 2020-21 accompanies this report.

### **5. Issues to be Addressed in 2020-21**

- 5.1 Issues that have been identified as requiring attention to ensure robust governance and which will be addressed in the coming year via the Action Plan 2020-21 are set out below:
    - I. Living with Covid-19 roadmap
    - II. Complete review of corporate procurement procedures
    - III. Ensure compliance to meet the standards of the Financial Management Code
    - IV. Produce a Cultural Strategy\*
    - V. Clarify what 'social regeneration' means to the Council, what it will deliver and how to resource it\*
- \*Emanating from the Peer Review Action Plan
- 5.2 To address the issues detailed above, an action plan has been developed containing actions which when completed will realise a satisfactory state of affairs. The action plan is the main vehicle through which Members of the Governance and Audit Committee are provided with updates on progress against the completion of the required actions.

5.3 The Action Plan 2020-21 accompanies this report.

## **6. Issues Deemed Closed – Annual Governance Statement Action Plan 2019-20**

6.1 The issues which were identified as matters to be addressed via the AGS Action Plan 2019-20 and are now deemed to be completed are detailed below. Members are asked to review and determine whether they are satisfied that sufficient progress has been made to warrant completion.

- Senior Management Restructure: Implement the restructure in line with approved decision.
- Sustainability, Climate Change and Environment Strategy: Produce the Strategy for adoption by Council in May 2021.
- Effectiveness of Governance and Audit Committee Survey: Address issues arising out of the survey undertaken by the Committee.
- Post-pandemic recovery response and plans: To ensure the Council is fully aware of the impact the pandemic has had on its operations and has mitigated the issues and embraced the benefits.
- Peer Review action plan: Maintain oversight and assurance on progress of the action plan.
- Effectiveness and understanding of corporate procurement procedures: Undertake a review of the procedures and implement required remedial actions. – Members are asked to note that the action relating to the effectiveness and understanding of corporate procurement procedures will continue to be developed and therefore has been rolled into the action plan for 2020/21
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6.2 Over the course of the year, work has been undertaken against the action plan, with Members receiving a six-month progress report in the April 2021 Governance and audit Committee meeting.

6.3 The 2019-20 Action Plan is attached for review and sign off

## **7. Recommendation**

Members are asked to:

1. Approve the Annual Governance Statement for 2020-21 and associated Action Plan
2. Sign off the Action Plan for 2019-20 as completed

**Appendix 1 - Annual Governance Statement 2019/2020 Action Plan**

Issue	Description	Action	Current Position	Date Due	Officer	BRAG
1. Senior Management Restructure	Implement the restructure in line with approved decision	<ol style="list-style-type: none"> <li>1. Complete the structure chart, Job Descriptions and Person Specifications</li> <li>2. Carry out staff consultation</li> <li>3. Recruit to vacancies</li> <li>4. Team Development</li> </ol>	<ol style="list-style-type: none"> <li>1. Recruitment completed</li> </ol>	31/12/2020	I. Knowles	Closed
2. Sustainability, Climate Change & Environment Strategy	Produce the Strategy for adoption by Council in May 2021	<ol style="list-style-type: none"> <li>1. Undertake initial public consultation</li> <li>2. Renew existing Carbon Mgt Plan (CMP)</li> <li>3. Produce draft Strategy for second phase of consultation</li> <li>4. Incorporate feedback and carbon reduction initiatives into draft Strategy</li> <li>5. Present Strategy and action plan for adoption to Full Council May 2021</li> </ol>	<ol style="list-style-type: none"> <li>1. Initial consultation completed and findings analysed.</li> <li>2. Draft Strategy completed and consultation held.</li> <li>3. Revised CMP completed.</li> <li>4. Final version of Strategy and Action Plan produced.</li> <li>5. Strategy approved by Council 28<sup>th</sup> June 2021.</li> </ol>	31/05/2021	I. Knowles	Closed
3. Effectiveness of Governance & Audit Committee survey	Address issues arising out of the survey undertaken by the Committee	<ol style="list-style-type: none"> <li>1. Review findings of survey</li> <li>2. Form Member Working Group to formulate action plan to address issues</li> <li>3. Provide G&amp;A Cttee with progress updates</li> <li>4. Complete action plan and obtain G&amp;A Cttee sign off</li> </ol>	<ol style="list-style-type: none"> <li>1. Findings analysed and Member Working Group formed.</li> <li>2. Improvement plan drawn up.</li> <li>3. Actions implemented e.g. bite size financial training.</li> <li>4. Closure report back to Cttee 13<sup>th</sup> April 2021.</li> </ol>	31/07/2021	A. Robinson	Closed

<p>4. Post-pandemic recovery response &amp; plans</p> <p><b>In the 2020/21 Action Plan as new Living with Covid19 Road Map</b></p> <p>Page 29</p>	<p>To ensure the Council is fully aware of the impact the pandemic has had on its operations and has mitigated the issues and embraced the benefits</p>	<ol style="list-style-type: none"> <li>1. Put in place Local Outbreak Management Plan</li> <li>2. Covid secure all Council buildings</li> <li>3. Provide key advice to local businesses</li> <li>4. Review financial position</li> <li>5. Develop economic recovery plan</li> <li>6. Consider lessons learned and ensure that positive changes are maintained</li> </ol>	<ol style="list-style-type: none"> <li>1. Local plans developed and LRF outbreak management plan supported. Staff testing arrangements developed</li> <li>2. Buildings are Covid secure</li> <li>3. Business support grants administered - £24 million of grants. Working through the LEP and the growth team to give advice. Also Covid wardens in place to offer advice and ensure compliance</li> <li>4. Full assessments made and reflected in MTFP and budget and monthly government returns made</li> <li>5. LEP has co-ordinated the production of Greater Lincolnshire's economic recovery plan which is likely to form the backcloth for government investment in recovery. LA's continue to support delivery</li> <li>6. On-going reflection and adaptation where required</li> </ol>	<p>31/07/2021</p>	<p>I. Knowles</p>	<p>Closed</p>
<p>5. Effectiveness and understanding of corporate</p>	<p>Undertake a review of the procedures and</p>	<ol style="list-style-type: none"> <li>1. Conduct survey with users of the procurement service</li> </ol>	<ol style="list-style-type: none"> <li>1. Survey completed and findings analysed.</li> </ol>	<p>30/04/2021</p>	<p>A. Robinson</p>	<p></p>

<p>procurement procedures</p> <p><b>To be continued in the 2020/21 Action Plan</b></p>	<p>implement required remedial actions</p>	<ol style="list-style-type: none"> <li>2. Analyse results and report to Mgt Team</li> <li>3. Draw up action plan to address identified issues</li> <li>4. Monitor progress of plan</li> <li>5. Conduct follow-up survey</li> </ol>	<ol style="list-style-type: none"> <li>2. Report provided to Mgt Team and Procurement Officers and way forward determined.</li> <li>3. Four point plan devised.</li> </ol>			
<p>6. Peer Review action plan</p>	<p>Maintain oversight and assurance on progress of the action plan</p>	<ol style="list-style-type: none"> <li>1. Develop action plan</li> <li>2. Publish findings and action plan</li> <li>3. Deliver against actions</li> <li>4. Consider follow up review with LGA</li> </ol>	<ol style="list-style-type: none"> <li>1. Action Plan produced and issues incorporated into existing work streams</li> <li>2. Report to Full Council</li> <li>3. Actions being followed through e.g. T24 programme; Cultural Strategy</li> <li>4. Follow-up arrangements to be determined</li> </ol>	<p>30/04/2021</p>	<p>I. Knowles</p>	<p>Closed</p>

**Annual Governance Statement 2020/2021 Action Plan**

Issue	Description	Action	Current Position	Date Due	Officer	BRAG
Living with Covid19 roadmap	Ensure that the council responds and effectively leads the recovery process	<ol style="list-style-type: none"> <li>1.Keep abreast of developments against the Governments road map</li> <li>2.Communicate internally/externally key messages</li> <li>3.Survey staff to understand reaction</li> <li>4.Report to Council on activity that has taken place to keep people safe and well and</li> </ol>	Reviewing Governments winter plan and potential impact	April 2022	Emma Redwood	
Complete review of corporate procurement procedures	Undertake a review of the procedures and implement required procedural actions	<ol style="list-style-type: none"> <li>1. Conduct survey with users of the procurement service</li> <li>2. Analyse results and report to Mgt Team</li> <li>3. Draw up action plan to address identified issues</li> <li>4. Monitor progress of plan</li> <li>5. Conduct follow-up survey</li> </ol>	Survey undertaken Ongoing discussions with Procurement Lincs	March 2022	Ady Selby	
Ensure compliance to meet the standards of the Financial Management Code	The Financial Management Code of Practice (launched by CIPFA in November 2019) to improve the financial resilience of organisations by embedding enhanced standards of financial management. The Code	<ol style="list-style-type: none"> <li>1.VFM strategy and handbook to be reviewed and redistributed</li> <li>2.A number of training courses to be delivered for VFM</li> <li>3.Members workshop to be held to consider 22/23 budget consultation focus</li> </ol>	A self-assessment has been carried out and appropriate action plan is in place, reported to G&A committee in April 2021	September 2022	Tracey Bircumshaw	

	is not mandatory however the council is committed to meetings the standards set in the code.	<p>4. Review of options/project appraisal methodology and documentation to be appropriate in the context of the project</p> <p>5. Review of reports and the introduction of analytics will be an enhancement to reports produced to Management. This will be achieved through the implementation of new technology</p>				
Produce a Cultural Strategy	Implement action plan to develop our approach to a cultural strategy	<ol style="list-style-type: none"> <li>1. Co-ordinate the events and activities programme across the district</li> <li>2. Understand Arts Council opportunities and requirements</li> <li>3. Secure National Portfolio Organisation status</li> <li>4. Secure National Lottery Heritage funding for Trinity Arts Centre</li> <li>5. Refresh Visitor Economy Strategy and align with co-ordinated cultural offering</li> <li>6. Develop sustainable future for West Lindsey Markets supported by cultural offer</li> <li>7. Improve the long term cultural offering of the district</li> </ol>	Cultural Strategy paper to Prosperous 14 <sup>th</sup> September, and CP&R 23 <sup>rd</sup> September	Some of this activity will be delivered by March 2022	Sally Grindrod-Smith & Ady Selby	



<p>Clarify what 'social regeneration' means to the Council, what it will deliver and how to resource it</p>	<p>To ensure that there is clear and consistent understanding of social regeneration across the council</p>	<ol style="list-style-type: none"> <li>1. Engage with members to develop narrative which articulates Council's understanding of social regeneration</li> <li>2. Embed social regeneration into broader strategies for the council</li> </ol>	<p>CEX's and Leaders commissioned work to develop District health and Wellbeing Strategy. Work completed and will be taken through committee processes prior to end of financial year</p>	<p>March 2022</p>	<p>Di Krochmal</p>	
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# Agenda Item 6c



**Governance and Audit  
Committee**

**28 September 2021**

**Subject: Review of Strategic Risks ( September 2021)**

Report by:	Assistant Director People & Democratic Services (Interim)
Contact Officer:	Assistant Director People & Democratic Services (Interim)
Purpose / Summary:	To present to the G&A Committee for review, the strategic risks facing the Council as at September 2021

## **RECOMMENDATION(S):**

Members are asked to review the register and to consider:

- Do any additional risks of a strategic nature exist?
- Are current controls and proposed actions sufficiently robust?

## IMPLICATIONS

**Legal: None**

(N.B.) Where there are legal implications the report **MUST** be seen by the MO

**Financial: FIN/88/22/TJB**

(N.B.) All committee reports **MUST** have a Fin Ref

**Staffing: None**

(N.B.) Where there are staffing implications the report **MUST** have a HR Ref

**Equality and Diversity including Human Rights: None**

*NB: Please explain how you have considered the policy's impact on different groups (for example: young people, elderly, ethnic minorities, LGBT community, rural residents, disabled, others).*

**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 :**

**Strategy 2019-2023**

**Risk Assessment: None**

**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 Strategic risks are considered as being those faced by the Council that, if materialised, would adversely impact the delivery of corporate priorities.
- 1.2 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.
- 1.3 The Governance and Audit Committee review the strategic risks on a six-monthly basis.

## 2 Monitoring Arrangements

- 2.1 The strategic risks are presented to the Council's Management Team on a quarterly basis for review.
- 2.2 The Management Team are requested to review the risks, control measures and future actions to ensure that they remain sufficiently robust to mitigate the identified risks.
- 2.3 Where corrective action is required and/or additional risks are identified, the strategic risk register is updated accordingly.
- 2.4 Due to structural changes at management level, new risk owners have been assigned across the strategic risk portfolio.
- 2.5 During their reviews of the strategic risk register, no additional strategic risks have been identified by the Management Team to those last presented to the Committee. The strategic risks are presented in Appendix One.

## 3. Risk Matrix

- 3.1 To assess the severity of potential risks, the Council uses the following matrix based on the relationship between the likelihood and impact of risks arising.

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				

3.2 The following guidance is available to determine which classification is applied:

You should assign a number in the range 1-4 as follows:	
<b>Likelihood:</b> 1 = Hardly Ever (<5%) 2= Possible (5-35%) 3= Probable (35-75%) 4= Almost Certain (>75%)	
<b>1 = Negligible Impact:</b> <ul style="list-style-type: none"> <li>• Minor service disruption</li> <li>• Minor Injury</li> <li>• Financial loss &lt; £250k</li> <li>• Isolated complaints</li> </ul>	<b>2 = Minor Impact</b> <ul style="list-style-type: none"> <li>• Service disruption</li> <li>• Loss time injury</li> <li>• Financial loss &gt;£250k - £500k</li> <li>• Adverse local media coverage</li> <li>• Failure to achieve a service plan objective</li> </ul>
<b>3 = Major Impact</b> <ul style="list-style-type: none"> <li>• Significant service disruption</li> <li>• Major/disabling injury</li> <li>• Financial loss &gt;£500k - £1m</li> <li>• Adverse national media coverage</li> <li>• Failure to achieve Corporate Plan objective</li> </ul>	<b>4 = Critical</b> <ul style="list-style-type: none"> <li>• Total service loss for a significant period</li> <li>• Fatality to employee, service user or other</li> <li>• Financial loss &gt;£1m</li> <li>• Ministerial intervention in running service</li> </ul>

3.3 This methodology enables each risk to be categorised as either low, medium or high in nature and prioritisation as regards mitigations can be applied.

3.4 Using the methodology, the Council’s Risk Strategy (2019-2023) sets out the requirement for risk owners to score the current (inherent) risk and the target (residual) risk once mitigations have been applied.

**4. Points to Note**

4.1 Covid19 - the pandemic has been a major disruptive force on the operations of the Council over the last eighteen months. Its impact has been felt across most, if not all Council operations, both front-facing and internal.

4.2 To reflect this, the impact of and response to the pandemic has been distributed across all relevant risks, as opposed to adding Covid19 as a separate individual risk entry. In fact, as the pandemic and its effects are currently very real, it has been treated as an issue rather than a risk.

4.3 Brexit – a dis-proportionate reference has not been made of Brexit and its potential impact on the Council in 2021. At present, any anticipated

direct and immediate impact on the Council, has been identified as potentially affecting how the Council anticipates it will deal with:

- Emergency events i.e. the impact on the District of any overflow caused by haulage hold-ups at East Coast ports
- Data handling and the storage and processing of data on the part of suppliers hosting our data in the EU.
- Keeping a watching brief on any potential procurement related matters

## **5. Recommendation**

5.1 Members are asked to review the register and to consider:

- Do any additional risks of a strategic nature exist?
- Are current controls and proposed actions sufficiently robust?

Risk Ref: Our Council		Risk Owner: Tracey Bircumshaw		Date: August 2021	
Description of Strategic Risk: <b>Inability to set a sustainable balanced budget</b>					
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; Fairer 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. 8. Schemes for other market towns do not materialise. 9. Business planning is not robust. 10. Ongoing financial impacts of Covid-19	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 and risk reserves maintained. 10. Resilience indicators developed and monitored. 11. Working Balance minimum set at £2.5m 12. Commercial risk indicators set	2	4	Current Score: 8
					Target Score: 8
					<b>Commentary:</b> Close monitoring of the current spending profile; good performance mgt and benchmarking coupled with progressive service planning will support the minimisation of this risk. Peer Review findings: .. "sound financial management, robust control and successful implementation of commercial plan." Impact of Covid19 on MTFP assessed and understood
Actions for Improvement		Completion Date	Officer		Next Risk Review Date
					31/10/2021



Risk Ref: Our Council	Risk Owner: <b>Ady Selby</b>	Date: August 2021			
Description of Strategic Risk: <b>The quality of services do not meet customer expectations</b>					
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. T24 Service reviews underway 6. New Customer Relationship Management (CRM) technology being implemented 7. Robust performance mgt in place 8. Benchmarking processes in place. 9. Dedicated corporate training budget 10. Customer Experience Strategy being developed	2	3	Current Score: 6
					Target Score: 4
<b>Commentary:</b> The T24 programme is designed to put the customer at the centre of every service and will help to mitigate this risk. Technology led service reviews in all service areas will address resilience and capacity issues The development and implementation of a Customer Experience Strategy will further mitigate this risk					
Actions for Improvement		Completion Date	Officer	Next Risk Review Date	
Implement CRM and ERP systems		31.3.2022	Jeannette Anderson	31/03/2022	

Continual development of P&D reporting and review of measures	31/12/2021	Ellen King	
Development and adoption of Customer Experience Strategy	31/3/2022	Lyn Marlow	

Risk Ref: Our Council	Risk Owner: <b>Emma Redwood</b>	Date: August 2021			
Description of Strategic Risk: <b>Inability for the Council's governance to support quality decision making</b>					
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	3	Current Score: 6
					Target Score: 6
					<p><b>Commentary:</b> Ensuring that all decisions are evidenced based and robust governance will continue to minimise the likelihood of this risk. Peer Review findings noted that corporate governance and Member/Officer relations were effective High assurance received from internal audit on the Good Governance Follow up audits All actions from the initial good governance audit completed. G&amp;A Cttee have undertaken an effectiveness survey</p>
Actions for Improvement		Completion Date	Officer		Next Risk Review Date
Reports and Recommendations review to take place		April 2022	Katie Storr		31/10/2021
Working group review to take place		April 2022	Katie Storr		

Risk Ref: Our People	Risk Owner: <b>Diane Krochmal</b>	Date: August 2021			
Description of Strategic Risk: <b>Inability to raise local educational attainment and skills levels</b>					
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. West Lindsey Employment & Skills Partnership operating in line with approved strategy and delivery plan. 2. Supporting work experience for young people	3	3	Current Score: 9
					Target Score: 9
					<b>Commentary:</b> On-going work on the part of the WLESP is a major contributory factor. Keeping abreast of skills and employment initiatives launched on the back of Covid19 and the Green Recovery.
Actions for Improvement		Completion Date	Officer	Next Risk Review Date	
Measure effectiveness of existing actions and draw learning		1/12/2021	Amanda Bouttell	31/12/2021	
Deliver against West Lindsey Employment & Skills Strategy and Delivery Plan.		1/12/2021	Amanda Bouttell		
Development of redundancy support programme to form part of WLESP delivery plan		01/12/2021	Amanda Bouttell		

Risk Ref: Our People	Risk Owner: <b>Diane Krochmal</b>	Date: 09/12/2020			
Description of Strategic Risk: <b>Inadequate support is provided for vulnerable groups and communities</b>					
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 reviewed and progress made towards future scheme 3. Focused support for residents of Hemswell Cliff. 4. Development of normalisation strategy for Scampton 5. Safeguarding policies and procedures operating. 6. Wide-range of enforcement tools. 7. Effective multi-agency partnership working. 8. Communities at Risk policy document in place 9 Audit recommendations adhered to 10. Housing and Wellbeing Board have oversight	3	3	Current Score: 9
					Target Score: 6
					<b>Commentary:</b> Audit report completed and action completed Further development of Local Access partnership initiative with funding awarded - major links to health and wellbeing.
Actions for Improvement		Completion Date	Officer		Next Risk Review Date
P3 projects VHS, NSAP and RSAP delivered to assist vulnerable communities and also improve local housing stock		31/12/2021	Diane Krochmal		31/12/21

Risk Ref: Our People	Risk Owner: <b>Diane Krochmal</b>	Date: August 2021			
Description of Strategic Risk: <b>Health and wellbeing of the District's residents does not improve.</b>					
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. Lack of understanding of District Council role in health	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. Everyone Active Community Wellbeing Plan developed 2. Wellbeing service in place and promoted with clear objectives. 3. WLDC Wellbeing Lincs Management Board representation 4. West Lindsey representation on Housing, Health and Care delivery group 5 Representation on Health Inequalities Programme Board	3	3	Current Score: 9
					Target Score: 6
<b>Commentary:</b> Emerging framework of District Health and Wellbeing Strategy which will set out actions to address health inequalities New portfolio of Homes and Communities is in place and new team of Home, Health and Wellbeing recruited to Responsibility for the success of the leisure contract lies with Commercial Services					
Actions for Improvement		Completion Date	Officer		Next Risk Review Date
Adoption of District Health and Wellbeing Strategy		31/03/2022	Diane Krochmal		31/12/2021
Review the need for a Strategic Health Partnership.		31/12/2021	Diane Krochmal		

Risk Ref: Our Place	Risk Owner: <b>Ady Selby</b>	Date: August 2021			
Description of Strategic Risk: <b>Insufficient action taken to create a cleaner and safer district</b>					
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. 7. Educating school children in recycling and sustainability. 8 Covid19 protocols in place and adhered to and key messages communicated across the District	2	4	Current Score: 8
					Target Score: 4
<b>Commentary:</b> Single depot will support the continuing success of the waste service. Council agreement to fund work with schools to promote environmental and sustainability issues. Enforcement and environment teams fully resourced Member Working Group established to produce an Environment and Sustainability Strategy. All guidance relating to Covid19 implemented Restructure of waste management team to ensure futureproofing in place Review of enforcement policies Review of selective licensing scheme					
Actions for Improvement		Completion Date	Officer		Next Risk Review Date
Review and implement refreshed selective licensing scheme		30/09/2022	Andy Gray		31/03/2022
Review Enforcement Policies		31/03/2022	Andy Gray		

Build and opening of new waste depot	01/01/2022	Ady Selby	
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Risk Ref: Our Place	Risk Owner: <b>Diane Krochmal</b>			Date: August 2021	
Description of Strategic Risk: <b>The local housing market and the Council's housing related services do not meet demand</b>					
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. Lack of Council strategic direction and understanding of statutory functions and associated tasks.	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 place and review underway. 2. Housing Strategy refresh underway.  3. Selective Licensing Scheme reviewed and plans for future scheme under development 6. Housing & environmental health enforcement action taken. 7. Housing Assistance (financial) Policy. 8. Viable housing solution, RSAP and NSAP properties acquired	3	3	Current Score: 9
					Target Score: 6
<b>Commentary:</b> Housing Strategy enablers to mitigate against the risk.					
Actions for Improvement		Completion Date	Officer		Next Risk Review Date
Review of services and necessary restructure agreed and appointed to		31/12/2021	Diane Krochmal and Sally Grindrod Smith		31/12/2021
Development of a District Health and Wellbeing Strategy Strategy		31/12/2021	Diane Krochmal		

Risk Ref: Our Place	Risk Owner: <b>Sally Grindrod-Smith</b>	Date: August 2021			
Description of Strategic Risk: <b>The local economy does not grow sufficiently</b>					
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. 5. Impact of Covid19 and lockdown on local economy	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. 5. Closure of businesses across the District	1. NNDR Policy established. 2. Refresh and update of Local Plan policy and evidence base for employment allocations 3. Maintain close working relationship with Business Lincolnshire and LCC Inward Investment to ensure investment and growth queries are well supported 4. Made in Gainsborough apprenticeship scheme in place. 5. Efficient promotion and delivery of grant aid to businesses across the District 6. Launch of Townscape Heritage Initiative 7. Develop West Lindsey's input into Strategic Infrastructure Delivery Plan and emerging infrastructure strategy 8. Ongoing marketing and promotion of district wide successes across growth and development 9. Maintain effective working relationships with key funders 10. Submitted bid to	3	3	Current Score: 9
					Target Score: 6
<b>Commentary:</b> 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. The Council has distributed almost £30m grant aid to businesses across the District and the programme of support continues to March 2022. Townscape Heritage Initiative launched - £1.96m Plans for new cinema approved					

		Government for Levelling Up Fund and working on proposal for implementation.	
Actions for Improvement		Completion Date	Officer
Represent West Lindsey's opportunities and challenges within the emerging Greater Lincolnshire Infrastructure Strategy		31/03/2022	Sally Grindrod-Smith
Review of planning policies in general and the review of the Local Plan in particular		31/03/2022	Sally Grindrod-Smith
Maintain watching brief on further support for businesses and ensure capacity in place to deliver effectively		31/03/2022	Sally Grindrod-Smith
			Next Risk Review Date
			31/03/2022

Risk Ref: Overarching Risk	Risk Owner: <b>Nova Roberts</b>		Date: August 2021		
Description of Strategic Risk: <b>ICT Security and Information Governance arrangements are ineffective</b>					
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score
<ol style="list-style-type: none"> <li>1. Significant data breach or loss of data.</li> <li>2. Successful cyber security incident.</li> <li>3. Lack of staff awareness or training.</li> <li>4. Inadequate infrastructure or ICT security arrangements.</li> <li>5. Lack of or inadequate policies and guidance</li> <li>6. Contracts/sharing agreements with data processors/controllers that do not ensure clauses allowing movement of data to a third country.</li> </ol>	<ol style="list-style-type: none"> <li>1. Significant adverse impact on service delivery.</li> <li>2. Financial loss/fines imposed by ICO.</li> <li>3. Potential ransom demands for release of data.</li> <li>4. Reputational damage.</li> <li>5. Loss of personal and business related data.</li> </ol>	<ol style="list-style-type: none"> <li>1. Robust ICT security systems in place.</li> <li>2. PSN accreditation.</li> <li>3. Up to date infrastructure and back-up arrangements.</li> <li>4. Business continuity arrangements established.</li> <li>5. Relevant policies covering ICT usage and information security.</li> <li>6. Data Protection Officer and Senior Information Risk Owner roles in place.</li> <li>7. On-going training and awareness for staff; re-inforced as a result of Covid19 and home working arrangements</li> <li>8. Process in place for the reporting and investigation of data breaches and learning loop applied.</li> <li>9. PCIDSS compliance</li> <li>10. Rolling programme of audits</li> <li>11. Ensuring standard contractual clauses are in place with data processors/controllers who hold data outside of UK.</li> </ol>	3	4	<b>Current Score: 12</b>
					Target Score: 8
					<p><b>Commentary:</b>  Continuous monitoring of officer training and promotion of incident reporting will further mitigate against this risk.  The role of Senior Information Risk Owner has been reallocated to the Director of Corporate Services.  SIRO attended SIRO training in October 2020. Recent cyber-security audit gave substantial assurance.  In present circumstances the need for extra vigilance is regularly relayed to staff.  Brexit arrangements may impact upon the Council's ability to access data of data processors/controllers that are storing data in the EU. Standard contractual clauses are being inserted into all relevant contracts and agreements. Awaiting EU confirmation of adequacy on the part of UK to meet EU GDPR standards.</p>

		12. Insurance in place to cover costs of recovery from ICT failure/cyber attack.	
Actions for Improvement		Completion Date	Officer
Deliver against 10 year infrastructure development plan		31/10/2021	Cliff Dean
			Next Risk Review Date
			31/10/2021

Risk Ref: Overarching Risk	Risk Owner: <b>Emma Redwood</b>	Date: August 2021			
Description of Strategic Risk: <b>Failure to comply with legislation including Health and Safety matters</b>					
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score
<ul style="list-style-type: none"> <li>1. Breach of legislation.</li> <li>2. Failure to seek or follow legal advice.</li> <li>3. Complaint from external organisation or member of public.</li> <li>4. Whistleblowing report.</li> <li>5. Increase of reportable incidents in specific work areas or activities.</li> <li>6. Increase of insurance claims.</li> <li>7. Accidents not reported or investigated.</li> <li>8. Increase absence rates or other work related absences.</li> <li>9. Non-compliance with primary legislation or Council policies.</li> <li>10. Project work not planned effectively to control H&amp;S risk.</li> <li>11. Managers and employees not effectively trained in H&amp;S matters.</li> <li>12. Absence of robust H&amp;S monitoring and recording system.</li> <li>13. Fire Risk Assessments not current and reviewed by Managers</li> </ul>	<ul style="list-style-type: none"> <li>1. Reputational damage.</li> <li>2. Financial loss.</li> <li>3. Judicial Review.</li> <li>4. Prosecution for H&amp;S related incidents.</li> <li>5. Employees injured through work activity.</li> <li>6. Increased insurance claims and insurance premiums.</li> <li>7. Member of public, contractor or employee killed at work, possible corporate manslaughter action.</li> <li>8. Staff sickness rates increase due to lack of compliance with good H&amp;S practice.</li> <li>9. Increased employer/employee litigation through inconsistent approach to managing H&amp;S in the workplace.</li> <li>10. Unable to defend H&amp;S claims or disputes.</li> </ul>	<ul style="list-style-type: none"> <li>1. Corporate H&amp;S Officer in place.</li> <li>2. H&amp;S Champions across the Council.</li> <li>3. General H&amp;S training provided. Service specific H&amp;S training and safe working procedures including lone working.</li> <li>4. H&amp;S incident reporting arrangements.</li> <li>5. Service level H&amp;S risk assessments undertaken and regular H&amp;S walks undertaken to identify hazards.</li> <li>6. Reporting to Mgt Team/JSCC on H&amp;S incidents.</li> <li>7. Regular H&amp;S and stress mgt training for all staff.</li> <li>8. Council subscription to Employee Assistance Programme for staff.</li> <li>9. Regular inspections of property, including car parks. Pro-active maintenance programme.</li> <li>10. Early resolution of reported defects.</li> <li>11. Public Liability and Employers Liability insurance</li> </ul>	2	4	Current Score: 8
					Target Score: 8
					<p><b>Commentary:</b> The move to a new operational depot has been agreed and it is planned to be in place by the summer of 2021. This will create a safer working environment for staff.</p>

		<p>in place.</p> <p>12. Legislative implications included on all reports.</p> <p>13. Compliance with current legislation and best practice.</p> <p>14. Membership and use of Legal Services Lincolnshire.</p>		
Actions for Improvement		Completion Date	Officer	Next Risk Review Date
Approve & deliver new Waste Services depot to provide safer working environment		31/12/2022	Ady Selby	31/10/2021

Risk Ref: Overarching Risk	Risk Owner: <b>Ady Selby</b>		Date: August 2021		
Description of Strategic Risk: <b>Inability to maintain critical services and deal with emergency events</b>					
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.	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. Robust emergency planning in place 5. Regular review of business continuity arrangements. 6. Membership of LRF Partnership. 7. Regular training for Strategic and Tactical Commanders + Members 8. Plans in place and tested regularly 9. Training for out of hours officers and those attending SCG and TCG 10. Effective internal EP Group 11. EP area at new depot	2	4	Current Score: 8
					Target Score: 8
<b>Commentary:</b> Effective business continuity and emergency planning responses are in place. Frequent testing will be a key priority.					
Actions for Improvement		Completion Date	Officer		Next Risk Review Date
Refresher training for appropriate officers		31/03/2022	Ady Selby		31/03/2022
Emergency Plan Approved by Members		31/12/2022	Ady Selby		



Training for all involved with EP and BC up to date	31/03/2022	Ady Selby	
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# Agenda Item 6d



**Governance and Audit  
Committee**

**Tuesday 28 September 2021**

**Subject: Recommendation for the Standards Sub-Committee -  
Adoption of a New Code of Conduct for Members**

Report by:	Monitoring Officer
Contact Officer:	Katie Storr Democratic Services & Elections Team Manager (Interim)  katie.storr@west-lindsey.gov.uk
Purpose / Summary:	<p>To consider the recommendation from the Standards Sub-Committee</p> <p>This report presents the LGA's New Model Code of Conduct following its National Launch in January 2021 and supporting guidance (issued July 2021).</p> <p>The Standards Sub-Committee are recommending that the Governance and Audit Committee support their recommendation and recommend to Full Council in November 2021 that the Code'(and supporting guidance notes) be adopted by West Lindsey District Council (and subsequently the Parishes of the District ) as the standard by which all Councillors should be expected to adhere to.</p>

**RECOMMENDATION(S):**

- (1) That the Governance and Audit Committee accept the recommendation from the Standards Sub-Committee and in doing so:
-

**recommend to Full Council that West Lindsey District Council: -**

- **adopts the LGAs model code of Conduct and associated Guidance Notes as the Authority's Code of Conduct with immediate effect.**
- **Encourage All Parish Council's across the District to adopt West Lindsey's new Code of Conduct by May 2022**
- **That the roll-out process detailed in Section 5 of the report be approved and implemented; and**

**(2) The Committee supports the Standards Sub-Committee's recommendation that "Officers be requested to continue lobbying Government Ministers for a change in legislation to allow for the decriminalisation of "interests", and the re- introduction of proper meaningful sanctions" and recommends to full Council that they do so as well and requests that the Leader writes to the relevant Ministers to further highlight this important point."**

**(3) Prior to the Full Council Meeting in November 2021, training on the requirements of the new Code be provided to all District Councillors.**

## IMPLICATIONS

### **Legal:**

As prescribed by the Localism Act 2011 - The Council is required to have a Code of Conduct which as a minimum meets the Nolan principles.

### **Financial : FIN/82/22/TJB**

Any additional costs, which are anticipated to be minimal, associated with workshops and training events will be met within existing budgets.

### **Staffing :**

There will be additional work short term ensuring both district and parish councillors are engaged with this process through a series of workshops and training events.

### **Equality and Diversity including Human Rights :**

None directly arising from the report.

### **Data Protection Implications :**

None directly arising from the report

### **Climate Related Risks and Opportunities :**

None directly arising from the report – However associated work in promoting the Codes uptake and training of Members will be held virtually wherever possible reducing travel across the District.

### **Section 17 Crime and Disorder Considerations :**

None directly arising from the report.

### **Health Implications:**

None directly arising from the report.

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

Wherever possible please provide a hyperlink to the background paper/s  
If a document is confidential and not for public viewing it should not be listed.

<b>Risk Assessment :</b>

**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**

**Key Decision:**

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

## **1 Introduction**

- 1.1 The Standards Sub-Committee at Its meeting on 15 July considered a report which presented the LGAs new Model Code of Conduct and, associated Guidance Notes.
- 1.2 The Committee gave consideration to the benefits and merits of adopting this new Model as the Code of Conduct and as a result of its deliberations have recommended to the Governance and Audit Committee that the LGA's model Code of Conduct be adopted in Full by West Lindsey District Council , as the Code by which its Elected Members should abide.
- 1.3 The report considered by the Standards Cub-Committee, can be viewed at:-  
<https://democracy.west-lindsey.gov.uk/documents/s25426/LGA%20New%20Model%20Code%20Conduct%20to%20consider%20recommending%20its%20adoption.pdf>

## **2 Background**

- 2.1 Back in 2018 the Committee for Standards in Public Life (CSPL) undertook a review of local government ethical standards and in 2019 published its report and findings.
- 2.2 The CSPL made a series of recommendations to the government for legislative changes to be made as well as a series of best practice recommendations for local authorities, considered as a benchmark of good ethical practice. These are summarised in Appendix C of the Model Code of Conduct – attached at Appendix A
- 2.3 The Standards Sub-Committee have followed this matter closely and considered the CSPL report and recommendations at its meeting on 6 November 2019. The relating report and minute can be viewed at <https://democracy.west-lindsey.gov.uk/ieListDocuments.aspx?CId=237&MId=2653&Ver=4>
- 2.4 Of the 15 best practice recommendations arising from the CSPL report, West Lindsey had already introduced 11 ½ , through experience of dealing with Code of Conduct matters, many of these being introduced when West Lindsey radically overhauled its code in 2017/18.
- 2.5 The Government was expected to respond to the report in September 2019 setting out whether or not it accepted some or all of the recommendations. A full response is still awaited ,
- 2.6 However, one recommendation which has seen progress, is the recommendation that the Local Government Association should create

an updated model code in consultation with representative bodies of Councillors and Officers across all tiers of local government.

### **3. Development of the Model Code, Consultation Undertaken and Outcomes**

3.1 Hoey Ainscough associates were appointed by the LGA in the Spring of 2020 and produced a first draft Code in the Summer of 2020. The sub-committee considered this matter at its meeting on 12 August 2020, the report can be viewed at <https://democracy.west-lindsey.gov.uk/ieListDocuments.aspx?CId=237&MId=2851&Ver=4>

3.2 An appropriate consultation response, in line with the Committee's informal discussions, was submitted and shared with Members. Members were also encouraged to respond separately and information was circulated to parish councils.

3.3 Over 1600 written responses to the consultation were received and there were over 1000 participants across the 4 webinars held, and at which the Authority had representation.

3.4 High Level Consultation responses are summarised as follows: -

- Overwhelming support for the Code. But a number of issues raised.
- First person or third person
- Respect or Civility?
- More on social media including confidentiality.
- Declaration of gifts £25 too low £50 too high?
- Need for accompanying guidance with examples
- Equality Act - obligation to comply
- Obligation to cooperate with investigation
- Compulsory training for members
- Sanctions

3.5 Through the Autumn of 2020 the draft Code and the consultation responses received were given further consideration with the final draft Code approved by the LGA Board in December 2020 and launched at a series of events in January 2021.

3.6 Key changes implemented as a result of the consultation were : -

- A move away from the word civility, (not supported by the Standards Sub-Committee) seeing it replaced by the more commonly understood phrase, "treating others with respect."
- Including a requirement for Councillors to comply with any sanction if they are found to have breached the Code of Conduct, in attempt to ensure compliance in the absence of meaningful sanctions

3.7 The Sub-Committee welcomed the resulting changes. The lack of sanctions is an area the sub-committee has previously and continues to express concern at.

#### **4. Resulting Code of Conduct and Reasons for recommending adoption.**

4.1 The resulting new Model Code of Conduct is attached at Appendix A and supporting guidance can be viewed via the following link <https://www.local.gov.uk/publications/guidance-local-government-association-model-councillor-code-conduct#general-principles-of-councillor-conduct>

#### **4.2 The New Code Covers**

- Respect
- Bullying, harassment and discrimination
- Respect for the impartiality of officers of the council
- Confidentiality and access to information
- Disrepute
- Use of position
- Use of local authority resources and facilities
- Complying with the Code of Conduct
- Protecting councillors' reputation and the reputation of the local authority
- Gifts and hospitality
- Declaration of interests wider than the DPI Regulations
- Strengthens emphasis on intimidation, abuse and bullying
- Reiterates that all forms of councillor communications are included, including social media
- Improves guidance re gifts, hospitality and conflict of interests
- Has a wider scope

4.3 Members will be aware that West Lindsey over recent years has extensively revised its Code of Conduct having recognised that a Nolan Principle only Code (LGA's previous model) did not suffice, re-introducing much of its previous Code, as far as legislation permitted.

4.4 This work was undertaken throughout 2017 culminating with West Lindsey District Council adopting its current Code of Conduct in May 2018.

4.5 As a result, West Lindsey's current Code already includes many of the "new" provisions including respect, bullying, compromising officers, bringing the authority in disrepute, confidentiality, reference to social media and local provision requiring the declaration of wider interests in respect of planning decisions. It also has a clear scope on when the Code can be applied.

4.6 Whilst the lack of sanctions cannot be addressed through the Code, due to legislation changes being required, the new model code does now



place a requirement on Councillors to comply with any sanction if they are found to have breached the Code of Conduct. It also makes it a mandatory requirement for all Councillors to undertake Standards /Code of Conduct Training.

4.7 West Lindsey's ethos of declarations of interest wider than the legal requirements" of the Localism Act/ DPI Regulations is also supported within the LGA's New Model Code, albeit the requirements are slightly different and there will need to be a process of re-educating and re-training members appropriately.

4.8 The new code recognises the following interests

- A Disclosable Pecuniary Interest – as defined in the DPI Regs 2012 (no change)
- B Other Registrable Interests
- C Non-registrable interests (currently personal / and local provision prejudicial in our adopted code )

4.9 Whilst moving to the new Model Code of Conduct is not a mandatory requirement, and arguably its places very few additional requirements on our Members, due to the significant revisions agreed in 2018, a national single code for all elected members, with clear wording and additional guidance, working examples and explanatory text is something the Standards Sub-Committee believe should be welcomed.

4.10 A reasonable, clear, national standard for all can only be seen as an improvement.

4.11 Further Benefits of adopting the LGA Code are

- Greater consistency of approach to standards cases
- Potential for higher standards of conduct
- Addresses specific areas of concern raised through the consultation
- Reduces levels of complexity around particular issues
- Introduces more robust safeguards needed to strengthen a locally determined system
- Importantly recognises that Councillors should be able to undertake their role without being intimidated, abused, bullied or threatened by anyone including the general public.

4.12 This guidance will provide both those subject to the Code and those charged with assessing complaints made under Code, with clear expectations and a commonly understood interpretation; something it is considered has not been provided since the introduction of the Localism Act.

4.13 Guidance notes are something the Sub-Committee have previously advocated for and whilst Officers had begun to develop West Lindsey specific ones work halted, pending the development of new model code.

- 4.14 The Code, together with the Guidance have been designed to protect our democratic role, encourage good conduct, and safeguard the public trust and confidence in the role of councillor in local government. While it sets out the minimum standards of behaviour expected, it is designed to encourage councillors to model the high standards expected of councillors, to be mutually respectful even if they have personal or political difference, to provide a personal check and balance, and to set out the types of conduct that could lead to complaints being made of behaviour falling below the standards expected of Councillors. It is also to protect councillors, the public and the local authority officer and the reputation of local government.
- 4.15 It is therefore recommended, from the Standards Sub-Committee that the Governance and Audit Committee support their recommendation that West Lindsey District Council's Full Council should adopt the LGA Model Code in its entirety including the guidance and supporting notes.
- 4.16 Whilst the creation of a Code wider the Nolan principles is to be supported and welcomed , the biggest change to regime will be realised by changes to legislation particularly in respect of sanctions.
- 4.17 An appropriate Code is only half the tools an MO requires to be effective. The re-introduction of sanctions is something the Standards Sub-Committee and Officers have been lobbying for a number of years and have raised again in all consultation responses relating to the Code's development.
- 4.18 In order to raise the profile of this matter, the Committee are asked to: - support the Standards Sub-Committee's recommendation from previous meetings that "Officers be requested to continue lobbying Government Ministers for a change in legislation to allow for the decriminalisation of "interests", and the re- introduction of proper meaningful sanctions".
- 4.19 The Committee are also asked to recommend to Full Council that they do the same and requests that the Leader writes to the relevant Ministers to further highlight this important point.

## **5. Parish Council Adoption**

- 5.1 The Committee will be aware that Parish Councils are also required to have and adopt a Code of Conduct , which must as a minimum address the Nolan Principles.
- 5.2 Currently across the District 49 Parishes have adopted WLDC's current Code, 19 have adopted the NALC Code and 5 have codes of their own.
- 5.3 Should the Committee and subsequently Full Council, be supportive of the District Council adopting the LGA Model Code of Conduct, work will need to be undertaken with the Parishes with a view to encouraging them to also adopt the Model Code.

- 5.4 It should be noted that NALC have indicated their intention to withdraw their current model Code, instead promoting the LGA Model Code as the standard to work to.
- 5.5 Officers have recently attend a LALC event, attended by Parish Clerks and outlined the work the authority is currently doing in respect of this matter.
- 5.6 Set out below is a timetable of associated work to be undertaken in adopting and implementing the new Code of Conduct both within the District Council and subsequently across its Parishes.

Action	Date
Recommendation from the Standards Sub- Committee Submitted to the Governance and Audit	September 2021
Full Member Workshop / Training for District Councillors - to present the Code in advance of formal adoption – VIRTUAL	October 2021
Recommendation from the Governance and Audit Committee submitted to Full Council with the Code adopted by the District	November 2021
Communications to Parish and Town Councils	November 2021
Series of Workshops / Training to be held with Parish Councils to raise awareness and encourage adoption. These may be cluster events or attendance at individual Parishes Virtual arrangements will be used wherever possible	Jan – March 2022
All Parishes to have adopted the Code by their AGM in May 2022 and advised the DC accordingly	May 2022
Position Review	June 2022
Follow up work	June 2022 onwards

- 5.7 The Committee are asked to support the programme and time-line of associated work to be undertaken in the event that adoption of a new Code is supported.



## **Local Government Association**

### **Model Councillor Code of Conduct 2020**

#### **Joint statement**

The role of councillor across all tiers of local government is a vital part of our country's system of democracy. It is important that as councillors we can be held accountable and all adopt the behaviors and responsibilities associated with the role. Our conduct as an individual councillor affects the reputation of all councillors. We want the role of councillor to be one that people aspire to. We also want individuals from a range of backgrounds and circumstances to be putting themselves forward to become councillors.

As councillors, we represent local residents, work to develop better services and deliver local change. The public have high expectations of us and entrust us to represent our local area, taking decisions fairly, openly, and transparently. We have both an individual and collective responsibility to meet these expectations by maintaining high standards and demonstrating good conduct, and by challenging behaviour which falls below expectations.

Importantly, we should be able to undertake our role as a councillor without being intimidated, abused, bullied, or threatened by anyone, including the general public.

This Code has been designed to protect our democratic role, encourage good conduct and safeguard the public's trust in local government.

## Introduction

The Local Government Association (LGA) has developed this Model Councillor Code of Conduct, in association with key partners and after extensive consultation with the sector, as part of its work on supporting all tiers of local government to continue to aspire to high standards of leadership and performance. It is a template for councils to adopt in whole and/or with local amendments.

All councils are required to have a local Councillor Code of Conduct.

The LGA will undertake an annual review of this Code to ensure it continues to be fit-for-purpose, incorporating advances in technology, social media and changes in legislation. The LGA can also offer support, training and mediation to councils and councillors on the application of the Code and the National Association of Local Councils (NALC) and the county associations of local councils can offer advice and support to town and parish councils.

## Definitions

For the purposes of this Code of Conduct, a “councillor” means a member or co-opted member of a local authority or a directly elected mayor. A “co-opted member” is defined in the Localism Act 2011 Section 27(4) as “a person who is not a member of the authority but who

- a) is a member of any committee or sub-committee of the authority, or;
- b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority;

and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee”.

For the purposes of this Code of Conduct, “local authority” includes county councils, district councils, London borough councils, parish councils, town councils, fire and rescue authorities, police authorities, joint authorities, economic prosperity boards, combined authorities and National Park authorities.

## Purpose of the Code of Conduct

The purpose of this Code of Conduct is to assist you, as a councillor, in modelling the behaviour that is expected of you, to provide a personal check and balance, and to set out the type of conduct that could lead to action being taken against you. It is also to protect you, the public, fellow councillors, local authority officers and the reputation of local government. It sets out general principles of conduct expected of all councillors and your specific obligations in relation to standards of conduct. The LGA encourages the use of support, training and mediation prior to action being taken using the Code. The fundamental aim of the Code is to create and maintain public confidence in the role of councillor and local government.

## **General principles of councillor conduct**

Everyone in public office at all levels; all who serve the public or deliver public services, including ministers, civil servants, councillors and local authority officers; should uphold the [Seven Principles of Public Life](#), also known as the Nolan Principles.

Building on these principles, the following general principles have been developed specifically for the role of councillor.

In accordance with the public trust placed in me, on all occasions:

- I act with integrity and honesty
- I act lawfully
- I treat all persons fairly and with respect; and
- I lead by example and act in a way that secures public confidence in the role of councillor.

In undertaking my role:

- I impartially exercise my responsibilities in the interests of the local community
- I do not improperly seek to confer an advantage, or disadvantage, on any person
- I avoid conflicts of interest
- I exercise reasonable care and diligence; and
- I ensure that public resources are used prudently in accordance with my local authority's requirements and in the public interest.

## **Application of the Code of Conduct**

This Code of Conduct applies to you as soon as you sign your declaration of acceptance of the office of councillor or attend your first meeting as a co-opted member and continues to apply to you until you cease to be a councillor.

This Code of Conduct applies to you when you are acting in your capacity as a councillor which may include when:

- you misuse your position as a councillor
- Your actions would give the impression to a reasonable member of the public with knowledge of all the facts that you are acting as a councillor;

The Code applies to all forms of communication and interaction, including:

- at face-to-face meetings
- at online or telephone meetings
- in written communication
- in verbal communication
- in non-verbal communication
- in electronic and social media communication, posts, statements and comments.

You are also expected to uphold high standards of conduct and show leadership at all times when acting as a councillor.

Your Monitoring Officer has statutory responsibility for the implementation of the Code of Conduct, and you are encouraged to seek advice from your Monitoring Officer on any matters that may relate to the Code of Conduct. Town and parish councillors are encouraged to seek advice from their Clerk, who may refer matters to the Monitoring

Officer.

## **Standards of councillor conduct**

This section sets out your obligations, which are the minimum standards of conduct required of you as a councillor. Should your conduct fall short of these standards, a complaint may be made against you, which may result in action being taken.

Guidance is included to help explain the reasons for the obligations and how they should be followed.

### **General Conduct**

#### **1. Respect**

##### **As a councillor:**

**1.1 I treat other councillors and members of the public with respect.**

**1.2 I treat local authority employees, employees and representatives of partner organisations and those volunteering for the local authority with respect and respect the role they play.**

Respect means politeness and courtesy in behaviour, speech, and in the written word. Debate and having different views are all part of a healthy democracy. As a councillor, you can express, challenge, criticise and disagree with views, ideas, opinions and policies in a robust but civil manner. You should not, however, subject individuals, groups of people or organisations to personal attack.

In your contact with the public, you should treat them politely and courteously. Rude and offensive behaviour lowers the public's expectations and confidence in councillors.

In return, you have a right to expect respectful behaviour from the public. If members of the public are being abusive, intimidatory or threatening you are entitled to stop any conversation or interaction in person or online and report them to the local authority, the relevant social media provider or the police. This also applies to fellow councillors, where action could then be taken under the Councillor Code of Conduct, and local authority employees, where concerns should be raised in line with the local authority's councillor-officer protocol.

#### **2. Bullying, harassment and discrimination**

##### **As a councillor:**

**2.1 I do not bully any person.**

**2.2 I do not harass any person.**

**2.3 I promote equalities and do not discriminate unlawfully against any person.**

The Advisory, Conciliation and Arbitration Service (ACAS) characterises bullying as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Bullying might be a regular pattern of behaviour or a one-off incident, happen face-to-face, on social media, in emails or phone calls, happen in the workplace or at work social events and may not always be obvious or noticed by others.

The Protection from Harassment Act 1997 defines harassment as conduct that causes alarm or distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and

contact upon a person in a manner that could be expected to cause distress or fear in any reasonable person.

Unlawful discrimination is where someone is treated unfairly because of a protected characteristic. Protected characteristics are specific aspects of a person's identity defined by the Equality Act 2010. They are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Equality Act 2010 places specific duties on local authorities. Councillors have a central role to play in ensuring that equality issues are integral to the local authority's performance and strategic aims, and that there is a strong vision and public commitment to equality across public services.

### **3. Impartiality of officers of the council**

**As a councillor:**

#### **3.1 I do not compromise, or attempt to compromise, the impartiality of anyone who works for, or on behalf of, the local authority.**

Officers work for the local authority as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. You can question officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written. However, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

### **4. Confidentiality and access to information**

**As a councillor:**

#### **4.1 I do not disclose information:**

- a. given to me in confidence by anyone**
- b. acquired by me which I believe, or ought reasonably to be aware, is of a confidential nature, unless**
  - i. I have received the consent of a person authorised to give it;**
  - ii. I am required by law to do so;**
  - iii. the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or**
  - iv. the disclosure is:**
    - 1. reasonable and in the public interest; and**
    - 2. made in good faith and in compliance with the reasonable requirements of the local authority; and**
    - 3. I have consulted the Monitoring Officer prior to its release.**

#### **4.2 I do not improperly use knowledge gained solely as a result of my role as a councillor for the advancement of myself, my friends, my family members, my employer or my business interests.**

#### **4.3 I do not prevent anyone from getting information that they are entitled to by law.**



Local authorities must work openly and transparently, and their proceedings and printed materials are open to the public, except in certain legally defined circumstances. You should work on this basis, but there will be times when it is required by law that discussions, documents and other information relating to or held by the local authority must be treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

## **5. Disrepute**

**As a councillor:**

### **5.1 I do not bring my role or local authority into disrepute.**

As a Councillor, you are trusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. You should be aware that your actions might have an adverse impact on you, other councillors and/or your local authority and may lower the public's confidence in you or your local authority's ability to discharge your/its functions. For example, behaviour that is considered dishonest and/or deceitful can bring your local authority into disrepute.

You are able to hold the local authority and fellow councillors to account and are able to constructively challenge and express concern about decisions and processes undertaken by the council whilst continuing to adhere to other aspects of this Code of Conduct.

## **6. Use of position**

**As a councillor:**

### **6.1 I do not use, or attempt to use, my position improperly to the advantage or disadvantage of myself or anyone else.**

Your position as a member of the local authority provides you with certain opportunities, responsibilities, and privileges, and you make choices all the time that will impact others. However, you should not take advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly.

## **7. Use of local authority resources and facilities**

**As a councillor:**

### **7.1 I do not misuse council resources.**

### **7.2 I will, when using the resources of the local authority or authorising their use by others:**

- a. act in accordance with the local authority's requirements; and**
- b. ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the local authority or of the office to which I have been elected or appointed.**

You may be provided with resources and facilities by the local authority to assist you in carrying out your duties as a councillor.

Examples include:

- office support
- stationery
- equipment such as phones, and computers
- transport

- access and use of local authority buildings and rooms.

These are given to you to help you carry out your role as a councillor more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the local authority's own policies regarding their use.

## **8. Complying with the Code of Conduct**

### **As a Councillor:**

**8.1 I undertake Code of Conduct training provided by my local authority.**

**8.2 I cooperate with any Code of Conduct investigation and/or determination.**

**8.3 I do not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings.**

**8.4 I comply with any sanction imposed on me following a finding that I have breached the Code of Conduct.**

It is extremely important for you as a councillor to demonstrate high standards, for you to have your actions open to scrutiny and for you not to undermine public trust in the local authority or its governance. If you do not understand or are concerned about the local authority's processes in handling a complaint you should raise this with your Monitoring Officer.

### **Protecting your reputation and the reputation of the local authority**

## **9. Interests**

### **As a councillor:**

**9.1 I register and disclose my interests.**

Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of members of the authority .

You need to register your interests so that the public, local authority employees and fellow councillors know which of your interests might give rise to a conflict of interest. The register is a public document that can be consulted when (or before) an issue arises. The register also protects you by allowing you to demonstrate openness and a willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise. It is also important that the public know about any interest that might have to be disclosed by you or other councillors when making or taking part in decisions, so that decision making is seen by the public as open and honest. This helps to ensure that public confidence in the integrity of local governance is maintained.

You should note that failure to register or disclose a disclosable pecuniary interest as set out in **Table 1**, is a criminal offence under the Localism Act 2011.

**Appendix B sets** out the detailed provisions on registering and disclosing interests. If in doubt, you should always seek advice from your Monitoring Officer.

## **10. Gifts and hospitality**

### **As a councillor:**

- 10.1 I do not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the local authority or from persons who may apply to the local authority for any permission, licence or other significant advantage.**
  
- 10.2 I register with the Monitoring Officer any gift or hospitality with an estimated value of at least £50 within 28 days of its receipt.**
  
- 10.3 I register with the Monitoring Officer any significant gift or hospitality that I have been offered but have refused to accept.**

In order to protect your position and the reputation of the local authority, you should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you because you are a councillor. The presumption should always be not to accept significant gifts or hospitality. However, there may be times when such a refusal may be difficult if it is seen as rudeness in which case you could accept it but must ensure it is publicly registered. However, you do not need to register gifts and hospitality which are not related to your role as a councillor, such as Christmas gifts from your friends and family. It is also important to note that it is appropriate to accept normal expenses and hospitality associated with your duties as a councillor. If you are unsure, do contact your Monitoring Officer for guidance.

## **Appendices**

### **Appendix A – The Seven Principles of Public Life**

The principles are:

#### **Selflessness**

Holders of public office should act solely in terms of the public interest.

#### **Integrity**

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must disclose and resolve any interests and relationships.

#### **Objectivity**

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

#### **Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

#### **Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

#### **Honesty**

Holders of public office should be truthful.

#### **Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

## Appendix B Registering interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in “The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012”. You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

“**Disclosable Pecuniary Interest**” means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

“**Partner**” means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A ‘sensitive interest’ is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a ‘sensitive interest’ you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

### Non participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a ‘sensitive interest’, you do not have to disclose the nature of the interest, just that you have an interest. Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.
5. [Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it ]

### Disclosure of Other Registerable Interests

6. Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests (as set out in **Table 2**), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a ‘sensitive interest’, you do not have to disclose the nature of the interest.

## Disclosure of Non-Registerable Interests

7. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in Table 1) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
8. Where a matter arises at a meeting which **affects** –
  - a. your own financial interest or well-being;
  - b. a financial interest or well-being of a relative or close associate; or
  - c. a financial interest or wellbeing of a body included under Other Registerable Interests as set out in **Table 2**

you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied

9. Where a matter (referred to in paragraph 8 above) **affects** the financial interest or well-being:
  - a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
  - b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

10. [Where you have an Other Registerable Interest or Non-Registerable Interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it]

### Table 1: Disclosable Pecuniary Interests

This table sets out the explanation of Disclosable Pecuniary Interests as set out in the [Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012](#).

<b>Subject</b>	<b>Description</b>
<b>Employment, office, trade, profession or vocation</b>	Any employment, office, trade, profession or vocation carried on for profit or gain.
<b>Sponsorship</b>	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
<b>Contracts</b>	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the

	<p>councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council —</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
<b>Land and Property</b>	<p>Any beneficial interest in land which is within the area of the council.</p> <p>‘Land’ excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (alone or jointly with another) a right to occupy or to receive income.</p>
<b>Licenses</b>	<p>Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer</p>
<b>Corporate tenancies</b>	<p>Any tenancy where (to the councillor’s knowledge)—</p> <p>(a) the landlord is the council; and</p> <p>(b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.</p>
<b>Securities</b>	<p>Any beneficial interest in securities* of a body where—</p> <p>(a) that body (to the councillor’s knowledge) has a place of business or land in the area of the council; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were</p>



	spouses/civil partners have a beneficial interest exceeds one hundredth of the total issued share capital of that class.
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\* 'director' includes a member of the committee of management of an industrial and provident society.

\* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

**Table 2: Other Registrable Interests**

You must register as an Other Registrable Interest :

- a) any unpaid directorships
- b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority
- c) any body
  - (i) exercising functions of a public nature
  - (ii) directed to charitable purposes or
  - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)

of which you are a member or in a position of general control or management

## Appendix C – the Committee on Standards in Public Life

The LGA has undertaken this review whilst the Government continues to consider the recommendations made by the Committee on Standards in Public Life in their report on [Local Government Ethical Standards](#). If the Government chooses to implement any of the recommendations, this could require a change to this Code.

The recommendations cover:

- Recommendations for changes to the Localism Act 2011 to clarify in law when the Code of Conduct applies
- The introduction of sanctions
- An appeals process through the Local Government Ombudsman
- Changes to the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012
- Updates to the Local Government Transparency Code
- Changes to the role and responsibilities of the Independent Person
- That the criminal offences in the Localism Act 2011 relating to Disclosable Pecuniary Interests should be abolished

The Local Government Ethical Standards report also includes Best Practice recommendations. These are:

**Best practice 1:** Local authorities should include prohibitions on bullying and harassment in codes of conduct. These should include a definition of bullying and harassment, supplemented with a list of examples of the sort of behaviour covered by such a definition.

**Best practice 2:** Councils should include provisions in their code of conduct requiring councillors to comply with any formal standards investigation and prohibiting trivial or malicious allegations by councillors.

**Best practice 3:** Principal authorities should review their code of conduct each year and regularly seek, where possible, the views of the public, community organisations and neighbouring authorities.

**Best practice 4:** An authority's code should be readily accessible to both councillors and the public, in a prominent position on a council's website and available in council premises.

**Best practice 5:** Local authorities should update their gifts and hospitality register at least once per quarter, and publish it in an accessible format, such as CSV.

**Best practice 6:** Councils should publish a clear and straightforward public interest test against which allegations are filtered.

**Best practice 7:** Local authorities should have access to at least two Independent Persons.

**Best practice 8:** An Independent Person should be consulted as to whether to undertake a formal investigation on an allegation, and should be given the option to

review and comment on allegations which the responsible officer is minded to dismiss as being without merit, vexatious, or trivial.

**Best practice 9:** Where a local authority makes a decision on an allegation of misconduct following a formal investigation, a decision notice should be published as soon as possible on its website, including a brief statement of facts, the provisions of the code engaged by the allegations, the view of the Independent Person, the reasoning of the decision-maker, and any sanction applied.

**Best practice 10:** A local authority should have straightforward and accessible guidance on its website on how to make a complaint under the code of conduct, the process for handling complaints, and estimated timescales for investigations and outcomes.

**Best practice 11:** Formal standards complaints about the conduct of a parish councillor towards a clerk should be made by the chair or by the parish council, rather than the clerk in all but exceptional circumstances.

**Best practice 12:** Monitoring Officers' roles should include providing advice, support and management of investigations and adjudications on alleged breaches to parish councils within the remit of the principal authority. They should be provided with adequate training, corporate support and resources to undertake this work.

**Best practice 13:** A local authority should have procedures in place to address any conflicts of interest when undertaking a standards investigation. Possible steps should include asking the Monitoring Officer from a different authority to undertake the investigation.

**Best practice 14:** Councils should report on separate bodies they have set up or which they own as part of their annual governance statement and give a full picture of their relationship with those bodies. Separate bodies created by local authorities should abide by the Nolan principle of openness and publish their board agendas and minutes and annual reports in an accessible place.

**Best practice 15:** Senior officers should meet regularly with political group leaders or group whips to discuss standards issues.

***The LGA has committed to reviewing the Code on an annual basis to ensure it is still fit for purpose.***

**Governance and Audit Workplan as at 8 September**

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**Purpose:**

The table below provides a summary of reports that are due on the Forward Plan for the remainder of the Civic Year.

**Recommendation:**

1. That members note the contents of this document.

Title	Lead Officer	Purpose of the report
<b>28 SEPTEMBER 2021</b>		
Six Month Review of Strategic Risks	Emma Redwood, Assistant Director People and Democratic Services, James O'Shaughnessy, Head of Policy Strategy and Sustainable Environment / Deputy Monitoring Officer	To present the strategic risks facing the Council as at September
Update on Statement of Accounts 2020/21 and External Audit	Tracey Bircumshaw, Assistant Director of Finance and Property Services and Section 151 Officer	To inform the Committee to the delay in the approval of the Statement of Accounts.
Annual Governance Statement 2020/21 and Action Plan	James O'Shaughnessy, Head of Policy Strategy and Sustainable Environment / Deputy Monitoring Officer	The AGS and action plan for 2020/21
Adoption of a New Code of Conduct for Members	Katie Storr, Democratic Services & Elections Team Manager (Interim)	To consider adopting the new Iga model code of conduct as recommended by standards sub- committee and if supported to recommend to Full Council its adoption

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**9 NOVEMBER 2021**

Audited Statement of Accounts	Caroline Capon, Corporate Finance Team Leader	Audited Statement of Accounts
Report to those charged with Governance - EXTERNAL AUDIT COMPLETION REPORT - ISA 260	Caroline Capon, Corporate Finance Team Leader	To present to those charged with governance, the External Audit report on the quality of the Statement of Accounts and Annual Governance Statement 2020/21.
Local Government and Social Care Ombudsman (LGO) Annual Review Letter Report 2020/21	Natalie Kostiuk, Customer Experience Officer	Report on the Local Government and Social Care Ombudsman Annual Review letter 2020/21 covering complaints referred to them between April 2020 and March 2021. Examining upheld complaints, learning actions and benchmarking with other authorities.
Internal Audit Quarter 2 Report 21/22	Democratic and Civic Officer	From Assurance Lincolnshire
Member Development Annual Report	Ele Snow, Democratic and Civic Officer	To review Member Development for the previous Civic Year and to agree relevant actions for the current Civic Year

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**11 JANUARY 2022**

Draft Treasury Management Strategy 2022-23	Caroline Capon, Corporate Finance Team Leader	Draft Treasury Management Strategy
Internal Audit Quarter 3 Report 21/22	Democratic and Civic Officer	From Assurance Lincolnshire

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**8 MARCH 2022**

Accounts Closedown 2021/22 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 2021/22 accounts.
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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 2021/22.

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Internal Audit Draft Annual Plan 2022/2023	Democratic and Civic Officer	From Assurance Lincolnshire
External Audit Strategy Memorandum (Plan) for 2021/22	Caroline Capon, Corporate Finance Team Leader	To present the 2021/22 External Audit Strategy from our External Auditors, Mazars.

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**12 APRIL 2022**

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Internal Audit Quarter 4 Report 21/22	Democratic and Civic Officer	From Assurance Lincolnshire
Certification of Grants and Returns 2020/21	Caroline Capon, Corporate Finance Team Leader	To present the Housing Benefit Subsidy Claim Audit for 2020/21 from our External Auditor, Mazars
Annual Review of the Constitution / MO report	Katie Storr / Emma Redwood	

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