

**AGENDA**

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

**Governance and Audit Committee**

**Tuesday, 26th September, 2023 at 2.00 pm**

**Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA**

**Members:** Councillor Stephen Bunney (Chairman)  
Councillor David Dobbie (Vice-Chairman)  
Councillor Baptiste Velan (Vice-Chairman)  
Councillor John Barrett  
Councillor Mrs Jackie Brockway  
Councillor Christopher Darcel  
Councillor Sabastian Hague  
Councillor Mrs Angela Lawrence  
Councillor Jeanette McGhee  
Alison Adams  
Andrew Morriss

**1. Apologies for Absence**

**2. Public Participation Period**

Up to 15 minutes are allowed for public participation.  
Participants are restricted to 3 minutes each.

**3. Minutes of Previous Meeting**

(PAGES 3 - 9)

To confirm and sign as a correct record the Minutes of the Meeting of the Governance and Audit Committee held on Tuesday 25 July 2023.

**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 10 - 12)  
Matters Arising schedule setting out current position of previously agreed actions as at 18 September 2023.
6. **Public Reports for Consideration**
- a) Report to those Charged with Governance - External Audit Completion Report (ISA260) (PAGES 13 - 65)
  - b) Annual Governance Statement 2022/23 (PAGES 66 - 76)
  - c) Internal Audit Quarter 1 Report 2023/24 (PAGES 77 - 97)
  - d) Six Monthly Strategic Risk Report (PAGES 98 - 128)
  - e) Member Development: Review of Original Induction; Revised Training Programme for the remainder of the Civic Year; and to agree training principles (PAGES 129 - 151)
  - f) Local Government and Social Care Ombudsman (LGSCO) Annual Review Letter Report 2022/23 (PAGES 152 - 173)
  - g) LGA Peer Challenge Update Report (PAGES 174 - 178)
  - h) Audited Statement of Accounts 2022/23 (TO FOLLOW)
7. **Workplan** (PAGES 179 - 181)

Ian Knowles  
Head of Paid Service  
The Guildhall  
Gainsborough

Monday, 18 September 2023

## WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Governance and Audit Committee held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 25 July 2023 commencing at 2.00 pm.

**Present:**

Councillor Stephen Bunney (Chairman)  
Councillor David Dobbie (Vice-Chairman)  
Councillor Baptiste Velan (Vice-Chairman)

Councillor John Barrett  
Councillor Mrs Jackie Brockway  
Councillor Paul Key  
Councillor Mrs Angela Lawrence  
Councillor Jeanette McGhee  
Councillor Lynda Mullally  
Alison Adams  
Andrew Morriss

**In Attendance:**

Jeanette McGarry                      Assistant Director People & Democratic Services  
Claire Goodenough                    Head of Internal Audit & Risk Management  
Katy Allen                                Corporate Governance Officer  
Natalie Kostiuk                         Customer Experience Officer  
Katie Storr                                Democratic Services & Elections Team Manager  
Andrew Warnes                         Democratic and Civic Officer

**Apologies:**

Councillor Christopher Darcel  
Councillor Sabastian Hague

**Membership:**

Councillor Lynda Mullaly substituted for Councillor Sabastian Hague.  
Councillor Paul Key substituted for Councillor Christopher Darcel.

### 12 PUBLIC PARTICIPATION PERIOD

There was no public participation.

### 13 MINUTES OF PREVIOUS MEETING

**RESOLVED** that the Minutes of the previous Meeting of the Governance and Audit Committee held on 13 June 2023 be approved and signed as a correct record.

## 14 MEMBERS DECLARATIONS OF INTEREST

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

## 15 MATTERS ARISING SCHEDULE

Concerning the Matter Arising entitled "Update on Housing Risks", whilst acknowledging it was not intended to reflect word for word what Members had previously stated, Members referred to comments they had previously raised such as small room sizes in new developments, garages too small to house cars and requested the action commentary be reflected to up-date this, given it was such a fundamental need in a family homes.

The Chairman undertook to look at the commentary to include reference to the points made and with no further comment, the Matters Arising Schedule was duly **NOTED**.

## 16 INTERNAL AUDIT QUARTER 4 REPORT 2022/23

Members considered the Internal Audit Quarter 4 Report 2022/23 by Lincolnshire Audit against the 2022/23 annual programme agreed by the Governance and Audit Committee in March 2022. During the period, six assurance audits had been completed.

The completed audits being:-

- Levelling Up Fund (Phase 1) - High Assurance
- Staff Resilience - High Assurance
- ICT Patch Management - High Assurance
- ICT Asset Management - Substantial Assurance
- Key Control Testing - Substantial Assurance
- Risk Management - Substantial Assurance
- Customer Relationships Management (CRM) Project - Consultancy

In the presenting report, the Head of Internal Audit and Risk Management highlighted to the Committee the information available within the body of the report. Members were made aware that the CRM project had no recommendations arising, with controls in place. Finally, Members were made aware of local authorities who had issued Section 114 notices, in aid of informing about the risks of poor decision-making processes.

Debate ensued on the report's contents, with Members questioning multiple aspects and providing statements on the report's contents. In reply to a question on removing the well-being Audit from the Plan, the Head of Internal Audit and Risk Management explained that though the audit had been planned for 2022/23, given this was a work area which crossed other with other Lincolnshire local authorities, given the shared Strategy, the planned date did not align with those other local authorities and more joined-up thinking around the timing of this was required. The review had been delayed for these reasons, but its risk profile would continue to be monitored. Concerning the slippages in the NNDR debtor accounts sample, within the key controls audit, it was confirmed these were small and immaterial to the overall outcome, no system failures were identified. Members also learned that the CRM system's audit gave assurance that the information brought into the system,

and the processes used at the time had satisfied the auditors for the purpose and scope of the audit commissioned.

In response to a query on the Section 114 notices, Members were politely reminded that the information in the linked report was from external accountants of the organisation concerned, rather than this Council's auditors. However, the Head of Internal Audit and Risk Management explained that part of the failures was a lack of risk consideration at the outset a failure of good governance procedures resulting in a financial failing. Members also commented that the Councillors would have likely made the decisions in good faith, but that members had to be alert to potential issues, in that any local authority could falter.

In response to a query on the staff resilience risks, specifically working from home, the Head of Internal Audit and Risk Management explained that the actions in the Audit were all agreed and accepted by Management Team, had been given an implementation owner, and had appropriate timescales.

Having been moved and, seconded, on being put to the vote it was unanimously

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

## **17 INTERNAL AUDIT ANNUAL REPORT 2022/23**

Members gave consideration to the Internal Audit Annual Report 2022/23. The report 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 could rely on it. The report further advised on how the plan was discharged and of overall outcomes of the work undertaken. Finally, it drew Members' attention to any issues particularly relevant to the Annual Governance Statement. The Head of Internal Audit and Risk Management explained that this was the last annual report to be in structured in this way, with the move to use CIPFA guided standards when conducting audits and reviews.

Key messages highlighted to the Committee included the Auditor's overall opinion. For the twelve months ended 31 March 2023, the Council's arrangements for governance, risk management and control framework continued to be strong.

Debate ensued, and Members thanked the team for the work and noted the positive results of the work. In response to a query about the reduction of complaints in the report compared to those indicated in the Annual Voice of the Customer Report 2022/23 (later on the agenda), it was confirmed the complaints referred to in this report were governance related matters, whereas Voice of the Customer covered the organisation as a whole.

In response to a query about recruiting the new Monitoring Officer, Members learned that the position was out for advert, with the application window scheduled to close shortly. The interviews were scheduled for early August, with an appointment to follow shortly thereafter.

Having been moved and, seconded, on being put to the vote it was unanimously

**RESOLVED** that: -

- (a) having considered the Head of Audit's Annual Report and Opinion for 2022/2023, no further actions had been identified; and
- (b) the Annual Report and the Head of Internal Audit's opinion be taken into account by the Committee, when finalising the Council's Annual Governance Statement 2022/23 at a future meeting.

After the vote, the Chairman thanked the internal audit team for their work, and was grateful for the previous leadership, and Claire's newly formed team.

## **18 ANNUAL VOICE OF THE CUSTOMER REPORT 2022/23**

Members considered the Annual Voice of the Customer Report, which summarised customer feedback from the year 2022/23 and analysed customer contact and the demand data. 2022/23 saw an increase in customer feedback and customer demand when compared to the previous year. The 2022/23 period started in April 2022 when council operations were back to business as usual following the Covid-19 pandemic when changes to our ways of working were required.

Customer demand had increased dramatically across all channels during the first few months of the 2022/23 period due to the implementation of the new recycling service that started in April 2022. This increase in customer contact had been expected as residents got used to the new recycling arrangements which included the introduction of the new purple lidded bin for paper and card collections, new rules on what would be accepted in the blue recycling bins and a new no side waste policy. The tagging and rejection of contaminated purple lidded and blue bins also commenced in April 2022.

As with customer demand, it had been expected to see fluctuations in customer satisfaction and feedback during the roll out of the new recycling service and changes to policy. Complaints increased in May 2022 and customer satisfaction decreased before improving from August 2022 onwards.

Debate ensued, and Members made multiple queries about waste collection and bins complaints and the contents of the report. In response to a question about reporting missed bin collections, Members learned that the Authority recorded missed bins, which were reported and forwarded to the Waste Services team but not as formal complaints. The Officer explained further, the circumstances that would lead to an investigation into such a matter when the action would be recorded as a complaint. A first-time tag response would not automatically be pushed as a complaint unless requested. Missed bins, as measure in their own right, were reported through Performance and Delivery. Some questioned whether this was correct.

In response to further questions on waste and side waste, Members learned that if the refuse collectors failed to return to a missed bin five days after it was meant to be collected, then the issue become a recorded complaint and could be subsequently reviewed. It was subsequently suggested that missed bin numbers could be reported to the Committee in the future. In a later set of queries, Members learned the same processes were applied for

missed sack collections.

In a query about planning enforcement knowledge and the publishing of responsibilities of the team to the general public, the Chairman suggested that further work be facilitated with the Planning Enforcement team to publicise the work of enforcement actions to promote good governance activity.

In response to a question about a complaint against the Homelessness team and the newly implemented charter, the Customer Experience Officer explained that the Charter set out what participants could expect, the timeframes, and the expected customer behaviour. The protocol included a step for the team to contact the homeless individual.

Having been proposed and seconded, upon taking the vote, it was unanimously

**RESOLVED** that the contents of the Annual Voice of the Customer Report for 2022-23 be welcomed and the progress made by the Council in improving the customer experience over the last 12 months be noted.

## **19 ANNUAL COUNTER FRAUD REPORT 2022/23**

Members gave consideration to the Annual report on identified fraud during 2022/23 and the proactive measures undertaken to counter fraud during the year, and actions for the following year. The report covered a summary of the counter fraud work carried out within the year. This was a summary of the work rather than the full list of detailed work. It summarised by providing key definitions and a breakdown of the cost of fraud to the public purse.

Work carried out in 2022/23 included but was not limited to:

- Participating in all National Fraud initiative testing
- Revenues and Benefits Counter Fraud work
- Cyber Crime prevention.

The details of which were listed in sections 4 and 5. The Authority's work programme for 2022-23 was provided in section 7.

A further report would come to Members in the winter when the Economic Crime Bill became law. This would require a re-write of the Authority's policies and strategies to ensure they were compliant with future changes and obligations. Further information was scheduled to be provided during the Members Audit committee training in September 2023.

The National Fraud initiative was a large national data matching exercise controlled by the Cabinet Office whereby the Cabinet Office requested data sets from Local Authorities, which included supplier data, Council Tax Data, Business rates data and Employee Data. This data was then mined and matched across the public sector creating high quality intelligence for Government on tax evasion, Healthcare Fraud and Benefit Fraud.

The report also requested, that in line with good governance and best practice, a full fraud risk assessment be undertaken in Q2 with the outcome of a fraud action plan and specific

fraud risk register to reported to Committee at its November meeting. Up until 2023/24 the Council subscribed to a Counter Fraud service provided by Assurance Lincolnshire (Lincolnshire Fraud Partnership). This service provided support to County Wide fraud prevention exercises and provided guidance and advice. This service was no longer available from the County Council although some exercises would continue. It was essential that West Lindsey District Council procured a programme to replace that service to ensure that all duties and responsibilities could be fulfilled.

In order to implement the proposed work, the Authority would need to request funding from earmarked reserves as detailed in in the report. Subject to approval by the Committee the report advised that procurement would be undertaken by the S151 Officer used a supplier listed on the Crown Commercial Services Audit and Assurance Framework. The risk assessment was considered to be a key tool in enabling the Council to focus its resources on the maximum level of counter fraud activity, achievable as a Local Authority with limited resources. The amount required equated to the market rate for 10-15 days consultancy time and disbursements.

Debate ensued, and Members recognised that the Council had a number of systems in place to prevent and detect fraud but queried what safeguards where in place when those systems were attacked or needed to be taken offline given the vast majority of information and system were now digital. In demonstrating the point reference was made to problems other large organisations had experienced when finding themselves in that position.

By way of reassurance Members were advised that West Lindsey District Council was part of a Lincolnshire wide emergency planning group which met regularly and undertook emergency planning scenarios, testing procedures for such situations, at a District, County, Regional and National level, depending on the scenario. Only in the last few months had there been an extensive exercise in response to national news of potential power cuts, all local agencies had attended, including health, police and local authorities. Information learned through planning exercises helped formulate an emergency plan, in the event an emergency realised.

Members indicated the robust answer gave great assurance and indicated that it would be useful to receive further information on such emergency planning exercises via a report to Members Bulletin.

Concerning tackling cybercrime, the Authority received constant potential attacks, but this was managed with robust defences plans, policies procedures and software. Staff were regularly reminded of the risks to systems and how to keep their systems as safe as possible, this practice would now be extended to Members on a more regular basis too.

Members were assured that the level of resources would be considered in the follow-up report later in the civic year following the new legislation, which would consider the budgeting and minimising and mitigating risks.

Members sought an understanding of when within the process a successful, or otherwise cyberattack would be reported as a crime and were advised that the Authority's duty in the matter was to report any successful cybercrime against the Authority to the Information Commissioners Office (ICO) and Action Fraud, as opposed to directly to the Police, noting however that Action fraud was a part of the Police Service on a national scale its primary



focus being fraud, all institutes including banks were under similar obligations.

In reply to questions on the internal audit's capacity to undertake the fraud risk work on this occasion, and in response to suggestions that the agreed Internal Audit plan could potentially be reworked to accommodate it. Members were advised that approved plan focused on internal audit work and there were not currently the resources within the team to undertake the work within then timescales needed. The Head of Internal Audit and Risk Management advised that consideration was being given to ensuring that the Team could take on more local government fraud work in the future.

Having been proposed and seconded, upon taking the vote, it was unanimously

**RESOLVED** that:-

- a) the contents of this report be endorsed and the ongoing counter fraud work to protect the Authority's interests be supported;
- b) a full Counter Fraud Risk Assessment be procured and carried out in Quarter 2 2023-24 with the results reported back to the November 2023 Governance and Audit Committee.

## **20 WORKPLAN**

The Monitoring Officer stated that the 26 September 2023 meeting might require a break in the meeting and emphasised that the Statement of Accounts training was likely to be held before the meeting. The Chairman explained that the Committee was to consider the Member Development Annual Report at the same meeting.

With no further comment, the Workplan as set out in the report was **NOTED**.

The meeting concluded at 3.01 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	Emergency Planning Information Distribution	<p>To provide assurance, possibly via the Members Bulletin / Newsletter or a separate update to Members on</p> <p>Taken from minute 19 of the 25 July 2023 Governance and Audit Committee:</p> <p>"By way of reassurance Members were advised that West Lindsey District Council was part of a Lincolnshire wide emergency planning group which met regularly and undertook emergency planning scenarios, testing procedures for such situations, at a District, County, Regional and National level, depending on the scenario. Only in the last few months had there been an extensive exercise in response to national news of potential power cuts, all local agencies had attended, including health, police and local authorities. Information learned through planning exercises helped formulate an emergency plan, in the event an emergency realised.</p>	<p>Update (4 September 2023): Response from Ady Selby to Cllr Brockway on Operation Mighty Oak. In March, there was a three-day national emergency planning exercise based on the scenario of a total loss of power due to a technical issue with the electricity transmission system. A number of officers from West Lindsey participated in this multi-agency exercise, with three representatives being based at the County Emergency Centre in Lincoln for the duration of the event. As you can imagine, an exercise of this size was extremely complex, with Resilience Forums from around the country taking part. National Government indicated the Lincolnshire Resilience Forum's involvement was extremely valuable, both at strategic and technical levels. Obviously, there was a lot of learning resulting from Operation Mighty Oak, and the County Council Emergency Planning Team are producing a comprehensive report with any</p>	27/10/23	Ady Selby

		Members indicated the robust answer gave great assurance and indicated that it would be useful to receive further information on such emergency planning exercises via a report to Members Bulletin."	recommendations to be used to update our internal Emergency and Business Continuity Plans. We have an Emergency and Business Continuity Plan which was approved by Members in September 2021. It is regularly updated by myself (Director of Operational and Commercial Services) with support from an officer from the Emergency Planning Team. The plan includes procedures for officers to contact each other via mobile phones and we do have both strategic and operational 24/7 out of hours arrangements in place. Officers have each other's mobile numbers in emergencies. We also have a satellite phone which can be used if mobile networks go down.		
<b>Black</b>	Counter Fraud Assessment Report to be added to Workplan	Taken from Minute 19 of the 25 July 2023 Governance and Audit Committee meeting: "RESOLVED that:- ...a full Counter Fraud Risk Assessment be procured and carried out in Quarter 2 2023-24 with the results reported back to the November 2023 Governance and Audit Committee."	Update (15 September 2023): Report added onto the workplan.	18/09/23	Emma Foy
<b>Black</b>	Request for wider economic information to be presented to Members.	Action taken from the minutes of the meeting on 13 June 2022: "Members commented on how understanding the bigger picture was often of assistance, and those with County Council experience, referenced reports provided to Members which demonstrated investments, yields, gilts, interest rates and the like. Officers confirmed	Ongoing action. Please do provide information/updates from the Treasury Advisors to Members of the Committee. This could be in a separate email, or as part of the Members Bulletin. Please do indicate once in place and progressing. Update (15 September 2023): First update to be included in September 2023 Member's Bulletin. Regular	26/09/23	Peter Davy

		that they did receive something similar from the Council's Treasury Advisors on a monthly basis and could share that with Members."	checks to be made by the Democratic and Civic Officer of future updates.		
<b>Green</b>	Update on actions and governance related to Water-stress issues in Lincolnshire	Taken from the minutes of the meeting on 13 June 2023: "On a query about the local industrial strategy, and the affect of operating in a water stress county in consideration for longer term preparation, Members learned that the Chief Executive Officer had recently attended and worked on water related matters, and that an update to Members was possible."	See action required. Update (30 June 2023): Please do provide information on the actions and governance of water related stress to the Committee. This could be through a separate email or as part of the Member Newsletter. Please indicate when completed.	26/09/23	Emma Foy
<b>Green</b>	Local Authority Financial Benchmarking Distribution	Taken from the minutes on 13 June 2023: "In a query about the placement of the Authority within the national picture, the Section 151 Officer explained that a new Local Government Office had been set up and was scheduled to benchmark financial information. The first report on reserves had been released, and future reports were scheduled to be shared."	Ongoing action. See action required. This could be in the Members Newsletter as a regular item.	28/11/23	Emma Foy



**Governance and Audit  
Committee**

**Tuesday, 26th September  
2023**

**Subject: Report to those charged with Governance - External Audit  
Completion Report 2022/23**

Report by:

Presented by Paddy Sadd, Audit Manager,  
Mazars

Contact Officer:

Peter Davy  
Financial Services Manager

[peter.davy@west-lindsey.gov.uk](mailto:peter.davy@west-lindsey.gov.uk)

Purpose / Summary:

To present to those charged with governance,  
the External Audit report on the quality of the  
Statement of Accounts and Annual Governance  
Statement 2022/23.

**RECOMMENDATION(S):**

1. That Members accept the content of this report.

## IMPLICATIONS

**Legal: None from this report**

**Financial : FIN/113/23/PD**

The External Auditor, Mazars has been appointed from 1 April 2019 as part of the Public Sector Audit Appointments (PSAA) contract awards.

The fee for the audit was £40k in 2022/23.

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

**Staffing : None from this report**

**Equality and Diversity including Human Rights :**

**None from this report**

**Data Protection Implications :**

**Data is shared for audit purposes**

**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:**

**Risk Assessment :**

**None from this report**

**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**

The draft audit completion report to those charged with Governance is attached at Appendix A, the headlines of which include:

- An unqualified audit opinion on the 2022/23 Statement of Accounts.
- There were no material misstatement identified during the audit that would require adjustment by officers.
- There is one unadjusted misstatements to note in the following area in relation to the Statement of Accounts:

### 1) Intangible Assets

The balance sheet in the prior period (2021/22) contains a classification misstatement of £275k between intangible assets and property, plant and equipment. In the prior period the Council recognised all intangible assets under construction within the property plant and equipment note as tangible assets under construction.

Officers do not propose to adjust the financial statement for this item on the grounds of materiality.

## **2. Status of Audit**

At the time of preparing the report there are a small number of matters which remain outstanding as outlined in section 2 of Appendix A. These are around sample testing and are due to be completed shortly.

Mazars are also awaiting assurances from the pension fund auditors to finalise their work on the Council's defined benefit pension liability. This work is anticipated to be completed in October at which time the statement of accounts for 2022/23 can be formally signed off.

## **3. Internal Control Recommendations**

Section 5 in Appendix A outlines internal control recommendations identified during the course of the audit by Mazars. One recommendation has been made with regards to deactivation of leavers system user profiles.

An instance was discovered whereby an officer who had ended their term of employment at the Council still had active user profiles within the Council's ledger system following their final day of service. The auditors were provided evidence to show that in this instance, the former officer had not accessed the system following their final day of service.

After a review of process this has now been addressed and there is confidence that this will not happen again.



The report will be presented to Governance and Audit Committee by Paddy Sadd, Audit Manager, Mazars and Danial Watson, Key Audit Partner, Mazars.

The Audit Completion Report is attached at Appendix A

# Audit Completion Report

West Lindsey District Council – Year  
ended 31 March 2023

September 2023

Page 18



# Contents

- [01 Executive summary](#)
- [02 Status of the audit](#)
- [03 Audit approach](#)
- [04 Significant findings](#)
- [05 Internal control recommendations](#)
- [06 Summary of misstatements](#)
- [07 Value for Money](#)

Page 19

[Appendix A: Draft management representation letter](#)

[Appendix B: Draft audit report](#)

[Appendix C: Independence](#)

[Appendix D: Other communications](#)

Our reports are prepared in the context of the 'Statement of Responsibilities of auditors and audited bodies' and the 'Appointing Person Terms of Appointment' issued by Public Sector Audit Appointments Limited. Reports and letters prepared by appointed auditors and addressed to the Council are prepared for the sole use of the Council and we take no responsibility to any member or officer in their individual capacity or to any third party. Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales.

Dear Committee Members,

## Audit Completion Report – Year ended 31 March 2023

We are pleased to present our Audit Completion Report for the year ended 31 March 2023. The purpose of this document is to summarise our audit conclusions. The scope of our work, including identified significant audit risks and other areas of management judgement, was outlined in our Audit Strategy Memorandum which we presented in April 2023. We have reviewed our Audit Strategy Memorandum and concluded that the original significant audit risks and other areas of management judgement remain appropriate.

In our Audit Strategy Memorandum, we highlighted the importance of two-way communication between auditor and client to a successful audit. We would like to express our thanks to the finance team for sharing information to assist us in fulfilling the requirements of our responsibilities throughout the audit process.

We see this document, which has been prepared following the completion of our audit procedures (subject to any matters outstanding outlined in section 2) as being the basis for discussion around our audit conclusions and constructive observations arising from the process.

Client service is extremely important to us, and we strive to provide technical excellence with the highest level of service quality, together with continuous improvement to exceed your expectations so, if you have any concerns or comments about this document or our audit conclusions, please contact me on 07909 985324.

Yours faithfully,

**Daniel Watson**

Mazars LLP

# 01

Section 01:

**Executive summary**

# 1. Executive summary

## Principal conclusions and significant findings

The detailed scope of our work as your appointed auditor for 2022/23 is set out in the National Audit Office's (NAO) Code of Audit Practice. Our responsibilities and powers are derived from the Local Audit and Accountability Act 2014 and as outlined in our Audit Strategy Memorandum, our audit has been conducted in accordance with International Standards on Auditing (UK) and means we focus on audit risks that we have assessed as resulting in a higher risk of material misstatement.

In section 4 of this report, we have set out our conclusions and significant findings from our audit. This section includes our conclusions on the audit risks, key audit matters and areas of management judgement.

Section 4 also includes our conclusions on the audit risks and areas of management judgement in our Audit Strategy Memorandum, which include:

- Management override of control
- Valuation of net defined benefit pension liability
- Valuation of property, plant and equipment and investment properties

## Misstatement and internal control recommendations

Section 5 sets out internal control recommendations and section 6 sets out audit misstatements; there are no unadjusted misstatements to date. Section 7 outlines our work on the Council's arrangements to achieve economy, efficiency and effectiveness in its use of resources.

## Status and audit opinion

We are in the process of completing our audit in respect of the financial statements for the year ended 31 March 2023.

At the time of preparing this report, a small number of matters remain outstanding as outlined in section 2. We will provide an update to you in relation to the matters outstanding through issuance of a follow up letter.

Subject to the satisfactory conclusion of the remaining audit work, we have the following conclusions:



### Audit opinion

We anticipate issuing an unqualified opinion, without modification, on the financial statements. Our proposed audit opinion is included in the draft auditor's report in Appendix B.



### Value for Money

We anticipate having no significant weaknesses in arrangements to report in relation to the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources. Further detail on our Value for Money work is provided in section 7 of this report.



### Whole of Government Accounts (WGA)

We have not yet received group instructions from the National Audit Office in respect of our work on the Council's WGA submission. We are unable to commence our work in this area until such instructions have been received.



### Wider powers

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Council and to consider any objection made to the accounts. We received no such correspondence or objection during the inspection period.

# 02









Section 02:

**Status of the audit**

Page 23

## 2. Status of the audit

Our work is substantially complete and there are currently no matters of which we are aware that would require modification of our audit opinion, subject to the outstanding matters detailed below.

Audit area	Status	Description of the outstanding matters
Defined benefit pension liability		We are awaiting assurances from the pension fund auditors to finalise our work on the Council's defined benefit pension liability. We anticipate finalising this work in late October.
Responses to fraud enquiries		Our audit requires us to make standard enquiries of management, those charged with governance internal audit and the monitoring officer. We are awaiting responses to those enquiries.
Completion of our audit testing in relation to income and expenditure		Our audit strategy involves the substantive testing of income and expenditure. We are awaiting evidence and responses to queries on a small number of samples to finalise our audit testing.
Completion of our audit testing in relation to debtors and creditors		Our audit strategy involves the substantive testing of income and expenditure. We are awaiting evidence and responses to queries on a small number of samples to finalise our audit testing.
Agreement of final disclosure amendments required		We are currently in the process of agreeing final disclosure amendments as a result of our accounts reviews to be updated in the final set of accounts.
Whole of government accounts		The National Audit Office are yet to issue their group audit instructions for the 2022/23 Whole of Government Accounts.
Audit quality review		The audit file will be subject to review up to the point of signing. This review may result in queries or the identification of misstatements.
Audit completion procedures		Final checks and reviews of the final set of accounts and audit file are performed at the point of signing the final version of the accounts.



Likely to result in material adjustment or significant change to disclosures within the financial statements.



Potential to result in material adjustment or significant change to disclosures within the financial statements.



Not considered likely to result in material adjustment or change to disclosures within the financial statements.



# 03

## Section 03: **Audit approach**

Page 25

# 3. Audit approach

## Changes to our audit approach

We provided details of our intended audit approach in our Audit Strategy Memorandum in April 2023. We have not made any changes to our audit approach since we presented our Audit Strategy Memorandum.

## Materiality

Our provisional materiality at the planning stage of the audit was set at £955k using a benchmark of 2% of gross operating expenditure. Our final assessment of materiality, based on the final financial statements and qualitative factors, is £849k using the same benchmark.

## Use of experts

Management makes use of experts in specific areas when preparing the Council's financial statements. We also use experts to assist us to obtain sufficient appropriate audit evidence on specific items of account.

Item of account	Management's expert	Our expert
Defined benefit pension liability	Barnett Waddingham <i>Actuary for Lincolnshire Pension Fund</i>	PWC <i>Consulting actuary appointed by the NAO</i>
Property valuations	Wilks, Head and Eve LLP <i>External valuation specialist</i>	Not applicable
Financial instrument disclosures	Link asset services <i>Treasury management advisors</i>	Not applicable

## Service organisations

International Auditing Standards (UK) (ISAs) define service organisations as third-party organisations that provide services to the Council that are part of its information systems relevant to financial reporting. We are required to obtain an understanding of the services provided by service organisations as well as evaluating the design and implementation of controls over those services. The table below summarises the service organisations used by the Council and our planned audit approach.

Items of account	Service organisation	Audit approach
Payroll expenditure	North Kesteven District Council The payroll entries that form part of the Council's financial statements are material and are derived from the processing of monthly payrolls. The payroll processing is undertaken and administered by North Kesteven District Council on behalf of the Council.	We did not place reliance on the operation of internal controls. We performed a walkthrough of the operation of controls at the service organisation to document our understanding of key business processes. We took a fully substantive approach to the audit.
Business rates income	City of Lincoln Council The Business Rates system is administered by City of Lincoln Council on the Council's behalf	

# 3. Audit approach

The table below provides a high level summary of the work surrounding the significant risks identified and the associated findings as a result of the work we have performed. Detailed findings in relation to each of the identified risks are included within section 4 of this report.

	Risk description	Risk of fraud	Risk of error	Management judgement	Audit approach	Control observations	Identified misstatements	Overall conclusion
<b>Page 27</b> Significant risks	Management override of controls	●			Substantive testing	-	-	No matters to bring to the Committee's attention at this stage.
	Valuation of net defined benefit pension liability		●		Substantive testing	-	-	No matters to bring to the Committee's attention at this stage.
	Valuation of property, plant and equipment and investment properties		●		Substantive testing	-	-	No matters to bring to the Committee's attention at this stage.

# 04

## Section 04: **Significant findings**

Page 28

# 4. Significant findings

## Significant findings

In this section we outline the significant findings from our audit. These findings include:

- our audit conclusions regarding significant risks and key areas of management judgement outlined in the Audit Strategy Memorandum;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. We have concluded whether the financial statements have been prepared in accordance with the financial reporting framework and commented on any significant accounting policy changes that have been made during the year;
- any further significant matters discussed with management;
- any significant difficulties we experienced during the audit.

## Significant risks

There has been no change to the significant risk identified during the planning phase of the audit and communicated to management in the Audit Strategy Memorandum. These are summarised as follows:

### Management override of controls

#### Description of the risk

In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.

#### How we addressed this risk

We addressed this risk through performing audit work over:

- Accounting estimates impacting amounts included in the financial statements;
- Consideration of identified significant transactions outside the normal course of business; and
- Journals recorded in the general ledger and other adjustments made in preparation of the financial statements.
- Our work on journals included identifying and analysing the total population of journals posted by the Council during the year and as part of the accounts preparation process. We identified a range of fraud risk factors that we then applied to the population and tested the validity of any journals that we identified for testing.

#### Audit conclusion

We have completed our planned procedures and have no matters to report in respect of the risk of management override of controls.

## 4. Significant findings

Valuation of net defined benefit pension liability	Description of the risk
Page 30	<p>The Council's accounts contain material liabilities relating to the local government pension scheme. The Council uses an actuary to provide an annual valuation of these liabilities in line with the requirements of IAS 19 Employee Benefits. Due to the high degree of estimation uncertainty associated with this valuation, we have determined there is a significant risk in this area.</p>
	<b>How we addressed this risk</b>
	<p>We addressed this risk by:</p> <ul style="list-style-type: none"><li>• critically evaluating the Council's arrangements (including relevant controls) for making estimates in relation to pension entries within the financial statements; and</li><li>• challenging the reasonableness of the Actuary's assumptions that underpin the relevant entries made in the financial statements,</li><li>• critically assess the competency, objectivity and independence of the Actuary;</li><li>• liaising with the auditors of the Pension Fund to gain assurance that the overall procedures and controls in place at the Pension Fund are operating effectively; reviewing a summary of the work performed by the Pension Fund auditor on the Pension Fund investment assets,</li><li>• reviewing the actuarial allocation of Pension Fund assets to the Council by the Actuary,</li><li>• comparing assumptions to expected ranges, using information provided by the consulting actuary engaged by the National Audit Office; and</li><li>• agreeing data in the Actuary's valuation report for accounting purposes to the relevant accounting entries and disclosures in the Council's financial statements.</li></ul>
<b>Audit conclusion</b>	
<p>We are awaiting final assurances from the pension fund auditor, but to date have no matters to report in respect of the valuation of the net defined benefit pension liability.</p>	

Valuation of property, plant and equipment and investment properties	Description of the risk
	<p>The Council's accounts contain material balances and disclosures relating to its holding of Property, Plant and Equipment, Investment Properties with the majority of these assets required to be carried at valuation. Due to high degree of estimation uncertainty associated with those held at valuation, we have determined there is a significant risk in this area.</p>
	<b>How we addressed this risk</b>
	<p>We have assessed the risk of valuations changing materially in year, considering the movement in market indices between valuation dates and the year end. We have further addressed this risk by:</p> <ul style="list-style-type: none"><li>• assessing the valuer's qualifications;</li><li>• assessing the valuer's objectivity and independence;</li><li>• reviewing the methodology used;</li><li>• performing testing of the associated underlying data and assumptions; and</li><li>• Ensuring the accounting treatment of the valuation and associated movements is compliant with relevant accounting framework.</li><li>• Detailed review and testing of the Gainsborough Cinema valuation approach</li></ul>
<b>Audit conclusion</b>	
<p>We have completed our planned procedures with respect to the valuation of property, plant and equipment and investment properties. We have identified one immaterial, unadjusted misstatement reported in section 6 of this report. In response to this finding we have raised a control recommendation, detailed in section 5 of this report.</p>	

# 4. Significant findings

## Key areas of management judgement

In the process of performing our audit procedures, we identified the requirement to prepare group accounts as a key management judgement. The below details the judgement, our response and audit conclusions.

<b>Group accounts</b>	<b>Description of the judgement</b>
	<b>How we addressed this judgement</b>
	<b>Audit conclusion</b>

The Council has interests in other entities, which have the nature of subsidiaries and joint ventures. Managements judgement for the 2022/23 accounts is that none of these arrangements are material and the preparation of group accounts is not required.

We have reviewed management’s assessment and noted that the judgement required the application of a specific group accounts exemption for one of its wholly owned subsidiaries. We have reviewed the assessment carried out by management, specifically reviewing the criteria for the application of this specific exemption. We have challenged management on the reasonableness of the judgements they have applied.

We are satisfied that the judgements and application of specific exemptions applied by management are reasonable. We have no matters to bring to the Committee’s attention with respect to the requirement to prepare group accounts.

Page 31

## 4. Significant findings

### Qualitative aspects of the Council's accounting practices

We have reviewed the Council's accounting policies and disclosures and concluded they comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets, published in November 2022, appropriately tailored to the Council's circumstances.

Draft accounts were received from the Council on 31/05/2023 and were of a good quality. The governance statement was approved by the Committee in June 2023 and subsequently provided to the audit team. The public inspection period was suitably extended.

### Significant matters discussed with management

During our audit we discussed the following significant matter with management:

- Control deficiencies identified surrounding the Council's IT processes, which have resulted in a control recommendation detailed in section 5 of this report.
- Managements approach to classifying various property assets between property, plant and equipment and investment properties.
- Managements judgement with respect to the requirement to prepare group accounts. Following these discussions, we are satisfied with the Council's judgement that such accounts are not required.

### Significant difficulties during the audit

During the course of the audit we did not encounter any significant difficulties and we have had the full co-operation of management. We would like to thank the finance team for the support and cooperation they have provided throughout the audit.

### Wider responsibilities

Our powers and responsibilities under the 2014 Act are broad and include the ability to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to law;
- make an application for judicial review; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not exercised any of these powers as part of our 2022/23 audit.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. No such objections have been raised.



# 05

## Section 05: **Internal control recommendations**

Page 33

# 5. Internal control recommendations

As part of our audit of the financial statements, we obtained an understanding of internal controls sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to Committee members any significant deficiencies identified during the course of our work.

The purpose of our audit was to express an opinion on the financial statements. As part of our audit we have considered the internal controls in place relevant to the preparation of the financial statements in order to design audit procedures to allow us to express an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Our findings and recommendations are set out below. We have assigned priority rankings to each of them to reflect the importance that we consider each poses to your organisation and, hence, our recommendation in terms of the urgency of required action. In summary, the matters arising fall into the following categories:

Priority ranking	Description	Number of issues
<b>1 (high)</b>	In our view, there is potential for financial loss, damage to reputation or loss of information. This may have implications for the achievement of business strategic objectives. The recommendation should be taken into consideration by management immediately.	1
<b>2 (medium)</b>	In our view, there is a need to strengthen internal control or enhance business efficiency. The recommendations should be actioned in the near future.	-
<b>3 (low)</b>	In our view, internal control should be strengthened in these additional areas when practicable.	-

# 5. Internal control recommendations

## Deactivation of leavers system user profiles – Level 1

### Description of deficiency

During our IT audit work, we identified an instance whereby an officer who had ended their term of employment at the Council still had active user profiles within the Council’s ledger system following the date of their final day of service.

The Council provided evidence to show that in this instance, the former officer had not accessed the system following their final day of service.

### Potential effects

Officers having access to any of the Council’s systems following their final day of service may result in data loss and risk of reputational damage. Specifically, to the ledger system, unauthorised access may facilitate fraudulent activity or expose the Council to material misstatement because of incorrect correct journal postings.

### Recommendation

We recommend the Council review its leavers process and ensure all access for officers terminating their term of employment with the Council are disabled on the final day of service.

### Management response

---

# 06

Section 06:

## Summary of misstatements

Page 36

## 6. Summary of misstatements

This section outlines the misstatements identified during the course of the audit, above the trivial threshold for adjustment of £25k. The table outlines the misstatements that were identified during the course of our audit which management has assessed as not being material and does not currently plan to adjust. There are no adjusted misstatements to date.

### Unadjusted misstatements

		Comprehensive Income and Expenditure Statement		Balance Sheet	
		Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
1	Dr: Intangible assets (2021-22: prior year)			275	
	Cr: Property, plant and equipment (2021-22: prior year)				275
	The balance sheet in the prior period (2021-22) contains a classification misstatement of £275k between intangible assets and property, plant and equipment. In the prior period the Council recognised all intangible assets under construction within the property plant and equipment note as tangible assets under construction.				
	<b>Total unadjusted misstatements</b>	-	-	<b>275</b>	<b>275</b>

Page 37

### Adjusted misstatements

To date, we have not identified any misstatements within the Council's primary financial statements.

# 6. Summary of misstatements

## Overview

This section outlines the disclosure misstatements identified during the course of the audit, which we want to bring to the attention of the committee.

## Adjusted Disclosure amendments

To date, we have identified the following disclosure amendments that have been adjusted by the Council in the subsequent version of the financial statements.

1. Note 19 – Debtors: insufficient disclosure was made of the Council’s expected credit loss allowance.
2. Note 15 – Property, Plant and Equipment: the Council did not make the required disclosures in relation to infrastructure assets given the statutory override implemented as a resolution to the national issue.
3. Note 25 – Members Allowances: amendment was required to remove non-elected members’ allowances from the disclosure.
4. Note 33 – Contingent Liabilities: two contingent liabilities included in the note were incorrectly recognised and did not meet the criteria for disclosure.
5. Note 34 – Contingent assets: two contingent assets included in the note were incorrectly recognised and did not meet the criteria for disclosure.
6. Note 22 – Provisions: movements within the note were included in incorrect rows.
7. Note 27 – Audit fees: the code requires the note to disclose fees that are payable, but the Council have included accruals for balances not yet agreed.
8. Note 21 – Creditors: The current split between the main table and the disclosure of creditors for local taxation is incorrect.

## Unadjusted Disclosure amendments

To date, we have identified the following disclosure amendments that will not be adjusted by the Council in the subsequent version of the financial statements.

1. Note 15: in line with the prior period misstatement identified in the table on the previous page, the 2022-23 property plant and equipment note, and intangibles note include disclosure misstatements. £296k of assets under construction have been re-classified from property, plant and equipment assets under construction to intangibles, being made up of the £275k prior period misstatement and £21k of further additions in the current year.

The unadjusted disclosure misstatement is immaterial.

# 07

## Section 07: **Value for Money**

Page 39

# 7. Value for Money

## Approach to Value for Money

We are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

- Financial sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services
- Governance - How the Council ensures that it makes informed decisions and properly manages its risks
- Improving economy, efficiency and effectiveness - How the Council uses information about its costs and performance to improve the way it manages and delivers its services

At the planning stage of the audit, we undertake work to understand the arrangements that the Council has in place under each of the reporting criteria and we identify risks of significant weaknesses in those arrangements. Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest significant weaknesses in arrangements exist.

The table overleaf outlines the risks of significant weaknesses in arrangements that we have identified, the risk-based procedures we have undertaken, and the results of our work.

Where our risk-based procedures identify actual significant weaknesses in arrangements we are required to report these and make recommendations for improvement. Where such significant weaknesses are identified, we report these in the audit report.

The primary output of our work on the Council's arrangements is the commentary on those arrangements that forms part of the Auditor's Annual Report. We intend to issue the Auditor's Annual Report in November 2023.

## Status of our work

We have completed our work in respect of the Council's arrangements for the year ended 31 March 2023 and we have not identified any significant weaknesses in arrangements that have required us to make a recommendation. Our draft audit report at Appendix B confirms that we have no matters to report in respect of significant weaknesses. As noted above, our commentary on the Council's arrangements will be provided in the Auditor's Annual Report in November 2023.

We have included in this report our draft Value for Money commentary that will be included in the Auditor's Annual Report in November 2023 upon completion of the financial audit. This wording will be subject to amendment up to the point of the final report being issued.



# 3. VFM arrangements – Overall summary

## Overall summary by reporting criteria

Reporting criteria	Commentary page reference	Identified risks of significant weakness?	Actual significant weaknesses identified?	Other recommendations made?
 Financial sustainability	25	Yes – see risk 1 on page 26	No	No
 Governance	29	No	No	No
 Improving economy, efficiency and effectiveness	33	No	No	No

### 3. Commentary on VFM arrangements

#### Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services

Page 42



# 3. VFM arrangements – Financial Sustainability

## Risks of significant weaknesses in arrangements

We have outlined below the risks of significant weaknesses in arrangements that we have identified as part of our continuous planning procedures, and the work undertaken to respond to each of those risks.

Risk of significant weakness in arrangements	Work undertaken and the results of our work
<p data-bbox="89 654 140 815" style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 43</p> <p data-bbox="224 461 919 515"><b>How the body plans to bridge its funding gaps and identifies achievable savings</b></p> <p data-bbox="224 518 1039 658">The 2022/23 medium term financial plan and associated budget identifies funding gaps in the years 2024/25-2027/28. The Council is required under statute to present a balanced budget each year. There is a risk in that in subsequent budgets, the Council may include unrealistic savings plans given the decline in government funding to achieve a balanced position.</p>	<p data-bbox="1072 461 1274 486"><b>Work undertaken</b></p> <p data-bbox="1072 489 2466 544">To establish if there is a significant weakness in arrangements, we have reviewed the Councils plans to address the forecast budget gaps to evaluate the reasonableness of the actions taken to eliminate the forecast deficits.</p> <p data-bbox="1072 575 1299 601"><b>Results of our work</b></p> <p data-bbox="1072 604 2466 829">We have reviewed the Councils planned steps to address the current forecast deficit and noted that it has not included any planned savings. As part of its current planning cycle, the Council has already eliminated the 2024/25 forecast deficit and reduced the forecast deficits for the subsequent two years through the flexing of revenue forecasts. The Council has been able to take advantage of increased interest rates to generate additional income streams in the short term. This has removed the requirement to draw from reserves in the short-term, which the Council acknowledges is an unsustainable means of balancing its future budgets. Given the uncertainties in future funding making future planning more futile, we are satisfied that the steps taken by the Council to address more immediate forecast deficits are reasonable and do not include unrealistic budgetary items to achieve a balanced position. Overall, we are therefore satisfied there is not a weakness in arrangements to secure value for money at the Council.</p>

## Overall commentary on the Financial Sustainability reporting criteria

### Background to the Council’s operating environment and finance regime

Local governments are funded through a mixture of streams, largely comprising of government grants, taxation (largely council tax) and income from services provided. There is also an ever-growing trend as a result of increased financial pressures of Councils generating income through commercial activities, such as purchasing properties to generate income. West Lindsey is no exception to this, owning a portfolio of investment properties in and around the local area.

Some of the Government’s initiatives in response to the COVID-19 pandemic were backed by additional funding in 2021/22 in the form of central government grants and emergency funding. These have however largely reduced in 2022/23 and the Council faces ever increasing pressures to meet its increasing running costs amidst government cutbacks on funding for local authorities and economic instability in the form of increasing inflation.

### The Council’s financial planning and monitoring arrangements

Each year, the Council undertakes a rigorous financial planning process, with the ultimate output being the medium-term financial plan for the next 5 financial years, which is presented to the Corporate Policy and Resources Committee each year. The process followed is a bottom-up approach, spanning from June to January of the year prior to the first year being budgeted.

The process begins with budget setting briefings hosted by the Council’s business partners. These briefings support budget holders in understanding their individual service business plans, using prior year budgets and eventual outturns as a starting point for roll-forward.

# 3. VFM arrangements – Financial Sustainability

## Overall commentary on the Financial Sustainability reporting criteria - continued

Heads of Service are asked to consider any significant financial changes in service requirements over the medium term and how these will impact on the Council's resources. This information then informs a draft financial plan for discussion with the Council's Corporate Leadership Team. This is then supported by budget consultation events. These are used as a platform for directorate leads and the corporate leadership team to challenge budget holders.

Budget monitoring is a continuous process which operates at all levels throughout the Council. Although Corporate Directors are ultimately responsible for the delivery of their budgets, operationally these responsibilities are devolved down to Heads of Service and budget holders across the Council's services. Every budget has an accountable budget holder, supported by a finance officer, who is responsible for managing, monitoring, and forecasting income and expenditure against the approved budget.

Budget monitoring reports are presented to Corporate Policy and Resources Committee on a quarterly basis and cover both revenue and capital programme updates. These are supported by full year outturn reports, reviewing outturn against the initial budget. At management level, Budget monitoring is carried out on a monthly basis. The results of this are reported to Management Team.

The Council has a strong track record for financial planning and monitoring, demonstrated in its 2022/23 financial statements in the form of a surplus on the provision of services of £1.8m. The capital position reported a total outturn of £4.8m against a total budget of £7.9m, with £0.6m of the variance being a net underspend and £2.5m being slippage, carried forward into subsequent years.

### The Council's arrangements for the identification, management and monitoring of funding gaps and risks to financial resilience

The medium-term financial plan taken to full Council during 2022/23, highlighting the 2022/23 budget and forecast for the subsequent 5 years, was balanced, but identified a total budget challenge of approximately £5.0m for the 5 years to 2027/28. The annual budget report presented to the Council contains details of key financial risks and potential impacts on the Council, as well as mitigating actions being taken. The report also details the level of reserves available to meet unforeseen challenges.

We reviewed a sample of budget monitoring reports presented for 2022/23 to the Corporate Policy and Resources Committee. The reports contained detail on any significant variances to budget and updated on performance against savings targets. The reports also reasons for over or underspends against the budget profile to provide adequate scrutiny and oversight.

In relation to the future budget gaps identified, the Council have acknowledged that early work is key to ensuring the Council financial resilience is maintained. Early work in addressing this is centred around a thorough review of reserves and spending plans, and in particular will consider the use of advantageous interest rates to supplement the Council's own income streams. The Council have taken a proactive approach in addressing the gap in 2024/25 given the planning cycle has already commenced, but accept efforts to address gaps identified in many years may be futile based on uncertainties in future funding, particularly the 'cliff edge' in 2025/26 due to business rates reset and funding reform. We have reviewed the Council's responses as part of our work to address the identified risk of significant weakness in arrangements and are satisfied no such weakness exists.

As part of the process during this financial year, there is a thorough review of all reserves to ensure they remain relevant with a view to repurposing them where appropriate to do so. The Council keeps a level of reserves to protect against the risk of any uncertainties or unforeseen expenditure. This is considered best practice and demonstrates sound financial planning. It is recognised by the Council (officers and members) that the use of financial reserves cannot solve a budget problem outright but allows for smoothing of impacts. The Council follows best practice from CIPFA that states that this should be maintained to at least at 5% of net expenditure. Current usable reserves (£28.2m per the 2022/23 draft financial statements) represent far in excess of this benchmark.

The Council also makes use of wider 'business intelligence' to identify potential future risks to financial resilience. The Council risk register is presented to the Governance and Audit Committee. Alongside consideration of the wider risk to the Council, our attendance at these meetings has confirmed that consideration is given to the financial implications of risks, specifically surrounding pressures on demand. This allows the Council to plan its resources accordingly.

### The Council's arrangements to ensure financial plans support sustainable delivery and wider planning

The medium-term financial plan is the Council's highest level, overarching financial plan, incorporating all the elements of the Council finance functions. Below this sits several plans developed at a function level. These include the capital investment plan and treasury management plans to the support the annual operations of each function. These plans all then feed into a single executive business plan that directs the Council's operations for that single year.

# 3. VFM arrangements – Financial Sustainability

## Overall commentary on the Financial Sustainability reporting criteria - continued

Throughout the financial year, the Director of Corporate Services provided updates on treasury management, revenue and capital budgets to the Corporate Policy and Resources Committee, and the various sub-committees as appropriate. These reports are provided to give assurance that the relevant plans, and outturn to date, are supporting the day-to-day operational requirements of the Council. Review of these minutes confirms the Council scrutinise plans to ensure they are consistent with the Councils overall goals and there are no inconsistencies between the various plans.

Specific plans are also subject to consultation with the wider community. An example of one such plan for which this applies is the annual budget. Consultation takes place via the Council's website and is distributed throughout local business communities and networks. This consultation receives a high level of engagement from the wider community, helping the Council ensure its plans align with the requirements of the wider community.

The Council is also subject to a wider overarching local plan. This details the high-level goals of the County for a 10-20-year period and is subject to consultation to ensure the Council is delivering services in line with the needs of the local population. In preparing the medium-term financial plan, management are required to consider the overarching local plan, to ensure the delivery of the Council's goals can be met.

### Outlook for 2023/24 and onwards

Local government is facing significant challenges for 2023/24 and onwards. Examples of challenges the Council will need to consider and address in future periods will be:

- **Cost of Living:** With most people experiencing financial pressure, spending habits are changing. High energy costs and increasing food prices have impacted on levels of disposable income. With wage (and potentially benefit) increases failing to keep pace with inflation, more people will be facing hardship.
- **Added budget pressures:** With inflation at levels in excess of previous years, the cost of goods, services and resources are becoming more expensive. Local authorities are not immune to the increasing cost of energy supply, although the government announcements on energy caps help, many local authorities are still facing higher costs. Local authorities typically budget for modest salary increases year on year, but expectations and demands on salary increases have changed and consideration on how they are to be funded is required. The Bank of England base rate rose steadily throughout 2022/23 meaning that the cost of borrowing has also increased significantly.

- **Contractors and Suppliers:** The cost-of-living crisis has resulted in business failures. Although government support has been announced, some businesses will continue to struggle, with a greater risk of supplier failure. Supply failures anywhere in the supply chain will have a knock-on effect.
- **Service Delivery:** Likely budget reductions and savings plans are going to impact the ability of local authority services to maintain levels of delivery, particularly at a time of increased demand.

### Overall view on arrangements in relation to financial sustainability

As a result of the programme of work performed, we are satisfied the Council's arrangements in relation to financial sustainability are appropriate to secure value for money.

# 3. Commentary on VFM arrangements

## Governance

How the body ensures that it makes informed decisions and properly manages its risks

Page 46



# 3. VFM arrangements – Governance

## Overall commentary on the Governance reporting criteria

### The Council's arrangements to monitor and assess risk and gains assurance over the operation of internal controls and arrangements in place to prevent and detect fraud

The Council has an established risk management framework and has systems in place which are built into the governance structure of the organisation. The Strategic Risk Register is owned by the Corporate Management Team and is reported to Governance and Audit Committee on a bi-annual basis. Our attendance of Governance and Audit Committee meetings confirms that the register is reviewed on a timely basis, and risks are 'deep-dived' by the Committee to determine an appropriate responses in managing these risks.

Underneath the strategic risk register the Council has both departmental risk registers and also project risk registers in line with project management methodology. These registers are used for the day to day management of risk, to ensure operational decisions are made with the consideration of real-time risks. All risk registers in place are refreshed to reflect any significant changes in circumstances in which the Council operates and the current challenges and opportunities it faces.

The Council has a clear and defined risk management strategy framework that aligns financial accountability within service decision-making. Management has a regime of internal controls and reconciliations that operate in relation to its main systems and procedures. Financial fraud risks and risks of corruption are managed via control design in relation to accounting processes, Human Resources policies and procedures, and the Council's code of conduct. These are further supported by a comprehensive set of financial procedure rules.

The Council makes use of the services of Assurance Lincolnshire for the provision of its internal audit requirements. The head of internal audit takes a risk based approach to determining a planned programme of work for each year. This ensures there is a base level of coverage of core systems that underpin the Council's business critical activities every year, along with scope for cyclical reviews of other elements of the Council's systems. The planned work can be supplemented if necessary by ad hoc reviews in respect of suspected irregularities and other work commissioned by Officers and Members of the Council where relevant to respond to emerging risks and issues.

Our review of the work completed internal audit has confirmed this approach has been applied for 2022/23, achieving a suitable coverage across a sufficient range of business areas to support an overall conclusion. This plan is also reviewed and agreed by the Governance and Audit Committee at the start of each financial year.

Internal Audit progress reports are presented to Governance and Audit Committee meetings, including follow up reporting on recommendations from previous Internal Audit reports. From our attendance at meetings, we are satisfied this allows the Committee to effectively hold management to account.

At the end of each financial year, the Annual internal audit report for 2022/23 was presented to the Governance and Audit Committee. The report noted that all assurance reviews carried out in the period had achieved high or substantial assurance results. The programme of work assesses the operation of the Council's internal controls across four categories, being: governance, risk, internal control and financial control. In all areas, the report concludes the Council's regime of internal control is 'performing well'.

The wider risk management strategy is pulled together annually as part of the Combined Assurance Process, which forms a single point of assessment for management and the various committee's. The report showed a positive direction of travel for 2022/23, showing downward movements overall in red and amber assurances and upwards movements in the level of green assurances.

Although we have issued an unmodified opinion of the Council's financial statements for 2022/23, our wider financial audit work identified a single control deficiency, resulting in an associated high priority recommendation. Managements attitude to engaging with the external auditors to rectify the identified issue moving forwards corroborates the view that internal control is treated as a priority by the Council. We will monitor the Council's progress against these recommendations in future periods.

Key to the risk management process is the role of the Governance and Audit Committee. Our attendance of meetings and review of minutes confirmed that the Committee receives regular updates on both internal audit progress and risk management. We have seen active Member engagement from the Audit and Risk Scrutiny Committee who challenge the papers and reports which they receive from officers, internal audit and external audit.

### The Council's arrangements for budget setting and budgetary control

The Council has an established set of arrangements in place for budget setting and control. The process is set out and approved through the Constitution, which encompasses the Budget Policy Framework Procedure rules and Financial Procedure rules. The Constitution is regularly reviewed and kept up to date.

# 3. VFM arrangements – Governance

## Overall commentary on the Governance reporting criteria - continued

The framework includes:

- Clear responsibilities, including the role of the Section 151 Officer in leading the budget setting process and providing professional advice, and the reservation of the approval of the Budget to the Council.
- Budget setting guidance to managers, with the process normally starting well ahead of the year-end to get an early understanding of the key relevant factors and future budget requirements. Although existing budgets are in most cases used as a basis determining the next year's estimates they are not merely rolled forward with early challenge to staff number assumptions and growth and savings proposals.
- Close working between the finance team and with external advisors and neighbouring councils to agree the key budget assumptions, which are challenged and agreed through the budget review process by Management, Corporate Policy and Resources Committee and Council.

Following approval of the budget, budget monitoring commences to monitor progress against targets. Budget monitoring is a continuous process which operates at all levels throughout the Council. Budget monitoring responsibilities of budget holders are documented and they are supported in this role by the finance team. Every budget has an accountable budget holder, supported by a finance officer, who is responsible for managing, monitoring, and forecasting income and expenditure against the approved budget.

Budget monitoring reports are produced on a monthly basis and there are regular meetings held, including finance team members, to discuss the financial performance and forecasts.

### The Council's decision making arrangements

The Council has an established governance structure in place which is set out within its Annual Governance Statement (AGS). The statement includes a review of compliance with the CIPFA Framework including an update on progress towards the completion of actions previously identified to address control or risk issues along with proposed actions for the following year. We reviewed the AGS for 2022/23 and observed the Governance and Audit Committee's review of the AGS and monitoring of actions throughout the year in relation to any significant governance issues.

The Constitution contains the rule governing how the Council operates and how decisions are made,

including the Contract Procurement Rules and Financial Regulations, to ensure procedures are efficient, transparent and accountable. The monitoring officer performed the annual review of this constitution in March 2023. The Council has adopted the Committee Style (also known as the 'Fourth Option') Decision Making Process and complies with the legislation regarding the publication of reports, minutes and whether a decision is a Key Decision or not. Delegated Powers of Decision Making are set out within the Constitution and this enables certain decisions, within prescribed financial boundaries to be taken by senior officers.

There are arrangements in place for ensuring Councillors are aware of the behaviours expected under the Member Code of Conduct, and for investigating and considering any complaints made about Councillors. The Member code of Conduct is overseen by the Standards Committee. The Governance and Audit Committee reviews annually the counter-fraud arrangements and fraud risks and the Constitution includes an up to date Anti-Fraud and Anti-Bribery Strategy and Protocol.

The required Standards Committee arrangements are in place designed to promote and maintain high standards of conduct by members and co-opted Members of the District Council and of the Town and Parish Councils within the District.

There are Overview and Scrutiny Committee arrangements in place to support the work of the other Committees and the Council as a whole. The Overview and Scrutiny Committee has a work programme in place to steer their coverage of services and policy decisions taken. The Constitution includes the Overview and Scrutiny Committee procedure rules, which cover the arrangements for decisions.

### The Council's arrangements to ensure appropriate statutory and ethical standards are met

The Monitoring Officer has overall responsibility for ensuring that appropriate standards and behaviours are adhered to. However, the statutory officers meet regularly to address matter relating to changes in legislation and regulations. The Council's Corporate Policy and Resources Committee approves updated and new policies and procedures which further set out required behaviours and compliance with legislation, best practice and directives.

West Lindsey District Council have also signed up to the National Code of Conduct as set out in the Constitution. This outlines the expected behaviours, standards and compliance requirements staff are mandated to meet.



# 3. VFM arrangements – Governance

## Overall commentary on the Governance reporting criteria - continued

There are few external regulators for district councils, and we have not identified any matters reported which indicate significant weaknesses in the Council's governance arrangements.

### Overall view or arrangements in place in relation to governance

As a result of the programme of work performed, we are satisfied the Council's arrangements in relation to governance are appropriate to secure value for money.

### 3. Commentary on VFM arrangements

#### Improving economy, efficiency and effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services

Page 50



# 3. VFM arrangements – Improving Economy, Efficiency and Effectiveness

## Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria

### The Council's arrangements for assessing performance and evaluating service delivery

The Council's annual executive plan, and the various plans sitting below it, set out the Council's priorities and objectives for each period. The Council has in place a performance management framework which includes identified responsibilities of managers and processes for regular performance reporting and corrective action if required.

Since completing its system migration in the previous year to the OneCouncil ERP suite, the Council now has access to a bespoke performance monitoring system. Sitting within the bespoke software, the OnePerformance module allows the Council to generate performance monitoring reports using real-time data directly from the ERP system.

On a practical basis managers complete their performance data in the One Performance system, these performance measures are then routed to the Director to review and approve at the end of each reporting period. The Performance Officer then meets with each director at the end of each performance period, discussing reasons for any outliers and whether a performance improvement plan needs to be drawn up for the respective directorate.

This is all consolidated within the quarterly progress and delivery report which goes to Management Team for further challenge and discussion. Performance reports are then challenged by various committees, with the main stakeholders being Corporate Policy & Resources, Prosperous Communities and Overview and Scrutiny Committee's.

We have reviewed a sample of the quarterly performance reports and Committee minutes which show member challenge of the reported performance. The quarterly reports demonstrate that performance has been managed throughout the year and any significant variances have been justified.

The Council also makes use of its internal audit function to assess its service delivery and any areas for potential improvement. Although there were no such cases in 2022/23, where internal audit assess specific reviews as 'low assurance', reports are escalated to the full committee for a full deep-dive. This deep dive then results in a corrective plan to ensure the necessary action is taken to bring service delivery back to an acceptable level.

On an annual basis, the Council's overall performance is summarised in the Narrative Report as part of the

Statement of Accounts. This outlines the Council's progress against its ambitions, highlighting key actions that have been made in response to their progress. This provides the public with an overall assessment of the Council activities for the financial year.

### The Council's arrangements for working effectively within partnerships

The Council has a well-established set of financial procedure rules that cover all partnership working. The rules dictate the key features of any partnership to provide officers with a decision tree, dictating the roles and responsibilities of individuals that will need to be in place for each arrangement. The procedure rules also identify the controls that will need to be in place for each partnership, based on the characteristics of each arrangement. Our review of the financial procedure rules has confirmed that they are thorough and provide officers with the required guidance to ensure the suitable arrangements will be in place for working effectively within partnerships.

Below the financial procedure rules, the Council also has a code of practise for working within partnerships. This fully formalises the requirements and expectations of Council officers when working in partnerships to ensure the highest ethical standards are achieved.

The Partnership Register contains information about key partnerships that the Council is working with and allows partnership performance and governance arrangements to be challenged at a corporate level. The Partnership Register is updated on an annual basis and reported through the Council's Audit and Risk Scrutiny Committee.

Our review of the aforementioned documents confirms the Council has appropriate arrangements in place for both identifying partnerships and ensuring appropriate controls are in place to gain assurance over their operation.

### The Council's arrangements for procurement of goods and services

The Council's Contract Procedure Rules form part of the Council's Constitution, this considers latest legislative and operational changes at the Council and provide a corporate framework for the procurement of goods, works and services. There are also controls in place designed to ensure that all procurement activity is conducted with openness, honesty and accountability.

# 3. VFM arrangements – Improving Economy, Efficiency and Effectiveness

## Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria - continued

Every contract above £75K must have a supporting procurement strategy to ensure the most appropriate procedures have been followed. There is a standing item on monthly Commercial Board agenda which highlights new contracts or expirations.

The Council has a full-time procurement officer who concentrates on day-to-day procurement and contract management. All key projects which involve procurement have a benefits realisation requirement as part of the project documentation which is reported to the portfolio board for scrutiny and challenge as required.

West Lindsey work with Lincolnshire Procurement Partnership to ensure compliance with legislation for more complex programmes. Where procurement projects are highly complex this procurement may be outsourced even further to ensure the relevant expertise are involved and the Council is achieving value for money.

The Council's most recent notable procurement programme was for a development partner for the re-development of the RAF Scampton site into a centre of aviation and space research and heritage. The project was initiated in line with the Council's regeneration programme. The procurement was carried out by Cadence-Inno by support from DWF Legal, Cushman and Wakefield and 31ten consultancy.

Although initially selected as the preferred bidder, the decision on the site has been changed, with initial use passing to the Home Office. Following conclusion of the Home Office operations, the site will then be passed to the Council and their development partner in line with the terms of the original bid.

### Overall view on arrangements for improving economy, efficiency and effectiveness

As a result of the programme of work performed, we are satisfied the Council's arrangements in relation to improving economy, efficiency and effectiveness are appropriate to secure value for money.

# Appendices

A: Draft management representation letter

B: Draft audit report

C: Independence

D: Other communications

# Appendix A: Draft management representation letter

One,  
St Peter's Square,  
Manchester  
M2 3DE  
[Date]

Dear Daniel Watson

### West Lindsey District Council - Audit for Year Ended 31 March 2023

This representation letter is provided in connection with your audit of the financial statements of West Lindsey District Council for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code), as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets ("the Code Update"), published in November 2022 and applicable law.

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy ourselves that I can properly make each of the following representations to you.

#### My responsibility for the financial statements and accounting information

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code), as amended by the Code Update and applicable law.

#### My responsibility to provide and disclose relevant information

I have provided you with:

- access to all information of which I am aware that is relevant to the preparation of the financial statements such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the Council you determined it was necessary to contact in order to obtain audit evidence.

I confirm as s151 officer that I have taken all the necessary steps to make me aware of any relevant audit information and to establish that you, as auditors, are aware of this information.

As far as I am aware there is no relevant audit information of which you, as auditors, are unaware.

# Appendix A: Draft management representation letter

## Accounting records

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all Council and committee meetings, have been made available to you

## Accounting policies

I confirm that I have reviewed the accounting policies applied during the year in accordance with International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the Council's financial position, financial performance and cash flows.

## Accounting estimates

I confirm that any significant assumptions used by the Council in making accounting estimates, including those measured at fair value, are reasonable.

## Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- an amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the company have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the Code, as amended by the Code Update and applicable law.

## Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

The Council has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

# Appendix A: Draft management representation letter

## Fraud and error

I acknowledge my responsibility as s151 Officer for the design, implementation and maintenance of internal control to prevent and detect fraud and error and I believe I have appropriately fulfilled those responsibilities.

I have disclosed to you:

- all the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the Council involving:
  - management and those charged with governance;
  - employees who have significant roles in internal control; and
  - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Council's financial statements communicated by employees, former employees, analysts, regulators or others.

## Related party transactions

I confirm that all related party relationships, transactions and balances, have been appropriately accounted for and disclosed in accordance with the requirements of the Code, as amended by the Code Update and applicable law.

I have disclosed to you the identity of the Council's related parties and all related party relationships and transactions of which I am aware.

## Impairment review

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment and intangible assets below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

## Future commitments

The Council has no plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

## Subsequent events

I confirm all events subsequent to the date of the financial statements and for which the Code, as amended by the Code Update and applicable law, require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.



# Appendix A: Draft management representation letter

## Impacts of Russian Forces entering Ukraine

I confirm that I have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the Council, including the impact of mitigation measures and uncertainties, and that the disclosure in the Annual Report and the subsequent events note to the financial statements fairly reflects that assessment.

## Covid-19

I confirm that I have carried out an assessment of the potential impact of the Covid-19 Virus pandemic on the business, including the impact of mitigation measures and uncertainties, and that the disclosure in the Annual Report and the subsequent events note to the financial statements fairly reflects that assessment.

## Going concern

To the best of my knowledge there is nothing to indicate that the Council will not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

## Unadjusted misstatements

I confirm that the effects of the unadjusted misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole.

Yours faithfully,

Emma Foy  
s151 officer  
[Date]

# Appendix B: Draft audit report

## Independent auditor's report to the members of West Lindsey District Council

### Report on the audit of the financial statements

#### Opinion on the financial statements

We have audited the financial statements of West Lindsey District Council ("the Council") for the year ended 31 March 2023, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement and Collection Fund statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets ("the Code Update"), published in November 2022.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Council as at 31<sup>st</sup> March 2023 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director of Corporate Service's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, and taking into account the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Director of Corporate Services with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. Director of Corporate Services is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# Appendix B: Draft audit report

## Responsibilities of the Director of Corporate Services for the financial statements

As explained more fully in the Statement of the Director of Corporate Services Responsibilities, the Chief Director of Corporate Services is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update, and for being satisfied that they give a true and fair view. Director of Corporate Services is also responsible for such internal control as the Director of Corporate Services determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Director of Corporate Services is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update and prepare the financial statements on a going concern basis on the assumption that the functions of the Council will continue in operational existence for the foreseeable future. The Director of Corporate Services is responsible for assessing each year whether or not it is appropriate for the Council to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Council, we identified that the principal risks of non-compliance with laws and regulations related to the Local Government Act 2003 (and associated regulations made under section 21), the Local Government Finance Acts of 1988, 1992 and 2012, and the Accounts and Audit Regulations 2015, and we considered the extent to which non-compliance might have a material effect on the financial statements.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Enquiring with management and the Governance and Audit Committee, as to whether the Council is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Council which were contrary to applicable laws and regulations, including fraud.

We evaluated the Director of Corporate Services incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the valuation of property, plant and equipment, investment properties and the net defined benefit pension liability, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Governance and Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Governance and Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

# Appendix B: Draft audit report

We are also required to conclude on whether the Director of Corporate Services use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statement and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the National Audit Office in February 2023.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Report on the Council's arrangements for securing economy, efficiency and effectiveness in the use of resources

### Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

We have nothing to report in this respect.

### Responsibilities of the Accounting Officer

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Council's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

### Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023.

### Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

# Appendix B: Draft audit report

## Use of the audit report

This report is made solely to the members of West Lindsey District Council, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Council those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the Council, as a body, for our audit work, for this report, or for the opinions we have formed.

## Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to issue our assurance statement in respect of the Council’s Whole of Government Accounts consolidation pack;

[Signature]

Page 61  
Daniel Watson Key Audit Partner  
For and on behalf of Mazars LLP

One, St Peter’s Square, Manchester, M2 3DE





[Insert date]

# Appendix C: Independence



As part of our ongoing risk assessment we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Audit Strategy Memorandum and therefore we remain independent.

# Appendix D: Other communications

Other communication	Response
 <p><b>Compliance with Laws and Regulations</b></p>	<p>We have not identified any significant matters involving actual or suspected non-compliance with laws and regulations.</p> <p>We will obtain written representations from management that all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements have been disclosed.</p>
 <p><b>External confirmations</b></p>	<p>We did not experience any issues with respect to obtaining external confirmations.</p>
 <p><b>Related parties</b></p>	<p>We did not identify any significant matters relating to the audit of related parties.</p> <p>We will obtain written representations from management confirming that:</p> <ol style="list-style-type: none"> <li>they have disclosed to us the identity of related parties and all the related party relationships and transactions of which they are aware; and</li> <li>they have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the applicable financial reporting framework.</li> </ol>
 <p><b>Going concern</b></p>	<p>We have not identified any evidence to cause us to disagree with the Director of Corporate Services that West Lindsey District Council will be a going concern, and therefore we consider that the use of the going concern assumption is appropriate in the preparation of the financial statements.</p> <p>We will obtain written representations from management, confirming that all relevant information covering a period of at least 12 months from the date of approval of the financial statements has been taken into account in assessing the appropriateness of the going concern basis of preparation of the financial statements.</p>

# Appendix D: Other communications

Other communication	Response
 <p><b>Subsequent events</b></p>	<p>We are required to obtain evidence about whether events occurring between the date of the financial statements and the date of the auditor's report that require adjustment of, or disclosure in, the financial statements are appropriately reflected in those financial statements in accordance with the applicable financial reporting framework.</p> <p>We will obtain written representations from management that all events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.</p>
 <p><b>Matters related to fraud</b></p>	<p>We have designed our audit approach to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement due to fraud. In addition to the work performed by us, we will obtain written representations from management, and the Governance and Audit Committee, confirming that</p> <ol style="list-style-type: none"> <li>a. they acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud;</li> <li>b. they have disclosed to the auditor the results of management's assessment of the risk that the financial statements may be materially misstated as a result of fraud;</li> <li>c. they have disclosed to the auditor their knowledge of fraud or suspected fraud affecting the entity involving:             <ol style="list-style-type: none"> <li>i. Management;</li> <li>ii. Employees who have significant roles in internal control; or</li> <li>iii. Others where the fraud could have a material effect on the financial statements; and</li> </ol> </li> <li>d. they have disclosed to the auditor their knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.</li> </ol>

Page 64



# Daniel Watson

## Mazars

One St Peter's Square,

Manchester,

M2 3DE

Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services\*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

\*where permitted under applicable country laws.

## Follow us:

### LinkedIn:

[www.linkedin.com/company/Mazars](http://www.linkedin.com/company/Mazars)

### Twitter:

[www.twitter.com/MazarsGroup](http://www.twitter.com/MazarsGroup)

### Facebook:

[www.facebook.com/MazarsGroup](http://www.facebook.com/MazarsGroup)

### Instagram:

[www.instagram.com/MazarsGroup](http://www.instagram.com/MazarsGroup)

### WeChat:

ID: Mazars

# Agenda Item 6b



**Governance and Audit  
Committee**

**Tuesday, 26 September 2023**

**Subject: Annual Governance Statement 2022-23**

Report by:

Chief Executive

Contact Officer:

Emma Foy  
Director of Corporate Services and Section 151  
Officer  
[Emma.foy@west-lindsey.gov.uk](mailto:Emma.foy@west-lindsey.gov.uk)

Purpose / Summary:

To present to Members the Annual Governance Statement for 2022-23, for consideration, prior to the Full Council Meeting

## **RECOMMENDATION**

That Members review the updated Annual Governance Statement 2022-23 and provide approval for its inclusion within the 2022-23 Financial Statements.

## IMPLICATIONS

**Legal:** The Annual Governance Statement complies with the Accounts and Audit (England) Regulations 2015. The Annual Governance Statement must be published with the statement of accounts as part of the period of Audit and Inspection, this requirement has been complied with.

### **Financial: FIN/27/24/PD**

There are no financial implications arising from this report. However, the Annual Governance Statement does make reference to the sufficiency of the Annual Finance Settlement received from Central Government.

**Staffing:** There are no staffing implications arising from this report. However the report does make reference to the Corporate Risk Register which notes the risk of the loss of key staff.

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

There are no implications arising from this report.

### **Data Protection Implications:**

There are no implications arising from this report.

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

No specific or direct climate related risks and opportunities.

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

There are no implications arising from this report.

### **Health Implications:**

There are no implications arising from this report.

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

The Draft Annual Governance Statement Report was considered by the Governance and Audit Committee on 13 June 2023.

**Risk Assessment:**

**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 (England) Regulations 2015 require every council to agree and publish an Annual Governance Statement (AGS).
- 1.2 The system of corporate governance is the way in which we direct and control our services and functions to ensure that the Council is compliant with legislation and directives, that officers and Members demonstrate good behaviours and the Council makes sound and compliant decisions.
- 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 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 2022-23**

- 2.1 Sources of information used to develop the AGS include:
  - The Combined Assurance Report 2022-23
  - Internal Audit Annual Report
  - Internal Audit reports
  - The management of Strategic and Service risks
  - External Audit Annual Audit Letter
  - Review of Comments, Compliments and Complaints
  - Consultation results
  - Ombudsman investigations
  - Review of Whistleblowing
  - Annual review of fraud
  - Comments made by the external Auditors.
- 2.2 The draft AGS was considered by the 13 June 2023 Governance and Audit Committee, this was in advance of the receipt of the Annual Internal Audit Opinion, the AGS has been updated to include this information.
- 2.3 The draft AGS was also considered by the Council's Management Team prior to Governance Audit Committee.
- 2.4 Following approval of the Annual Governance Statement by the Governance and Audit Committee both the Leader and Chief Executive will sign the statement prior to publication.

## **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.

#### **4. Annual Governance Statement 2022-23**

- 4.1 The Annual Governance Statement 2022-23 accompanies this report. Members are asked to consider it, following the earlier consultation.
- 4.2 In the previous draft of the report it was noted that there was no permanent Monitoring Officer in place. A permanent Monitoring Officer has now been appointed and will join the Council on 1 November 2023, A report will be taken to Council on the 6<sup>th</sup> November 2023 to approve this appointment.
- 4.3 All matters contained within the 2021-22 Annual Governance Statements were deemed completed and closed at the April 2023 Audit Committee.
- 4.4 All the audits completed in year achieved either High or Substantial assurance and the Head of Internal Audit opinion for 2022-23 stated that Governance, Risk, Internal Control and Financial control were all performing well.
- 4.5 The Council has identified three areas for noting within the Annual Governance Statement. These areas are not so much areas for improvement but areas where the Council needs to maintain a watching brief as they are strategic risks to the organisation. The areas are documented below:
- Loss of key staff – ensure that processes are fully documented, succession plans are in place where appropriate, identify activities which are overly reliant on one individual.
  - Financial settlement – continue to update the MTFs as we gain greater certainty on the level of funding for future years.
  - Continue the review of corporate procurement procedures (carried forward from last year). The Council historically has bought in services from Lincolnshire Procurement but due to recruitment issues they can only provide a limited service.
- 4.6 A report will be brought to each Governance and Audit Committee following approval; providing details of actions taken and progress made in addressing these risks.

#### **5. Recommendation**

That Members:

That Members review the updated Annual Governance Statement 2022-23 and provide approval for its inclusion within the 2022-23 Financial Statements

## **Annual Governance Statement 2022/23**

### **Executive Summary:**

Governance is about how local government bodies ensure that they are doing the right things in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. This includes complying with legislation, making evidence-based decisions within a clear framework, displaying a healthy culture, behaviour and values, whilst ensuring transparency, equity and accountability, engaging with and where appropriate, leading their communities.

The Annual Governance Statement (AGS) is a public report by the Council on the extent to which it complies with its governance code, legislation, directives and regulations and its performance and effectiveness of its governance arrangements during the year, and any planned changes in the coming period following assessment by external bodies including auditors, other regulators and peers.

The Council expects all members, officers, partners and contractors to adhere to the highest standards of public service with particular reference to the Officer and Member Code of Conduct, Constitution, Corporate Vision and Values, and Corporate Priorities as well as applicable statutory requirements.

This document describes our governance arrangements and their effectiveness. This document is drawn from a number of assurance mechanisms which includes external audits of accounts and funding arrangements, our overall governance and decision making framework, the Scrutiny function, the work of advisors and regulators, the Governance and Audit Committee and the Internal Audit Function.

The External Audit function is undertaken by Mazars LLP, this provides an opinion of the Financial Statements and the Value for Money Opinion. Any weaknesses identified by the external auditor are highlighted in the Annual Audit and Inspection Letter. The Council received an unqualified audit opinion on its 2022/23 accounts and Value for Money opinion and no significant recommendations.

### **1. Scope of Responsibility**

West Lindsey District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It is responsible for ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999, to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, incorporating the system of internal control. This includes arrangements for the management of risk. The Council has a Local Code of Governance which details these arrangements and is structured around the seven Principles of Good Governance, which are as follows:

1. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
2. Ensuring openness and comprehensive stakeholder engagement.
3. Defining outcomes in terms of sustainable economic, social and environmental benefits.
4. Determining the interventions necessary to optimise the achievement of the intended outcomes.
5. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
6. Managing risks and performance through robust internal control and strong public financial management.
7. Implementing good practices in transparency, reporting and audit to deliver effective accountability.

The Accounts and Audit (England) Regulations 2015 require every council to agree and publish an Annual Governance Statement. Further, we have followed the CIPFA (Chartered Institute of Public Finance and Accountancy)/ SOLACE guidance entitled: Delivering Good Governance in Local Government Framework (2016), in producing this AGS.

## **2. The Purpose of the Governance Framework**

The governance framework comprises the systems, processes, culture and values by which the Council is directed and controlled. It also comprises the activities through which it accounts to, engages with and leads its communities. It enables the Council to monitor the achievement of its strategic objectives and consider whether those objectives have led to the delivery of appropriate services that represent value for money.

The system of internal control is an important part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, priorities, aims and objectives, and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise risks to the achievements of the Council's policies, priorities, aims and objectives. It also evaluates the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. Strategic risks are reported to the Governance and Audit Committee bi-annually.

The governance framework has been in place at the Council for the year ended 31st March 2023, and up to the date of approval of this Statement.

## **3. Financial Management Code**

Strong financial management is an essential part of ensuring public sector finances are sustainable. The CIPFA Financial Management Code (FM Code) provides guidance for good and sustainable financial management in local authorities and assurance that authorities are managing resources effectively. The FM Code identifies risks to financial sustainability and introduced a framework of assurance.



Complying with the standards set out in the FM Code is the collective responsibility of elected members, the chief finance officer and their professional colleagues in the management team. Complying with the FM Code will help strengthen the framework that surrounds financial decision making.

The council has undertaken an assessment of compliance with the principles of the FM Code. This assessment has confirmed the council's compliance.

#### **4. The Governance Framework and Annual Review of Effectiveness**

A permanent Monitoring Officer has been appointed, subject to formal Council approval.

The Council held Elections on the 4<sup>th</sup> May 2023 with all 36 seats on the Council up for election. A total of 19 new Councillors have been elected and the overall results, broken down below, mean that no single political party holds a majority. The Liberal Democrat group has partnered with the Independent member for Hemswell to form a minority administration. An alliance of Conservative Councillors and the Independent member for Dunholme and Welton make up the opposition group, while the third group comprises of two Lincolnshire Independent Councillors.

<b>Group</b>	<b>Number of Members</b>
Liberal Democrat Administration	19
The Opposition Group	15
Lincolnshire Independents	2

West Lindsey District Council operates a committee model of Governance under the Localism Act 2011. This has ensured that there is a more democratic approach to decision making with no elected member having any individual executive power to make decisions and requiring committees to be politically proportionate. The Council's Constitution sets out how the Council operates.

The Council uses its Constitution as a basis from which decision making, delegations and matters relating to the ability to meet legislative and statutory requirements are considered. Following legislative changes in May 2021 the Council returned to face-to-face Committee meetings.

The Council is working to its Corporate Plan covering the period 2019-2023. It sets out the Council's vision for the District and sets out key strategic objectives which will deliver desired outcomes for communities. The Corporate Plan is explicitly aligned to the Medium-Term Financial Plan (MTFP) and Executive Business Plan which details key corporate activity which will support the achievement of the Council's aims and objectives. This ensures that the aspirations in the Corporate Plan are realistic within the context of the funding constraints placed on the Council.

The Council continued to deliver its Corporate Priorities, including the following major projects:

### **Our People**

- Implementing a framework for co-ordinating and delivering cultural activity across the district.
- Supported the Jubilee programme of events across the district
- Delivered an events programme for Townscape Heritage and Mayflower 400
- Extended the Viable Housing Scheme to meet the accommodation needs of those not eligible for social housing
- Enabled the delivery of extra care housing to support those with specific needs
- Implemented the First Homes affordable housing scheme
- Extended the Employment and Skills Partnership

### **Our Place**

- Continued to implement projects associated with the 'Thriving Gainsborough' Programme, delivered via the Levelling Up Fund
- Maintained delivery of projects outlined in the Council's Growth Programme
- Developed and delivered the Open and Green Space Strategy

### **Our Council:**

- Progressed the Council's transformational Together 24 Programme, incorporating people led change and technology enabled service reviews
- Implement and embed phase one of the 'One Council' system incorporate finance and performance management
- Delivered separate paper and card kerbside collections as part of the Lincolnshire Waste Partnership

The Constitution of the Council establishes the roles and responsibilities of the Full Council, Policy Committees, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication in respect of the authority and partnership arrangements.

The Constitution is reviewed annually to ensure it continues to be fit for purpose.

The Constitution also contains rules of procedures (standing orders and financial regulations) that define clearly how decisions are taken and where authority lies for decisions. The statutory roles of Head of Paid Service, Chief Financial Officer and Monitoring Officer are described, together with their contributions to provide robust assurance on governance and to ensure that expenditure is lawful and in line with approved budgets and procedures. The influence and oversight exerted by these posts is backed by the post-holders' membership of the Council's Management Team.

The council has developed, communicated and embedded codes of conduct, defining the standards of behaviour for both Members and staff. Officer training needs have been identified through development appraisals and reviews, enabling

individuals to undertake their present roles effectively and have the opportunity to develop to meet their own and the Council's current and future needs.

The Council has successfully concluded its LGA Peer Review Challenge which began in January 2020.

The Council is pleased that the Peer Challenge follow-up recognises the significant progress that has been made since 2020 to implement the recommendations and, in many cases, go beyond these to deliver further improvements to service delivery, ensure greater strategic alignment, secure a highly skilled and resilient workforce and ensure financial resilience, all of which puts residents at the heart of Council activity in-line with its core values. The Council remains ambitious in its plans and recognises there is always more to do.

West Lindsey's next full peer challenge is scheduled to take place in 2024 and officers are working to prepare for this in collaboration with key stakeholders and decision makers.

The Internal Audit Plan 2022-23 was agreed by the Governance and Audit Committee. All the audits completed in year achieved either High or Substantial assurance.

The Annual Audit Internal Audit Report for 2022-23 was presented to the Governance and Audit Committee in July 2023. The report stated that for the twelve months ending 31 March 2023 the Council's arrangements for governance, risk management and control framework have continued to be strong. Based on the work Internal Audit have undertaken and the wider information obtained from other assurance sources; the Head of Internal Audit's opinion on the adequacy and effectiveness of the Council's arrangements for governance risk management and control is:

Governance – Performing Well  
Risk – Performing Well  
Internal Control – Performing Well  
Financial Control – Performing Well

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework and including the system of internal control.

The review is informed by:

1. The Combined Assurance report – made up from:
  - a. Feedback from senior managers within the authority who have responsibility for the development and maintenance of the governance environment and its effectiveness within their areas.
  - b. The findings from the Annual Audit work plan
  - c. Third Party assessment e.g., peer review, external consultancy
2. The Annual Review of Comments, Compliments and Complaints
3. The Annual Monitoring Officer Report and Review of the Constitution

4. The Annual Review of the Effectiveness of Internal Audit
5. Reviews of Whistleblowing
6. The Annual Review of Fraud
7. The Head of Internal Audit's Annual Report
8. Review of Strategic Risks
9. Comments made by external auditors and other review agencies.

These reviews have been considered by the Governance and Audit Committee as well as a draft version of this AGS. As a result, the arrangements are deemed as being fit for purpose.

## **5. Significant Governance Issues**

No significant governance issues have been identified in 2022-23

## **6. Governance Risks - Areas for Improvement during 2023-24 (year ahead)**

Whilst we are satisfied with the effectiveness of the corporate governance arrangements and systems of internal control, as part of our continued efforts to improve governance, the following issues have been identified as risks or areas for improvement as part of the 2022-23 Annual Governance Statement process.

An action plan will be implemented to ensure activity takes place to monitor the following risks and monitor improvements required:

- Loss of key staff – ensure that processes are fully documented, succession plans are in place where appropriate, identify activities which are overly reliant on one individual.
- Financial settlement – continue to update the MTFS as we gain greater certainty on the level of funding for future years.
- Continue the review of corporate procurement procedures (carried forward from last year). The Council historically has bought in services from Lincolnshire Procurement but due to recruitment issues they can only provide a limited service.

## **7. Approval of the Annual Governance Statement 2022-23**

The council is satisfied that appropriate and effective governance arrangements have been in place for 2022-23.

### **Signed by:**

Ian Knowles  
Chief Executive, West Lindsey District Council  
Xx/xx/2023

Councillor Trevor Young  
Leader, West Lindsey District Council  
Xx/xx/2023



Governance and Audit  
Committee

Tuesday, 26 September  
2023

**Subject: Internal Audit Quarter 1 Report 2023/24**

Report by:

Head of Service – Corporate Audit & Risk  
Management – Lincolnshire County Council

Contact Officer:

Emma Foy, Director of Corporate Services and  
Section 151 Officer

[Emma.foy@west-lindsey.gov.uk](mailto:Emma.foy@west-lindsey.gov.uk)

Purpose / Summary:

The report gives members an update of progress,  
by the Audit partner, against the 2023/2024  
annual programmes agreed by the Audit  
Committee in April 2023.

**RECOMMENDATION(S):**

That Members consider the content of the report and identify any actions  
required.

## IMPLICATIONS

**Legal:** None.

**Financial: FIN/70/24/GA/SL**

There are no financial implications arising from this report. Information contained within the report.

**Staffing :** None.

**Equality and Diversity including Human Rights :**

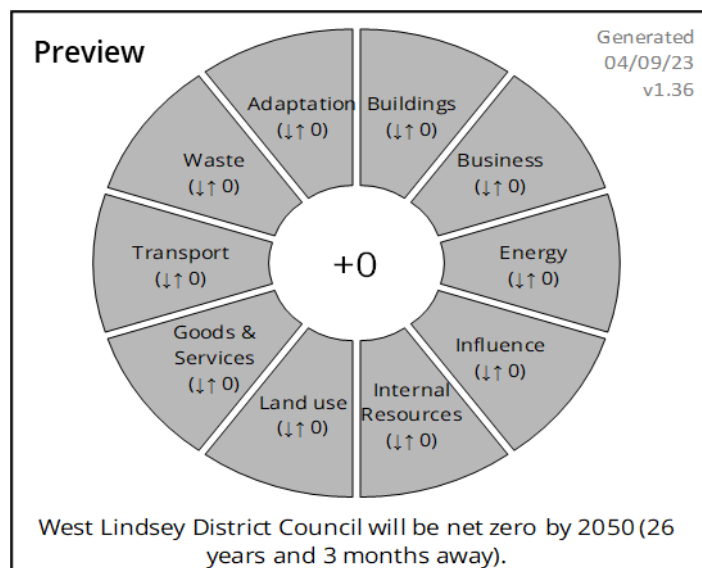
None.

**Data Protection Implications :**

None.

**Climate Related Risks and Opportunities:**

None directly arising from this report.



**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**



## **Internal Audit Progress Report – September 2023**

The Head of Internal Audit is required to provide a written status report to Senior Management and Members, summarising internal audit activity.



# Table of contents

Role of Internal Audit .....3

The purpose of the document ..... 4

Performance dashboard..... 5

Update on Internal Audit Activity..... 6

Analysis of ‘live’ audit reviews ..... 7

Executive summaries ..... 9

Planning and resourcing .....12

Work programme .....12

**Appendices:**

Appendix 1 – Overdue critical/high priority actions .....14

Appendix 2 – Overdue medium/low priority actions.....15

# Role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

*'Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards and guidance.'*

The standards for 'proper practices'; are laid down in the Public Sector Internal Audit Standards [the Standards -updated 2017].

The role of internal audit is best summarised through its definition within the Standards, as an:

*'Independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.'*

The District Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the District Council that these arrangements are in place and operating effectively.

The District Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.

# The Purpose of the Report

In accordance with the proper internal audit practices (Public Sector Internal Audit Standards), and the Internal Audit Charter, the Head of Internal Audit is required to provide a written status report to Senior Management and Members summarising:

- the status of live internal audit reports.
- an update on progress against the internal audit plan.
- a summary of internal audit performance, planning and resourcing issues; and
- a summary of significant issues that impact of the Head of Internal Audits annual opinion.

From June 2023, internal audit reviews culminate in a revised opinion rating on the assurance that can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives of the service area under review. Assurance opinions are categorised as follows:

**Substantial** A reliable system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

**Adequate** There is a generally reliable system of governance, risk management and control in place. Some issues of non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

**Limited** Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.

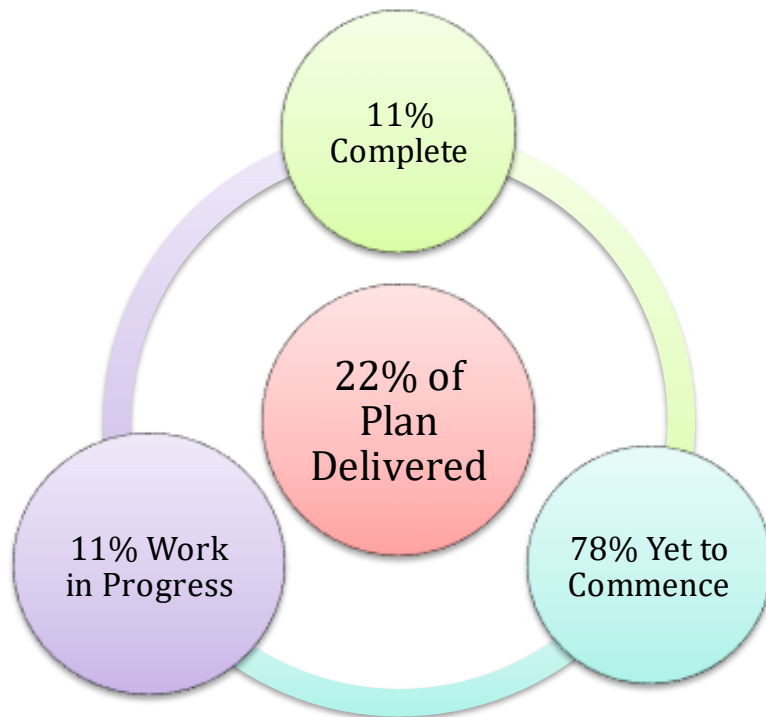
**No** Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control are inadequate to effectively manage risks in the achievement of the objectives for the area audited.

This is a change to the assurance categorisation used during 2022/2023.

The revised ratings align with terminology widely used across the public sector. They also provide less subjective definitions and improved understanding for areas of non-compliance or in monitoring the work required for any fundamental deficiency identified.

# Performance Dashboard

Figure 1



**Figure 1** shows the completion of the internal audit plan to date. The team has been introduced to individually planning audit reviews to support timely delivery and reporting. Line managers are involved in the oversight of delivery plans for each audit and responsible for delivery on milestones agreed during the planning stage.

**Figure 2** shows the feedback received for the work completed. There is an expectation that all clients will provide feedback on their audit experience with the team. The results of audit feedback will be used by managers in developing team and individual improvements as well as to inform training requirements and quality learning across the entire audit team.

We have not yet received feedback for the 2023/24 Equality Impact Assessment audit due to staff absence.

Figure 2



# Update on Internal Audit Activity

Following agreement of the 2023/24 Audit Plan at Committee in June we have completed one internal audit review and we have two in progress. We are working with management to schedule the remaining audits across the rest of the year, and we are putting resources in place to deliver them.

## Completed

Equality Impact Assessments – Adequate Assurance

## In Progress

Cyber Security

Key Project – Refurbishment of Saxilby Footbridge

Since January 2023, the incoming Head of Internal Audit has undertaken an evaluation of the resource levels, audit delivery/understanding skills and organisation routines. Several developments have arisen from this evaluation. These have been staged into the audit strategy for the coming three years. Year one, 2023/2024, includes the development and delivery of essential training.

Most of the training delivered so far has been designed and delivered by the Head of Internal Audit directly. The delivery of this essential work resulted in a pause to the internal audit work across all clients, including West Lindsey District Council. Internal audit assurance work recommenced from 1<sup>st</sup> June 2023 with revised routines and processes in place. A mixed approach to training will continue including shadowing colleagues, dual auditors completing audit

assignments and one to one training with both the Principal Auditor and Internal Audit Manager.

An improvement strategy for the current year has been shared and understood across the team. Audit colleagues are now turning their attention to delivering internal audit reviews using the revised methodology, communications, timescales, reporting and quality assurance.

The final assurance rating will be awarded by the Head of Internal Audit to ensure consistency and validity in the decision.

# Analysis of Audit Reviews

The table below shows the audits completed since April 2023 along with details of the actions. All actions have either been implemented or are not yet due. As such, there are no overdue actions to report during this period.

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Total Management Actions	Not Accepted	Not Yet Due	Completed	Overdue					
<b>2022/23</b>								<b>High</b>	<b>Medium</b>				
ICT Patch Management	Apr-23	Director Change Management & Regulatory Services	High	0	0	0	0	0	0	0	0	0	0
Page 85 ICT Asset Management	Apr-23	Director Change Management & Regulatory Services	Substantial	8	0	5	3	0	0	0	0	0	0
Key Control testing	May-23	Director of Corporate Services	Substantial	5	0	5	0	0	0	0	0	0	0
Key Project - CRM System	May-23	Director Change Management & Regulatory Services	Consultancy	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>								<b>0</b>	<b>0</b>				
<b>2023/24</b>								<b>High</b>	<b>Medium</b>	<b>Low</b>	<b>Critical</b>		
Equality Impact Assessments	Jul-23	Assistant Director People & Democratic	Adequate	6	0	5	1	0	0	0	0	0	0
<b>TOTAL</b>								<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The table below shows the actions remaining to be implemented from reports issued prior to April 2023. There are no high priority overdue actions; however there are 8 medium priority overdue actions.

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Total Management Actions	Not Accepted	Not Yet Due	Completed	Overdue	
								High	Medium
2020/21 ICT Email Security	02/02/2021	Director Change Management & Regulatory Services	Substantial	6	0	0	6	0	0
2021/22 Key Control testing	22/08/2022	Director of Corporate Services	Substantial	4	0	1	1	0	2
2021/22 Carbon Management	18/05/2022	Head of Policy & Strategy	Substantial	1	0	0	1	0	0
2022/23 Key Control testing	22/05/2023	Director of Corporate Services	Substantial	5	0	0	4	0	1
2022/23 Contract Management	21/12/2022	Management Team	Substantial	4	0	0	0	0	4
2022/23 Risk Management	19/04/2023	Director of Corporate Services	Substantial	5	0	1	3	0	1
<b>TOTAL</b>								<b>0</b>	<b>8</b>

# Executive Summaries of 'Limited' or 'No' Assurance Opinions

This section will share the number of limited or no assurance reports published since the last progress report. There have been no reports published during the period with this assurance rating.



# Executive Summaries of ‘Substantial’ or ‘Adequate’ Assurance Opinions

The table below provides a summary of the substantial or adequate assurance reports published since the last progress report.

Audit Review Title: Equality Impact Assessments					
Audit Sponsor	Assurance Opinion	Management Actions			
Assistant Director People & Democratic	Adequate	Low 0	Medium 6	High 0	Critical 0
<p><b>Summary of Key Observations:</b></p> <p>As part of the Internal Audit plan for 2023/24, audit have undertaken a review of Equality Impact Assessments (EIA’s) in order to provide assurance that they are understood, considered and where appropriate undertaken, as well as reviewing documentation and its use in decision making.</p> <p>The review found that the Equality &amp; Diversity Strategy aligns with the relevant legislation and the strategy includes the requirement for Equality Impact Assessments to be completed to assess the impact of Council decisions. The Council produces an Annual Equality, Diversity &amp; Inclusion report which includes an action plan. One action documented relates to delivering equality &amp; diversity training for Officers and Members. Additional training for EIA’s had been identified for the Management Team but not included within the action plan. Through our testing, we found that not all officers had received EIA training. There is also reference within this report of developing a process for completing an EIA register, this too was not captured in the action plan.</p> <p>The Council has EIA guidance and a template for use by officers however we found that there were three versions currently in use and being submitted to Council for decision as well as not being consolidated into one document but across a suite of documents and locations.</p>					

A number of recommendations were made to strengthen the processes in place, which included: -

- Completing equality and diversity training for all Officers and Members.
- Completing EIA training for the Management Team.
- Consolidating EIA guidance into one document.
- Having one approved version of the EIA template.
- Using effective and appropriate version control for all internal documents.
- Using the Annual Equality, Diversity and Inclusion Report's action plan to document and monitor completion of these actions and provide reporting to management and members.

# Planning and Resourcing

Following agreement of the 2023/24 Audit Plan at Committee in June we continue to liaise with managers to schedule the audits in across the rest of the year. We have recently completed a successful recruitment campaign and from September 2023 we will have some additional resource to support the delivery of the audit plan.

Quarter 1 work has mainly focused on completing the audits carried over from 2022/23 as well as resetting requirements, delivering training and sharing internal audit training across the team.

The table below shares an update on the delivery programme for the Council’s audits. This will include audit assignments from 2022/23 and 2023/2024. The report will hold a maximum of two years of internal audit work to allow the progress and delivery to be monitored. As there has been a change to the assurance ratings applied to assurance work from 2023/2024, the equivalent updated rating has been included for 2022/2023.

## Work Plan

Audit Review	Audit Sponsor	Scoping	Audit Objective	Fieldwork	Draft Report	Final Report	Assurance Opinion / Equivalent
<b>ASSURANCE WORK 2022/2023</b>							
ICT Patch Management	Director Change Management & Regulatory Services	✓	✓	✓	13/01/23	12/04/23	High
ICT Asset Management	Director Change Management & Regulatory Services	✓	✓	✓	01/04/23	06/04/23	Substantial
Key Control testing	Director of Corporate Services	✓	✓	✓	19/05/23	22/05/23	Substantial
Key Project – CRM System	Director Change Management & Regulatory Services	✓	✓	✓	04/05/23	22/05/23	Consultancy

Audit Review	Audit Sponsor	Scoping	Audit Objective	Fieldwork Commences	Draft Report	Final Report	Assurance Opinion or Equivalent
<b>ASSURANCE WORK 2023/2024</b>							
Equality Impact Assessments	Assistant Director People & Democratic	✓	✓	16/06/23	25/07/23	02/08/23	Adequate
Key Project Review – Refurbishment of Saxilby Footbridge	Director Planning, Regeneration & Communities	✓		25/09/23			
ICT Cyber Security	Director Change Management & Regulatory Services	✓	✓	25/09/23			
Combined Assurance	Director Corporate Services			November			
ICT Incident Management	Director Change Management & Regulatory Services			December			
Key Control testing	Director Corporate Services			January			
Levelling Up Fund Phase 2	Director Planning, Regeneration & Communities			January			
Performance Management	Director Change Management, ICT & Regulatory Services			January			
Safeguarding Policy	Assistant Director People & Democratic			February			
Procurement	Director Commercial & Operational Services			TBC			

## Overdue Critical or High priority actions

There are no overdue Critical or High priority actions to report during this period.

## Overdue Medium and Low priority actions

Audit Review	Audit Sponsor	Priority	Agreed Action	Owner	Original Due Date	Current Due Date	Comments
WLDC 2021/22 Key Control Testing	Director of Corporate Services	Medium	The Contracts area of the Enterprise Resource Planning system (ERP) has not yet been developed or implemented. As such, Pro-contract remains the master database for all contracts. This is fully understood by Contracts Officers and Finance Officers. When the ERP is fully developed, and data is structured we will then move away from Pro-contract and use the ERP to manage contractual information. Full training will be provided to officers.	Business Development Officer	30/06/23	30/06/23	Once the Contracts area has been developed and tested and guidance has been drawn up, training will be arranged for all relevant officers. This remains ongoing.  <i>Revised due date- 31/12/23</i>
WLDC 2021/22 Key Control Testing	Director of Corporate Services	Medium	Where implementation of an area is completed, we will ensure that all procedure manuals are completed. Procedure manuals for areas in progress will be completed in	Principal Corporate Accountant	30/11/22	01/08/23	Work has commenced; however these are still in progress.  <i>Revised due date – 31/10/23</i>

			advance of these areas being released for use.				
WLDC 2022/23 Key Control Testing	Director of Corporate Services	Medium	All accounts on hold will be reviewed on a bi-monthly basis to ensure debt is being pursued.	Revenues Manager	30/06/23	30/06/23	Not yet implemented.  <i>Revised due date – 31/10/23</i>
WLDC 2022/23 Contract Management	Management Team	Medium	Supplementary contract management guidance should be produced which sets out in more detail the expectations of how each aspect of contract monitoring should work.	Business Development Officer	01/04/23	01/04/23	Section 15 of the Contract Procedure Rules (CPR's) have been expanded and a separate, more detailed 'Contract Management' guidance will be completed by October 2023. Once approved. It will be circulated to all Contract Managers and the Contracts Officer (CO) will, if required, attend Service Team Meetings to answer any questions.  <i>Revised due date - 31/12/2023</i>
WLDC 2022/23 Contract Management	Management Team	Medium	We will continue to work with Procurement Lincolnshire and have the conversation about the capacity they have to deliver training. This will take longer than the other actions.	Business Development Officer	01/06/23	01/06/23	As Procurement Lincolnshire have been unable to provide training since 2018, the Council has engaged an external company to provide two training days so far on procurement and

							commercial awareness. More tailored training is needed to upskill on specific areas such as specification writing and contract management & monitoring. This will be looked at being delivered in 2024/2025.  <i>Revised due date- 30/06/24</i>
WLDC 2022/23 Contract Management	Management Team	Medium	Will work with the Property and Assets Manager to look at contracts and decide if formal risk registers for each contract is needed. We feel that there is strong contract management in place but performance is key in all major contracts so we will be looking for a consistent approach to avoid reputational damage	Business Development Officer	01/04/23	01/04/23	There is a brief reference to Contract Risk in the Council's Risk Management Strategy, and a section has been included in the CPR's. A more detailed guidance will be provided by December 2023. A risk register will be in place for those contracts requiring one by 31/03/2024.  <i>Revised due date- 31/03/24</i>
WLDC 2022/23 Contract Management	Management Team	Medium	Agreed to confirm with contract managers.  a) that service failure areas should be part of routine performance monitoring	Business Development Officer	01/04/23	01/04/23	a - c) Will continue to liaise with Contract Managers to ensure templates are in place and records kept of any issues/changes to the contracts.  d) Will continue to ensure that Contract Managers inform the Contracts Officer



			<p>b) to clearly record who is responsible for an action and the target date for completion.</p> <p>c) to follow and monitor financial requirements in contracts.</p> <p>d) If a deviation is required, this should be formally acknowledged using a contract variation.</p> <p>Ensure that these recommendations are captured within guidance and training for contract managers.</p> <p>e) The change of the approval threshold on the Vehicle Maintenance contract from £250 to £500 should be formally acknowledged as a contract variation.</p>				<p>of any deviations in order that formal documentation can be issued.</p> <p>e) Change of approval has been formally documented between the Council and the Supplier</p> <p><i>Revised due date- 31/10/23</i></p>
WLDC 2022/23 Risk Management	Director of Corporate Services	Medium	The Corporate Governance Officer completes a partnership risk review	Corporate Governance Officer	01/06/23	01/06/23	<p>This will be complete by the 31 October 2023.</p> <p><i>Revised due date- 31/10/23</i></p>

# Agenda Item 6d



**Governance and Audit  
Committee**

**26 September 2023**

**Subject: Six Month Review of Strategic Risks**

Report by:

Assistant Director People & Democratic Services

Contact Officer:

Katy Allen  
Corporate Governance Officer  
[katy.allen@west-lindsey.gov.uk](mailto:katy.allen@west-lindsey.gov.uk)

Purpose / Summary:

To present to the G&A Committee for review, the strategic risks facing the Council as at September 2023

## **RECOMMENDATION(S):**

For G&A Committee:

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/71/24/JA**

There are no financial implications arising from this report.

(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**

Any changes to projects/services/policies would require their own EIA to be carried out.

**Data Protection Implications: None**

**Climate Related Risks and Opportunities:**

The Strategic Risk register records, monitors and mitigates the risks of the Council not achieving its Corporate Plan and statutory objectives. This has been taken into account within these Strategic Risks in line with the Corporate Plan 2023-27.

**Section 17 Crime and Disorder Considerations: None**

**Health Implications: None**

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

<https://www.west-lindsey.gov.uk/my-council/how-the-council-works/key-plans-policies-and-strategies/risk-management/>

**Risk Management Strategy 2019-2023**

<b>Risk Assessment: None</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**

**x**

**Key Decision:**

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

**Yes**

**No**

**x**

## Summary of Strategic Risks – as at September 2023

Emma Foy	Inability to set a sustainable balanced budget	Our Council
	Cost related to the proposed asylum centre at Scampton has an adverse impact on financial sustainability	Our Council
Ady Selby	The quality of services do not meet customer expectations	Our Council
	Inability to maintain critical services and deal with emergency events	Overarching
Sally Grindrod-Smith	Inability to raise local educational attainment and skills levels	Our People
	Inadequate support is provided for vulnerable groups and communities	Our People
	Health and wellbeing of the District's residents does not improve.	Our People
	The local housing market and the Council's housing related services do not meet demand	Our Place
	The local economy does not grow sufficiently	Our Place
Nova Roberts	Insufficient action taken to create a cleaner and safer district	Our Place
	ICT Security and Information Governance arrangements are ineffective	Overarching
	Inability to maintain service delivery with the amount of change initiatives	Overarching
Jeanette McGarry	Inability for the Council's governance to support quality decision making	Our Council

	Failure to comply with legislation including Health and Safety matters	Overarching
Rachael Hughes	Central Lincolnshire Local Plan does not deliver land required for sustainable development to meet the needs of residents, businesses and communities	Overarching
	Inability to deliver our Climate change ambitions and not deliver net zero carbon emissions by 2050	Our Place

## 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. (Previously presented March 2023)

## 2 Monitoring Arrangements

- 2.1 The strategic risks are presented to the Council's Management Team for review.
- 2.2 The Management Team 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 Following the production and adoption of the Council's new Corporate Plan 2023-2027, it has been necessary to revise the strategic risks facing the Council.
- 2.5 In revising the strategic risks, there has been a number of changes. Most changes are to the commentary, current controls or actions needed. However where changes have affected the score or it is a new risk these are noted below:

<b>Strategic Risk</b>	<b>Change</b>	<b>Owner</b>
Cost related to the proposed asylum centre at Scampton has an adverse impact on financial sustainability	New Risk	Emma Foy
Inability for the Council's governance to support quality decision making	Change to the likelihood score due to a new administration.	Jeanette McGarry
Central Lincolnshire Local Plan does not deliver land required for sustainable development to meet	New Risk	Rachael Hughes

the needs of residents, businesses and communities		
Inability to deliver our Climate change ambitions and not deliver net zero carbon emissions by 2050	New Risk	Rachael Hughes

2.6 The full detailed list of 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> </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> </ul>



<ul style="list-style-type: none"> <li>• Adverse national media coverage</li> <li>• Failure to achieve Corporate Plan objective</li> </ul>	<ul style="list-style-type: none"> <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. Recommendation**

4.1 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: <b>Emma Foy</b>	Date: Reviewed 29 August 2023			
Description of Strategic Risk: <b>Inability to set a sustainable balanced budget for 2024-25</b>					
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score
<p>1.Commercial ventures do not realise expected financial gains.</p> <p>2.Government funding arrangements do not match estimates used in financial modelling.</p> <p>3.Outcomes of: Business Rates Review; Fairer Funding Review; Comprehensive Spending Review; expected savings, efficiency or income initiatives do not deliver expected benefits.</p> <p>4.Cessation of grant/match-funding streams.</p> <p>5.Growth forecasts for District are not realised.</p> <p>6.Unanticipated rise in demand for services.</p> <p>7.Invest Gainsborough does not deliver.</p> <p>8.Schemes for other market towns do not materialise.</p> <p>9.Business planning is not robust.</p> <p>10. Ongoing financial impacts of Covid-19, cost of living issues and Ukraine developments.</p>	<p>1.Case for Gainsborough is not made (Place make).</p> <p>2.Cuts or reductions in services.</p> <p>3.Staff redundancies.</p> <p>4.Inability to deliver Corporate Plan priorities.</p> <p>5.Growth of the District stagnates.</p> <p>6.Reputational damage.</p>	<p>1.MTFP in place.</p> <p>2.Successful commercial trading and investment programme.</p> <p>3.Annual business planning.</p> <p>4.Regular budget monitoring.</p> <p>5.Identification and use of grant-funding opportunities.</p> <p>6.Value for Money Strategy adopted.</p> <p>7.Lobbying strategy.</p> <p>8.Regular review of the commercial property portfolio.</p> <p>9.Volatility and risk reserves maintained.</p> <p>10.Resilience indicators developed and monitored.</p> <p>11. Working Balance minimum set at £2.5m.</p> <p>12. Commercial risk indicators set.</p> <p>13. Working jointly across Lincolnshire to mitigate inflationary pressures.</p>	1	4	Current Score: 4
					Target Score: 4
					Next Risk Review Date: 30/11/2023
			<p>Commentary:</p> <p>We are currently modelling the 2024/25 budget based on known data.</p> <p>We are likely receive a provisional settlement in November 2023 where we can model expected rates retention.</p> <p>A briefing will be provided to Members on the 4<sup>th</sup> September 2023 to manage expectations and to provide further information and guidance to Members.</p> <p>Budget consultation with residents is in progress.</p> <p>The key challenge is expected to be for budget setting 2025-26.</p>		
Actions for Improvement		Completion Date	Officer		
None					

Risk Ref: Our Council		Risk Owner: <b>Ady Selby</b>		Date: Reviewed 18 August 2023	
Description of Strategic Risk: <b>The quality of services do not meet customer expectations</b>					
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score
<p>1. Poorly trained staff.</p> <p>2. Systems and processes do not adequately support service delivery.</p> <p>3. Resources available do not match demands on services.</p> <p>4. Higher than expected customer expectations.</p> <p>5. Insufficient attention paid to customer feedback.</p> <p>6. The inability to meet current and future need and demand based on evidence and insight.</p>	<p>1. Rise in number of complaints.</p> <p>2. Reputational damage.</p> <p>3. Financial loss - compensation costs and income reductions.</p> <p>4. Reduction in market share of traded services.</p> <p>5. Ineffective support for vulnerable customers.</p>	<p>1. Procedure in place to receive customer feedback, including complaints.</p> <p>2. Customer Experience Officer appointed.</p> <p>3. Training and development plans for officers.</p> <p>4. Performance measures in place/monitored and reported.</p> <p>5. T24 service reviews underway.</p> <p>6. Continual development of Customer Relationship Management (CRM) technology.</p> <p>7. Robust performance mgt in place.</p> <p>8. Benchmarking processes in place.</p> <p>9. Dedicated corporate training budget.</p> <p>10. Customer Experience Strategy being developed including action plan.</p> <p>11. Quality Management Board in place.</p> <p>12. New structure being rolled out in Customer Services including strengthening links with service areas.</p>	2	3	Current Score:6
					Target Score:4
					Next Risk Review Date: 30/11/2023
			<p>Commentary:</p> <p>The T24 programme is designed to put the customer at the centre of every service and will help to mitigate this risk.</p> <p>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.</p> <p>New CRM and other procured software will strengthen the quality of retained information.</p>		
Actions for Improvement		Completion Date		Officer	

Continual development of CRM and ERP systems	30/4/2023	Daniel Reason
Continual development of P&D reporting and review of measures	31/10/2023	Lyn Marlow
Development and adoption of Customer Experience Strategy	30/4/2024	Lyn Marlow

Risk Ref: Our Council	Risk Owner: <b>Jeanette McGarry</b>	Date: Reviewed 31 August 2023				
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. Delays to Member training. 3. Lack of political awareness from Staff. 4. Out of date Council Constitution. 5. Ambiguity around the ambitions of the Council. 6. Member/Officer relations.	1. Inefficient use of resources. 2. Reputational loss. 3. Rise in no. of Standard Complaints. 4. Judicial Reviews and Planning Appeals. 5. Delay in delivery/cancellation of key Council projects. 6. Concerns from Internal/External Auditors and others in relation to governance arrangements. 7. Poor Staff/Member working relationships and low morale.	1. Member and Staff training and development programmes in place. 2. Member/Officer protocols established. 3. Annual review of the Council's Constitution. 4. Member's Code of Conduct and Officer Code of Conduct in place. 5. Robust corporate governance framework. 6. Annual schedule of audits and internal/external audit oversight. 7. Corporate Plan 2023-27 approved. 8. Programme Boards operating to oversee project development. 9. Regular Chief Executive/Leader discussions.	2	3	Current Score:6	
						Target Score: 3
			Next Risk Review Date: 31/10/2023			Commentary: A new Administration was elected in May 2023. There is a large number of new Members and it is essential that training and support is provided to all to ensure that we operate in a legally sound and compliant way. Officer training on political awareness due to take place in September 2023 with Wider Management Team. Leader and Deputy Leader commencing LGA Leadership Training for Councillors.
Actions for Improvement		Completion Date	Officer			
Six monthly review of Strategic Risks		31/10/23	Katy Allen			
To complete Member Induction and training.		31/12/23	Emma Foy			

Risk Ref: Our People	Risk Owner: <b>Sally Grindrod-Smith</b>		Date: Reviewed 28 August 2023			
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. 6. Loss of existing provision.	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. Continue to be part of the Enterprise Adviser network, supporting careers advice and provision amongst all secondary and special schools. 4. WLDC establish and lead Further Education Taskforce. 5. UKSPF investment plan and Multiply delivery. 6. Engage with UKAEA and skills providers across Lincolnshire and Nottinghamshire to develop skills provision for STEP Fusion plant.	3	3	Current Score: 9	
					Target Score: 9	
			Next Risk Review Date: 31/03/2024			Commentary: Employment and Skills Partnership have been engaged in the development of the skills element of the UKSPF. Initial support through UKSPF now in place to ensure continuity with EU programmes. The team are working with LCC who are responsible for the Multiply element of the UKSPF which focuses on numeracy to ensure provision is made available where needed across the district. Short term Further Education Taskforce established with two meetings to date and seeking to agree meeting dates with new administration. Fully engaged with UKAEA on their skills programme to seek maximum benefit for West Lindsey.
Actions for Improvement		Completion Date	Officer			
Implement the Employment and Skills partnership action plan		31/03/2024	Amanda Bouttell			
Delivery of UKSPF Skills theme		31/03/2025	Amanda Bouttell			

Risk Ref: Our People	Risk Owner: <b>Sally Grindrod-Smith</b>	Date: Reviewed 28 August 2023				
Description of Strategic Risk: <b>Inadequate support is provided for vulnerable groups and communities</b>						
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score	
<p>1. Lack of strategic focus on relevant matters.</p> <p>2. Inability to identify and reach vulnerable groups.</p> <p>3. Insufficient/inaccurate data analysis to establish need.</p> <p>4. Lack of engagement with and from vulnerable groups.</p> <p>5. Impact of cost of living crisis on all communities.</p> <p>6. Impact of cost of living crisis on communities that are already identified as vulnerable.</p>	<p>1. Cycle of dependency is perpetuated.</p> <p>2. Demand pressures on services and resources.</p> <p>3. Rural Isolation and increase in rural poverty.</p> <p>4. Increased demand on formal/informal support networks.</p> <p>5. Inability of communities to reach self-sufficiency.</p> <p>6. Health inequalities widened.</p>	<p>1. Innovation re service provision.</p> <p>2. Targeted enforcement project in private rented sector currently being developed.</p> <p>3. Focused support for residents of Hemswell Cliff.</p> <p>4. Development of normalisation strategy for Scampton.</p> <p>5. Safeguarding policies and procedures operating.</p> <p>6. Wide-range of enforcement tools.</p> <p>7. Effective multi-agency partnership working.</p> <p>8. Communities at Risk Strategy in place.</p> <p>9. Audit recommendations adhered to.</p> <p>10. Housing and Wellbeing Board have oversight.</p> <p>11. UKSPF Investment Plan with focus on communities.</p> <p>12. Working through Multi Agency Forum to minimize impact of Home Office Asylum proposals.</p>	3	3	Current Score: 9	
						Target Score: 6
			Next Risk Review date: 31/03/2024			
<p>Commentary:</p> <p>Full business cases for UKSPF agreed and approved and now in delivery with key focus on communities.</p> <p>Focus on support for Afghan; Ukraine and resettlement of asylum seekers continues.</p> <p>Work to maintain stability created in Hemswell Cliff has progresses well, showing that the normalisation strategy process is working.</p> <p>Focus on future of community at Scampton is established within planning framework. A development partner appointed however Home Office asylum proposals creating significant long term risk.</p> <p>Ongoing work in SWW by Safer Streets Community Development Project Officer has led to informal 'Together' initiative. Focus moving forward is that the community is empowered to drive forward projects.</p>						

Actions for Improvement	Completion Date	Officer
P3 project review and next steps proposals	31/03/2024	Sarah Elvin
SWW informal Partnership (Together) further developed and governance structure in place	30/09/2023	Grant White
Continue to work with public sector colleagues to secure sustainable future for RAF Scampton	31/03/2025	Sally Grindrod-Smith



Risk Ref: Our People	Risk Owner: <b>Sally Grindrod-Smith</b>	Date: Reviewed 28 August 2023			
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
<p>1. Failure of leisure contract.</p> <p>2. Outreach service is ineffective.</p> <p>3. Wellbeing service does not achieve outcomes.</p> <p>4. Lack of understanding across the system of District Council role in Health.</p> <p>5. Failure to meet housing and housing related support needs.</p> <p>6. Lack of employment opportunities, mismatch of vacancies and skills.</p>	<p>1. Increased burden on services and budgets across the system.</p> <p>2. Reduced life expectancy and health for residents.</p> <p>3. Less economically active residents.</p> <p>4. Adverse economic impact on district.</p> <p>5. Council Tax support costs increase.</p> <p>6. Potential impact on the on-going viability of leisure services.</p> <p>7. Increase in health inequalities.</p>	<p>1. Leisure Contract monitoring.</p> <p>2. Everyone Active Community Wellbeing Plan developed.</p> <p>3. Wellbeing service in place and promoted with clear objectives.</p> <p>4. WLDC Wellbeing Lincs Management Board representation.</p> <p>5. West Lindsey representation on Housing, Health and Care delivery group and progress against Homes for Independence Blueprint delivery plan monitored.</p> <p>6. Representation on Health Inequalities Programme Board.</p> <p>7. Development and delivery of District Health and Wellbeing Strategy.</p>	3	3	Current Score: 9
					Target Score: 6
					Next Risk Review date: 31/04/2024
<p>Commentary:  Lincolnshire District wide Health and Well-being Strategy adopted. Actions being developed through business planning and co-ordinated by Homes, Health and Well-being Manager.  Development of West Lindsey delivery plan aligned to H&amp;W Strategy.  Responsibility for the success of the leisure contract lies with Commercial Services however the impact of the contract will be viewed with a view to addressing health inequalities and not purely commercial return.  Alignment to Let's Move Lincolnshire Strategy.  Have regard to Better Lives Lincolnshire ICP Strategy.  Further developing WLDC's engagement across Well-being agenda, with particular focus on the provision of Disabled Facilities Grant funding and the allocation mechanism which is currently curtailing delivery.</p>					

Actions for Improvement	Completion Date	Officer
Develop appropriate actions to support the delivery of the Health and Well-being Strategy through the business planning process	31/03/2024	Sarah Elvin / Ellen King
Continue engagement with Primary Care Networks through Lincolnshire ICB structure	31/03/2024	Sarah Elvin

Risk Ref: Our Place		Risk Owner: <b>Nova Roberts</b>		Date: Reviewed 24 August 2023				
Description of Strategic Risk: <b>Insufficient action taken to create a cleaner and safer district</b>								
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score			
<p>1. Lack of robust enforcement policies.</p> <p>2. Lack of capacity to respond effectively to service demand.</p> <p>3. Ineffective messages about social responsibility.</p> <p>4. Ineffective partnership working arrangements.</p> <p>5. Inability to effectively implement new legislation.</p> <p>6. Unexpected outbreak of environmental or health related issue.</p>	<p>1. Residents of the District feel unsafe.</p> <p>2. Rise in number of crime and enforcement related incidents.</p> <p>3. Reputational damage.</p> <p>4. Increase in no. of complaints.</p> <p>5. Increased threat of illness/harm to residents.</p> <p>6. Adverse effect on natural wildlife habitats and bio-diversity.</p> <p>7. Demand pressures on front-line services.</p>	<p>1. Award winning Waste Collection and Street Cleaning Service.</p> <p>2. Trade Waste service provided.</p> <p>3. Refreshed (Mar 23) Enforcement policies operating to oversee all relevant areas.</p> <p>4. CCTV operations in place 24/7 pilot being rolled out.</p> <p>5. Press/media coverage of successful prosecutions and enforcement cases.</p> <p>6. Adequate officer capacity deployed to cover enforcement matters.</p> <p>7. Educating school children in recycling and sustainability.</p>	2	4	Current Score: 8			
						Target Score: 4		
						Next Risk Review Date: 31/01/2024		
			<p>Commentary:</p> <p>Single depot supports the continuing success of the waste service. both Street Cleansing and Waste Services won awards at the APSE annual seminar. Council agreement to fund work with schools to promote environmental and sustainability issues.</p> <p>Enforcement and environment teams fully resourced and have refreshed strategies and policy documents.</p> <p>Member Working Group established to produce an Environment and Sustainability Strategy.</p> <p>Restructure of street cleansing team to ensure futureproofing in place.</p> <p>Review of enforcement policies completed in March 2023.</p> <p>Review of PRS/Selective licensing scheme Bill.</p> <p>Member and Officer Flooding Working Groups established and reporting to O&amp;S.</p>					
Actions for Improvement		Completion Date		Officer				
Review options for PRS/Selective licensing scheme		30/09/2023		Andy Gray				

Risk Ref: Our Place	Risk Owner: <b>Sally Grindrod-Smith</b>		Date: Reviewed 28 August 2023				
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		
<p>1. Housing developers do not build in the District.</p> <p>2. Lack of suitable development land.</p> <p>3. Lack of intelligence on housing need/demand.</p> <p>4. New properties do not match need/demand of local housing market.</p> <p>5. Existing housing stock is in poor condition.</p> <p>6. Empty properties not brought back into use.</p> <p>7. Lack of Council strategic direction and understanding of statutory functions and associated tasks.</p> <p>8. Development and adoption of updated Local Plan to deliver housing to meet identified need.</p>	<p>1. Deterioration in condition of existing housing stock.</p> <p>2. Increase in number of empty properties.</p> <p>3. Increased homelessness and overcrowding.</p> <p>4. Increase in numbers of vulnerable residents.</p> <p>5. Increased pressure on housing services.</p> <p>6. Lack of growth across District.</p>	<p>1. Ongoing monitoring of Central Lincolnshire Local Plan.</p> <p>2. Housing Strategy adopted.</p> <p>3. Targeted enforcement project is being delivered and will be reviewed.</p> <p>4. Housing &amp; environmental health enforcement action taken.</p> <p>5. Viable housing solution, RSAP and NSAP properties acquired.</p> <p>6. Delivery of homelessness strategy.</p> <p>7. Temporary accommodation review undertaken. Project underway to deliver additional temporary accommodation.</p>	3	3	<b>Current Score:9</b>		
							Target Score:6
			Next Risk Review Date: 31/03/2024			<p>Commentary:</p> <p>Housing Strategy adopted and now published and in monitoring phase.</p> <p>Homelessness and rough sleeping strategy adopted.</p> <p>Five-year land supply in robust position.</p> <p>First Homes schemes with Homes England in progress with complex S106 works completed to enable delivery.</p> <p>Central Lincolnshire Local Plan adopted April 2023.</p> <p>Infrastructure Funding Statement to be published by December 2023.</p>	
Actions for Improvement		Completion Date	Officer				
Development of Supplementary Planning document to support investment in affordable housing through the planning system.		31/03/2025	Rachael Hughes				
Monitoring of Housing Strategy delivery Plan		31/03/2024	Sarah Elvin				
Review options for PRS/Selective licensing scheme		30/09/2023	Andy Gray				

Risk Ref: Our Place		Risk Owner: <b>Sally Grindrod-Smith</b>		Date: Reviewed 28 August 2023	
Description of Strategic Risk: <b>The local economy does not grow sufficiently</b>					
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score
<p>1. Slow take-up of strategic employment land.</p> <p>2. Ineffective marketing of the District to attract inward investment.</p> <p>3. Loss of a major employer(s).</p> <p>4. Workforce skills do not match needs of employers.</p> <p>5. Impact of wider economic conditions - inflation / recession.</p> <p>6. National government decision impacts local delivery.</p>	<p>1. GVA does not grow.</p> <p>2. Adverse effect on new job creation and upskilling of workforce.</p> <p>3. Migration of skilled/educated workers out of the District.</p> <p>4. Impinges on population growth ambitions.</p> <p>5. Closure of businesses across the District.</p> <p>6. Cost implications for programmes in delivery.</p>	<p>1. NNDR Policy established.</p> <p>2. Maintain sustainable Local Plan for Central Lincolnshire.</p> <p>3. Maintain close working relationship with Business Lincolnshire and LCC Inward Investment to ensure investment and growth queries are well supported.</p> <p>4. Develop West Lindsey's input into Strategic Infrastructure Delivery Plan and emerging infrastructure strategy.</p> <p>5. Ongoing marketing and promotion of district wide success across growth and development.</p> <p>6. Maintain effective working relationships with key funders to keep cost increases under review.</p> <p>7. Implement Levelling Up programme.</p> <p>8. Development and delivery of Economic Recovery Strategy leading to new Economic Development Strategy</p> <p>9. Implementation of UKSPF Investment Plan.</p>	3	3	Current Score:9
					Target Score:6
					Next Risk Review Date: 31/4/2024
			<p>Commentary:</p> <p>The council have approved an Economic Recovery Plan to support local recovery and growth.</p> <p>The WLDC bid to the Levelling Up Fund in 2021 was successful and the programme is now in delivery. Programme level risks are monitored by the LUF Programme Board.</p> <p>UKSPF Business Cases approved by Committee and now in delivery.</p> <p>New Economic Development / Growth Strategy to be developed ready for mid 2024 to include full review of economic baseline.</p> <p>Continued engagement with strategic partners such as University of Lincoln, UKAEA Greater Lincolnshire LEP and growth sectors is developing a strong strategic position for the growth of the district.</p> <p>Ongoing work to safeguard the investment and regeneration planned at RAF Scampton is a key element of our growth strategy.</p>		
Actions for Improvement		Completion Date		Officer	

Ensure profile and reputation of WLDC as place to invest and do business remains strong through networking and promotion of success. Review Place Board and consider options for the future.	Review 31/03/2024	Sally Grindrod-Smith
Revisit economic evidence base in support of next phase of Local Plan review aligned with development of economic growth / development strategy	01/09/2024	Sally Grindrod-Smith
Ongoing work to support the achievement of a development agreement to secure the future of RAF Scampton	31/03/2024	Sally Grindrod-Smith

Risk Ref: Overarching Risk	Risk Owner: <b>Nova Roberts</b>	Date: Reviewed 24 August 2023			
Description of Strategic Risk: <b>ICT Security and Information Governance arrangements are ineffective</b>					
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score
<p>1. Significant data breach or cyber loss of data.</p> <p>2. Successful cyber security incident.</p> <p>3. Lack of staff awareness or training.</p> <p>4. Inadequate infrastructure or ICT security arrangements.</p> <p>5. Lack of or inadequate policies and guidance.</p> <p>6. Contracts/sharing agreements with data processors/controllers that do not ensure clauses allowing movement of data to a third country.</p>	<p>1. Significant adverse impact on service delivery.</p> <p>2. Financial loss/fines imposed by ICO.</p> <p>3. Potential ransom demands for release of data.</p> <p>4. Reputational damage.</p> <p>5. Loss of personal and business-related data.</p> <p>6. Failure to maintain our legal compliance with the National Cyber Strategy requirement to mitigate known vulnerabilities.</p>	<p>1. Robust ICT security systems in place.</p> <p>2. Cyber Assessment Framework assurance.</p> <p>3. Up to date infrastructure and back-up arrangements (using the national 321 model).</p> <p>4. Business continuity arrangements established and updated.</p> <p>5. All ICT Policies reviewed, updated and approved March 23 including those covering ICT usage and information security.</p> <p>6. Data Protection Officer, Certified Information Systems Security Professional, Certified Information Security Manager and Senior Information Risk Owner roles in place.</p> <p>7. On-going training and awareness for staff; reinforced due to ongoing hybrid agile working arrangements.</p> <p>8. Process in place for the reporting and investigation of data breaches and learning loop applied.</p> <p>9. PCIDSS compliance.</p> <p>10. Rolling programme of audits completed in 22/23 High Assurance rating for ICT Patch Management, Substantial Assurance for Cloud Hosted Services, ICT Helpdesk and ICT Disaster Recovery. Next Cyber Security Audit in 23/24.</p> <p>11. Ensuring standard contractual</p>	2	4	Current Score:8
					Target Score:8
					Next Risk Review Meeting: 31/01/2024
<p>Commentary:</p> <p>Continuous monitoring of officer training and promotion of incident reporting will further mitigate against this risk.</p> <p>The role of Senior Information Risk Owner has been reallocated to the Interim Assistant Director and Monitoring Officer. All ICT Policies reviewed, updated and approved March 23. ICT audit completed in 22/23 providing High Assurance rating for ICT Patch Management, Substantial Assurance for Cloud Hosted Services, ICT Helpdesk and ICT Disaster Recovery. The ICT Team have full accreditation to undertake organisational cyber assessments as part of Cyber Essentials +. ICT Assurance Map full review completed for 2023/2024.</p> <p>Cyber Security Audit scheduled for 2023/2024.</p> <p>Cyber Security messaging and advice is provided weekly for officers and monthly for Members.</p>					

	<p>clauses are in place with data processors/controllers who hold data outside of UK.</p> <p>12. Insurance in place to cover costs of recovery from ICT failure/cyber attack.</p> <p>13. The ICT Team have the capability and certification to undertake organisational cyber assessments (Cyber Essentials +) and hold the following cyber accreditation's:          Certified Information Systems Security Professional (CISSP)          Certified Cloud Security Professional (CCSP)          Certified Information Security Manager (CISM)          Cisco Certified Network Engineer (CCNE)          Certified Ethical Hacker (CEH)          Microsoft Cloud Security</p> <p>14. Weekly staff message and monthly member message - provides cyber updates, advice and alerts.</p> <p>15. Fast time communication is used to mitigate threats.</p> <p>16. ICT Assurance Map review completed for 2023.</p>	
Actions for Improvement	Completion Date	Officer
Annual Review of the ICT Assurance Review (Assurance Lincs)	31/03/2025 (Completed for 2023/24)	Cliff Dean



Risk Ref: Overarching Risk	Risk Owner: <b>Jeanette McGarry</b>	Date: Reviewed 23 March 2023					
Description of Strategic Risk: <b>Failure to comply with legislation including Health and Safety matters</b>							
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score		
1. Breach of legislation. 2. Non-compliance with Council policies and procedures. 3. Failure to seek or follow legal advice. 4. Complaint from external organisation or member of public. 5. Whistleblowing report. 6. Increase of reportable incidents in specific work areas or activities. 7. Increase of insurance claims. 8. Accidents not reported or investigated. 9. Project work not planned effectively to control H&S risk. 10. Managers and employees not effectively trained in H&S matters. 11. Absence of robust H&S monitoring and recording system. 12. Fire Risk Assessments not up to date.	1. Reputational damage. 2. Financial loss. 3. Increase in Legal challengers. 4. Prosecution for H&S related incidents. 5. Employees injured through work activity. 6. Increased insurance claims and insurance premiums. 7. Member of public, contractor or employee injured at work, possible corporate manslaughter action. 8. Staff sickness rates increase due to lack of compliance with good H&S practice. 9. Increased employer/employee litigation.	1. Corporate H&S Officer in place. 2. H&S Champions across the Council. 3. General H&S training provided. Service specific H&S training and safe working procedures including lone working. 4. H&S incident reporting arrangements. 5. Service level H&S risk assessments undertaken and regular H&S walks undertaken to identify hazards. 6. Reporting to Mgt Team/JSCC on H&S incidents. 7. Regular H&S and stress mgt training for all staff. 8. Council subscription to Employee Assistance Programme for staff. 9. Regular inspections of property, including car parks. Pro-active maintenance programme. 10. Early resolution of reported defects. 11. Public Liability and Employers Liability insurance in place.	2	4	Current Score:8		
							Target Score:8
						Next Risk Review Date: 31/12/2023	
Commentary: New ways of working has been adopted by staff with DSE assessments in place. Annual staff survey to continue.							

		<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> <p>15. H&amp;S compliance work being undertaken with services.</p>	
Actions for Improvement		Completion Date	Officer
Full implementation of responsible managers and persons across the Estate		31/3/24	Simon Hunt

Risk Ref: Overarching Risk	Risk Owner: <b>Ady Selby</b>	Date: Reviewed 18 August 2023				
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. 6. Lack of skilled officers to deal with emerging issues.	1. Inability to deliver critical/key services. 2. Increased risk of harm to vulnerable customers. 3. Financial loss. 4. Reputational damage.	1. Robust infrastructure and back-up arrangements. 2. Package of information security incident policies and procedures. 3. IT Disaster Recovery Plan. 4. 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. Member training around their role in emergencies. 11. Effective internal EP Group. 12. EP area at new depot. 13. Audit undertaken, high assurance. 14. SLA in place for support from LCC EP Officer. 15. Continued work with partners on Humber 2100 Strategy.	2	3	Current Score: 6	
			Target Score: 6			
			Next Risk Review Date: 31/03/2024			
Commentary: Effective business continuity and emergency planning responses are in place. Frequent testing is be a key priority. The refreshed emergency plan was approved by members in 2021, it is reviewed regularly by Director and LCC EP Officer. Assurance Lincs recently gave high assurance following audit of EP and BC arrangements. Improved flood arrangements are in place, including Member and Officer Flood Working Groups.						

Actions for Improvement	Completion Date	Officer
Refresher training for appropriate officers	Ongoing training programme in place, monitored by internal Emergency Planning Group	Ady Selby
Training for all involved with EP and BC up to date	Ongoing training programme in place, monitored by internal Emergency Planning Group	Ady Selby

Risk Ref: Overarching Risk	Risk Owner: <b>Nova Roberts</b>		Date: Reviewed 24 August 2023		
Description of Strategic Risk: <b>Inability to maintain service delivery with the amount of change initiatives</b>					
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score
1. Loss / Failure of service delivery. 2. Significant uplift in customer contacts from effective service delivery to partnership working. 3. Ineffective or breakdown in customer communication. 4. Failure for customers to access vital services.	1. Inability to deliver critical/key services. 2. Increased risk of harm to vulnerable customers. 3. Financial loss. 4. Reputational damage.	1. Robust project management and engagement with service experts. 2. Continuous improvement workstream to check implementation and ongoing change. 3. Robust governance through Programme board and Portfolio Board. 4. Audits planned for the service areas testing process and policy delivery. 5. P3M3 Maturity Model annual review engaging stakeholders on how change is delivered. 6. Performance and Delivery quarterly reports to track any negative service impact and performance improvement plans in place with full measure set review in Autumn 23/24.	2	4	Current Score: 8
					Target Score:6
			Next Risk Review Date: 31/01/2024		
			Commentary: Successful recruitment in 2023 appointed the resource needed to implement the Project Management Office (PMO) approach. The project management documentation now includes the Change Impact Assessment which ascertains the required level of change management activity. The Project Cohort is also active and discusses Stage One projects for prioritisation. P3M3 Maturity Model reviews the project and programme management with key internal stakeholders to explore areas of success and improvement. Full engagement with the council's Business Planning process 2023/24 to assess requested projects to establish those that can be approved to be built into the pipeline of projects to be identified to ensure that future initiatives are adequately resourced and with approved budget.		
Actions for Improvement		Completion Date	Officer		
Implementation and embedding of Project Management Office		31/12/2023	Darren Mellors		

Risk Ref: Overarching Risk	Risk Owner: <b>Rachael Hughes</b>		Date: Reviewed 25 July 2023				
Description of Strategic Risk: <b>Central Lincolnshire Local Plan does not deliver land required for sustainable development to meet the needs of residents, businesses and communities</b>							
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score		
1. Lack of suitable development land. 2. Economic output & GDV substantially drops. 3. Land supply drops below 5yrs.	1. Reduction in inward investment. 2. Reduction in suitable housing supply. 3. Impact on businesses, economic output & employment.	1. Joint CLLP Team. 2. Good Governance & positive partnership working (CLSG/HoPs). 3. CLLP vision and objectives reflect the Corporate Plan, Objectives and Vision. 4. Corporate Policy & Strategy Team ensure corporate priorities are reflected in service policy & strategy.	2	3	Current Score: 6		
						Target Score:6	
						Next Risk Review Date: 30/09/2023	
						Commentary: CLLP adopted in April 2023. Impacts of new policy unknown due to time lag and cyclical nature of planning permissions and development.	
Actions for Improvement		Completion Date	Officer				
Rolling review of CLLP evidence base following adoptions of CLLP April 2023		Ongoing rolling review	Rachael Hughes				
Implementation of monitoring framework to ensure effectiveness of policy		31/12/2023	Rachael Hughes				

Risk Ref: Our Council	Risk Owner: <b>Emma Foy</b>	Date: Reviewed 31 August 2023			
Description of Strategic Risk: <b>Cost related to the proposed asylum centre at Scampton has an adverse impact on financial sustainability</b>					
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score
<p>1. Home Office have made a decision to utilise the site for an asylum accommodation center which prevents the council from procuring the site.</p> <p>2. The authority will bring additional service volume to the statutory responsibilities which are not budgeted for</p>	<p>1. Non-Delivery of the RAF Scampton Heritage Centre.</p> <p>2. Reduction of Business Rates income from the site.</p> <p>3. Additional service requirements as a result of alternative use e.g. CCTV, Homelessness, Anti-social behaviour, community cohesion, licensing.</p>	<p>1. Discussions with Home Office Programme of works.</p> <p>2. Partnership Work across all statutory agencies in Lincolnshire.</p> <p>3. Legal action (Judicial review).</p> <p>4. Financial negotiations with Home Office and partner organisations.</p> <p>5. Ongoing representation by local MP.</p> <p>6. Ongoing demands for local community consultation.</p>	3	3	Current Score:9
					Target Score:1
					Next Risk Review Date: 30/11/2023
			<p>Commentary: Work is in progress to safeguard the Heritage Centre. The judicial review will be heard on the 30th October 2023. Section 151 Officer is implementing a funding agreement between local partner authorities.</p>		
Actions for Improvement		Completion Date	Officer		
Implementation of the funding agreement		15/10/2023	Emma Foy		
Continue with Judicial Review		3/11/2023	Sally Grindrod-Smith		
Ongoing attendance and representation at MAG meetings		31/03/2024	Ian Knowles		

Risk Ref: Our Place	Risk Owner: <b>Rachael Hughes</b>	Date: Reviewed 25 July 2023			
Description of Strategic Risk: <b>Inability to deliver our Climate change ambitions and not deliver net zero carbon emissions by 2050</b>					
Trigger	Impact	Current Controls	Likelihood	Impact	Risk Score
<p>1. Lack of capacity and resource to respond effectively.</p> <p>2. Systems and processes not adequately supporting decision making and monitoring of impacts.</p> <p>3. Council fails to meet the duties and obligations under the Environment Act.</p>	<p>1. Unable to meet the Strategic objectives of Connecting our local communities and increasing the quality and provision of green space and ensuring the Council is meeting its duties and obligations under the Environment Act, 2021.</p> <p>2. Reputation impact of not fulfilling our commitments expected from being a community leader.</p> <p>3. Ecological impact on the district.</p>	<p>1. Climate Strategy and Action Plan.</p> <p>2. Earmarked reserves Climate initiatives.</p> <p>3. Member and Officer working groups.</p> <p>4. County wide Partnership working.</p> <p>5. Central Lincolnshire Local Plan.</p>	1	4	Current Score: 4
					Target Score:4
					Next Risk Review Date: 31/10/2023
<p>Commentary:  Reviewing the Climate Change Strategy.  Working with Team Managers with their business planning.  Annual update to Members.  Opportunities to respond to this agenda are emerging all the time and being reviewed.</p>					
Actions for Improvement		Completion Date	Officer		
Review of the Climate Change Strategy		31/12/2023	Rachael Hughes		
Developing and implementing actions within Service Business Plans		30/09/2023	Rachael Hughes		





Governance and Audit  
Committee

26 September 2023

**Subject: Member Development: Review of Original Induction; Revised Training Programme for the remainder of the Civic Year; and to Agree Training Principles**

Report by:

Director of Corporate Services and Monitoring Officer

Contact Officer:

Katie Storr  
Democratic Services and Elections Team  
Manager  
Katie.storr@west-lindsey.gov.uk

Purpose / Summary:

This report provides an overview of the original Member Induction Programme, the need to the revise the approach, and a resulting revised induction programme in response to feedback received.

The revised draft plan runs for the period October 2023 to April 2024 and the report seeks to establish some agree principles in organising training for Members.

## **RECOMMENDATION(S):**

**That Members:**

- (a) Note and support the content of the report and acknowledge the current position:**
- (b) Approve the proposals contained with the report which will formulate the Member Training Plan for the remainder of the Civic Year 23/24 and which are detailed in Section 3 of the report and summarised in Appendix 2;**
- (c) Support and acknowledge the Officer training plan which will run alongside the Revised Member Induction Plan, referenced in section 3.6;**

- (d) Approve the training principles, and revised delivery methods, detailed throughout the report and summarised in Appendix 2, to be introduced in recognition of the revised make-up of the Council following the all-out Election in May 2023 and feedback received to date; and**
- (e) Approve the next steps to be undertaken by the Member Development Group detailed in section 7 which will begin to inform the Year 2 Training Plan for approval by this Committee in April 2024.**

## IMPLICATIONS

### **Legal:**

WLDC'S Code of Conduct requires all Councillors to undertake Code of Conduct Training (including declarations of interest).

All Councillors serving or substituting on the Council's regulatory committees must undertake training – this is a mandatory requirement and is enforced robustly to safeguard the Council's decisions in these quasi judicial matters.

It is highly recommended, and considered best practice that Elected Members receive a comprehensive and robust induction to enable them to fulfil their duties as an Elected Member.

### **Financial: FIN/79/24**

The proposals within the report can be contained within the current Member Development Budget held by Democratic Services.

Officer training will be met from the Corporate Training Budget.

Members are eligible to claim travel expenses for in person training, there is a budget to fund such claims.

### **Staffing:**

Delivery of the Plan can be met with existing staffing resources and external trainers will be procured where required.

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

Consideration has been given to different learning styles, as reflected throughout the body of the report.

Individual adaptations would be made to this programme where there was an individual need identified.

### **Data Protection Implications:**

There are no data protection implications arising from this report.

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

Remote training has a positive impact on the Council's climate and sustainability aspirations.

In-person training can not be avoided but it is acknowledged that this does increase the Council's overall carbon footprint.

**Section 17 Crime and Disorder Considerations:**

No implications arising from the report

**Health Implications:**

No implications arising from the report

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

G and Report – Approving Induction

<https://democracy.sharedlincs.net/documents/s33857/Member%20Development%20-%20Induction%20Plan%202023.pdf>

Feedback from Member Officer Away Day – July 2023 (notes held by Corporate Policy Team/ Democratic Services)

**Risk Assessment:**

Inadequately trained Members can lead to risks in the robustness and quality of the Local Authority’s decision-making process. There is an increased risk for quasi-judicial decisions.

Inadequately trained Members could lead to a rise in complaints and can impact on the public’s confidence in local democracy and in turn have a negative impact on the Authority’s reputation.

An inadequate understanding of core governance principles can lead to wider systemic issues.

**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

## **Executive Summary**

This report provides the background to the 2023 Induction Programme for Members, explains why it was suspended, identifies the changed profile of Councillors, and proposes an amended approach in order to complete the Induction Programme.

Throughout the report, there is an assumed commitment required from Councillors and Officers alike to ensure the amended programme is delivered as advertised, and that attendance by Councillors is maintained.

There are three themes detailed within the report, explaining a tiered approach, with the intention of meeting the brief given by Leading Members that the programme should be accessible and manageable. There are also new approaches detailed in terms of alternative delivery methods, such as video briefings and online options.

The Committee is being asked to approve the new approach, and training to be completed between October 2023 and April 2024, with approval required for any subsequent actions to take place.

## 1. Background and Introduction

1.1 The Authority has long recognised the importance and need for Elected Members to have a full and comprehensive training programme, recognising the particular importance of a robust induction. Induction and training programmes provide Members with the tools and skills to enable them to undertake their role to the fullest and also ensure the Authority's decision making is safe, legal and robust.

1.2 The role of a Councillor is varied and wide-reaching, with the need to be able to assist residents, businesses, and visitors, as well as acting as an ambassador for the district and the Council. It is a demanding but rewarding role, and it is essential that our Councillors are supported to fulfil that role to the best of their abilities, above and beyond what is required within the decision-making process.

1.3 Having delivered what was considered to be a successful Induction Programme in 2019, much direction was taken from that success in preparing the 2023 programme. The building blocks remained the same, with new features introduced in response to the feedback received from those involved in 2019 and throughout the four-year term.

1.4 The Governance and Audit Committee at the time agreed the Induction Programme at their meeting on 24 January 2023. The report can be viewed here:

<https://democracy.sharedincs.net/documents/s33857/Member%20Development%20-%20Induction%20Plan%202023.pdf>

This information was shared in both candidate and nomination packs in the period running into the all-out Elections to ensure that those seeking election could understand the commitment required through the early months of Office, from the outset.

1.5 The programme commenced with a two-day Services Fayre, which all Members were required to attend in order to sign their Acceptance of Office, receive their IT equipment and complete the initial administrative tasks. There was widespread positive feedback for this element of the induction. The full Induction Programme then consisted of the following subject areas and were categorised as detailed below.

### (A) "Sessions considered 'training' areas, for new and returning Members"

- How the Council Makes Decisions
- Overview of Committees
- Your Role in the Local Community
- Enforcement and Anti-social Behaviour (ASB)
- Risks, Protections and Policies (IT)
- Data Protection, Freedom of Information and Information Governance
- Use of Chamber Equipment
- Introduction to Planning
- Member / Officer Relations and Communications
- Safeguarding

- Standing Orders / Rules of Debate
- Code of Conduct
- Declarable Interests
- Webcasting Etiquette
- Emergency Planning and Flooding

**(B) “Mandatory Sessions for Members of the associated Committee”**

- Full day – Planning – External Trainer
- Full day – Licensing and Regulatory – External Trainer
- Half day – work of the G&A Committee (including Risk AGS) and the Role of Auditors - facilitated by partners
- The Role of Overview and Scrutiny - External Trainer
- Focussed session of Standing Orders / Rules of Debate (P and P – Chairs Role) obligatory for Committee Chairs and Vice Chairs (to be arranged either as individual sessions or for multiple attendees, to be confirmed post Annual Council)

**(C) “A selection of information sessions, which were planned to be conducted as hybrid, with the recordings available for Members”**

- Corporate Plan & MTFP
- WLDC External Companies
- Central Lincolnshire Local Plan & Neighbourhood Plans
- Levelling Up Fund
- Environment & Sustainability Strategy
- UK Shared Prosperity Fund
- Progress & Delivery: WLDC Performance Management

## **2 Need for Revising the Induction Delivery**

- 2.1 The all-out Election resulted in over 50% of the Council membership changing. Whilst a degree of change is always to be anticipated, the Council also saw a change in its Administration. Furthermore, the profile of the Elected Members who now make up the new Council is arguably much altered, with there being an increase in those who are in full time employment; those with caring duties, and a change in the age profile.
- 2.2 Whilst a diverse Council is to be welcomed, this resulted in some challenges in delivering the Induction Programme in its original format, timescales and delivery methods. The need to deliver the subject areas which formed the approved Induction Programme remains and is an agreed principle with Elected Members. However, it is recognised the format and timescale in which the Programme is delivered need to be revisited.
- 2.3 With challenges evident in terms of attendance and availability, the original programme was revised by mid-May, and at that point was envisaged to run until 5 June, with duplicate sessions removed and all information sessions suspended. In the intervening period some training, primarily that of “information sessions” in nature, has naturally been

delivered, as business need has dictated and as Council business has progressed.

- 2.4 It is recognised that it can often be useful to revisit core training areas after those first few months in Office, as Members can then reference their personal experiences to gain greater understanding of each topic. As Members have now been in their roles for around five months, it is an opportune time to revisit those core subjects, as well as completing the Induction Programme.
- 2.5 As such this report sets out revised proposals to deliver the remainder of the Induction Programme (some by alternative methods); proposals to revisit some areas deemed 'core governance', using experience to date to make these matters "real"; and those areas Members or Officers have identified where "training" would be advantageous, having now been in their roles for a period of time. This is shown in Appendix 1 as at August 2023 - including indication of whether delivered to date.
- 2.6 In preparing the revised proposal, consideration has been given to the feedback provided by Leading Members through their Member/Officer Away Day in a bid to overcome any barriers which may exist. This included a directive to identify areas that are truly information giving and could therefore be available to Members to access at their convenience. At the same time, it must be recognised that some subject areas are critical to good governance and will require a more formal approach to attendance.
- 2.7 Officers were also asked to consider greater opportunity for self-learning, further development of e-learning modules and were also requested to re-consider the intensity of the Induction Programme, with sessions to be delivered over a longer period of time, in order to facilitate attendance and recognise the commitments on Members' diaries.

### **3. Revised Proposals**

- 3.1 The following revised proposal is split into themes, priorities, and proposed delivery methods, based on the nature of the subject to which the training relates, and takes Members through to the conclusion of the civic year 2023/24. A summary table of this revised proposal is expressed as a simple table at Appendix 2.
- 3.2 **Training Topics to be converted to video briefings, accessible at Members' convenience.**
  - 3.2.1 Members have indicated a willingness to attend training, but there have been some identified difficulties with daytime sessions, suggesting that evening sessions are the option most likely to encourage greater attendance. It has also been requested that Members be enabled to access sessions at their own convenience. With ever increasing commitments in both Member and Officer diaries, and in recognising that some training is more 'information giving' in nature, it is suggested the following information sessions/ training be delivered by video briefings.



Note: All of these subjects formed part of the originally agreed Induction:

- Corporate Plan
- MTFP
- WLDC External Companies: What are they and why do we have them
- Central Lincolnshire Local Plan
- Neighbourhood Plans
- Environment & Sustainability Strategy – Overview
- Progress & Delivery: WLDC Performance Management
- Your Role in the Local Community
- Emergency Planning and Flooding
- Enforcement and Anti-social Behaviour (ASB) – the Council's Approach and how to report

3.2.2 These are subject areas where it is suggested that all Members having a wider base knowledge of the subject area would assist them in their understanding, but they are not considered critical to Members being able to undertake their duties from a legal perspective.

3.2.3 It is intended that these videos will be hosted via Learning Pool, Mod Gov Library or an MS Teams Councillor Group, for Members to access at their convenience.

3.2.4 There will be functionality for Members to comment, having watched the video and this feedback will be gathered and used to inform the future use of video briefings.

3.2.5 Members will also have the functionality to submit questions, and these will form a “your questions answered” information sheet which will be updated, featured alongside the video briefing and as such will be visible to all Members.

3.2.6 Videos will be limited to 25 minutes maximum or will be filmed in two parts.

3.2.7 If Members are supportive of this proposal, the video briefings listed above will start to be available to Members from mid-October. If a video briefing is issued but is considered to be time sensitive, for example due to an upcoming decision, Members will be notified of this fact with at least 2 weeks' notice.

3.2.8 The viewing of video briefings will not be a mandatory requirement on Members. It is intended for these briefings to be used as an assistive tool in sharing information and widening knowledge.

### 3.3 Hybrid Workshops

3.3.1 Members will note some areas referenced at section 1.5 above (originally planned for hybrid workshop delivery) do not appear on the list above, namely Levelling Up Fund (LUF), the UK Shared Prosperity Fund (UKSPF) and the Cultural Strategy.

3.3.2 Whilst these may have been suitable to convert and deliver by video briefing, specific requests have been made for these to remain hybrid Member Workshops. Members have expressed a real desire to engage in these projects at a fundamental level, with the need for two-way interaction.

3.3.3 Confirmed dates for these workshops are:

- 25 September, 6pm – LUF
- 27 September, 6pm – Cultural Strategy
- 25 October, 6pm – UKSPF

3.3.4 Areas where two-way interaction is required at the outset, and/or where the purpose of the session is to develop policy or to meet with partners, will not be considered suitable for video briefings.

3.3.5 It is proposed the default delivery mechanism for such events will be a hybrid workshop, to be held in the early evening wherever feasible.

#### 3.4 **Sessions to be Delivered / Repeated between October 2023 and April 2024 across Themes**

3.4.1 As mentioned in section 1.5 under “*training’ areas for new and returning Members*”, training was held on the following subjects, all of which were considered to be core governance matters, however attendance was sporadic.

- How the Council Makes Decisions
- Member / Officer Relations and Communications
- Code of Conduct
- Declarable Interests

3.4.2 In respect of the latter, the Code of Conduct requires all Members to undertake training in respect of its application. To date, this requirement has not been met.

3.4.3 Together, these areas provide Members with key skills and are the basic principles on which all decisions and interactions are based if the Council is to operate effectively. Moreover, these subjects provide the foundations from which more in-depth training is developed.

3.4.4 As such, it is proposed the matters previously covered across the sessions set out at paragraph 3.4.1 be revisited and be themed together to form a **Core Governance Training Module**.

#### 3.5 **Theme 1 – Core Governance Training for all Elected Members and Senior to Mid Managers**

3.5.1 Noting the importance of the key building blocks these sessions provide, it is proposed the Core Governance Training comprise three evening, fully online, sessions by an external provider:

- Session 1 – Good Governance and decision making and what makes an effective Council
- Session 2 – Standards of Conduct and behaviour as a Councillor
- Session 3 – Roles and Relationships: Officer Member relations

3.5.2 It is also proposed that **these be seen as a priority, and that all Members commit to attend all three sessions.** Given that there has now been a period of settling in, it is clear there have been times where a greater understanding of these matters may have proved of assistance.

3.5.3 In responding to Member feedback requesting that Officers try to both appropriately space training and to theme and prioritise training, it is proposed that Theme 1 for the Autumn period (end of October to the end of December) be Core Governance Training.

3.5.4 The full proposal from the external provider for Elected Members is attached at Appendix 3 and the proposed dates are as follows:

- Monday 30 October
- Monday 20 November
- Monday 11 December

3.5.5 All sessions would commence at 6pm and are to be delivered fully online to ensure maximum attendance. Members who complete all three sessions will receive a certificate of competency.

### **3.6 Senior and Mid Manager Governance Training Programme**

3.6.1 Recognising the importance of the Member / Officer interface and the respective roles of each, there will also be a Training Plan for mid and senior Managers.

3.6.2 The programme will be facilitated by the same external provider and will cover:

- The Role of Elected Members
- The Role of Officers
- Working in a Political Environment

3.6.3 The first of these sessions is being held in September 2023.

3.6.4 It is hoped that delivery of these two separate, but mutually reliant programmes, during the same period, demonstrates a real commitment from both Members and Officers in respect of ensuring good governance and mutually respectful working relationships.

3.6.5 There will also be internal training for managers on effective report writing and the internal sign off process applied to report writing and decision making.

### **3.7 Theme 2 – Finance, Audit and Scrutiny**

- 3.7.1 It is proposed that theme two focuses on finance, audit and scrutiny.
- 3.7.2 Theme two would be implemented over the Winter period (Jan 2024 to the end of March) and **would be considered mandatory to Members serving on the Governance and Audit Committee and/or Overview and Scrutiny Committee** but would be advantageous to all Members. This is considered a timely period during which to hold such training given the decisions Members will be asked to make during this time, in the run up to Budget setting. There is also considered to be a natural synergy which exists between Scrutiny and Audit Functions.
- 3.7.3 Whilst Members have received some elements of training on these subjects, the original induction did include provision for the following which are yet to be delivered but are still considered necessary:
- Work of the G&A Committee (including Risk, AGS)
  - The Role of Internal and External Auditors
  - The Role of Overview and Scrutiny Committee – External Trainer
- 3.7.4 As we enter the New Year, Treasury Management training will also become due and a number of related areas and disciplines have been identified which would complete this theme namely:
- The Role of Audit – External Training
  - Effective Scrutiny and Questioning – External Trainer
- 3.7.5 Training that has been made available and delivered to date in this theme includes:
- Statement of Accounts Training – September 2023
  - Budget preparation Workshops – September 2023
- 3.7.6 Recordings of these previous sessions have been made available to all Elected Members and are held for Members' future reference.
- 3.7.7 It is acknowledged that Scrutiny Training is delayed through these proposals until the New Year. It is also acknowledged that, given the Council's full Committee system governance model, the Overview and Scrutiny Committee does not have the legal standing it would have within a cabinet system. This means there are "quirks" of the Committee specific to West Lindsey District Council. For these reasons, Democratic Services Officers have developed a handbook for our Scrutiny Committee Members to assist them in their duties in the interim.
- 3.7.8 This has been shared with Members of the Committee and is available in the Modern Gov Library.
- 3.7.9 External sessions relevant to this theme (two of) will be held on a one per month basis in the evening on a fully virtual basis commencing at 6pm (dates to be confirmed). **These will be mandatory for Members of the relevant Committee but available to all Members.**

3.7.10 Internally hosted Sessions relevant to this theme will be run for one hour prior to the Governance and Audit Committee meetings. These will be hybrid in nature and open to all Members:

- Treasury Management – prior to January Committee
- Work of the G&A Committee (including Risk, AGS) – prior to April Committee

3.7.11 Recordings will be made available for all Members.

3.7.12 Members who complete all sessions relevant to each Committee will receive a certificate of competency for each area.

### **3.8 Theme 3 – Planning – Topical Matters**

3.8.1 It is proposed that theme three focuses on the wider aspects of planning.

3.8.2 Theme three will be implemented throughout the remainder of the 2023/24 Civic Year, with sessions interspersed with the agreed Theme 1 and Theme 2 sessions. Planning “Topical Matters” Training will be convened in a regular pattern, in order to establish it as a pre-existing standing commitment.

3.8.3 These sessions will **be considered essential to Members serving on the Planning Committee** but would be advantageous to all Members.

3.8.4 The Planning Committee and its operation has been the focus of attention in the early months of the newly elected Council. All Members of the Committee and a large number of other Members attended a full day’s planning training session, hosted by an external provider, this being the best attended session of the original induction.

3.8.5 However, following a challenging meeting in July, all Members of the Committee were mandated to undertake ‘Decision Making in Planning’ and further ‘Introduction to Planning’ training sessions. These were held in person. Attendance was high (all serving Members of the Committee received both sessions) and feedback was positive.

3.8.6 Since this time there have been noticeable improvements in the way Members have discharged their functions. The Chairman of Planning Committee is supportive in recognising the need for continuous and ongoing training for Members in this area, given the high-profile nature of this Committee, and the legal and reputational risks which can arise from its decisions.

3.8.7 In order to build on the successful sessions held in July and August of 2023, and to continue the momentum of continuous learning and improvement, it is proposed that the Wednesday evening sitting between each Planning Committee (which meets on a four-weekly cycle) be a dedicated Planning Topical Matter Briefing, hosted online and lasting a maximum of one hour.

3.8.8 These dates are:

- 18 October
- 15 November
- 13 December
- 17 January 2024
- 14 February
- 13 March
- 10 April

3.8.9 Whilst the exact topics are still to be determined, the following are suggestions which have been made and submitted by both Members and Officers:

- Flooding and Drainage (in the Context of Planning) – Partners to be invited.
- Highways (in the Context of Planning) - Partners to be invited.
- Section 106
- Heritage Planning
- Affordable Housing & Community Infrastructure
- Material Considerations and Planning Conditions
- Enabling Councillors to make effective ward call ins.

3.8.10 Members are asked to approve the principles of theme three, the proposed intervals and delivery mechanism which would be a virtual briefing, unless there was a specific request or need for these to be held in person.

3.8.11 The exact theme for each session will be determined by the Chairman of the Planning Committee, Planning and Democratic Services Officers, and Planning Committee Members in a collaborative manner.

3.8.12 This theme is also supported by a number of the planned video sessions detailed in Section 3.1 above (eg Local Plan, Neighbourhood Plans), which would become available from mid-October onwards if the proposals in this report are supported.

3.8.13 The theme would conclude in April (date to be set) with an in person externally led 'Probity in Planning' session which would re-embed the messages given in July and August, and build on the learning all Members will have had by attending the sessions suggested in Theme one.

3.8.14 Recordings of topical matters will be made available in the library for all Members.

3.7.15 Members who "attend" all sessions relevant to this Committee will receive a certificate of competency for Planning.

#### **4 Training Areas to be facilitated through Learning Pool (e-learning platform)**

- 4.1 There are a selection of self-learning courses available to Members on the Learning Pool platform, predominantly regarding what would be classed as personal development areas.
- 4.2 Increasing the usage of the e-learning platform remains an aspiration of both Members and Officers and is a delivery mechanism Members have again indicated they are open to expanding.
- 4.3 This platform is already used by Officers, and training modules designed for staff could be easily adapted to be suitable and available to Members in the following subjects:
- Data Protection
  - Freedom of Information
  - Information Governance
  - Safeguarding
- 4.4 A e-learning package for Equality and Diversity, following the adoption of the new policy, is also in development.
- 4.5 Members will be expected to complete the subjects within three months of each module being launched and will receive an e-certificate on completion. Non-completion will be reported to Group Leaders.
- 4.6 It is recognised that Elected Members hold a number of other roles for which they will likely have undertaken Safeguarding Training, and as such the question has been raised as to whether such Members need to undertake this training.
- 4.7 After much consideration, it is the view of Officers and the Member Development Group that Members should be expected to undertake West Lindsey specific safeguarding training to ensure they are aware of the reporting mechanisms used within the Council.
- 4.8 If Members are agreeable to the proposal to move the subjects listed at 4.3 onto the e-learning platform, modules will start being released in November, with one subject released each month. Members will receive full support on accessing and using the platform.
- 4.9 The modules will need to be competed every two years. Officers are currently expected to complete these annually.

## **5. Self-Learning – LGA Resources for (Newly) Elected Councillors**

- 5.1 Members asked to be notified of opportunities where self-learning could be undertaken at their convenience.
- 5.2 The LGA is a sector lead in producing resources which are designed to complement any induction support delivered by the Authority.

### **5.3 LGA Councillor Hub**

5.3.1 The LGA has developed a Councillor hub to provide newly elected Members with all the essential information they need to complement the induction support provided by their own councils. On the hub, Members can find information about the role of a Councillor; how local government is organised; the Councillor Code of Conduct and standards; and decision making. It includes information on the key policy areas of the LGA, the resources, events and services offered by the LGA with links to the political groups at the LGA, where Members can access peer support from Members of their political affiliation.

5.3.2 It also provides information on the LGAs regional teams, information on their support and development offers, and a host of other information essential for Elected Members.

5.3.3 The Hub is a live and evolving resource which is updated regularly and provides information and links relevant to new and existing members and can be accessed via <https://www.local.gov.uk/our-support/councillor-development/new-councillor-hub>.

#### **5.4 LGA Councillor e-learning platform**

5.4.1 In response to the continued need to deliver councillor development offers through virtual means, the LGA provides a dedicated Councillor e-learning platform.

5.4.2 Councillors wishing to access the e-learning platform need to self-register via the website. The platform allows Councillors to access bespoke learning, choosing the modules most relevant to their needs from deepening knowledge of local government to the essential leadership skills needed to work effectively with communities.

5.4.3 These resources have been promoted to Members previously and Officers will periodically promote sessions which are relevant to the Themed training programme outlined in Section 3. All Members are encouraged to access these resources.

5.4.4 Officers will have no oversight of what a Member has accessed via the LGA and as such, this would be seen as complementary self-development and would not be a substitute for any training which Members are requested to attend by the Authority.

### **6. Areas Outstanding**

6.1 Should the proposals detailed throughout this report be supported, the following sessions from the original Induction Programme, and additional requests to date, would remain undelivered:

- Focussed session of Standing Orders / Rules of Debate (P and P – Chairs Role) - obligatory for Committee Chairs and Vice Chairs (to be arranged either as individual sessions or for multiple attendees, to be confirmed post Annual Council)
- Commercial Strategy and the ABC



- Leisure Contract – Scope of contract
  - Overview of Committee Report Template
- 6.2 Noting Members feedback to appropriately space training and recognising the amount of training which will need to be delivered through themes 1- 3, as detailed in this report, direction is sought from Members as to the priority which should be applied to these outstanding requests and the preferred delivery model for each. Suggestions are made in the following paragraphs to assist deliberations.
- 6.3 It is suggested that hosting individual sessions for Chairman of Committees pertaining to rules of debate, standing orders and powers and duties of Chairmen, may be most effective and would ensure the information is relevant to the individual, and their needs. It would allow the training to be held at a time and via a means most beneficial to the individual concerned and recognises the varying degrees of experience of current post holders.
- 6.4 It is suggested the following be organised at a time and date to be agreed with the relevant Chair and Lead Officer, but these should not compromise or be prioritised over the themed training. Timescales will likely be dictated by the decisions needing to be made.
- Health Strategy Action Plan Information Session (Committee request)
  - Commercial Strategy
  - Leisure Contract – Scope of Contract
- 6.5 It is finally suggested that the overview of committee reports could be converted to an online video and that webcasting etiquette could be suspended until Year 2, when some “softer skills” and personal development training, which this session is deemed to be, will be considered as a theme within the Plan.
- 6.6 In setting next year’s committee timetable, consideration will be given to introducing periodic workshop dates within that timetable, as an early indicator to Members. This can be used or cancelled as necessary, but this approach would help in ensuring time is set aside in advance for emerging issues or requests made.

## **7. Next steps**

- 7.1 Member Development continues to be the topic of much discussion, with further suggestions and topics continuing to be added for consideration.
- 7.2 As recently as last week, Leading Members have been discussing how Members can learn more about services, strategic growth, and priorities.
- 7.3 It is important to recognise, as this report demonstrates, the amount of training and information which needs to be disseminated between now and April 2024.

- 7.4 It is therefore suggested that the Member Development Group meet as a minimum at the conclusion of each Theme, and that at each Theme Review meeting they consider any new requests or emerging issues, with a view to being in a position to present an outline Year 2 training plan to the Governance and Audit Committee in April / June 2024.
- 7.5 The appropriateness of the new delivery mechanisms (video briefings and e-learning) will be reviewed during the period by the Member Development Group to determine if they are a realistic and effective way in which to pass information to Members.
- 7.6 Members will be periodically surveyed on these new arrangements, feedback is encouraged and is essential if training is to be developed and delivered in a manner which meets both Members needs and any legal requirements. Feedback received will be considered by the Member Development Group and used to inform future proposals.
- 7.7 Further training methods such as role play, Question and Answer mini sheets, interactive sessions and shared learning opportunities with neighbouring Councils will be further explored but given the work to be delivered in the current civic year, these wider considerations will form part of the offer during Year 2.

## Appendix 1

### List of training, workshops and information briefings requested over and above the Induction Subjects, as at August 2023

- Devolution workshop Delivered August 2023
- LIVES presentation Delivered July 2023
- Budget workshops Delivered September 2023
- Annual Statement of Accounts Delivery Date of 26 September set
- Cultural Strategy workshop Delivery Date of 27 September set
  
- Flooding and drainage (in the context of planning) Suggested inclusion in Theme 3
- Highways (in the context of planning) Suggested inclusion in Theme 3
- Probity in planning – external Suggested inclusion in Theme 3
  
- Visit to facilities – depot, crem, Leisure Centres No dates set
- Leisure Contract No dates set
- Health Strategy action plan No dates set
- Commercial Strategy No dates set
- Humber 2100 No dates set
- Health Strategy (Information Session) suggested for December 2023
  
- Overview of Committee Reports Convert to video briefing

<b>Date</b>	<b>Subject</b>	<b>Delivery Method</b>
<b>Theme 1 – Core Governance</b>		
30 October 6pm	Good Governance and decision making and what makes an effective Council	Online
20 November 6pm	Standards of Conduct and behaviour as a Councillor	Online
11 December 6pm	Roles and Relationships Officer Member relations	Online
<b>Theme 2 – Finance Audit and Scrutiny</b>		
TBC 6pm	The Role of Audit	Online
TBC 6pm	Effective Scrutiny and Questioning	Online
23 January 2024 start time TBC	Treasury Management	Hybrid
16 April 2024 start time TBC	Work of the G&A Committee (including AGS)	Hybrid
<b>Theme 3 – Planning: Topical Matters*</b>		
<b>*NB: Subjects may not align to dates as detailed below, these are indicative at this stage</b>		
18 October 6pm	Flooding and Drainage (in the Context of Planning) – Partners to be invited	Online
15 November 6pm	Highways (in the Context of Planning) - Partners to be invited.	Online
13 December 6pm	Section 106	Online
17 January 2024 6pm	Heritage Planning	Online
14 February 6pm	Affordable Housing & Community Infrastructure	Online
13 March 6pm	Material Considerations and Planning Conditions	Online
10 April 6pm	Enabling Councillors to make effective ward call ins.	Online
TBC 6pm	External: Probity in Planning	In person
<b>Workshops</b>		
25 September 6pm	Levelling Up Fund	Hybrid
27 September 6pm	Cultural Strategy	Hybrid
25 October 6pm	UK Shared Prosperity Fund	Hybrid

## **Proposal for West Lindsey District Council**

### **Member Development Programme**

#### **Introduction**

We are delighted to make this proposal to you. You have asked us to outline how we would approach the delivery of a number of governance-related member development sessions. These will be part of an ongoing, structured programme to support your councillors (many of whom are newly elected) with their roles and responsibilities.

You have explained to us that you want revisit some of the core governance topics around roles, responsibilities and behaviours in a programme running from October through to the New Year 2024. You will then explore offering more specialised subjects, focusing on specific roles, later in the programme.

There may also be merit in badging all the governance-related training sessions together as one integrated programme, with attendance at all the training events generating a certificate for the successful members.

Our approach is to make all sessions practical and tailored to the particular council and audience. We will prepare material for each of the sessions in advance which you can review and approve, to ensure that it absolutely fits your needs

We set out below our thoughts on content for the initial four sessions which we have identified as the core governance modules.

We are happy to discuss all this further with you/colleagues and to design it to exactly meet your needs.

## Good governance and decision-making – what makes an effective Council

<b>Purpose of session</b>	To give all councillors an understanding of the building blocks of good governance which underpin the most effective councils, and to outline how decisions are made.
<b>Content</b>	<ul style="list-style-type: none"> <li>• What does good governance mean?</li> <li>• What are the elements of good governance in a council?</li> <li>• What can we learn from recent reports on problems in other councils?</li> <li>• What/who are the guarantors of good governance including:-             <ul style="list-style-type: none"> <li>○ Scrutiny, standards and audit                 <ul style="list-style-type: none"> <li>○ Corporate Governance Code and Annual Statement</li> <li>○ Statutory officers</li> <li>○ Key rules/protocols/codes</li> </ul> </li> </ul> </li> <li>• How to make robust decisions</li> <li>• Mini scenarios – putting it all into practice.</li> </ul>
<b>Outcome of session</b>	That all councillors feel confident in the legal and governance framework of the Council and in their roles and responsibilities

## Standards of conduct and behaviour as a councillor

<b>Purpose of session</b>	To consider the responsibilities of councillors, to understand the standards of behaviour required (including the registration and declaration of interests) and to explore the arrangements for dealing with breaches of standards.
<b>Content</b>	<ul style="list-style-type: none"> <li>• The importance of probity in public life – why does it matter?</li> <li>• The Nolan Principles revisited</li> <li>• The conduct and behaviour expected of elected councillors including examples of good and bad behaviour</li> <li>• Your council’s code of conduct and arrangements for dealing with complaints of breach and sanctions</li> <li>• Interests, conflicts, bias and predetermination</li> <li>• Mini scenarios for discussion</li> </ul>
<b>Outcome of session</b>	That all councillors fully understand the standards of conduct and behaviour required of an elected councillor and are confident in the codes and protocols which apply.

## Roles and relationships: officer/member relations

<b>Purpose of session</b>	To address the key relationship between councillors and officers, to consider the potential areas of friction/risk, to review good practice and guidance and to consider relevant codes of conduct.
<b>Content</b>	<ul style="list-style-type: none"><li>• The role of elected councillors in local government</li><li>• The role of officers (including statutory officers)</li><li>• The central importance of the relationship between members and officers in an effective council</li><li>• Good practice and guidance</li><li>• Relevant codes and protocols including any local codes and member/officer protocols</li><li>• Areas of potential risk/friction and how to avoid/mitigate these</li></ul>
<b>Outcome of session</b>	That councillors fully understand the inter-dependent roles of members and officers and are confident in the codes, protocols and legal requirements which apply to the relationship.

**Bethan Evans | Governance Training and Consultancy Ltd**

# Agenda Item 6f



**GOVERNANCE AND AUDIT  
COMMITTEE**

**Tuesday 26th September  
2023**

**Local Government and Social Care Ombudsman (LGSCO)  
Annual Review Letter Report 2022/23**

Report by: Director of Commercial & Operational Services

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

Purpose / Summary: Report on the Local Government and Social Care Ombudsman (LGSCO) Annual Review Letter 2023 covering complaints referred to and decided by them between April 2022 and March 2023. Examining upheld complaints, learning actions and benchmarking with other similar local authorities.

**RECOMMENDATION(S):**

That committee members welcome this report, and after considering its contents are assured that the current complaint handling procedures are functioning adequately.



## IMPLICATIONS

### **Legal:**

There are no legal implications arising from this report.

### **Financial: FIN/68/24/GA/SL**

A payment that was recommended as a conclusion of a complaint investigated by the LGSCO was made in January 2023, this was a £1500 payment made from an existing service budget.

### **Staffing:**

There are no staffing implications arising from this report.

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

The LGSCO have not identified any issues with how complaints are handled in terms of Equality and Diversity or Human Rights.

### **Data Protection Implications:**

There are no data protection implications arising from this report, appropriate redactions have been made where required.

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

Not applicable.

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

Not applicable.

### **Health Implications:**

There are no health implications arising from this report.

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

Links to the Local Government and Social Care Ombudsman (LGSCO) website:

**Annual Review Letters for West Lindsey District Council**

<https://www.lgo.org.uk/your-councils-performance/west-lindsey-district-council/annualletters/>

**LGSCO complaint decisions for West Lindsey District Council**

<https://www.lgo.org.uk/Decisions/SearchResults?fd=0001-01-01&td=2023-8-10&dc=c%2Bnu%2Bu%2B&aname=West+Lindsey+District+Council&sortOrder=descending>

**West Lindsey District Council Performance 2022/23**

<https://www.lgo.org.uk/your-councils-performance/west-lindsey-district-council/statistics>

**Risk Assessment :**

Not applicable.

**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

## Table of Contents

<b>Executive Summary</b> .....	5
<b>1. Introduction</b> .....	6
<b>2. Annual Review Letter 2022-23 Figures</b> .....	8
<b>3. Complaints Investigated but Not Upheld</b> .....	13
<b>4. Upheld Complaints and Learning and Improvement Actions</b> .....	14
<b>5. Compliance with Ombudsman Recommendations</b> .....	16
<b>6. Comparison with other Local Authorities Nationally</b> .....	17
<b>7. Comparison with other similar Local Authorities</b> .....	17
<b>Appendix 1 – LGSCO Annual Review Letter 2022-23</b> .....	18
<b>Appendix 2 - Comparison with 20 similar Local Authorities – Complaints Received</b> .....	21
<b>Appendix 2 continued - Comparison with 20 similar Local Authorities – Complaints Decided (by outcome)</b> .....	22

## Executive Summary

This report examines the Local Government and Social Care Ombudsman (LGSCO) Annual Review Letter 2022-23 which covers complaints that were either referred to or decided by them during the period from April 2022 to March 2023.

Historical data on complaints handled by the LGSCO is included within this report along with comparison to previous year's figures and findings.

Finally, the report compares how West Lindsey District Council (WLDC) has performed overall nationally and in comparison, with 20 other similar authorities in terms of the number of complaints referred, investigated and upheld by the LGSCO.

During the 2022/23 period a total of 12 new complaints were referred to the LGSCO.

WLDC Service		LGSCO Categorisation
Planning Enforcement	3	Planning and Development
Home Choices	2	Housing
Waste Services	1	Environmental Services & Public Protection & Regulation
Housing Enforcement	1	Housing
Planning and Development	1	Planning and Development
Council Tax	1	Benefits and Tax
Environmental Protection	1	Environmental Services & Public Protection & Regulation
Unknown	1	Environmental Services & Public Protection & Regulation
Unknown	1	Corporate & Other Services

Along with the new complaints referred to them the LGSCO also reached decisions on 3 complaints that were outstanding from the previous year. These were complaints referred to them in 2021/22 but not completed until 2022/23.

In total the LGSCO made 14 decisions. 8 complaints were closed after initial enquiries, 2 were referred back for local resolution, 1 was incomplete/invalid, 1 was investigated and upheld, and 2 were investigated and not upheld.

At the end of the 2022/23 period there was 1 outstanding complaint that was still with the LGSCO, an investigation was ongoing, and a decision was received in 2023/24. The complaint was not upheld, more details will be included in the decided section of next years report.

The 1 upheld complaint was in relation to the Home Choices service, more information including the learning actions and recommendations made by the LGSCO are included later within this report.

### **Advice on comparing statistics across years – a note from the Ombudsman:**

*“In 2022-23 we changed our investigation processes, contributing towards an increase in the average uphold rate across all complaints. Consider comparing individual council uphold rates against the average rate rather than against previous years.”*

*“In 2020-21 we received and decided fewer complaints than normal because we stopped accepting new complaints for three months due to Covid-19.”*

## 1. Introduction

- 1.1 If a customer has followed and completed the Council's formal complaints process and remains dissatisfied with the outcome of their complaint or the way it has been handled by WLDC they are able to refer their complaint to the LGSCO for review.
- 1.2 The LGSCO will only consider a complaint once it has been dealt with in full via the WLDC Customer Feedback Policy and only if it meets their criteria for investigation - <https://www.lgo.org.uk/make-a-complaint/what-we-can-and-cannot-look-at>
- 1.3 Issues that have another formal route of appeal or tribunal will not be considered by the LGSCO, for example, planning appeals, council tax valuation issues and appeals regarding the suitability of housing etc.
- 1.4 There is no cost to the authority for the work carried out by the LGSCO. A cost is only involved if an upheld complaint recommendation suggests a financial remedy.
- 1.5 The LGSCO do not necessarily investigate all of the complaints that are referred to them, Although the LGSCO is a free service they have to decide how to best use their publicly funded resources therefore they cannot investigate all complaints they receive.

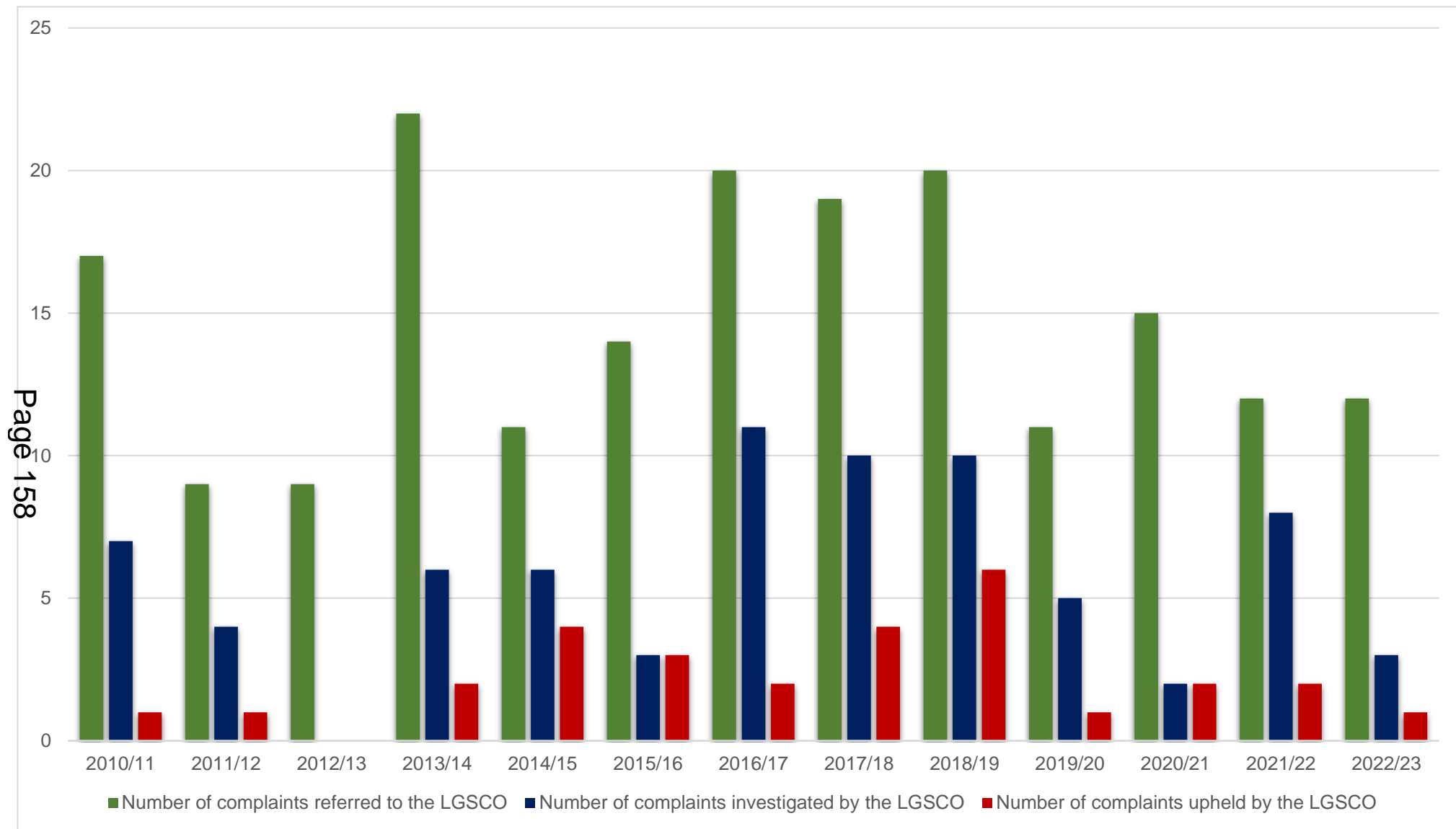
They are more likely to investigate complaints where the issues:

- have had a serious or long-term impact on people's lives
- affect many other people

They are less likely to investigate complaints where:

- the issues have caused minor irritation or upset
- they cannot ask the organisation to do what the complainant wants them to

- 1.6 An Annual Review Letter is published by the LGSCO for each authority every year which details the number of complaints referred to them, investigated by them and includes information on complaints upheld by them. Information regarding compliance with LGSCO recommendations is also included. The full WLDC Annual Review Letter for 2022/23 can be found in [Appendix 1](#) of this report.
- 1.7 The information published by the LGSCO allows us to examine our performance for the year and look at how we compare to other similar authorities.
- 1.8 The investigations carried out and decisions made by the LGSCO allow us to learn and make improvements to the way we deliver our services and deal with our customers on a daily basis. Complaints investigated that are not upheld by the LGSCO provide assurance that we are operating correctly. We can also learn from LGSCO complaints and decisions made for other authorities, when weekly decision lists are published, they are shared with relevant team managers.
- 1.9 The graph on the next page shows how many WLDC complaints have been referred to, investigated and upheld by the LGSCO each year since 2010, the last 4 years has seen a decrease in the number of WLDC complaints processed by the LGSCO:



- *The number of complaints investigated and upheld for 2012/23 is*

## 2. Annual Review Letter 2022-23 Figures

- 2.1 In total 12 new complaints were referred to the LGSCO in 2022/23, this is lower than the historical average. The table below shows which services the complaints related to compared with previous years.
- 2.2 As you can see, historically the majority of complaints referred to the LGSCO were in relation to Planning and Development services. 2022/23 saw a significant decrease in the number complaints regarding this group of services being referred to the LGSCO.

	Benefits and Tax	Corporate and Other Services	Environmental Services (including Community Safety and Waste)	Highways and Transport	Housing (Enforcement and Housing Assistance)	Planning and Development (and Planning Enforcement)	Other	Total
<b>2022/23</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>4</b>	<b>0</b>	<b>12</b>
2021/22	1	0	1	0	1	9	0	12
2020/21	0	0	3	0	1	10	1	15
2019/20	4	1	1	0	1	4	0	11
2018/19	4	1	3	0	1	11	0	20
2017/18	3	2	2	0	0	12	0	19
2016/17	3	1	4	1	2	9	0	20

- 2.3 The service categories for complaints that the LGSCO use include various WLDC service areas, for instance their Planning and Development category includes Planning Enforcement and their Environmental Services and Public Protection and Regulation includes Waste Services, Community Safety and Environmental Health services.
- 2.4 The table below, that is also included in the introduction section of this report shows the breakdown of WLDC services compared to the LGSCO categorisation and the number of complaints referred to them relating to each WLDC service in 2022/23:

WLDC Service		LGSCO Categorisation
Planning Enforcement	3	Planning and Development
Home Choices	2	Housing
Waste Services	1	Environmental Services & Public Protection & Regulation
Housing Enforcement	1	Housing
Planning and Development	1	Planning and Development
Council Tax	1	Benefits and Tax
Environmental Protection	1	Environmental Services & Public Protection & Regulation
Unknown	1	Environmental Services & Public Protection & Regulation
Unknown	1	Corporate & Other Services

2.4 1 of the complaints referred to the LGSCO was not completed in 2022/23, this was the complaint regarding Housing Enforcement services, more details on the complaint will be included in the decided section of next year's 2023/24 report. The complaint was investigated and not upheld, a decision was received in June 2023.

2.5 In 2022/23 the LGSCO also reached decisions on 3 complaints that were outstanding from the previous year. These were complaints referred to them in 2021/22 but not completed until 2022/23.

2.6 In total 14 decisions were made by the LGSCO during the 2022/23 period. The table below provides information on the complaints that were decided including the dates they were received and decided by the LGSCO, the service they related to, the decision made and any recommendations made in regards to the decision reached.

- ***The Category and Reference titles below are live links to the full complaint report on the LGSCO website. The 3 which are not links were not published due to personal identifying information or because they were referred back to WLDC for local resolution.***

LGSCO Category and Reference Number	WLDC Service	Received	Decided	Days Taken	Decision	Decision Reason	Remedy
<a href="#">Planning &amp; Development 21002386</a>	Planning Enforcement	21/05/2021	27/04/2022	341	Not Upheld	No Fault	N/A
<a href="#">Planning &amp; Development 21018943</a>	Planning	28/03/2022	18/04/2022	21	Closed after initial enquiries	Not warranted by alleged fault	N/A
<a href="#">Planning &amp; Development 21018969</a>	Planning	28/03/2022	13/04/2022	16	Closed after initial enquiries	Not warranted by alleged fault	N/A
<a href="#">Planning &amp; Development 22001456</a>	Planning Enforcement	03/05/2022	24/05/2022	21	Closed after initial enquiries	Other reason not to investigate	N/A
<a href="#">Environmental Services &amp; Public Protection &amp; Regulation 22001990</a>	Waste	17/05/2022	23/05/2022	6	Closed after initial enquiries	Sec 26(7) - all or most	N/A



LGSCO Category and Reference Number	WLDC Service	Received	Decided	Days Taken	Decision	Decision Reason	Remedy
Housing <b>22002076</b>	Home Choices	18/05/2022	11/01/2023	239	Upheld	Fault and Injustice	Apology, Financial redress: Avoidable distress/time and trouble, Financial redress: Loss of service, Provide training and/or guidance
<a href="#">Planning &amp; Development 22003036</a>	Planning Enforcement	08/06/2022	20/10/2022	135	Not Upheld	No fault	N/A
<a href="#">Planning &amp; Development 22006169</a>	Planning	04/08/2022	21/08/2022	17	Closed after initial enquiries	26(6)(b) appeal to Minister	N/A
<a href="#">Housing 22006279</a>	Home Choices	10/08/2022	24/08/2022	14	Closed after initial enquiries	Not warranted by alleged fault	N/A
<a href="#">Planning &amp; Development 22006695</a>	Planning Enforcement	15/08/2022	07/09/2022	24	Closed after initial enquiries	Not warranted by alleged fault	N/A
Environmental Services & Public Protection & Regulation <b>22010937</b>	Unknown	08/11/2022	08/11/2022	1	Referred back for local resolution	Premature Decision - advice given	N/A
Corporate & Other Services <b>22015939</b>	Unknown	02/02/2023	22/02/2023	20	Referred back for local resolution	Premature Decision - advice given	N/A
<a href="#">Housing 22014849</a>	Housing Enforcement	02/02/2023	29/06/2023	179	Not Upheld	No Fault	N/A

2.7 During 2022/23 there were 2 complaints that were referred back to WLDC for a local resolution. This occurs when a customer has not initially made their complaint known to us or have not given us the chance to investigate and resolve their complaint internally.

The LGSCO will only consider a complaint once it has been investigated via the authority under the Council's formal complaint process.

- 2.8 In total 8 complaints were closed after initial enquiries were made. This occurs when the LGSCO receive a complaint and consider the initial information including details of the complaint and the response we have given them. If the LGSCO decide that it is unlikely that any fault or maladministration will be found or that any harm or injustice has been caused they will not investigate the matter further. The LGSCO will also take this approach to complaints where an appeal or tribunal route is available to the complainant or where the complaint has been made out of time. The reasons why the LGSCO closed these 8 complaints are listed below:

### **Planning x 3**

- *We will not investigate Mrs X's complaint because she has not been caused an injustice because of the Council's actions in relation to the first planning application. There is also no evidence of fault in how the Council reached a decision to grant planning permission for the second application.*
- *We will not investigate Mrs X's complaint because there is no evidence of fault in how the Council dealt with her neighbour's planning application.*
- *We will not investigate Mr X's complaint because:*
  - *he had planning appeals to the Planning Inspectorate against the Council's decisions which it was reasonable for him to have used;*
  - *his complaint about the Council preventing him using his Inspectorate appeal in 2019 is late, there are no good grounds to investigate it now, and investigation would not achieve a different outcome;*
  - *it was not fault by the Council to not provide him with alternative development proposals for his land once it had refused his application.*

### **Planning Enforcement x 2**

- *We will not investigate this complaint. This is because an investigation is unlikely to add to the investigation already carried out by the Council or lead to a different outcome.*
- *We will not investigate Ms X's complaint because an investigation is unlikely to find evidence of fault by the Council.*

### **Waste x 1**

- *We cannot investigate this complaint because it is about an issue that affects all the inhabitants of the Council area.*

### **Environmental Protection x 1**

- *We will not exercise discretion to investigate this complaint which was received outside the normal 12-month period for investigating complaints. There is no evidence to suggest that Mrs X could not have complained to us sooner about the Council's investigation of noise from a care home.*

### **Home Choices x 1**

- *We will not investigate this complaint about the Council's assessment of Mr X's housing application. There is insufficient evidence of fault which would warrant an investigation.*

- 2.9 The LGSCO carried out detailed investigations into 3 of the complaints received, these were in relation to Home Choices, Planning Enforcement and Housing Enforcement.
- 2.10 Following the LGSCO's investigations into the 3 complaints, 1 was upheld (Home Choices) and 2 were not upheld (Planning Enforcement and Housing Enforcement).
- 2.11 A decision for a complaint that was referred to the LGSCO the previous year was also received in 2022/23, the complaint was in relation to Planning Enforcement and the complaint was not upheld.
- 2.12 As the LGSCO upheld 1 of the 3 complaints investigated in 2022/23 the upheld rate for WLDC is 33%, this compares to an average of 59% in similar authorities.
- 2.13 The table below shows how many complaints have been referred to, investigated and upheld by the LGSCO compared to previous years.

	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17
Complaints and enquiries received by the LGSCO	12	12	15	11	20	19	20
Number of detailed investigations carried out by the LGSCO	3	8	2	5	10	10	11
Number of complaints upheld by the LGSCO	1	2	2	1	6	4	2
Upheld complaint percentage %	33%	25%	100%	20%	60%	40%	18%

- 2.14 As you can see the upheld rate has fluctuated over the years depending on how many complaints were investigated by the LGSCO. The actual number of upheld complaints is minimal, this has decreased across the last 6 years.
- 2.15 The decrease in the number of complaints referred to the LGSCO overall and the reduction in the number of complaints that the LGSCO felt were justified could be attributed to the work of the Customer Experience Officer and the centralised approach taken to handling complaints that was implemented in 2018.
- 2.16 It is acknowledged that cases referred to the LGSCO have been more complex in nature and we welcome a fresh pair of eyes on these matters to assist us in identifying how we can do things differently in the future.

### 3. Complaints Investigated but Not Upheld

- 3.1 In total the LGSCO carried out detailed investigations into 3 of the 12 complaints referred to them, this is a decrease compared to the previous year when 8 complaints were investigated.
- 3.2 The LGSCO did not uphold 2 of the complaints they investigated in 2022/23, both of these complaints were in relation to the Planning Enforcement service.
- 3.4 These are the details of the 2 complaints that were not upheld, to view the full report from the LGSCO please follow the title links included below:

#### [21002386 – Planning Enforcement – Not Upheld](#)

##### Summary:

*“The complainant, Mr X, complained the Council failed to properly consider a planning application or use its planning enforcement powers to control unauthorised development resulting hazardous material spilling onto his land and light nuisance. The Council says it followed the correct procedures and considered all information presented. We found the Council acted without fault.”*

*“I find the Council acted without fault in exercising its planning and enforcement powers.”*

#### [22003036 – Planning Enforcement – Not Upheld](#)

##### Summary:

*“Mr X complained the Council has failed to properly investigate or take appropriate enforcement action in relation to an unlawful mobile home on land next to a property he is purchasing.”*

*“There is no evidence of fault in the way the Council considered Mr X’s concerns about a breach of planning control.”*

## 4. Upheld Complaints and Learning and Improvement Actions

4.1 The LGSCO upheld 1 of the complaints they investigated in 2022/23, the table below shows information on the complaint that was upheld and the remedy that was recommended by the LGSCO. The received and decided dates illustrate the length of time that it took for the investigation to be completed.

Service and LGSCO Reference	Received	Decided	Decision	Decision Reason
Home Choices (Housing) 22002076	18/05/2022	11/01/2023	Upheld	Fault and Injustice
<b>Days to resolve 239</b>				
<b>Remedy</b>				
<ul style="list-style-type: none"> <li>• Apologise in writing</li> <li>• Pay xxx £200 a month for the five months spent in unsuitable accommodation, so £1,000 in total.</li> <li>• Pay xxx a further £500 in recognition of their avoidable distress, uncertainty, and missed opportunity.</li> <li>• Write to xxx reiterating the Council's agreement to reinstate their housing register application following the Occupational Therapy report.</li> </ul>				
<b>Service Improvement Recommendations</b>				
<ul style="list-style-type: none"> <li>• Share a copy of the decision with staff in the relevant departments.</li> <li>• Remind relevant staff that initial assessments must address the circumstances leading to homelessness, the housing needs, and support needs, of the applicant.</li> <li>• Remind relevant staff that a decision about whether an applicant is threatened with homelessness or is homeless should include consideration of whether it is reasonable for them to continue to occupy their current accommodation, especially where the applicant is a victim of domestic abuse.</li> <li>• Provide training or guidance to relevant staff on how to produce adequate Personalised Housing Plans with reasonable steps for both the Council and the applicant to take.</li> </ul>				
<b>Learning and Improvement Actions</b>				
<p>A further improvement that came from this complaint decision and the LGSCO's findings was the implementation of service standards for the Home Choices service.</p>				

4.2 The information below includes more detail on the complaint and the reasons why it was upheld.

Please note that the LGSCO did not publish this decision statement on their website because of the risk of compromising the complainant's anonymity, therefore the information below is a redacted summary rather than the full LGSCO decision report.

*“xxx complained that the Council failed to provide interim accommodation when they were homeless, leaving them in an unsuitable property where they were at risk of domestic abuse. They also complained the Council ended its housing duty by offering them an unsuitable property. As a result, xxx says their mental and physical health have suffered, and they remain in unsuitable accommodation.”*

### **The LGSCO's findings**

*“The Council correctly identified that xxx application to the housing register in April 2021 was also a homeless application. However, there is no evidence the Council conducted the assessment of the circumstances required by law. Nor that it considered whether it was reasonable for them to continue to live with their parents given the ongoing issues of domestic abuse. Failure to do so was fault.*

*The Council says it accepted the prevention duty in May. However it did not write to xxx accepting this duty and setting out their right to review. This was fault. It produced a PHP but the plan contains no details about xxx housing needs and has no actions for either them or the Council to take. This was fault.*

*The Council accepted a relief duty in July. It took two months for it to write to xxx with what it said was an offer of interim accommodation. I do not consider that this was actually an offer. To constitute an offer, the accommodation must exist and be available to the applicant. The Council offered xxx accommodation at a B&B which was closed. This was fault.*

*The Council ended its duty by offering xxx a property which they bid on. They had concerns about affordability which the Council addressed. There is no fault in how the Council made the offer of the property. xxx had a right to ask for a review of the suitability of the accommodation which they did not use.*

*When xxx contacted the Council again in November, it had reason to believe they might be homeless and in priority need. It therefore offered xxx accommodation in xxx while it made inquiries. It agreed to accommodate their pet and provide transport to any medical appointments and work. I find no fault in how the Council handled this new application.”*

### **Injustice**

*“I have found that the Council did not complete a proper assessment of xxx needs and circumstances in May 2021. It should have considered whether it was reasonable for xxx to continue to live with their parents in circumstances where they were abusive towards them and the home was not adapted to meet their physical health needs. Had it done so, I find that the Council would have decided xxx was homeless and may be in priority need.*

*Therefore, the Council should have offered xxx interim accommodation in May. Instead, xxx remained in un-adapted accommodation where they were at risk of domestic abuse for a further five months. This is a significant injustice to xxx.*

*The failure to tell xxx in writing when it accepted a prevention duty denied them the statutory right to review this decision. This, in addition to the Council's inadequate PHP, meant xxx did not know what, if anything, the Council was doing to help them from April until July. This is an injustice to xxx.*

*xxx circumstances were the same in May, when the Council accepted the prevention duty, as they were in July, when the Council accepted the relief duty. I find, therefore, that xxx was already homeless, and so owed the relief duty, in May. Had the Council accepted a relief duty in May, it would have accepted the main duty in July. Instead, it did not do so*

*until October. This delay of three months caused xxx avoidable distress and uncertainty, which is an injustice.*

*When xxx made a second homeless application in November, the Council offered them interim accommodation in Town 3. In doing so, it considered how to meet their disability, employment, and travel needs as well as their need to live with their dog. However, there is no evidence the Council considered making these arrangements when xxx first requested emergency accommodation in May or at any point during its relief duty. Had the Council done so, xxx might have accepted interim accommodation in Town 3. Failure to consider how to meet xxx needs in the accommodation available or make them a proper offer denied them the opportunity to make an informed decision about whether to accept it. This is an injustice to xxx.”*

- 4.3 The recommended actions made by the LGSCO were completed within the timescales required and evidence of the actions completed was shared with the LGSCO.
- 4.4 A further improvement that came from this complaint decision and the LGSCO's findings was the implementation of service standards for the Home Choices service. Following examination of the findings it was established that had an officer been able to speak directly to the applicant then some of the failings identified would not have occurred.
- 4.5 In March 2023 a new Homelessness Customer Charter was agreed and put into place. This charter sets out what the council will do when approached for housing support, what customers can expect from the council and what is expected from the customer. A wider piece of work will commence autumn/winter 2023/24 to examine and refresh customer standards across all council services.

## **5. Compliance with Ombudsman Recommendations**

- 5.1 The LGSCO produce and report statistics on compliance with the recommendations they make in relation to upheld complaints. The LGSCO's recommendations are specific and will include a timeframe for completion, allowing them to follow up with authorities and seek evidence that the recommendations have been implemented.
- 5.2 During 2022/23 there were 2 sets of recommendations that had to be completed within 4 weeks and 8 weeks of the LGSCO's final decision on the upheld complaint detailed in the section above.
- 5.3 We carried out the recommendations within the required timeframe so the compliance rate for West Lindsey District Council in 2022/23 was 100%.
- 5.4 The LGSCO state that failure to comply with recommendations made is rare. *“An organisation with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.”*

## 6. Comparison with other Local Authorities Nationally

- 6.1 The LGSCO deals with complaints for 35 local authority areas in total.
- 6.2 West Lindsey District Council is number **235/357** overall in terms of the number of complaints referred to the LGSCO for each authority, the highest number of complaints being 490 for Birmingham City Council. The previous year West Lindsey District Council was number 265/356 overall.
- 6.3 In terms of the number of upheld complaints West Lindsey District Council is number **284/356** overall. Birmingham City Council had the highest number of upheld complaints with 128 of their complaints being upheld by the LGSCO. The previous year West Lindsey District Council was number 239/356 overall.
- 6.4 Compared to the previous period (2022/23) West Lindsey District Council has moved to a higher position on the chart for the number of complaints referred to the LGSCO but a lower position for the number of complaints upheld by the LGSCO, this is a positive move.
- 6.5 The tables that show the results for all authorities can be accessed here: <https://www.lgo.org.uk/information-centre/reports/annual-review-reports/local-government-complaint-reviews>

## 7. Comparison with other similar Local Authorities

- 7.1 A list of 20 local authorities that are similar to West Lindsey District Council in terms of size, population and services provided has been compiled so that some meaningful comparison and benchmarking can take place.
- 7.2 The tables in [Appendix 2](#) of this report show how West Lindsey District Council compares with the other 20 similar authorities.
- 7.3 In terms of the number of complaints referred to the LGSCO, West Lindsey District Council is number joint 6/21 compared to similar local authorities. The previous year (2021/22) West Lindsey District Council was joint number 8/21 overall.
- 7.4 West Lindsey District Council is joint number 3/21 in terms of the number of upheld complaints when compared to similar local authorities, please keep in mind that only 1 complaint was upheld.



## Appendix 1 – LGSCO Annual Review Letter 2022-23

19 July 2023

*By email*

Mr Knowles  
Executive Director of Resources  
West Lindsey District Council



Dear Mr Knowles

### Annual Review letter 2022-23

I write to you with your annual summary of complaint statistics from the Local Government and Social Care Ombudsman for the year ending 31 March 2023. The information offers valuable insight about your organisation's approach to complaints. As always, I would encourage you to consider it as part of your corporate governance processes. As such, I have sought to share this letter with the Leader of your Council and Chair of the appropriate Scrutiny Committee, to encourage effective ownership and oversight of complaint outcomes, which offer such valuable opportunities to learn and improve.

The end of the reporting year, saw the retirement of Michael King, drawing his tenure as Local Government Ombudsman to a close. I was delighted to be appointed to the role of Interim Ombudsman in April and look forward to working with you and colleagues across the local government sector in the coming months. I will be building on the strong foundations already in place and will continue to focus on promoting improvement through our work.

### Complaint statistics

Our statistics focus on three key areas that help to assess your organisation's commitment to putting things right when they go wrong:

**Complaints upheld** - We uphold complaints when we find fault in an organisation's actions, including where the organisation accepted fault before we investigated. We include the total number of investigations completed to provide important context for the statistic.

Over the past two years, we have reviewed our processes to ensure we do the most we can with the resources we have. One outcome is that we are more selective about the complaints we look at in detail, prioritising where it is in the public interest to investigate. While providing a more sustainable way for us to work, it has meant that changes in uphold rates this year are not solely down to the nature of the cases coming to us. We are less likely to carry out investigations on 'borderline' issues, so we are naturally finding a higher proportion of fault overall.

Our average uphold rate for all investigations has increased this year and you may find that your organisation's uphold rate is higher than previous years. This means that comparing uphold rates with previous years carries a note of caution. Therefore, I recommend comparing this statistic with that of similar organisations, rather than previous years, to better understand your organisation's performance.

**Compliance with recommendations** - We recommend ways for organisations to put things right when faults have caused injustice and monitor their compliance with our recommendations. Failure to comply is rare and a compliance rate below 100% is a cause for concern.

**Satisfactory remedy provided by the authority** - In these cases, the organisation upheld the complaint and we were satisfied with how it offered to put things right. We encourage the early resolution of complaints and credit organisations that accept fault and find appropriate ways to put things right.

Finally, we compare the three key annual statistics for your organisation with similar authorities to provide an average marker of performance. We do this for County Councils, District Councils, Metropolitan Boroughs, Unitary Councils, and London Boroughs.

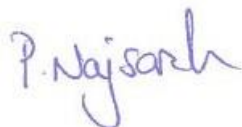
Your annual data, and a copy of this letter, will be uploaded to our interactive map, [Your council's performance](#), on 26 July 2023. This useful tool places all our data and information about councils in one place. You can find the detail of the decisions we have made about your Council, read the public reports we have issued, and view the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

### **Supporting complaint and service improvement**

I know that complaints offer organisations a rich source of intelligence and insight that has the potential to be transformational. These insights can indicate a problem with a specific area of service delivery or, more broadly, provide a perspective on an organisation's culture and ability to learn. To realise the potential complaints have to support service improvements, organisations need to have the fundamentals of complaint handling in place. To support you to do so, we have continued our work with the Housing Ombudsman Service to develop a joint complaint handling code that will provide a standard for organisations to work to. We will consult on the code and its implications prior to launch and will be in touch with further details.

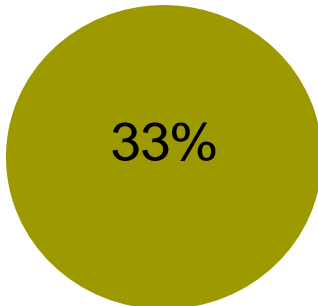
In addition, our successful training programme includes practical interactive workshops that help participants develop their complaint handling skills. We can also offer tailored support and bespoke training to target specific issues your organisation might have identified. We delivered 105 online workshops during the year, reaching more than 1350 people. To find out more visit [www.lgo.org.uk/training](http://www.lgo.org.uk/training) or get in touch at [training@lgo.org.uk](mailto:training@lgo.org.uk).

Yours sincerely,



Paul Najsarek  
Interim Local Government and Social Care Ombudsman  
Interim Chair, Commission for Local Administration in England

### Complaints upheld



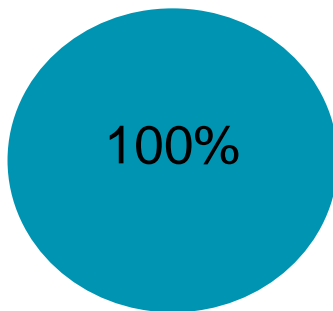
**33%** of complaints we investigated were upheld.

This compares to an average of **59%** in similar organisations.

**1**  
upheld decision

Statistics are based on a total of **3** investigations for the period between 1 April 2022 to 31 March 2023

### Compliance with Ombudsman recommendations



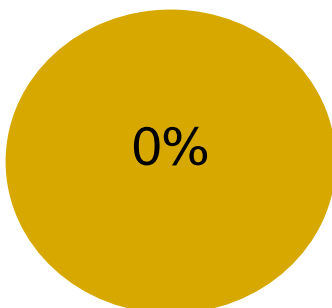
In **100%** of cases we were satisfied the organisation had successfully implemented our recommendations.

This compares to an average of **100%** in similar organisations.

- Failure to comply with our recommendations is rare. An organisation with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.

Statistics are based on a total of **2** compliance outcomes for the period between 1 April 2022 to 31 March 2023

### Satisfactory remedy provided by the organisation



In **0%** of upheld cases we found the organisation had provided a satisfactory remedy before the complaint reached the Ombudsman.

This compares to an average of **15%** in similar organisations.

**0**  
satisfactory remedy decisions

Statistics are based on a total of **1** upheld decision for the period between 1 April 2022 to 31 March 2023

## Appendix 2 - Comparison with 20 similar Local Authorities – Complaints Received

Local Government & Social Care <b>OMBUDSMAN</b>	Adult Social Care	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environmental Services, Public Protection and Regulation	Highways and Transport	Housing	Planning and Development	Other	Total
Derbyshire County Council	29	0	6	50	1	11	0	0	0	97
East Lindsey District Council	0	1	0	0	3	1	3	9	0	17
Mid Suffolk District Council	0	2	1	0	1	1	3	9	0	17
South Hams District Council	0	0	2	0	6	0	0	8	0	16
North Devon District Council	1	1	1	0	1	0	2	8	0	14
South Holland District Council	0	1	3	0	1	0	3	5	0	13
Allerdale Borough Council	0	3	2	0	2	0	0	5	0	12
Mid Devon District Council	0	0	2	0	1	1	1	6	1	12
South Somerset District Council	0	0	0	0	1	0	0	11	0	12
West Lindsey District Council	0	1	1	0	3	0	3	4	0	12
Sabergh District Council	1	2	1	0	0	0	2	5	0	11
Dereckland District Council	0	2	2	0	1	0	1	5	0	11
Cotswold District Council	0	2	1	0	2	0	0	5	0	10
King's Lynn & West Norfolk Council	0	1	3	0	1	1	1	2	1	10
Stratford-on-Avon District Council	0	2	1	0	1	0	1	4	0	9
Torridge District Council	1	0	0	0	0	0	0	8	0	9
Selby District Council	0	0	0	0	2	0	3	3	0	8
Hambleton District Council	0	0	0	0	2	0	0	3	0	5
Copeland Borough Council	0	0	2	0	0	0	1	1	0	4
North Kesteven District Council	0	1	0	0	1	0	0	2	0	4
Daventry District Council	0	0	0	0	0	0	0	0	0	0

**Notes**

These statistics include all complaints and enquiries that were received from 01 April 2022 to 31 March 2023.

Some cases are received and decided in different business years. This means the number of complaints and enquiries received may not match the number of decisions made.

You can find comparisons with last year's data on the second tab of this workbook.

For more information on how to interpret our statistics, please visit: <https://www.lgo.org.uk/information-centre/reports/annual-review-reports/interpreting-local-authority-statistics>

## Appendix 2 continued - Comparison with 20 similar Local Authorities – Complaints Decided (by outcome)

Local Government & Social Care <b>OMBUDSMAN</b>	Invalid or Incomplete	Advice Given	Referred Back for Local Resolution	Closed after Initial Enquiries	Not Upheld	Upheld	Total	Uphold rate (%)	Average uphold rate (%) of similar authorities
Derbyshire County Council	4	3	25	34	5	21	92	81%	80%
Mid Suffolk District Council	0	2	7	4	0	2	15	100%	59%
North Devon District Council	2	1	3	6	1	2	15	67%	59%
South Holland District Council	1	0	1	9	2	2	15	50%	59%
Babergh District Council	0	2	3	4	1	2	12	67%	59%
East Lindsey District Council	1	1	5	7	0	1	15	100%	59%
West Lindsey District Council	1	0	2	8	2	1	14	33%	59%
Allerdale Borough Council	1	0	1	6	3	1	12	25%	59%
Mid Devon District Council	1	1	3	6	0	1	12	100%	59%
King's Lynn & West Norfolk Council	2	0	3	4	1	1	11	50%	59%
Stratford-on-Avon District Council	0	0	1	4	5	1	11	17%	59%
Breckland District Council	0	1	2	4	2	1	10	33%	59%
Wiswold District Council	0	0	4	5	0	1	10	100%	59%
Hambleton District Council	0	0	2	0	3	1	6	25%	59%
Leicestershire & Rutland District Council	0	0	0	0	0	1	1	100%	59%
South Hams District Council	0	1	6	9	0	0	16		59%
South Somerset District Council	1	0	3	6	1	0	11	0%	59%
Selby District Council	0	1	2	6	0	0	9		59%
Torridge District Council	1	0	4	2	0	0	7		59%
North Kesteven District Council	0	0	2	1	0	0	3		59%
Copeland Borough Council	0	0	2	0	0	0	2		59%
<b>Notes</b>									
These statistics include all complaints and enquiries that were decided from 01 April 2022 to 31 March 2023.									
Some cases are received and decided in different business years. This means the number of complaints and enquiries received may not match the number of decisions made.									
You can find comparisons with last year's data on the second and third tabs of this workbook.									
For more information on how to interpret our statistics: <a href="http://www.lgo.org.uk/information-centre/reports/annual-review-reports/interpreting-local-authority-statistics">http://www.lgo.org.uk/information-centre/reports/annual-review-reports/interpreting-local-authority-statistics</a>									

# Agenda Item 6g



**Governance and Audit  
Committee**

**Tuesday, 26<sup>th</sup> September  
2023**

**Subject: LGA Peer Challenge Update Report**

Report by:

Chief Executive

Contact Officer:

Ellen King  
Policy & Strategy Officer – Corporate Strategy &  
Business Planning

Ellen.King@west-lindsey.gov.uk

Purpose / Summary:

To update members on the latest position  
regarding the Council's next LGA Corporate  
Peer Challenge, due by 2025.

**RECOMMENDATION(S):**

1. That members note the change in timing for the Council's next LGA Corporate Peer Challenge from 2024 to 2025.

## IMPLICATIONS

### **Legal:**

No legal implications arising from this report. There is no legal requirement for local authorities to undergo a Peer Challenge, however, member councils of the Local Government Association are expected to undergo a full Corporate Peer Challenge every five years; and for the outcome to be published on the Council's website.

### **Financial : FIN/57/24/GA/SL**

No financial implications arising from this report. Corporate Peer Challenges are fully funded by the Local Government Association.

### **Staffing :**

No staffing implications arising from this report.

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

A Corporate Peer Challenge will include an appraisal of the Council's approach to equality and diversity as part of the scope of the review.

### **Data Protection Implications :**

No data protection implications arising from this report.

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

Not applicable to this report. A Corporate Peer Challenge will appraise the Council's approach and commitment to tackling climate change.

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

Not applicable to this report.

### **Health Implications:**

No health implications arising from this report.

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

Outcome of the LGA Follow-up Peer Review, 2022

Report to Council on 22<sup>nd</sup> July 2022

<https://democracy.west-lindsey.gov.uk/documents/s31349/Outcome%20of%20the%20LGA%20Follow-Up%20Peer%20Review%202022.pdf>

**Risk Assessment :**

Not applicable

**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**



## **Introduction**

The Local Government Association (LGA), of which West Lindsey District Council is a member, offers all local authorities a Corporate Peer Challenge once every five years, including a follow-up review to monitor progress against any recommendations made. The Council last undertook a Corporate Peer Challenge in January 2020, with a follow-up review taking place in February 2022; therefore the Council's next full Corporate Peer Challenge is due no later than 2025.

A report to Council on 4<sup>th</sup> July 2022 stated under 'Next Steps' that: "*West Lindsey's next, full peer challenge is scheduled to take place in 2024 and officers will begin work to prepare for this in collaboration with key stakeholders and decision makers.*" This report asks members to note a change to this timetable, the reasons for which are outlined below.

## **Context**

As stated by the LGA, Peer Challenges are "*an established tool that support Councils to drive improvements and efficiency in specific areas.*" In agreeing to undergo a Corporate Peer Challenge, Councils are assigned a peer team comprised of experienced and fully trained political and managerial leaders to provide robust and strategic challenge and support.

Peer Challenges are fully subsidised by the LGA with changes currently being implemented by the Department for Levelling Up, Housing and Communities (DLUHC) placing a focus on two types of peer challenge: Corporate Peer Challenge and Finance and Governance Peer Challenge. Service specific challenges previously on offer to councils will no longer be available under the LGA's new model. A Corporate Peer Challenge focuses on five core areas, these being:

1. Local Priorities and Outcomes
2. Organisational and Place Leadership
3. Governance and Culture
4. Financial Planning and Management
5. Capacity for Improvement

There is scope to include further areas for review at the discretion of the Leader of the Council and the Chief Executive and in agreement with the peer team.

## **Timeline for the Council's Next Corporate Peer Challenge**

The decision for when to hold the Council's next Peer Challenge sits with the Leader of the Council, in consultation with the Chief Executive. Under the previous administration, it was agreed with the former Leader of the Council that this would be held in January 2024, eight months after the 2023 local elections. This would be exactly four years since the last Corporate Challenge in January 2020, which was eight months after the 2019 local elections.

Due to a significant intake of newly elected members, and following the recent adoption of a new Corporate Plan in June 2023, the new Leader of the Council, in consultation with the Chief Executive, has requested that the next Corporate Peer Challenge be scheduled for 2025. This change in timing allows new members time to become fully familiar with their roles and duties, and with the

Council as an organisation. It also allows 12 months for the new Corporate Plan to become embedded so that delivery of the strategic aims and objectives can be assessed as part of a Corporate Peer Challenge. Holding a Peer Challenge in 2025 meets the five-year expectation on Councils, with West Lindsey's next Challenge due no later than 2025.

Members are asked to note the change in timing for the Council's next Corporate Peer Challenge. Officers will work with the Leader of the Council, the Chief Executive and the Local Government Association to agree the scope and timing, which will be communicated back to this committee in due course.

## Governance and Audit Committee Workplan as at 18 September 2023

### Purpose:

This report provides details of reports scheduled for committee for the 2023/24 electoral cycle.

### Recommendation:

1. That members note the report.

Date	Title	Lead Officer	Purpose of the report
<b>26 SEPTEMBER 2023</b>			
26 Sep 2023	Report to those Charged with Governance - External Audit Completion Report (ISA260)	Peter Davy, Financial Services Manager (Deputy Section 151 Officer)	To present to those charged with governance, the External Audit report on the quality of the Statement of Accounts and Annual Governance Statement 2022/23
26 Sep 2023	Annual Governance Statement 2022/23	Jeanette McGarry, Interim Assistant Director for People and Democratic Services	To present the Annual Governance Statement 2022/23 in conjunction with the Audited Statement of Accounts 2022/23
26 Sep 2023	Audited Statement of Accounts 2022/23	Peter Davy, Financial Services Manager (Deputy Section 151 Officer)	The 2022/23 Audited Statement of Accounts is presented for scrutiny
26 Sep 2023	Internal Audit Quarter 1 Report 2023/24	Claire Goodenough, Head of Internal Audit and Risk Management, Lincolnshire County Council	To present the Quarter 1 report 2023/24 from Internal Audit.
26 Sep 2023	6 Month Review of Strategic Risks	Katy Allen, Corporate Governance Officer	To present the 6 month review of strategic risks
26 Sep 2023	Member Development Annual Report	Ele Snow, Senior Democratic and Civic Officer	To review the 2023 induction programme and upcoming plans for years 1 - 4 of the Member Development Programme
26 Sep 2023	Local Government and Social Care Ombudsman (LGSCO) Annual Review Letter	Natalie Kostiuk, Customer Experience Officer	Report on the Local Government and Social Care Ombudsman (LGSCO) Annual Review Letter 2023

Report 2022/23

covering complaints referred to and decided by them between April 2022 and March 2023. Examining upheld complaints, learning actions and benchmarking with other similar authorities.

---

26 Sep 2023	LGA Peer Challenge Update Report	Ellen King, Policy & Strategy Officer – Corporate Strategy & Business Planning	To update members on the latest position regarding the LGA Peer Challenge
-------------	----------------------------------	--	---

---

**28 NOVEMBER 2023**

---

28 Nov 2023	Internal Audit Quarter 2 Report 2023/24	Claire Goodenough, Head of Internal Audit and Risk Management, Lincolnshire County Council	To present the Quarter 2 report 2023/24 from Internal Audit.
-------------	---	--	--

---

Page 180

28 Nov 2023	Annual Governance Statement Update	Jeanette McGarry, Interim Assistant Director - People and Democratic Services	To update on the Annual Governance Statement 2023-24 Action Plan
-------------	------------------------------------	---	--

---

28 Nov 2023	Counter Fraud Assessment Report 2023/24	Emma Foy, Director of Corporate Services and Section 151 Officer	To provide an assessment on counter fraud work for 2023/24
-------------	---	--	--

---

28 Nov 2023	Review of Whistleblowing Activity	Jeanette McGarry, Interim Assistant Director - People and Democratic Services	To present data on Whistleblowing Activity in the past Civic year.
-------------	-----------------------------------	---	--

---

**23 JANUARY 2024**

---

23 Jan 2024	Draft Treasury Management Strategy 2024/25	Emma Foy, Director of Corporate Services and Section 151 Officer	To present West Lindsey District Council's Draft Treasury Management Strategy for 2024/25.
-------------	--	--	--

---

23 Jan 2024	Internal Audit Quarter 3 Report 2023/24	Claire Goodenough, Head of Internal Audit and Risk Management, Lincolnshire County Council	To present the Quarter 3 Internal Audit Report.
-------------	---	--	---

---

**12 MARCH 2024**

---

12 Mar 2024	Accounts Closedown 2023/24 Accounting	Emma Foy, Director of	To review and approve the accounting policies, actuary
-------------	---------------------------------------	-----------------------	--

---

	Matters	Corporate Services and Section 151 Officer	assumptions and materiality levels that will be used for the preparation of the 2023/24 accounts
12 Mar 2024	External Audit Strategy Memorandum (Plan) 2023/24	Emma Foy, Director of Corporate Services and Section 151 Officer	To present the 2023/24 External Audit Strategy
12 Mar 2024	Internal Audit Draft Annual Plan 2024/25	Claire Goodenough, Head of Internal Audit and Risk Management, Lincolnshire County Council	To present the Draft Annual Plan for Internal Audit for the 2024/25 committee year.
12 Mar 2024	Combined Assurance Report 2023/24	Claire Goodenough, Head of Internal Audit and Risk Management, Lincolnshire County Council	To present the Report from the Combined Assurance aspect for 2023/24
<b>16 APRIL 2024</b>			
16 Apr 2024	Internal Audit Quarter 4 Report 2023/24	Claire Goodenough, Head of Internal Audit and Risk Management, Lincolnshire County Council	To present the Quarter 4 Internal Audit Report.
16 Apr 2024	Annual Constitution Review & Monitoring Officer Report	Katie Storr, Democratic Services and Elections Team Manager And Deputy Monitoring Officer	To review the Constitution and provide the MO annual report
16 Apr 2024	6 Month Review of Strategic Risks	Katy Allen, Corporate Governance Officer	To present the 6 month review of strategic risks