



**Governance & Audit
Committee**

Date: 14th January 2020

Subject: Combined Assurance Report 2019/20

Report by:

Executive Director of Resources: Ian Knowles

Contact Officer:

Corporate Policy & Governance Manager
01427 676537

Purpose / Summary:

To present the Council's Combined Assurance
Report for 2019/20.

RECOMMENDATION(S):

- 1) Committee be assured that the findings illustrate that the Council's governance framework is operating effectively;**
- 2) To approve the report.**

IMPLICATIONS

Legal: None

Financial: FIN/156/20/TJB None from this Report

Staffing: None

Equality and Diversity including Human Rights: None

Risk Assessment: None

Climate Related Risks and Opportunities: None

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

None.

Call in and Urgency:

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

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

Yes

No

X

Key Decision:

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

Yes

No

X

Introduction

- 1.1 The purpose of the Combined Assurance Report is to produce a record of assurances against our critical activities and risks. It provides an overview of assurance across the Council making it possible to identify where assurances are present, their source and where there are potential assurance 'unknowns or gaps'. It offers a tri-angulated view of assurance with separate opinion provided by management; corporate and/or third party assurance and Internal Audit. The Combined Assurance Report is produced annually and this report covers the financial year ending 31st March 2020.

2 Combined Assurance Report

- 2.1 This is the latest Combined Assurance Report undertaken at West Lindsey District Council. It provides a view on assurance systems and services for the financial year ending March 2020. The report is available as Appendix 1.
- 2.2 The report details the methodology that was used and the levels of assurance that we currently have. The assurance assessment, as explained in the report, is based on the 'three levels of assurance' model.
- 2.3 By conducting this work, we are in a position to be able to identify where we need to obtain further assurance and at what levels. The findings will be used to focus on areas for improvement and potentially form the issues to be addressed within the Council's Annual Governance Statement.

3 Findings

- 3.1 This report, as presented, represents a realistic, yet positive picture of the levels of assurance in place across the Council and illustrates that our assurance framework is working well.
- 3.2 The findings shows that across the critical activities and emerging risks which were within the report's scope; 72% were assessed as performing well (green); 25% required some attention (amber) and 3% were in need of urgent attention (red). Last year's findings; using the same methodology, were green (65%) and amber (33%) and red (2%).
- 3.3 The 'field-work' identified a number of potential emerging risks which were discussed with the Management Team. It was acknowledged by the Management Team that the identification of emerging risks on the part of Team Managers is an essential aspect of effective service management and this input was welcomed.
- 3.4 Three percent of the areas included in the assessment were rated as 'red' in nature. This amounted to four matters out of the 119 that were assessed. None of these related to a transactional or front-facing

service area; rather they were a combination of an emerging risk, a project and the risk rating assigned to two of the Council's strategic risks. Details are as follows:

Category	Description
Emerging Risk	Strategic Capacity: Changes at Executive Director level have contributed. This is expected to be mitigated when Senior and 2nd tier management structure is finalised.
Project	Agri Food Sector: Project cannot currently proceed due to landowner restrictions so moved to a pipeline project
Strategic Risks	Inability to raise local educational attainment and skills levels
	ICT Security and Information Governance arrangements are ineffective

- 3.5 Those transactional, front-facing activities, categorised as 'amber' in nature in this year's report are set out below with the respective reasons for their rating and actions underway to address matters. In all cases the issues identified were known to the Council and oversight/actions were already in situ:

Environmental Protection and External Health & Safety: Both of these areas have suffered from capacity issues recently. While this has been addressed, the focus is on ensuring that staff skills are developed and policies are updated.

Gainsborough Markets: This service has improved since last year's report, following new initiatives to attract greater footfall and new traders. The on-going sustainability and effectiveness of the initiatives are being monitored.

Wellbeing Contract: This tri-authority contract is not currently meeting all expectations and therefore a review of its operations is underway.

Community Safety & ASB: While now operating at full capacity and the team structure has stabilised, performance of the service, being high profile in nature, is being monitored to ensure it is fully effective.

Building Control: This service has lost key personnel over the recent past with recruitment proving difficult. The good reputation of the service must be maintained and impacts on its income generating capabilities are being evaluated.

Local Land Charges: The ability to meet targets and staff shortages means that this service is being monitored. Achieving a sustainable level of staffing level is a priority and regular performances reports are prepared for senior management.

Licensing: An experienced manager has recently retired resulting in a new structure being currently trialled.

- 3.6 The content of the report and the thoughts of the Council's senior management have identified a number of key areas of focus for the year ahead. These are:
- **Procurement** – undertake a user survey to identify satisfaction levels with the current arrangements to identify any issues to inform options on future delivery.
 - **Equality & Diversity** – Review current policies, procedures, awareness and training requirements to ensure the Council is cognisant of and up to date in respect of its obligations in this regard.
- 3.7 Operating in an environment of constant change and uncertainty, service areas assess and monitor any emerging risks that may affect the delivery of their service. These have been captured and commented on within the Combined Assurance Report and all have been classified. One is regarded as a high risk (red) with the remaining eight rated as medium risks (amber). These classifications have been fed into the overall green, amber and red ratings contained within the report. In comparison to last year's report, there has been a significant reduction on the number of emerging risks
- 3.8 The identification and management of risk are regarded as key disciplines. We are pleased that an appreciation and awareness of risk management was evident and captured during the collation of the report.

4 Next Steps

- 4.1 The report will be used as a basis for learning and improvements and service planning and will be updated to provide an overall level of assurance, focusing on the areas (detailed at 3.5 above) for the Council in achieving strategic objectives for the 2020/21 period.
- 4.2 The findings of the report will be taken into consideration when forming Internal Audit's work plan for 2020/21 and the Council's Annual Governance Statement for 2019/20.