



## WEST LINDSEY DISTRICT COUNCIL

### Combined Assurance

Revised Final Internal Audit Report: 10.24/25

21 May 2025

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

# OUTCOME OVERVIEW

**Background:**

Combined assurance is a structured means of identifying and mapping the main sources and types of assurance in the Council and coordinating them to best effect. This is done using the 3 lines model. Internal Audit have co-ordinated the process and compiled the information and provided constructive challenge over the process, however, it is important to note that the assurances are managements opinion.

It enhances risk management by providing an effective and efficient framework of sufficient, regular and reliable evidence of assurance on organisational stewardship and management of major risks to the Council's success.

The overall assurance of activities has been compiled and the direction of travel from 2023/24 to 2024/25 is shown in the graphic below. The following sections detail those which are amber or red and provide a narrative on the reasons and action being taken. It is important to note that the number of elements in each assurance map has changed with some being added or removed, and as such this does have an impact on overall percentages in these areas.

	Overall Assurance – Direction of travel from 2023/24 to 2024/25
<b>Red</b> High impact on resources, significant costs high impact on service delivery.	Down from 1% to 0%
<b>Amber</b> Medium- or short-term impact on resources, costs covered within existing financial plans, low impact on service delivery.	Down from 34% to 29%
<b>Green</b> Monitor and be aware, activity to mitigate risk within existing service delivery plans.	Up from 65% to 71%

# Detailed Findings

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# STRATEGIC RISKS

Risk	Current Controls	Current risk rating	Target risk rating
<p>Inability to set a sustainable balanced budget for 2025/26</p>	<ol style="list-style-type: none"> <li>1. MTFP in place.</li> <li>2. Commercial trading and investment programme in place</li> <li>3. Annual business planning.</li> <li>4. Regular budget monitoring.</li> <li>5. Identification and use of grant-funding opportunities.</li> <li>6. Value for Money approach adopted.</li> <li>7. Lobbying in place</li> <li>8. Regular review of the commercial property portfolio.</li> <li>9. Volatility and risk reserves maintained.</li> <li>10. Resilience indicators developed and monitored.</li> <li>11. Working Balance minimum set at £2.5m.</li> <li>12. Commercial risk indicators set.</li> <li>13. Working jointly across Lincolnshire to mitigate inflationary pressures.</li> <li>14. Regular deputy s.151 monitoring of achievement of business plans</li> <li>15. Council Tax collection recovery plan to be in place.</li> <li>16. Adopted Local Plan</li> </ol>	8	4
<p>The quality of services do not meet customer expectations</p>	<ol style="list-style-type: none"> <li>1. Procedure in place to receive customer feedback, including complaints.</li> <li>2. Customer Experience Officer in post.</li> <li>3. Training and development plans for officers.</li> <li>4. Performance measures in place/monitored and reported.</li> <li>5. T24 service reviews underway and continuous improvement identified</li> <li>6. Continual development of Customer Relationship Management (CRM) technology.</li> <li>7. Robust performance management and performance improvement plans in place.</li> <li>8. Benchmarking processes in place.</li> <li>9. Dedicated corporate training budget.</li> <li>10. Customer Experience Strategy adopted and being actioned.</li> <li>11. Quality Management Board in place.</li> <li>12. New structure rolled out in Customer Services including strengthening links with service areas.</li> <li>13. New contact centre technology procured and went live November 2024.</li> </ol>	6	4

Risk	Current Controls	Current risk rating	Target risk rating
	14. Compliance with new national complaints handling guidance and monitoring by government to start in 2026.		
The Council is underprepared for the impact of extreme weather due to the change in environmental conditions	<ol style="list-style-type: none"> <li>1. Emergency Plan</li> <li>2. Business Continuity Plans</li> <li>3. Service level extreme weather plans</li> <li>4. Out of hours strategic and operational call out service</li> <li>5. Staff Facebook group to ask for additional support</li> <li>6. Members of Lincolnshire Resilience Forum.</li> <li>7. Member Environment Working Group</li> <li>8. Member and officer flood and drainage working groups</li> <li>9. Member emergency planning training</li> <li>10. Ongoing Officer training at strategic and tactical level</li> <li>11. Member of LRF Warn and Inform group</li> <li>12. Potential to identify reserve budget for impact of severe weather</li> <li>13. Relationship building and engagement with partners such as IDB / EA to problem solve, understand issues and support communications in times of need</li> <li>14. Team of experienced officers and systems in place (process/comms etc.) to deliver government support grants.</li> <li>15. Work to further clarify roles and responsibilities underway</li> </ol>	6	4
Inability for the Council's governance to support quality decision making	<ol style="list-style-type: none"> <li>1. Member and Staff training and development programmes in place.</li> <li>2. Member/Officer protocols established.</li> <li>3. Annual review of the Council's Constitution.</li> <li>4. Member's Code of Conduct and Officer Code of Conduct in place.</li> <li>5. Robust corporate governance framework.</li> <li>6. Annual schedule of audits and internal/external audit oversight.</li> <li>7. Corporate Plan 2023-27 approved.</li> <li>8. Programme Boards operating to oversee project development</li> <li>9. Regular Chief Executive/Leader discussions.</li> <li>10. Core Governance Skills Programme completed.</li> </ol>	6	3

Risk	Current Controls	Current risk rating	Target risk rating
Inability to raise local educational attainment and skills levels	<ol style="list-style-type: none"> <li>1. West Lindsey Employment &amp; Skills Partnership operating in line with approved strategy and delivery plan.</li> <li>2. Supporting work experience for young people.</li> <li>3. Continue to be part of the Enterprise Adviser network, supporting careers advice and provision amongst all secondary and special schools.</li> <li>4. UKSPF investment plan and Multiply delivery.</li> <li>5. Engage with UKAEA and skills providers across Lincolnshire and Nottinghamshire to develop skills provision for STEP Fusion plant.</li> <li>6. Work with Lincolnshire County Council on aspiration raising programme in primary schools.</li> </ol>	9	9
Inadequate support is provided for vulnerable groups and communities	<ol style="list-style-type: none"> <li>1. Innovation re service provision.</li> <li>2. Targeted enforcement project in private rented sector currently being developed.</li> <li>3. Focused support for residents of Hemswell Cliff.</li> <li>4. Development of normalisation strategy for Scampton.</li> <li>5. Safeguarding policies and procedures operating.</li> <li>6. Wide-range of enforcement tools.</li> <li>7. Effective multi-agency partnership working.</li> <li>8. Communities at Risk Strategy in place.</li> <li>9. Audit recommendations adhered to.</li> <li>10. Housing, Wellbeing and Communities Board have oversight.</li> <li>11. UKSPF Investment Plan with focus on communities.</li> <li>12. Working through Multi Agency Forum to minimise impact of Home Office Asylum proposals.</li> <li>13. Shared use proposal development with Home Office to support in unlocking regeneration and managing impact of asylum accommodation proposals.</li> </ol>	9	6
Health and wellbeing of the District's residents does not improve	<ol style="list-style-type: none"> <li>1. Leisure Contract monitoring.</li> <li>2. Everyone Active Community Wellbeing Plan developed.</li> <li>3. Wellbeing service in place and promoted with clear objectives.</li> <li>4. WLDC Wellbeing Lincs Management Board representation.</li> <li>5. West Lindsey representation on Housing, Health and Care delivery group and progress against Homes for Independence Blueprint delivery plan monitored.</li> <li>6. Representation on Health Inequalities Programme Board.</li> <li>7. Development and delivery of District Health and Wellbeing Strategy.</li> </ol>	9	6

Risk	Current Controls	Current risk rating	Target risk rating
The local housing market and the Council's housing related services do not meet demand	<ol style="list-style-type: none"> <li>1. Ongoing monitoring of Central Lincolnshire Local Plan.</li> <li>2. Housing Strategy adopted.</li> <li>3. Targeted enforcement project is being delivered and will be reviewed.</li> <li>4. Housing &amp; environmental health enforcement action taken.</li> <li>5. Viable housing solution, RSAP and NSAP properties acquired.</li> <li>6. Delivery of homelessness strategy.</li> <li>7. Temporary accommodation review undertaken. Project underway to deliver additional temporary accommodation.</li> </ol>	9	6
The local economy does not grow sufficiently	<ol style="list-style-type: none"> <li>1. NNDR Policy established.</li> <li>2. Maintain sustainable Local Plan for Central Lincolnshire.</li> <li>3. Maintain close working relationship with Business Lincolnshire and LCC Inward Investment to ensure investment and growth queries are well supported.</li> <li>4. Develop West Lindsey's input into Strategic Infrastructure Delivery Plan and emerging infrastructure strategy.</li> <li>5. Ongoing marketing and promotion of district wide success across growth and development.</li> <li>6. Maintain effective working relationships with key funders to keep cost increases under review.</li> <li>7. Implement Levelling Up programme.</li> <li>8. Development and delivery of Economic Recovery Strategy leading to new Economic Development Strategy</li> <li>9. Implementation of UKSPF Investment Plan.</li> </ol>	9	6
Insufficient action taken to create a cleaner and safer district	<ol style="list-style-type: none"> <li>1. Award winning Waste Collection and Street Cleaning Service.</li> <li>2. Trade Waste service provided.</li> <li>3. Domestic Big Bin Hire introduced in 2024</li> <li>3. Refreshed (Mar 2023) Enforcement policies operating to oversee all relevant areas.</li> <li>4. CCTV operations in place 24/7.</li> <li>5. Press/media coverage of successful prosecutions and enforcement cases.</li> <li>6. Adequate officer capacity deployed to cover enforcement matters with 2 additional fixed term officers approved for additional coverage.</li> <li>7. Educating school children in recycling and sustainability.</li> <li>8. Monthly tactical meetings with the Police and Environment Agency</li> </ol>	8	4

Risk	Current Controls	Current risk rating	Target risk rating
	9. Any resource pressures are identified in advance and discussed at MT or relevant Committee. 10. LRF Sat phone and fax machine tested quarterly.		
Inability to deliver our Climate Change ambitions and not deliver net zero carbon emissions by 2050	1. Climate Strategy and Action Plan 2. Earmarked reserves Climate initiatives 3. Member and Officer working groups 4. County wide Partnership working 5. Central Lincolnshire Local Plan	4	4
Inability to maintain critical services and deal with emergency events	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 Caenby Corner depot. 13. Scheduled audits of emergency planning take place. 14. SLA in place for support from LCC EP Officer. 15. Continued work with partners on Humber 2100 Strategy. 16. Approval of new, countrywide low-level emergency response procedure.	6	6
ICT Security and Information Governance arrangements are ineffective – Part A: Data Extortion Attack, State-aligned actors (those working for a government to disrupt or compromise organisations or individuals)	1. Robust ICT security systems in place. 2. Cyber Assessment Framework assurance. 3. Up to date infrastructure and back-up arrangements (using the national 321 model). 4. Business continuity arrangements established and updated. 5. All ICT Policies reviewed, updated and approved March 2023 including those covering ICT usage and information security.	4	4

Risk	Current Controls	Current risk rating	Target risk rating
	<p>6. Data Protection Officer, Certified Information Systems Security Professional, Certified Information Security Manager Certified Ethical Hacker and Senior Information Risk Owner roles in place.</p> <p>7. On-going training and awareness for staff; reinforced due to agile working arrangements.</p> <p>8. Process in place for the reporting and investigation of data breaches and learning loop applied.</p> <p>9. PCI-DSS compliance.</p> <p>10. Rolling programme of audits completed in 24/25 High Assurance rating for ICT Patch Management, Substantial Assurance for Cloud Hosted Services, ICT Helpdesk, ICT Disaster Recovery, Adequate Assurance for Cyber Security Audit and Substantial Assurance for Antivirus and controls.</p> <p>11. Ensuring standard contractual 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:</p> <ul style="list-style-type: none"> <li>- Certified Information Systems Security Professional (CISSP)</li> <li>- Certified Cloud Security Professional (CCSP)</li> <li>- Certified Information Security Manager (CISM)</li> <li>- Cisco Certified Network Engineer (CCNE)</li> <li>- Microsoft Certified: Azure AI Fundamentals</li> <li>- Certified Ethical Hacker (CEH)</li> <li>- Microsoft Cloud Security</li> </ul> <p>14. Weekly staff message and monthly member message - provides cyber updates, actions, advice and alerts.</p> <p>15. Fast time communication is used to mitigate threats.</p> <p>16. Annual ICT Combined Assurance Map review completion.</p> <p>17. PSN compliance.</p> <p>18. Get Cyber Assessment Framework Ready completed.</p> <p>19. Security Operations Centre working 24/7/365.</p>		
ICT Security and Information Governance arrangements are	<p>1. Robust ICT security systems in place.</p> <p>2. Cyber Assessment Framework assurance.</p>	8	8

Risk	Current Controls	Current risk rating	Target risk rating
<p>ineffective – Part B: Significant data breach or cyber loss of data</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 24/25 High Assurance rating for ICT Patch Management, Substantial Assurance for Cloud Hosted Services, ICT Helpdesk, ICT Disaster Recovery, Adequate Assurance for Cyber Security Audit and Substantial Assurance for Antivirus and controls.</p> <p>11. Ensuring standard contractual 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:</p> <ul style="list-style-type: none"> <li>- Certified Information Systems Security Professional (CISSP)</li> <li>- Certified Cloud Security Professional (CCSP)</li> <li>- Certified Information Security Manager (CISM)</li> <li>- Cisco Certified Network Engineer (CCNE)</li> <li>- Microsoft Certified: Azure AI Fundamentals</li> <li>- Certified Ethical Hacker (CEH)</li> <li>- Microsoft Cloud Security</li> </ul> <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 2024.</p> <p>17. PSN compliance.</p> <p>18. Get Cyber Assessment Framework Ready completed.</p>		

Risk	Current Controls	Current risk rating	Target risk rating
	19. Security Operations Centre working 24/7/365.		
ICT Security and Information Governance arrangements are ineffective – Part C: Targeted malicious attack to gain access to devices and data	<ol style="list-style-type: none"> <li>1. Robust ICT security systems in place.</li> <li>2. Cyber Assessment Framework assurance.</li> <li>3. Up to date infrastructure and back-up arrangements (using the national 321 model).</li> <li>4. Business continuity arrangements established and updated.</li> <li>5. All ICT Policies reviewed, updated and approved March 23 including those covering ICT usage and information security.</li> <li>6. Data Protection Officer, Certified Information Systems Security Professional, Certified Information Security Manager and Senior Information Risk Owner roles in place.</li> <li>7. On-going training and awareness for staff; reinforced due to ongoing hybrid agile working arrangements.</li> <li>8. Process in place for the reporting and investigation of data breaches and learning loop applied.</li> <li>9. PCIDSS compliance.</li> <li>10. Rolling programme of audits completed in 24/25 High Assurance rating for ICT Patch Management, Substantial Assurance for Cloud Hosted Services, ICT Helpdesk, ICT Disaster Recovery, Adequate Assurance for Cyber Security Audit and Substantial Assurance for Antivirus and controls.</li> <li>11. Ensuring standard contractual clauses are in place with data processors/controllers who hold data outside of UK.</li> <li>12. Insurance in place to cover costs of recovery from ICT failure/cyber-attack.</li> <li>13. The ICT Team have the capability and certification to undertake organisational cyber assessments (Cyber Essentials +) and hold the following cyber accreditation's: <ul style="list-style-type: none"> <li>- Certified Information Systems Security Professional (CISSP)</li> <li>- Certified Cloud Security Professional (CCSP)</li> <li>- Certified Information Security Manager (CISM)</li> <li>- Cisco Certified Network Engineer (CCNE)</li> <li>- Microsoft Certified: Azure AI Fundamentals</li> <li>- Certified Ethical Hacker (CEH)</li> <li>- Microsoft Cloud Security</li> </ul> </li> <li>14. Weekly staff message and monthly member message - provides cyber updates, advice and alerts.</li> </ol>	8	8

Risk	Current Controls	Current risk rating	Target risk rating
	15. Fast time communication is used to mitigate threats. 16. ICT Assurance Map review completed for 2024. 17. PSN compliance. 18. Get Cyber Assessment Framework Ready completed. 19. Security Operations Centre working 24/7/365.		
ICT Security and Information Governance arrangements are ineffective – Part D: Cyber enabled fraud	1. Robust ICT security systems in place. 2. Cyber Assessment Framework assurance. 3. Up to date infrastructure and back-up arrangements (using the national 321 model). 4. Business continuity arrangements established and updated. 5. All ICT Policies reviewed, updated and approved March 23 including those covering ICT usage and information security. 6. Data Protection Officer, Certified Information Systems Security Professional, Certified Information Security Manager and Senior Information Risk Owner roles in place. 7. On-going training and awareness for staff; reinforced due to ongoing hybrid agile working arrangements. 8. Process in place for the reporting and investigation of data breaches and learning loop applied. 9. PCIDSS compliance. 10. Rolling programme of audits completed in 24/25 High Assurance rating for ICT Patch Management, Substantial Assurance for Cloud Hosted Services, ICT Helpdesk, ICT Disaster Recovery, Adequate Assurance for Cyber Security Audit and Substantial Assurance for Antivirus and controls. 11. Ensuring standard contractual clauses are in place with data processors/controllers who hold data outside of UK. 12. Insurance in place to cover costs of recovery from ICT failure/cyber attack. 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) - Microsoft Certified: Azure AI Fundamentals	8	8

Risk	Current Controls	Current risk rating	Target risk rating
	<ul style="list-style-type: none"> <li>- Certified Ethical Hacker (CEH)</li> <li>- Microsoft Cloud Security</li> <li>14. PSN compliance.</li> <li>15. Get Cyber Assessment Framework Ready completed.</li> <li>16. Security Operations Centre working 24/7/365.</li> </ul>		
Inability to maintain service delivery with the amount of change initiatives	<ol style="list-style-type: none"> <li>1. Robust project management and engagement with service experts.</li> <li>2. Continuous improvement workstream to check implementation and ongoing change.</li> <li>3. Robust governance through Programme board and Portfolio Board.</li> <li>4. Audits planned for the service areas testing process and policy delivery.</li> <li>5. Performance and Delivery quarterly reports to track any negative service impact and performance improvement plans in place with full measure set review completed with members in Autumn 2024.</li> <li>6. Full annual review and refresh of the Project Management documentation including; <ul style="list-style-type: none"> <li>- Project management Framework</li> <li>- Risks and Issues Management</li> <li>- Stakeholder Management</li> <li>- Benefits Management</li> <li>- Quality Assurance</li> </ul> </li> </ol>	8	6
Failure to comply with legislation	<ol style="list-style-type: none"> <li>1. Corporate H&amp;S Officer in place.</li> <li>2. H&amp;S Champions across the Council.</li> <li>3. General H&amp;S training provided. Service specific H&amp;S training and safe working procedures including lone working.</li> <li>4. H&amp;S incident reporting arrangements.</li> <li>5. Service level H&amp;S risk assessments undertaken and regular H&amp;S walks undertaken to identify hazards.</li> <li>6. Reporting to Management Team/JSCC on H&amp;S incidents.</li> <li>7. Regular H&amp;S and stress management training for all staff.</li> <li>8. Council subscription to Employee Assistance Programme for staff.</li> <li>9. Regular inspections of property, including car parks. Pro-active maintenance programme.</li> <li>10. Early resolution of reported defects.</li> <li>11. Public Liability and Employers Liability insurance in place.</li> </ol>	8	8

Risk	Current Controls	Current risk rating	Target risk rating
	<ul style="list-style-type: none"> <li>12. Legislative implications included on all reports.</li> <li>13. Membership and use of Legal Services Lincolnshire.</li> <li>14. Subscription to Lawyers in Local Government Resource</li> <li>15. Full implementation of responsible managers and persons across the estate in place.</li> </ul>		
<p>Central Lincolnshire Local Plan does not deliver land required for sustainable development to meet the needs of residents, businesses and communities</p>	<ul style="list-style-type: none"> <li>1. Joint CLLP Team</li> <li>2. Good Governance &amp; positive partnership working (CLSG/HoPs)</li> <li>3. CLLP vision and objectives reflect the Corporate Plan, Objectives and Vision.</li> <li>4. Corporate Policy &amp; Strategy Team ensure corporate priorities are reflected in service policy &amp; strategy</li> <li>5. Five Year Land Supply report published Oct 23 - shows 7.9yr supply</li> </ul>	6	6

## OPERATIONAL AND TRANSACTIONAL SERVICES

	Overall Assurance – Direction of Travel
<b>Red</b>	Remains same at 0%
<b>Amber</b>	Down from 30% to 21%
<b>Green</b>	Up from 70% to 79%

**Objective:** Operational and Transactional services refer to the agreed set of services and functions run by the Council. Each service area should have clarity of its purpose, an understanding of their stakeholders and clear processes for delivery and managing performance.

### Findings summary (Amber Rated)

#### Electoral Registration

Two elections took place in 2024, a General Election and a Police and Crime Commissioner Election. The team remain a small team and for the General Election the team manager was absent from work throughout this time, however the team still delivered a legal and efficient election. A successful recruitment process has been undertaken in relation to a Support Officer in the team and this person will start at the end of February 2025. Recruitment has been more challenging regarding the Election Team Manager role, and this has resulted in the post being changed to a career graded post. Interviews took place for this role in February 2025. Overall, once the Election Team are staffed at capacity, it is still appreciated that the team will have two new officers who will need guidance and training, therefore support will still be needed from the Change Team and managers will monitor if external support is required. Investment from the Corporate Training Budget will be required to enable the new staff to progress. 2025 sees combined polls being held which has not been delivered by this team before. The rating has therefore been adjusted from green to amber.

#### Car Parking

Currently, the Council has decided not to renew or retain the Car Parking Officer beyond the 31 March 2025 and the service is unsure how the enforcement contract and day-to-day management of the Council's car parks will be undertaken. Combining this with a potential increase in use following the opening of the Cinema and anticipated 100k+ visitors creates a potential risk. Since the completion of this audit, the Management Team has subsequently agreed a resource.

#### Disabled Facilities Grant (DFG)

Funding challenges mean that delivery of DFG's has had to be significantly affected. DFG's are still monitored and awareness has been made to Management Team and members about the funding challenges. Officers and members are working with LCC and other districts to try and improve the funding position alongside lobbying for change with MPs and working with Foundations which are the National Body for DFG's.

#### Commercial Waste

The Business Plan has now gone through approval and is being implemented.

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The service is not achieving the level of income that the business plan sets out, this has been due to more challenging market conditions beyond the control of the Council as well as there being a very competitive market. There is also new food waste legislation set to come out in the near future which will impact the service. A solution for commercial waste will be agreed at committee in February 2025.

**Income Management System**

Income management system is outdated and may not be fit for purpose. This has implications in terms of cashflow and forecasts as there is a lot of monies that comes into the service through online payments.

**Complaints**

The two-stage complaints approach will be rolled out in 2025/26.

The service still works really well although there is new government guidance that will change the service. The new guidance will have a different process and may change and impact the service. The new process involves the team manager undertaking the initial investigation instead of approving the findings. As this change still embeds, this area has remained as amber. An audit of Complaints Handling was conducted by RSM during 2024/25 which resulted in reasonable assurance being provided.

# GOVERNANCE

	Overall Assurance – Direction of Travel
<b>Red</b>	Remains same at 0%
<b>Amber</b>	Down from 15% to 12%
<b>Green</b>	Up from 85% to 88%

**Objective:** This section includes areas such as corporate governance, risk management, partnerships, information governance, procurement and contract management, Human Resources, project management and Member and Democratic Services.

**Findings summary (Amber Rated)** **HR Policy & Procedures**  
 HR have recognised that the policies and procedures in place need to be updated, but due to significant changes to employment legislation by the government over the last few months, it does not seem efficient to make changes at the moment. Thus, the Council decided to rank this area as amber, whilst noting it is not a major problem as of yet.  
 An audit of the Staff Appraisal Process was conducted by RSM during 2024/25 which also provided reasonable assurance.

**Procurement**  
 This area will remain as amber due to the new Procurement Act coming into force in February 2025 and the Council needing to demonstrate compliance with this.  
 This area has improved from a partial assurance audit opinion in 2023/24 to a reasonable assurance opinion in 2024/25.  
 Training on the new act is being rolled out and exceptions/waivers are now being reported to Governance and Audit Committee on a periodic basis.  
 There has been some change in this area with the Director of Commercial & Operational Services no longer being with the Council and Procurement now coming under the Director of Finance and Assets (S151 Officer).  
 A further audit of Procurement is planned as part of the 2025/26 internal audit plan.

## RESOURCES

	Overall Assurance – Direction of Travel
<b>Red</b>	Remains same at 0%
<b>Amber</b>	Up from 11% to 22%
<b>Green</b>	Down from 89% to 78%

**Objective:** This aspect relates to the functions that support the running of the Council and ensure compliance with policies and set procedures.

### Findings summary (Amber Rated)

#### Counter Fraud

Counter fraud services are no longer provided by LCC.

Fraud policies and procedures such as Whistleblowing and Conflicts of Interest are in place and have been reviewed but were found to be inadequate, thus work has been undertaken to bring the function in the right direction. The Whistleblowing Policy is due to be reviewed by the Governance and Audit Committee.

In 2024/25, RSM undertook a fraud risk assessment, with the view to producing a robust and forward-thinking Fraud Risk Register and action plan. 29 of the 38 actions have now been implemented. An audit is further planned to be conducted during 2025/26 to follow up these actions.

An annual fraud report is issued to Members which contains fraud work undertaken, including Cyber work.

Qualified fraud investigators are on hand to conduct investigations. No new or material frauds have occurred, other than those within the inherently risky areas such as housing benefit or council tax single person discount claims.

#### General Ledger

External audit recently reported an error in the journal process where there was a lack of segregation of duties, which is why the green assurance has moved to amber, however this has now been resolved. Virements are approved within the finance system allowing for a robust audit trail. The ICT Team is responsible for system user administration.

The fixed asset module of the finance system is now working and it provides real time asset data to Budget Holders, support the in-year verification of assets, depreciation calculations and the notes to the financial accounts.

#### Financial Resilience

The Council are showing as strong on the CIPFA financial resilience index.

The budget gap remains a challenge after 2025/26. A Savings Board has been established to look at the options to manage the budget gap. The government also keeps amending requirements, creating uncertainty around the funding provided to the Council. The General Fund reserves provide two years of further funding until the budget gap becomes an issue.

Third party Value For Money reports are showing as green. The biggest unknown at present is around future reorganisation plans in Lincolnshire. Officers are becoming more heavily involved in providing data and working up options.

# ICT

	Overall Assurance – Direction of Travel
<b>Red</b>	Remains same at 0%
<b>Amber</b>	Remains same at 0%
<b>Green</b>	Remains same at 100%

**Objective:** The ICT aspect of the report focuses on governance arrangements within the service, the infrastructure, day to day operations, projects, compliance and applications and systems.

**Findings summary** Cybersecurity risk is consistently one of the top five risks identified by the Institute of Internal Auditors (IIA) and this situation is not expected to change over the coming years. Most organisations are alive to this risk and incorporate it into their strategic and/or operational risk registers.

A full review of the ICT Assurance Map 2024/25 has been completed.

The ICT Team have maintained full accreditation to undertake organisational cyber assessments as part of Cyber Essentials +. Robust ICT security systems and processes are in place with up-to-date infrastructure and back-up arrangements.

All aspects of the service have operated effectively over the past 12 months and the shared ICT partnership with North Kesteven District Council continues to work well.

External assurance is provided through a support contract which provides expertise for active monitoring and support of any high impact issues.

Training and staff awareness are re-enforced for all ICT policies, hybrid working and Cyber Security risks.

An audit by RSM was conducted during the year, titled IT Operations, which focused on resilience, operating systems and firmware management, security standards, network segregation, backup and recovery processes, monitoring tools, and privileged access control. A reasonable assurance opinion was provided as part of this review.

## EMERGING RISKS

	Overall Assurance – Direction of Travel
<b>Red</b>	Remains same at 0%
<b>Amber</b>	Down from 86% to 50%
<b>Green</b>	Up from 14% to 50%

**Objective:** It is important all managers undertake effective risk management and attempt to minimise the impact of any risks should they materialise. Looking ahead and horizon scanning to identify any emerging risks is a pre-requisite and it is encouraging that this activity is undertaken across the Council.

### Findings summary (Amber Rated)

#### Devolution

Devolution is still in the early stages of being rolled out with regular updates and communications beginning. There has been a report provided to Governance and Audit Committee to update on the likely arrangements and joint working requirements but will need ongoing monitoring and updates. Due to the unknown nature, this remains as amber.

#### Income from leisure contract

This will remain as an amber rating – the CPO signed off a variation to the contract with the Leisure Provider which has reduced the management fee for the next year. The service do need to look further than this and look at options in readiness for contract expiry.

Pressures arise from the increase in costs of utilities and customer numbers not returning to usual post pandemic as expected. The service constantly undertakes condition surveys and engagement with the leisure provider to ensure service is as effective and efficient as possible.

Deed of Variation has been agreed, £400,000 grant from LA for Solar Panels to help decrease utility costs, this project will have 31 March 2025 implementation date.

Emerging risk – Leisure facility is 50 years old and starting the service is debating about a refurb or replacement facility. The risk is the inability to provide service because of break or damage to the facility it is currently in. Although the service is working on a plan at the moment. The leisure provider in the current state may not wish to renew.

#### Financial Resilience

The Council has currently not got a balanced Medium Term Financial Strategy across all years. More clarity should be given by government during 2025 on future funding levels which will then give the Council an clear idea of any gaps it might be facing and then work can progress on how to address these if they arise. An audit is planned for 2025/26 to look at the financial resilience of the Council.

#### Recruitment, retention and succession planning

This situation has not improved with the loss of the 37hr/week Car Parking Officer post with no agreed recruit alternative as of yet. Similarly the service has a history of vacancies with 41 vacant post months over the last five years. The service will be looking to recruit from an industry base that has known resource and skills shortages.

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**Failure to deliver food waste on time**

Amber reflects the current period of change. The service has received confirmation from Central Government about future delivery in this area, however funding is still to be confirmed.

With there being challenges in the future with the new government guidance around the Council's Green Plan, food waste services is saying that the Council may not have enough lorries in the future and procurement may be challenging, but work continues to look at options, but lorries have been secured for the launch of the scheme.

**Failure to achieve environmental targets**

Amber rating as there will be challenges in the future with the new government guidance around the Council's Green Plan. Fleet decarbonisation has been approved and has started to give a direction around electrification of the fleet. There will be a substantial cost set up costs to support the electrification of the fleet. As well as considerations around the range on the lorries to ensure that there are capabilities of the fleet to get around the West Lindsey area. The process has now started and work to map this out has begun. This therefore may have an impact in delivering the environmental targets set.

**Customer Focus**

This will remain as an amber rating as there has been a Customer Focus Group set up, this may then result in other engagement with customers. Strategies have been introduced and so work will be undertaken to align work to the strategies.

## KEY PROJECTS

	Overall Assurance – Direction of Travel
<b>Red</b>	Down from 7% to 0%
<b>Amber</b>	Up from 47% to 56%
<b>Green</b>	Down from 47% to 44%

**Objective:** This aspect of the Combined Assurance mapping exercise focuses on the key projects affecting the Council and how well they are being managed.

<b>Findings summary (Amber Rated)</b>	<p>During 2024/25, an audit by RSM of Project and Programme Management was conducted which provided substantial assurance.</p> <p><b>Investment and Regeneration of RAF Scampton</b> RAF Scampton is still ongoing with options to be agreed upon as the Asylum Centre is no longer planned. Options include purchasing the site from government.</p> <p><b>Enterprise Resource Planning System (ERP)</b> The HR and Payroll module is no longer in scope to be included in the ERP system. It was noted that the partnership with the ERP is currently a success. The Council are now in the early stage of adding cash receipting to the ERP and ending the use of the current system. This needs to remain as Amber until the rollout is complete.</p> <p>Change 4 Lincs (Rough Sleeper Initiative) Additional funding has been received for 2025/2026. The service are to have an amended structure with the Council being more hands on with the delivery of the service. This has therefore enabled this to move from red to amber.</p> <p><b>Customer Relationship Management (CRM) System</b> The Project Management Office (PMO) have now taken over the responsibility for this area. Project development, scope, costs, resources are clear and the service continues to develop and look at business improvements to the CRM for each service area on an ongoing basis. Updates are provided to Portfolio Board and Management Team to provide transparency on the work being undertaken on decommissioning.</p> <p><b>Customer Services - Out of Hours provision</b> This will remain at amber as the Out of Hours service is still currently provided by Serco. The service with Serco remains expensive given the level of calls the Council receives. The Council are seeking alternative options including services through the in-house CCTV Team. AI will be used to review the out of hours calls. There is a risk that the out of hours service is not effective.</p>
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## KEY PARTNERSHIPS

	Overall Assurance – Direction of Travel
<b>Red</b>	Remains same at 0%
<b>Amber</b>	Up from 30% to 40%
<b>Green</b>	Down from 70% to 60%

**Objective:** The Council recognises that effective partnership working is key to the achievement of many of its goals and desired outcomes. In that regard it is essential that any partnerships entered into, or are currently in operation, deliver and their on-going relevance and effectiveness are continually evaluated.

### Findings summary (Amber Rated)

#### Wellbeing Contract

The Council employ 19 staff as part of the service. A new contract is in place from 13 January 2025 for five years. The Council host the responder element of the service which is a change from the previous contract. All relevant policies and procedures will be implemented to deliver this service, although not in place currently which is why the rating is amber, once these are all in place and the management of this element of the service is up to standard, this will move to a green assurance level.

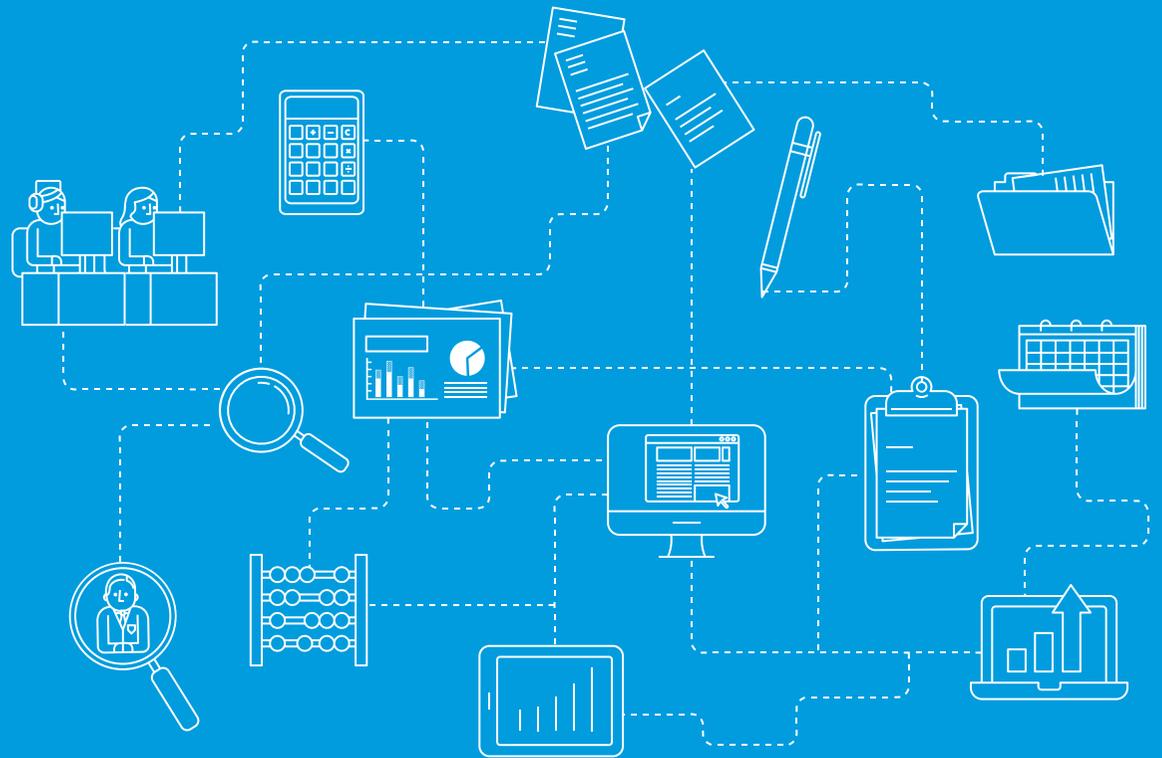
#### Lincolnshire Waste Partnership

This will remain as amber and the status has not really changed since last year. The Joint Municipal Waste Partnership introduced in 2024 has a change management programme of actions under a five-year strategy.

The eight partners have pulled together to have a positive direction of travel. The partnership needs to consider new legislation and the review of this is being carried out. New Legislation will be out early next year, and considerations and preparations are now underway especially around new food waste.

# Appendices

# 03



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The scope below is a copy of the original document issued.



### **Scope of the assignment**

The scope of the assignment has been agreed by management as follows:

- We will meet with the senior and operational managers for each directorate to understand and map the assurances in place using the three lines of defence model.
- With each team we will discuss and update an assurance map including:
  - Critical Activities
  - Key Partnerships and Projects
  - Risks (Operational, Strategic and Emerging)
- We will facilitate the scoring by senior management of their assessment and judgement of the controls and assurances in place.



### **Limitations**

**The following limitations apply to the scope of our work:**

- We will not provide an overall assurance opinion as part of this report.
- This review is being conducted as an agreed upon procedures review.
- Internal audit are facilitating the process for management to score their controls and assurances and these are not the opinions of the Internal Auditors.
- The scope of the work is limited to those areas examined and reported upon in the areas for consideration in the context of the objectives set out in for this review.
- This review is based on discussions with management and no sample testing will be conducted on the controls and assurances.
- Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

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<b>Debrief held</b>	14 March 2025
<b>Draft report issued</b>	14 March 2025
<b>Responses received</b>	6 May 2025
<b>Final report issued</b>	6 May 2025
<b>Revised final report issued</b>	21 May 2025

<b>Internal audit Contacts</b>	Rob Barnett, Head of Internal Audit Aaron Macdonald, Managing Consultant
<b>Client sponsor</b>	Management Team
<b>Distribution</b>	Management Team

We are committed to delivering an excellent client experience every time we work with you. If you have any comments or suggestions on the quality of our service and would be happy to complete a short feedback questionnaire, please contact your RSM client manager or email [admin.south.rm@rsmuk.com](mailto:admin.south.rm@rsmuk.com).

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of West Lindsey District Council, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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