

# Combined Assurance Status Report 2019/20



**City of Lincoln Council  
February 2020**

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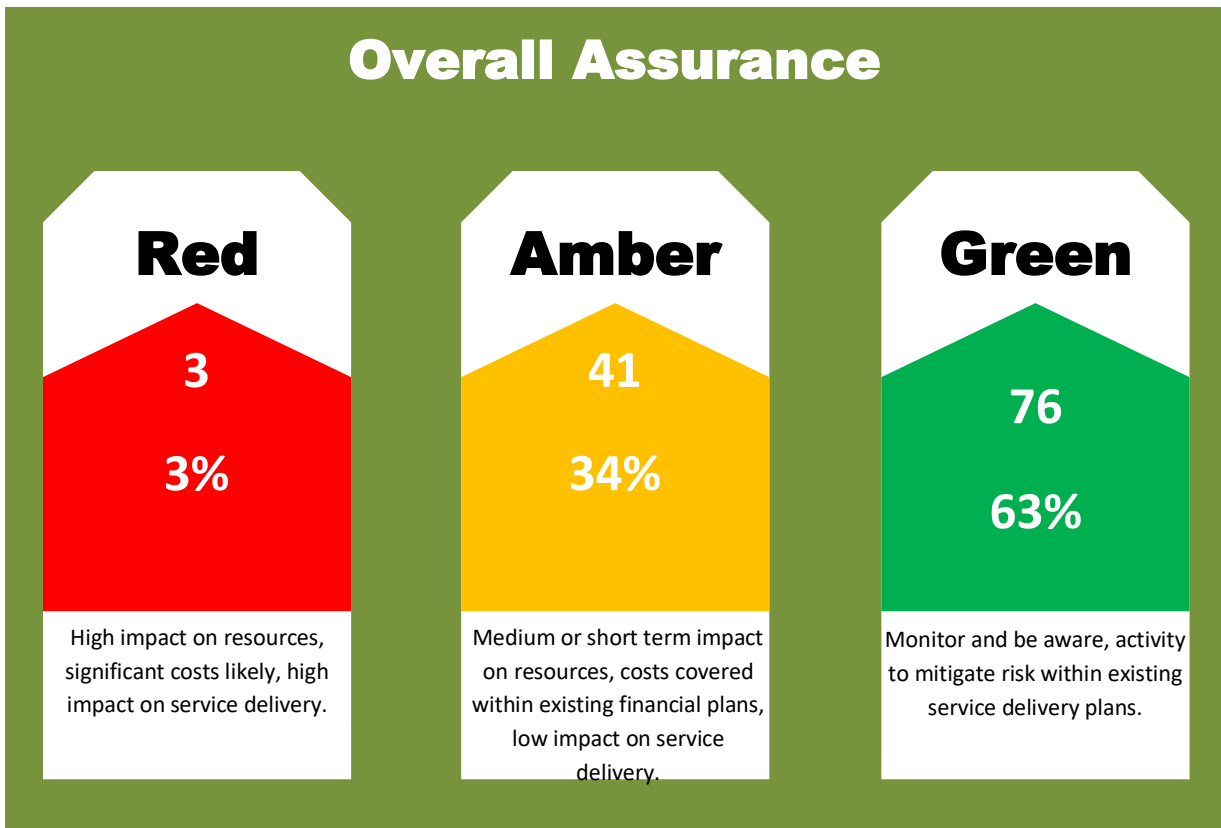
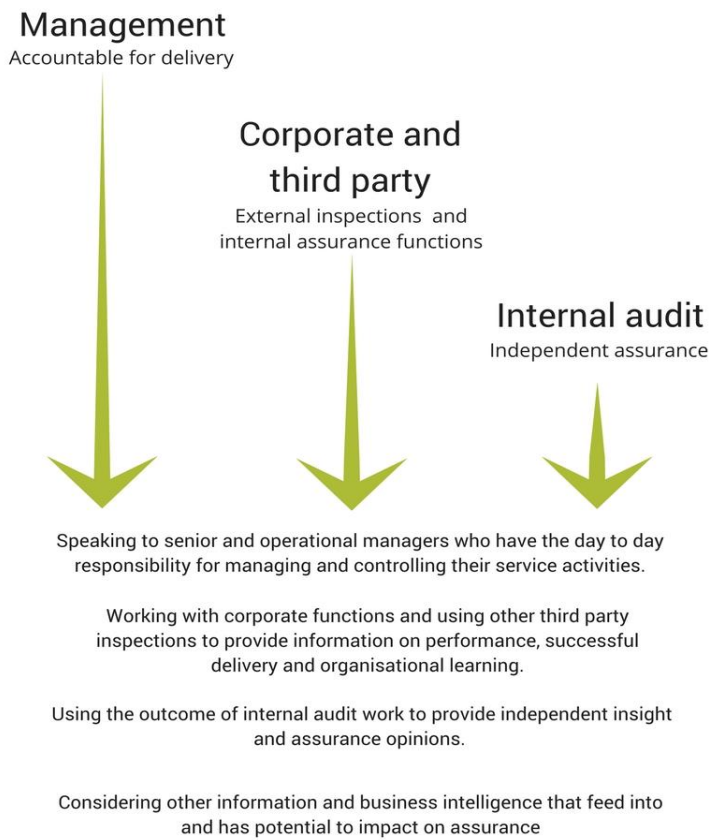
# Overview of Assurance

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.

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.

We do this using the 3 lines of defence model.

How do we assure ourselves about how the council is run?



# Chief Executive's Summary

We thank our internal audit team (part of Assurance Lincolnshire) for helping to facilitate the Council's latest Combined Assurance Report and also the Council's management for providing their input into the process.

The report is valuable in highlighting aspects of Council business that are operating well, while also identifying other areas that require greater focus and/or some level of intervention. It also provides assurance to management that there are "no surprises" where further work is required.

Plans are in place to manage and mitigate any Amber or Red assurances. In terms of overall "combined" assurance there are 63% services designated green, 34% amber and 3% red. The Council's key service functions and critical activities are generally operating well. Where there are issues we are, or have, proactively managed these risks and more detail is included within the body of the report under each Directorate.

The findings represent a comprehensive view of our assurance position across our services, critical systems, governance processes, ICT, key projects, and risk analysis.

The report illustrates that our three lines of defence governance model is operating effectively. There are a range of assurance mechanisms in place to monitor finance, performance, projects, and risk.

There is effective financial control however ongoing pressures around Council funding and budgets has required a further increase in the level of savings/income to be achieved.

A new performance system was implemented from the start of 19/20 and is working well, providing up to date and clear performance information to management and members. There is a good overall level of performance within the current context of on-going financial pressures and rising customer expectations.

Management have a good awareness of how their services are performing, are able to identify potential issues and most importantly, are proactive in implementing remedies or raising to senior management the need for such action. It is important to understand where performance is changing and take action at the right time and in the right way.

Project management systems are being updated with a view to ensure greater efficiency and effectiveness whilst maintaining compliance and good governance in projects. Project reporting continues to be aligned to the Vision 2020 / Vision 2025 strands. There is currently a review of corporate project /programme management (the Lincoln Project management model).

The Council has a range of partners and delivers many of its services and objectives through effective partnerships with appropriate governance arrangements. We have recently updated our guidance and are currently refreshing our partnership registers.

We acknowledge the benefit in having independent assurance to review our operations and as well as internal and external audit, we have engaged with a number of organisations in the past to help provide this assurance such as the LGA Peer review, and other bodies that provide assurance.

During 2019/20 a significant range of activity across the Council was undertaken as part of the final year of Vision 2020. Some key projects have been successfully delivered as part of Vision 2020 included; Lincoln Transport Hub, Lincoln Community Lottery, New Council Homes Delivery, Rogue Landlords Scheme, Investment at Birchwood Leisure Centre, Boutham Park Regeneration, City Centre Intervention Team etc.

During 2019/20 work commenced on the new Vision 2025 strategic plan covering 2020-2025. This sets Council's vision for the future of the City, it's strategic priorities and core values. This new vision will be launched at the Council's Growth Conference in March 2020

Day to day service delivery has been conducted to a high standard. The Council is responding positively to a range of challenges with greater efficiency, innovation in service delivery, creativity in seeking new sources of income, and

seeking to establish a “One Council” philosophy with the customer right at the heart of everything we do.

Customer satisfaction levels, for example customer services, housing repairs and complaints handling are all high. Complaint numbers are also falling.

Member development is an important area and as well induction, a longer-term training programme has been devised to provide on-going development opportunities for Members.

For risk management – we have continued support via Assurance Lincolnshire which is working well, and helps to support our strategic and operational risk management as well as for projects.

In conclusion, despite good progress, there are challenges ahead; not least funding arrangements for the Council. We continue to address these and other areas in a positive manner, and always with the customer at the heart of everything we do

# Strategic risks

Good risk management is part of the way we work. It is about taking the right risks when making decisions or where we need to encourage innovation in times of major change – balancing risk, quality, cost and affordability.

This put us in a stronger position to deliver our goals and provide excellent services.

Our Strategic Risk Register is regularly reviewed and our risks are being effectively managed.

Risk	Risk rating	Level of assurance	Direction Of Travel
1.Failure to engage & influence effectively the Council's strategic partners, council staff and all stakeholders to deliver against e.g. Council's Vision 2020/2025.	Amber	Substantial	=
2.Failure to deliver a sustainable Medium term Financial Strategy (that supports delivery of Vision 2020 (Council plan))	Red	Substantial	=
3.Failure to deliver the Towards Financial Sustainability Programme whilst ensuring the resilience of the Council	Amber	Substantial	=
4.Failure to ensure compliance with statutory duties / functions and appropriate governance arrangements are in place,	Amber	Limited	=
5.Failure to protect the local authority's vision 2020 due to changing structures and relationships in local government and impact on size, scale and scope of the Council	Red	Substantial	=
6.Unable to meet the emerging changes required in the Council's culture, behavior and skills to support the delivery of the council's future Vision and the transformational journey to one Council approach	Amber	Limited	=
7.Insufficient levels of resilience and capacity exist in order to deliver key strategic projects & services within the Council	Red	Limited	=
8.Decline in the economic prosperity within the City Centre	Amber	Limited	=
9.Failure to mitigate against the implications for the Council following the outcome of Brexit	Amber	Substantial	=



Risk	Risk rating	Level of assurance	Direction Of Travel
10.Failure to deliver key strategic projects i.e <ul style="list-style-type: none"> <li>• WGC</li> <li>• New build project</li> <li>• Crematorium</li> <li>• Dewint Court</li> </ul>	Amber	Substantial	=
Key	Assurance		
<b>High / Red</b>	Low level of confidence over the design and operation of controls, performance or management of risk		
<b>Medium / Amber</b>	Medium level of confidence over the design and operation of controls, performance or management of risk		
<b>Low / Green</b>	High level of confidence over the design and operation of controls, performance or management of risk		

# Chief Executive's Directorate

## Key Services and delivery areas:-

### City Solicitor

Legal; Electoral Services; Democratic Services Procurement; Human Resources; Workbased Learning / Apprentice scheme; Civic and International partnerships

### Chief Finance Officer

Finance and Accountancy; Exchequer; Risk Management; Internal Audit; Property Services Revenues and Benefits;

### Strategic Development\*

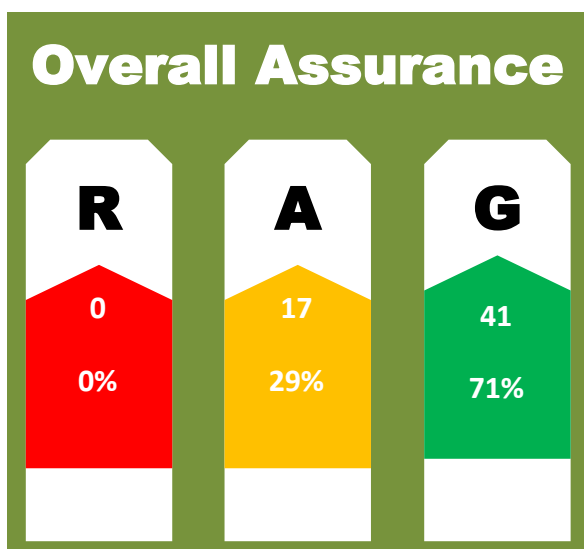
Corporate Planning; Corporate Governance Performance management; Consultation and Community engagement; Communications; Customer Services; ICT / Information Governance\*

*\*Some of these service areas currently report into other Directors – DCE and DHI*

<b>Amber</b>
Members/Member Development
Ethical governance – including standards, values and behaviours (officers and members)
Human Resources
Work Based learning
Finance and Accounting
Creditors
Savings targets
Counter Fraud
Facilities Management
Corporate Asset management planning (property/land)
Business continuity
Programme / Project Management (Corporate /Vision 2020)
Partnership Governance
Data Protection / Information Management
Business Development and ICT (three areas)

## Directorate Red Risks

Failure to provide capacity to service areas to respond to requirements of ongoing service delivery and support to the Towards Financial Sustainability Programme and major projects, whilst acknowledging impact of the Programme on the Services themselves



### Critical Activities

Red
None

### CX Key Directorate messages

#### City Solicitor

**Members/Member Development**  
Succession planning is required for long standing members – work around this is ongoing

**Ethical governance – including standards, values and behaviours (officers and members)**  
Work is ongoing around the One Council - Organisational Development Pillar – programme for 2020. LGA new member code of conduct due summer 2020. This is also recognised in the Strategic risk register (SRR) and has limited assurance due to the actions still to complete.



### Human Resources

Delivering on the One Council – Organisational Development programme, Lincoln Way (staff charter) and Lincoln Leader model. This is also recognised within the strategic risk register.

### Work Based learning

Financial budget pressures continue - to review charging model to internal clients

### Partnership Governance

Partnership guidance has been refreshed and register is under review against this revised guidance. Assurance reporting to CMT due March 2020.

### **Chief Finance Officer**

### Finance and Accounting

Following the 18/19 external audit, work is underway to improve the final account processes and production of high quality working papers.

### Creditors

Project to improve percentage of purchase orders used is currently being progressed.

### Savings targets

Level of savings has increased as part of revised MTFS, development of programme to achieve increased targets is currently underway.

### Counter Fraud

Resource limitations continue to be an issue, however available resources are maximized through use of partnership working and projects/outsourcing to deliver results

### Facilities Management

Existing stock condition surveys for corporate assets are due for updating.

### Corporate Asset management planning

Existing Corporate Asset Management Plan requires updating.

### Business continuity

Improvements to IT fail over site are currently being implemented to provide further Business Continuity resilience. This is also recognised within the strategic risk register and is an HPS (High Performing Services) action

### **Strategic Development**

### Programme / Project Management (Corporate /Vision 2020)

Project Management Framework currently being reviewed, draft revised model currently being tested.

### Business Development and ICT

A new and significant upgrade to the IT Infrastructure is now in place and being tested. Services will be migrated by end of 2019/20. This will also improve resilience linked to our IT DR planning once secondary infrastructure is completed.

For IT security the (external) Public Services Network (PSN) assessment has been submitted. There are some known issues which need to be addressed. This is considered a significant risk until new measures have been put in place.

In terms of IT maintenance and development a programme was developed as part of ICT strategy to ensure resources were appropriately applied to projects. Overview of progress will be monitored through the One Council Technology Pillar. Recent turnover of staff being addressed through training/recruitment.

### Information Management:

Further progress has been made with more work to do on contracts and asset registers. The Internal Audit report in 2019/20 has given the area substantial assurance

In terms of the Red Directorate risk around resources further mitigation includes the development of further business cases within the TFS Programme and a PIR review of Senior Management to be conducted in 19-20.

# Director's Key Messages

## Strategic Director - Communities and Environment

### Key Services and delivery areas:-

#### Assistant Director Communities and Street Scene

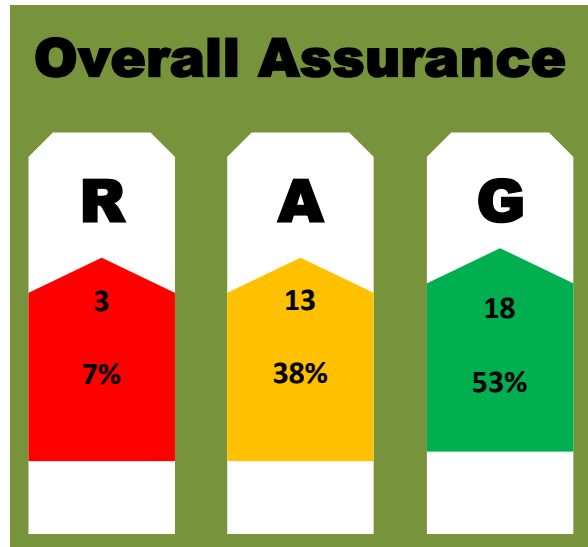
CCTV  
Parks & Open Spaces & Allotments  
Street Cleansing, Grounds Maintenance, Waste collection and recycling  
Car Parks  
Bus Station  
Allotments

#### Assistant Director Health and Environment services

Environmental Protection  
Food safety  
Public Protection Anti-social Behaviour;  
Licensing  
Leisure Centres  
Recreation  
Bereavement Services  
Events  
Health & Safety  
DFG / Decent Homes  
Private sector housing  
Regeneration  
Emergency Planning

#### Planning Manager

Planning  
Building Control



Critical Activities	
<b>Red</b>	
	Bereavement Services
	Private Sector Housing DFG
	Housing standards and HMO's
<b>Amber</b>	
	Parks & Open Spaces & Allotments
	Waste collection, street cleansing, grounds (3)
	Strategic Waste management
	Non-operational land
	Public Protection Anti-social Behaviour
	Community Centres
	Visitor Information
	Events (Incl Christmas Market)
	Events and Culture
	Drill Hall
	Emergency Planning

Directorate Red Risks	
	Private sector housing unable to deliver statutory duties and planned objectives:

The operational risks below focus on those areas of concern. Beyond those we have a large array of projects and service delivery that are operating well with limited risk exposure.

In each case below, there are departmental working groups and action plans in place to address the issues. Senior management have clear visibility of these issues and are actively driving them to a successful outcome.

### **Health and Environment services**

#### Bereavement services

We have a well-regarded bereavement service but there are risks around the project for crematorium development which are being managed.

#### Private Sector Housing - DFG

It is still a challenge to ensure budget is spent in-year for disabled facilities (DFG) We are looking at ways to improve

#### Housing standards and HMO's

HMO license changes have been implemented however budgeted income for housing in multiple occupation is not as expected IT system and processes are improving though there are still some issues to resolve. Some properties may not be registering that should be and investigation work will be completed. Staff resources have also had an impact.

The Trusted landlord scheme is in place as is a new grants scheme – Housing Assistance Policy

We will also review the delivery programme for Rogue Landlords Project.

### **Communities and Street Scene**

#### Parks & Open Spaces & Allotments

For Parks & Open Spaces & Allotments there are environmental pressures/ requirements in Grounds Maintenance work, maintenance budget pressures, staff resource & qualifications. These are being addressed

Boultham park restoration has been a very successful project – there are some residual issues with the project/contract which are being addressed.

#### Waste collection, street cleansing, grounds maintenance.

Operational waste collection and recycling is working well but there are some current contract uncertainties. This is being managed through a procurement project.

#### Strategic Waste management

For Strategic Waste management the Government direction is not clear yet for example food waste collection. Across the County there are pressures on facilities / contractors to process what is collected which is causing some uncertainty.

#### Non-operational land

Non-operational land - still amber due to possible environmental agenda pressures

#### Public Protection Anti-social Behaviour

Resourcing issues within the public protection team has meant that we have not made as much progression on priorities. Managing the risk

#### Community Centres

St Giles Community Centre – play area and Multi- Use Games Area renovation will be completed by Spring 2020. Financial pressures are also being managed

#### Visitor Information

After several years' management of the tourist information centre is being brought back in – house. The project is on track and risks are being managed.

#### Events and culture (Incl Christmas Market)

Looking ahead to make the Christmas Market more commercially viable.

Funding levels are being considered for events/culture plus public conveniences

#### Emergency Planning

Emergency Planning - Silver/Gold rotas are being developed to ensure sufficient capacity

#### Leisure

Leisure centre are operationally “green” assurance. Birchwood Leisure centre renovation – the project has been a great success however there are some final project /contract issues to resolve.

# Director's Key Messages

## Strategic Director - Housing and Investment

### Key Services and delivery areas:-

#### **AD Housing**

Tenancy Management  
Homelessness/Rough Sleeping  
Housing Solutions  
Housing Business Support Services

#### **AD Investment**

Housing Repair Services  
Housing Investment (Planned Maintenance)

#### **AD Housing Investment and Strategy**

Housing Investment (New Build)  
Housing Strategy  
Sincil Bank Regeneration  
Safety Assurance  
Caretaking  
Fleet management

Housing Complaints
Housing Investment
Safety Assurance

### Directorate Red Risks

Failure to comply with the Control of Asbestos Regulations 2012 in the management of the Council's stock of housing

Failure to maintain and support IT systems for the Housing service

Risks remain relatively low and work continues to undertake a range of mitigating measures to maintain this position. The very nature of the department's wide and varied services will always lead us to be susceptible to risk; we continue to be vigilant and always look to learn from our failures and the feedback we receive.

#### Housing Voids

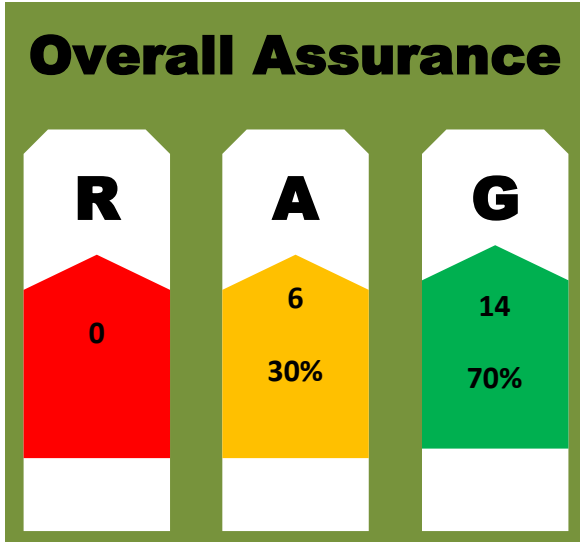
In terms of managing our housing voids more work is required around the quality of the customer experience and help ensure Tenancy sustainment. We need to ensure tenants have the information they need and minimise the number of (applicant) refusals.

#### Housing Allocations

Housing allocations service is improving. Further progress can be made - quality checks are in place and the backlog improving significantly. There are now additional staff resources within the team.

#### Safeguarding

We are compliant with respect to safeguarding but there is service impact – hence the requirement to review safeguarding requirements and resources needed. CMT have commissioned a review into the resourcing requirements in these areas.



### Critical Activities

<b>Red</b>
None
<b>Amber</b>
Void Management
Choice Based Lettings / Housing Allocations
Safeguarding

### Complaints

Housing Complaints are increasingly complex. Service and targets will be reviewed as the Housing complaints target is more challenging than the corporate target.

### Housing Investment

Sub-contractor problems linked to housing investment resulted in some delivery issues earlier in the year but additional resources have been put in place so targets should be achieved by the year-end. Some properties are not at the 'Decent Homes' standard but these will all be addressed by 31/3/20. Work is also ongoing to increase the level of stock surveys, which should be in place shortly.

### Safety Assurance

For safety assurance responsible officers are taking on the role formally. Extensive work has been completed around housing fire safety and the fire safety action plan where very good progress has been made. Training is a key part of this. Other areas are part of a safety assurance review in 20/21

Our red risk around safety assurance is being mitigated through this further review work.

Our Directorate red risk around ICT is being mitigated by exploring system application options.

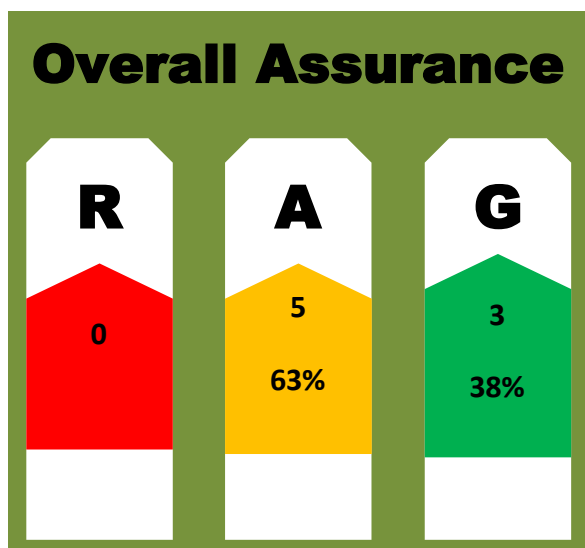
# Major Developments Director

## Key Services and delivery areas:-

Growth Strategy & Town Investment Plan (Town Deal)  
 Western Growth Corridor  
 New Build Housing  
 City Centre Vibrancy  
 Transport/travel  
 Energy/Climate Strategy

Place Marketing  
 Partnership working

Critical Activities
<b>Red</b>
None
<b>Amber</b>
City Centre Vibrancy
Energy/Climate
Western Growth
New Build housing
Transport/Travel



Directorate Red Risks	
None	

Energy/Climate  
 Report completed setting out baseline and emerging road map to 2030 – improvement in emissions locally however resources remain an issue to delivery. This should be addressed through the recruitment of an Energy/Climate Change Manager and consultancy expertise.

City Centre Vibrancy  
 Building on success of the Transport Hub and Cornhill Quarter. Focus is now on Cornhill, Market and City Square. All projects beyond kiosk demolition require external funding or alternative delivery mechanism. Feasibility process underway for all schemes to ensure readiness if/when funding becomes available. Opportunity through Town Fund and/or LEP support.

Western Growth Corridor  
 Leading on the development and delivery of the City’s largest SUE, working in partnership with private sector landowner, Lindum, via a Delivery Agreement. The immediate focus for this work is to secure planning permission and delivery of phase 1a; securing funds and a delivery mechanism for infrastructure to unlock the wider site and ensuring a sustainable & innovative approach to the development.

New Build Housing  
 Delivering housing in line with the local development plan and Vision 2020/25. Immediate focus is on the delivery of Markham House, demolition and review of masterplan for QER and advancing a high quality, viable scheme for Rookery Lane. This is in addition to a smaller sites pipeline. Due to the complexities involved in major development projects (particularly at QER), it will take time to deliver a high quality scheme

#### Transport/Travel

Transport identified as a key priority for the Town Deal Programme. The emerging LTS will inform approach to delivery and priorities for the Town Investment Plan will be identified, with CoL as a key partner.

## End of report