

SUBJECT: ANNUAL GOVERNANCE STATEMENT MONITORING

REPORT BY: CHIEF EXECUTIVE AND TOWN CLERK

LEAD OFFICER: LARA WELLS, BUSINESS MANAGER – CORPORATE POLICY AND IMPROVEMENT

1. Purpose of Report

- 1.1 To present to Audit Committee a progress update as set out in the 2023/24 Annual Governance Statement (AGS).

2. Executive Summary

- 2.1 This report and supporting appendix provides an update on the progress made with those governance issues identified in the 2023/24 Annual Governance Statement. There were no significant issues identified and within the 2023/24 Annual Governance Statement but there were six governance issues which, whilst not meeting the threshold to be 'significant', require monitoring over 2024/25 in order that they can be addressed. Of these six issues, one in relation to the Lincoln Project Management Model, was to be monitored by the Audit Committee.

3. Background

- 3.1 On an annual basis the Annual Governance Statement reviews how City of Lincoln Council complied with our Code of Corporate Governance during the previous year, and specifically focuses on identifying any significant governance issues for monitoring over the year ahead.
- 3.2 Update reports on the progress made with reducing the risks of those issues identified are provided to Audit Committee on a six-monthly basis.

4. Summary of Findings

4.1 AGS Issues Identified for Monitoring in 2023/24

- 4.2 There were six issues identified, while not meeting the threshold to be 'significant,' that required monitoring over 2024/25 in order that they could be addressed, all of which are detailed below:
- An internal audit of Contract Management has been given 'limited assurance,' due to some contracts not being managed consistently.
 - An internal audit of IT Asset Management has been given 'limited assurance.'

- Our project governance arrangements need to be reviewed and updated, to ensure that all projects are being implemented in full accordance with the Lincoln Project Management Model (LPMM)
- All directorates to ensure financial, legal and procurement advice is sought for projects in a timely manner.
- There remains limited additional capacity within internal professional support services to provide the advice and oversight necessary to ensure effective governance of significant and complex projects. Frontline services are also continuing to encounter capacity and recruitment challenges.
- The Lincoln Performance Management Framework needs to be refreshed, following an internal audit of Performance Management

Five of these six governance issues to be monitored over 2024/25 have agreed actions associated with them either through the internal audit and review processes, or within existing plans and strategies. As such, the action plan for the 2023/24 AGS contains only one action.

Ref	Action	By Whom	By When	Core Principle
AGS/24/01	Complete a full review of the Lincoln Project Management Model (LPMM)	Business Manager – Corporate Policy & Improvement	March 2025	D

An update on the progress with this is provided within Appendix A. A full review has taken place and templates and guidance documents have been amended and updated. Good progress has been made and is on track for full completion by end March 2025. The revised documentation is being tested and following final consultation, will be launched.

5. Strategic Priorities

- 5.1 This report does not focus specifically on any of the five Vision 2025 priorities but does contribute significantly towards One Council, which underpins these aspirations.

6. Organisational Impacts

6.1 Finance (including whole life costs where applicable)

There are no direct financial implications arising as a result of this report.

6.2 Legal Implications (including Procurement Rules)

There are no direct legal implications arising as a result of this report.

6.3 Equality, Diversity & Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees. It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities
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There are no direct Equality and Diversity implications arising as a result of this report.

7. Risk Implications

7.1 (i) Options Explored

N/A

7.2

(ii) Key Risks Associated with the Preferred Approach

N/A

8. Recommendation

8.1 Audit Committee is asked to note the progress made with the Lincoln Project Management Model action identified in the Annual Governance Statement 2023/24.

Is this a key decision? No

Do the exempt information categories apply? No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply? No

How many appendices does the report contain? One

List of Background Papers: None

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