

Regulatory and Other Committee

Open Report on behalf of Pete Moore, Executive Director Finance and Public Protection

Report to:	Audit Committee
Date:	25 January 2016
Subject:	Combined Assurance Status Reports

Summary:

The aim of this report is to provide the Audit Committee with an insight on the assurances across all the Council's critical services, key risks and projects.

Recommendation(s):

That the Committee:

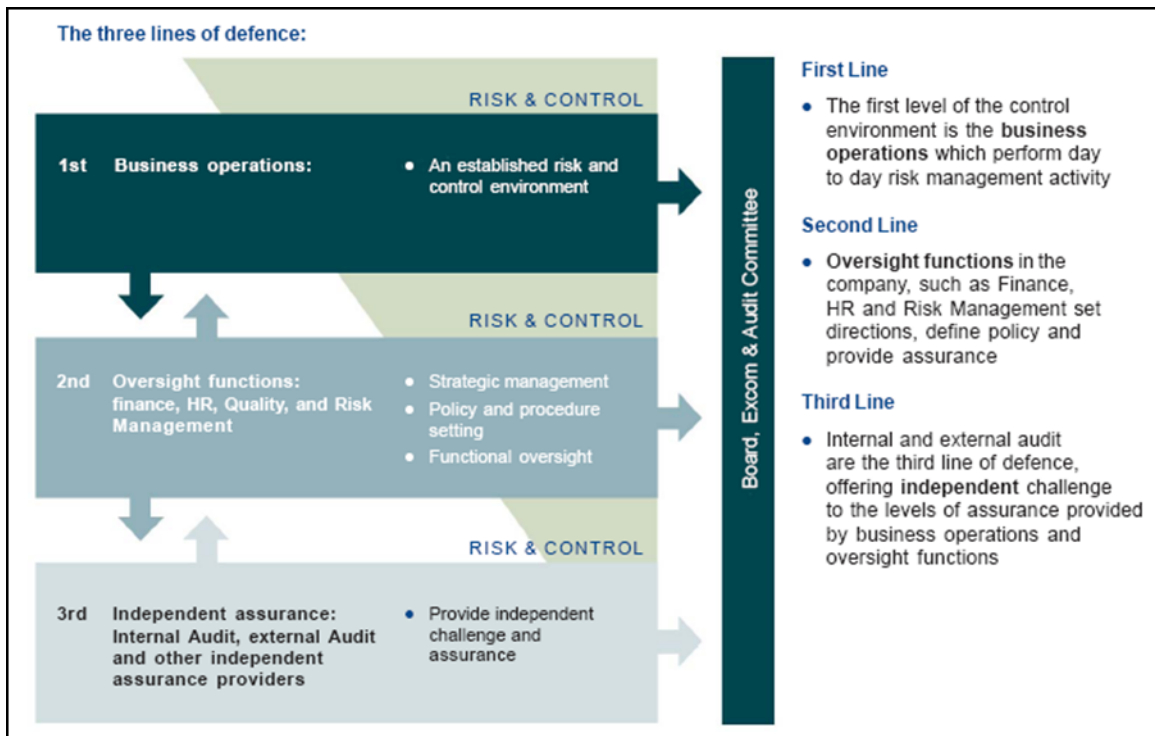
Notes the current status of the Executive Directors' assurance regime and makes recommendations on any further scrutiny requirements or actions

Background

1. These reports aim to provide an insight (snapshot) on what assurances are currently in place on areas of the business that matter most ie.

'have a significant impact on the delivery of our priorities or whose failure could result in significant damage to our reputation, financial loss or impact on people'
2. The combined assurance gives an overview of assurance provided across the whole Council – not just those from Internal Audit – making it possible to identify where assurances are present, their source, and where there are potential assurance 'unknowns or gaps'.
3. The methodology used is based on the 'three lines of defence (assurance) model' - which co-ordinates assurance from management, oversight functions and third parties (including Internal Audit – inspections etc).

Figure 1 – Three Lines of Defence – Assurance



- Internal Audit have triangulated information to help ensure that it 'stacks up' and applied some constructive challenge on the assurance opinions being given **but** as accountability rests with management it is senior managers views that have determined the overall assurance status. This is in line with a control environment that promotes a culture where we:
 - take what we have been told on trust
 - encourages accountability with those responsible for managing the service
 - provide some independent challenge / insight where appropriate.
- Figure 2 shows the overall assurance levels 2015. There are a number of areas where there is a low level of assurance shown on critical activities or an 'unknown/gap' - these relate to:

Environment & Economy (Appendix A)

The following areas are where we were unable to co-ordinate the assurance information – the assurance level is therefore unknown.

- Fleet Management
- Environmental Management
- Operational Flood Management
- Road Safety Partnership

Finance & Public Protection (Appendix B)

- budget challenges
- implementation of new finance system (Agresso) - this has impacted assurances provided within the other Directors assurance reports.

Children's Services (Appendix C)

- delay in the implementation of the new case management system (MOSIAC)
- continuity of education for children excluded from school,
- closing the attainment gap (School Improvement Service)
- implementing the new framework re special educational needs and Post 16 Learners with learning difficulties and disabilities
- Implementation of admissions software

Public Health (Appendix D)

- Coroners

Adult Care (Appendix E)

- delay in the implementation of the new case management system (MOSIAC)

Information & Commissioning (Appendix F)

- ICT Governance – service reviews and improvement plans
- Information Security – records management
- ICT Service design – service catalogue, capacity management, information security management system
- ICT Service transition – service asset and configuration management
- ICT Operation – request fulfilment

Figure 2 – Overall Assurance Levels 2016

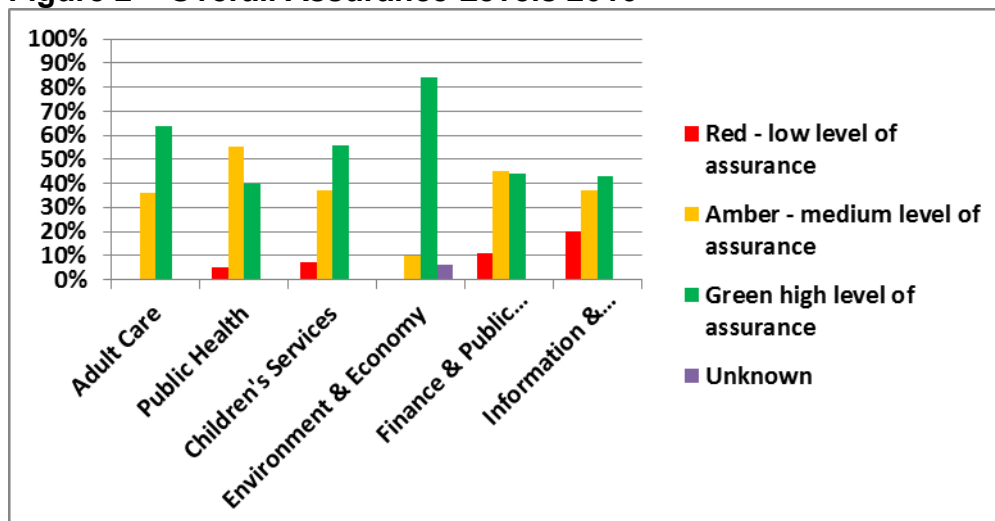
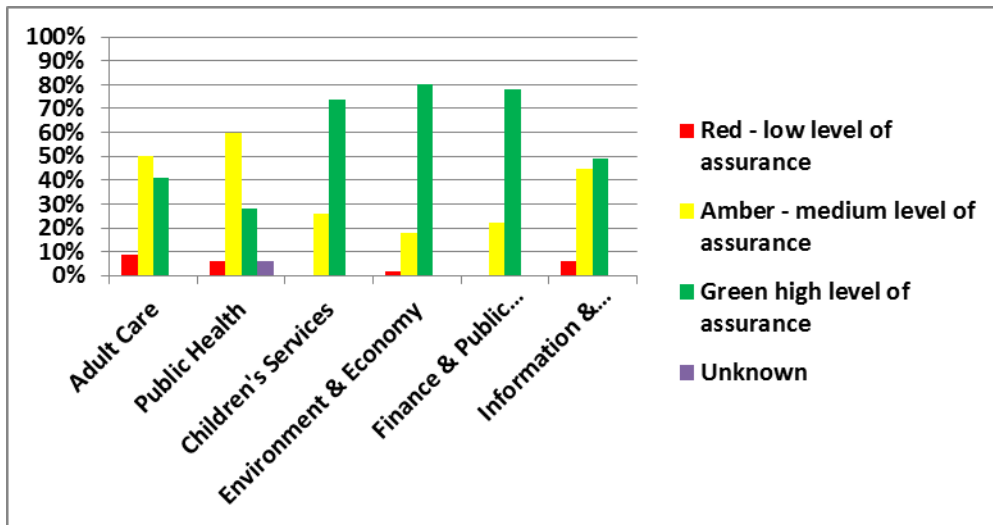


Figure 3 – Overall Assurance Levels 2015



Executive Directors will be present to respond to any questions the Committee may have on their respective Combined Assurance Status Reports and the associated assurance framework.

Conclusion

6. Overall there continues to be a high level of positive assurance on our critical systems, key risks and projects. Analysis does show that the unrepresented changes facing the Council are having an impact on the assurances being provided – particularly around our business systems of Finance and IMT.
7. That said, there are 'no surprises' and the assurance framework remains strong demonstrating appropriate management oversight and monitoring.
8. The combined assurance reports provide the Committee with a good level of understanding about the level of assurances in place – supporting its 'watchdog' role and remit. In reviewing the Combined Assurance Status Reports the Committee may wish to consider:
 - Seeking direct assurance from management where there are unknowns or gaps on critical activities
 - The changes in the assurances being given and potential impact on the Council's governance, risk and control environment.
 - The level of confidence in the effectiveness of the Council's assurance arrangements.
9. The information obtained from the combined assurance model will:

- streamline and avoid duplication of effort where assurance can be drawn from a third party or other sources
- inform the Internal Annual Audit Plan 2016/17 by identifying where more independent assurance is required based on significance and risk.
- Help inform the Head of Audit annual audit opinion 2016.
- Help inform the development of the Council's Annual Governance Statement 2016.

Consultation

a) Policy Proofing Actions Required

N/A

Appendices

These are listed below and attached at the back of the report	
Appendix A	Combined Assurance Status Report - Environment and Economy
Appendix B	Combined Assurance Status Report - Finance and Public Protection
Appendix C	Combined Assurance Status Report - Children's Services
Appendix D	Combined Assurance Status Report - Public Health
Appendix E	Combined Assurance Status Report - Adult Care
Appendix F	Combined Assurance Status Report - Information and Commissioning

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Lucy Pledge, who can be contacted on 01522 553692 or Lucy.Pledge@lincolnshire.gov.uk.

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