

**Open Report on behalf of Andrew Crookham,
Executive Director - Resources**

Report to:	Audit Committee
Date:	10 February 2020
Subject:	Combined Assurance Report - 2019/20

Summary:

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

The Corporate Leadership Team will be present to respond to any questions the Committee may have on the assurance framework.

Recommendation(s):

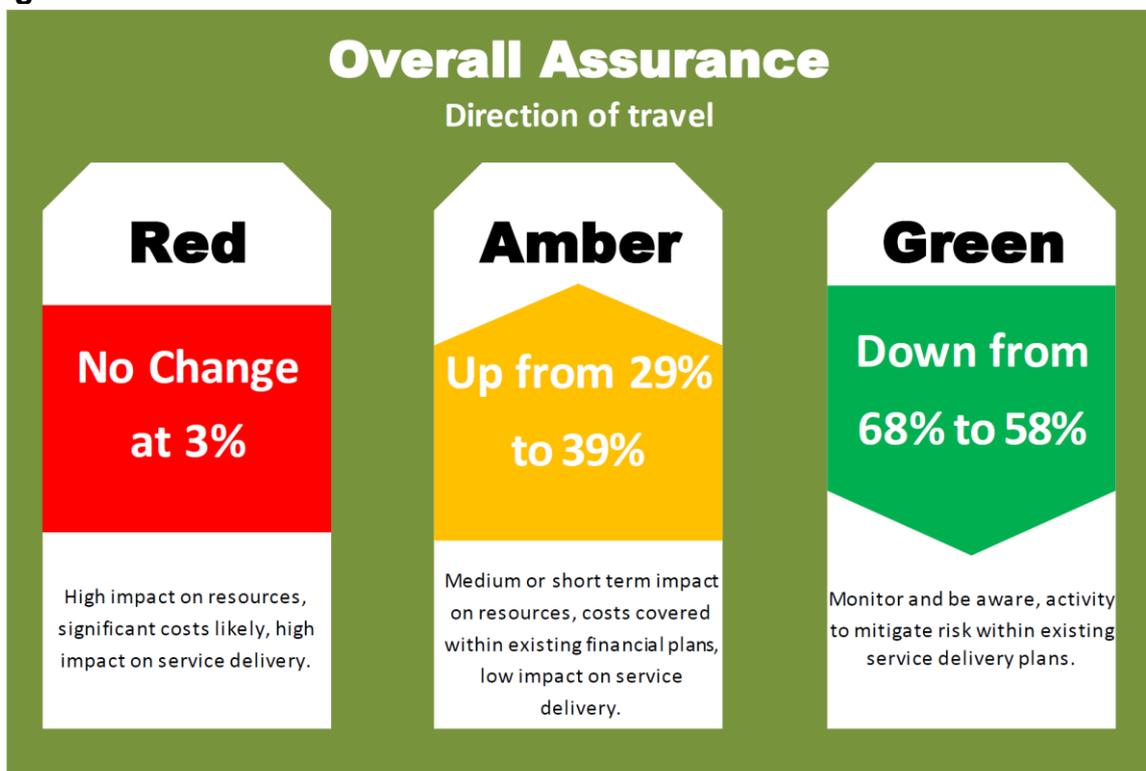
That the Committee review the combined assurance reports seeking assurance over the adequacy of the Council's governance, risk and control environment and makes recommendations on any further scrutiny requirements or actions.

Background

1. The Council has produced its annual Combined Assurance Status Report with each Executive Director has assessed assurance information across:
 - critical service delivery activities;
 - key risks;
 - key projects;
 - key partnerships, providing an overall assurance level.
2. Internal Audit have co-ordinated the overall assurance 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 the senior management's views that has 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 – giving a realistic and honest assessment.
 - being open and transparent.
 - encourage accountability with those responsible for managing the service and associated risks.
 - provide some independent challenge / oversight where it matters most.
3. The Corporate Leadership Team have reviewed and agreed the assurance levels.
4. Overall there continues to be a high level of positive assurance, with slightly less areas of high assurance than last year. – **see below:**

Figure 1 – Overall Assurance Levels 2019/20



5. There are a number of areas where there is a low level of assurance shown on critical activities or high red risk - these relate to:

Commercial

- Asset management software
- Network access controls
- Payment Card Industry Card Standard
- PSN compliance

Fire, Rescue and Public Protection

- Succession planning
6. The Council is currently updating/developing its business plans (Corporate, Directorate and where appropriate Service plans). A transformation plan is also being developed. The assurance and accountability framework will as a consequence change – a workshop will be arranged with the Audit Committee and the Corporate Leadership Team to provide more information on these changes.
 7. 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

8. The reports confirm that all key areas and risks have been subject to assurance procedures. Overall there continues to be a good level of assurance, with slightly less areas of high assurance than last year.
9. There are 'no surprises' and the assurance framework remains strong demonstrating appropriate management oversight and monitoring.
10. The combined assurance report provides 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 Report the Committee may wish to consider:
 - whether the assurances given are reliable and adequately evidence
 - seeking direct assurance from the Corporate Leadership Team on how they consider the results of the assurances given
 - if any specific issue / risk should be referred to the Governance Group for consideration in the Council's annual governance statement
 - whether the reports 'realistically' reflect the Audit Committee's knowledge and understanding of the Council's governance, risk and assurance arrangements.
11. The information obtained from the combined assurance model will:
 - inform the Internal Annual Audit Plan 2019/20 by identifying where more independent assurance is required based on significance and risk.
 - Help inform the Head of Audit annual audit opinion 2020.
 - Help inform the development of the Council's Annual Governance Statement 2020.

Consultation

a) Have Risks and Impact Analysis been carried out?

No

b) Risks and Impact Analysis

N/A

Appendices

These are listed below and attached at the back of the report	
Appendix A	Combined Assurance Status Report

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 .