



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

Report to:	<b>Audit Committee</b>
Date:	<b>08 February 2021</b>
Subject:	<b>Combined Assurance Report</b>

**Summary:**

The purpose 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 Chief Executive, Executive Directors and the Chief Fire Officer 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 report seeking assurance over the adequacy of the 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 assessing 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 Covid-19 pandemic has brought unprecedented challenges to all aspects of life and this report rightly recognises the additional risks the pandemic places on the delivery of our services.

### **Assurance ratings and changes**

Adult Care and Community Wellbeing, Children's Services and Fire, Rescue & Business Continuity directorates show the biggest change and impact with Amber ratings increasing and Green ratings decreasing.

Other directorates RAG (Red/Amber/Green) ratings are static or show an increase of positive assurance meaning that overall for the Council positive Green assurance has only reduced by 3% through the Covid-19 pandemic.

The Resources directorate stayed mostly static in RAG assurances and with **99%** of ratings Green (65%) or Amber (34%) provides a good level of assurance around money, governance and people support functions.

Overall there continues to be a good level of positive assurance, with slightly less areas of high assurance than last year – see below:

#### Overall Assurance Levels 2020/21

**Red** Assurance – → No change at **2%**

**Amber** Assurance – ↑ Up from 39% to **43%**

**Green** Assurance – ↓ Down from 58% to **55%**

4. There are a number of areas where there is a low level of assurance shown on critical activities these relate to:

#### **Adult Care and Community Wellbeing**

- Market sustainability of Adult Social care and Community Wellbeing Service providers

#### **Resources & Public Protection**

- Brexit / Covid-19 – potential impact on pension fund investments

#### **Commercial**

- ICT Asset management software
- ICT Network access controls
- ICT PSN Compliance

- ICT Payment card industry data security standard

### **Fire, Rescue & Business Continuity**

- RDS Sustainability

5. A copy of the Combined Assurance Report is attached in Appendix A.

- The Chief Executive, Executive Directors and the Chief Fire Officer 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**

1. The report confirms 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.
2. There are 'no surprises' and the assurance framework remains strong demonstrating appropriate management oversight and monitoring.
3. 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 evidenced
  - 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.
4. The information obtained from the combined assurance model will:
  - Inform the Internal Annual Audit Plan 2021/22 by identifying where more independent assurance is required based on significance and risk.
  - Help inform the Head of Audit annual audit opinion 2020 / 21.
  - Help inform the development of the Council's Annual Governance Statement 2021.

## Consultation

### a) Risks and Impact Analysis

None

## Appendices

These are listed below and attached at the back of the report	
Appendix A	Internal Audit Combined Assurance Status Report 2020/21 – February 2021

## Background Papers

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

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