

Governance and Audit Committee



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Wednesday, 24 September 2025 at 10.00 am
Council Chamber - Council Offices, St. Peter's Hill,
Grantham. NG31 6PZ

Committee Members: Councillor Tim Harrison (Chairman)
Councillor Paul Wood (Vice-Chairman)

Councillor Robert Leadenham, Councillor Bridget Ley, Councillor Rhea Rayside,
Councillor Rob Shorrocks, Councillor Paul Stokes, Councillor Mark Whittington,
Councillor Sue Woolley and Alan Bowling

Agenda

This meeting can be watched as a live stream, or at a later date, [via the SKDC Public-I Channel](#)

1. **Apologies for absence**
2. **Disclosure of interests**
Members are asked to disclose any interests in matters for consideration at the meeting.
3. **Minutes of the meeting held on 23 July 2025** (Pages 3 - 14)
4. **Updates from previous meeting** (Page 15)
To consider updates on actions agreed at the meeting held on 23 July 2025.
5. **Internal Audit Progress Report** (Pages 17 - 60)
6. **Internal Audit Follow up report** (Pages 61 - 70)
7. **Risk Management Annual Report 2024/25** (Pages 71 - 75)
Review the annual report for risk management activity.

8. **Strategic Risk Register Update** (Pages 77 - 110)
9. **Annual Health and Safety report 24/25** (Pages 111 - 133)
This report presents the annual Health and Safety Report for 2024/25. It provides an overview of South Kesteven District Council's management of health and safety. It summarises progress made, highlights areas for improvements, and identifies accident rates for the period 2024/25
10. **Local Government and Social Care Ombudsman Annual Review Letter 2024/2025** (Pages 135 - 150)
To present the Annual Review Letter for 2024/2025.
11. **Work Programme 2025 - 2026** (Pages 151 - 154)
To consider the Committee's Work Programme for 2025 – 2026.
12. **Any other business, which the chairman, by reasons of special circumstances, decides is urgent.**

Meeting of the Governance and Audit Committee

Wednesday, 23 July 2025, 2.00 pm



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Committee Members present

Councillor Tim Harrison (Chairman)
Councillor Paul Wood (Vice-Chairman)
Councillor Robert Leadenham
Councillor Bridget Ley
Councillor Rhea Rayside
Councillor Paul Stokes
Councillor Mark Whittington
Councillor Sue Woolley
Alan Bowling

Cabinet Members present

Councillor Ashley Baxter
Councillor Philip Knowles

Other Members present

Councillor Lee Steptoe
Councillor Harrish Bisnauthsing
Councillor Peter Stephens

Officers

Karen Bradford, Chief Executive
Richard Wyles, Deputy Chief Executive and Section 151 Officer
David Scott, Assistant Director of Finance and Deputy Section 151 Officer
Alison Hall-Wright, Director of Housing and Projects (Deputy Monitoring Officer)
Debbie Roberts, Head of Corporate Projects, Policy and Performance
Tracey Elliott, Governance and Risk Officer
Joshua Mann, Democratic Services Officer
Gurpreet Dulay, Internal Auditor

15. Apologies for absence

No apologies for absence were received.

16. Disclosure of interests

No interests were disclosed.

17. Minutes of the meeting held on 18 June 2025

The minutes of the meeting held on 18 June 2025 were proposed, seconded and AGREED as an accurate record.

18. Internal Audit Progress Report

Prior to the commencement of the item, the meeting adjourned for five minutes due to a technical fault.

The Internal Audit Progress Report was presented by the Internal Auditor.

The report before the Governance & Audit Committee was regarding payroll access. Work was underway on the voids management audit report.

The conclusion of the payroll access audit was the Design Opinion was rated as Moderate and the Design Effectiveness was rated as Substantial.

Areas of strength identified by the audit included the following:

- Change Request Forms were completed for all role changes within the Council.
- Payroll control account reconciliations were performed monthly and since April 2025 had been reviewed and approved by management. iTrent was used to provide an audit trail.
- At the time of the review, all leavers selected for sample testing had been removed from the system and were therefore not able to access iTrent. This helped to ensure data security and protection of sensitive information, preventing data breaches from occurring.

Areas of concern identified included the following:

- Changes to employee bank details were not subject to independent review for appropriateness or approval, increasing the risk of fraudulent activity or salary misdirection going undetected.
- User logs were not produced for super users/administrative users to ensure all actions were appropriate. In addition, super users/administrative users were able to access both payroll and HR functions, increasing the risk of fraudulent behaviour.

During discussions, Members commented on the following:

- It was confirmed that there were two superusers over the payroll system and the control accounts were monitored monthly. The IT Team did not have superuser level access.
- The internal auditor confirmed their judgement that there was no need for additional management controls currently as the current risk assessment annual audit plan was still satisfactory.
- Clarification was given that the instance outlined in the report about a payment being made into a third-party account was only done so following the appropriate checks.

The Internal Audit Progress Report was NOTED by the Committee.

19. Contract Procedure Rules Update

The Contract Procedure Rules Update was presented by the Cabinet Member for Corporate Governance & Licensing.

The current contract procedure rules had been in place since May 2022 and the proposed amendments within the reports were updates to reflect changes in accordance with the requirements of the Procedure Act 2023, implemented in February 2025. This subsequently provided an opportunity to review that the overall contract procedure rules remained fit for purpose.

The 2023 Procurement Act sought to simplify the process and introduce two procedures of competitive tendering: the open procedure and the competitive flexible procedure.

The open procedure was a single stage procedure, and all information was submitted by suppliers at the tender stage. This could be used for a known and simple requirement with a small market where there was no need to reduce the number of suppliers that were assessed.

The competitive flexible procedure provided the ability to design your own procurement process. The Council could use this procedure where its requirements were complex, and it would like to have formal engagement with suppliers during a negotiation or dialogue stage. The Council could also assess conditions of participation before inviting a tender submission to reduce the number of suppliers invited to participate.

The report also outlined new measures regarding procurement notices, payment terms, and key performance indicators designed to ensure transparency.

Following the review of procurement activities and analysis of procurement spend, the report proposed to update the procurement thresholds as outlined in the table below:

Route	Current Value	Proposed Value
Single Quote	0 - £10,000	0 - £24,999
3 Quotes	£10,000 - £49,999	£25,000 - £99,999
Tender/FW Mini comp	£50,000 – and above	£100,000 and above

Furthermore, the report proposed updating the thresholds of the approval and contract signature levels in line with procurement spend levels:

- Service Manager or equivalent role up to £49,999
- Heads of Service or equivalent £50,000 to £99,999
- Assistant Directors and Directors over £100,000.

During discussions, Members commented on the following:

- It was queried how the Council would prevent contractors splitting quotes in order to fall within particular thresholds. Confirmation was given that any quotes received would need to meet the full specification of works requested by the Council, therefore, contractors would not be able to split quotes in this way. It was also confirmed that any price increased would require the approval of both parties.
- A Member expressed their disagreement with the proposed changes, stating it was in the interests of the taxpayer for more quotes to be obtained. Justification of the proposed changes was given that small, local businesses were being put off meeting the specifications given the necessary timeframes and costs involved when trying to compete with established, national companies.
- Confirmation was given by the Deputy Chief Executive and Section 151 Officer that he was satisfied the changes would increase transparency and abided by the legislation.

Councillor Sue Woolley left the Chamber.

- It was identified that establishing an agreed definition of the 'East Midlands' was a challenge, but a definition was outlined within Section 3.20 of the report. The suggestion was made to determine the East Midlands by an agreed radius but advice was given that it was easier to work with county boundaries.
- Confirmation was given that any contracts worth £200,000 or more were deemed key decisions and therefore followed the constitutional process.

Following discussions, it was proposed, seconded, and AGREED to recommend the Contract Procedure Rules to Full Council for approval.

20. General Fund Provisional Outturn

The General Fund Provisional Outturn Report 2024/25 was introduced by the Leader of the Council.

General Fund Revenue Budget 2024/25

The report detailed the following significant variances from the General fund revenue outturn positions outlined in Table Two: utilities, fuel, fees and charges, property maintenance, and investment income.

General Fund Capital Programme 2024/25

Incorporating any amendments such as the carry forwards from the previous year, the 2024/25 budget increased to £28.61 million. There was a £3.424 million underspend on the General Fund Capital Programme for 2024/25.

General Fund Reserves 2024/25

It was recommended that the provisional revenue underspend of £1.114 million was allocated to the following reserves:

- ICT reserve – increase by £260K to replenish the level of the ICT Reserve to meet future ICT related expenditure.
- Training and Development Reserve – increase by £85K to support ongoing development of staff and members as identified through training development plans.
- Local Priorities Reserve – increase by £769k to support ongoing priority projects.

2024/25 Statement of Accounts Update

The preparation of the 2024/25 Statement of Accounts was underway and the Council already received a positive draft Value for Money opinion, however, the Council was anticipating the end of June deadline for publication of the draft Statement of Accounts would not be met. Nevertheless, it was still anticipated that the statutory deadline of 31st March 2026 would be achieved.

Councillor Rhea Rayside left the Chamber

During discussions, Members commented on the following:

- An amendment was proposed, seconded, and AGREED to add a fourth recommendation to the report, as follows:

'The creation of a Leisure Investment Reserve of £500k to be used to invest in the maintenance and improvements of the 3 leisure centres in Grantham, Stamford and Bourne and the Sports Stadium in Grantham. The proposal is to allocate £500k from the LPR to create this new reserve'.

- It was confirmed that the transfer would occur immediately upon the agreement being reached.
- Clarification was given that the carry over of £244,000 by the Disabled Facilities Grant was due to works that were agreed in the previous financial year but would take place in the following financial year. It was acknowledged that previous supply issues within Occupational Therapy had historically contributed to underspend of the grant.
- It was also confirmed that the report outlined the costs of Code of Conduct complaints dealt with by Legal and Democratic Services for the financial year 2024-25 only.

Following discussions, it was proposed, seconded, and AGREED to:

1. *Review and approve the provisional General Fund Revenue and Capital Outturn position for the financial year 2024/25.*

2. *Review and approve the following reserve movements in respect of the General Fund based on a provisional surplus for 2024/25 financial year end:*
 - *ICT Reserve increase by £260k*
 - *Training and Development Reserve increase by £85k*
 - *Local Priorities Reserve increase by £769k*
3. *Delegate authority to the Deputy Chief Executive and s151 Officer in consultation with the Cabinet Member for Finance, HR & Economic Development to finalise the reserve movements in order to ensure the Working Balance level for the General Fund and the Housing Revenue Account are maintained at prudent levels.*
4. *Agree to the creation of a Leisure Investment Reserve of £500k to be used to invest in the maintenance and improvements of the 3 leisure centres in Grantham, Stamford and Bourne and the Sports Stadium in Grantham. The proposal is to allocate £500k from the LPR to create this new reserve.*

21. Housing Revenue Account Provisional Outturn Report 2024/25

The Housing Revenue Account (HRA) Provisional Outturn Report 2024/25 was introduced by the Leader of the Council.

The report outlined the following HRA budget priorities throughout the year:

- Meeting the housing needs of tenants
- Facilitating the delivery of new housing across a range of tenures
- Enabling those whose independence may be at risk to access housing
- (including their current home) that meets their needs
- Supporting investment in homes for affordable warmth for our tenants
- Meeting compliance requirements and ensuring resources are allocated appropriately.

HRA Revenue Budget 2024/25

For the purposes of the outturn variance analysis the budget carry forwards were removed and the actual surplus for the year was £5.674m, resulting in an overspend of £1.314m as part of the continued investment in addressing the backlog of repairs and ensuring statutory compliance.

Additionally, there was also an increased focus to decrease void turnaround times which contributed towards this overspend but this led to increased rent receipts of £458k and reduced void times from 136 days to 79 days. This overspend reduced the overall budgeted surplus for the HRA hence the proposal for the overspend to be funded from the Priorities Reserve in order to protect the Major Repairs Reserve.

HRA Capital Programme 2024/25

For the purposes of the outturn variance analysis, the proposed budget carry forwards of £842k were removed from the report which reduces the budget for comparative purposes to £24.365m.

HRA Reserves 2024/25

HRA Priorities Reserve movements included:

- £1.3m was used from this reserve to fund capital programme projects including new build feasibility work and match funding the LAHF grant to enable the purchase of 8 houses.
- A new HRA Climate Reserve was established in 2023/24 and the report proposed to increase the balance to £500k as at 31 March 2025 which would be transferred from the HRA Priorities Reserve.
- The report also proposed a further £1m be transferred to a new reactive Repairs Reserve. This reserve would be used to fund reactive and urgent works that were not able to be met from the approved revenue budget.
- A contribution of £2m was proposed from this reserve to fund the revenue overspend to ensure the balance on the Major Repairs Reserve remains at a level to support the HRA business plan and associated compliance works.

During discussions, Members commented on the following:

- Members praised the investment in social housing and suggested that any surplus could be used to purchase further property. The Assistant Director of Finance clarified there was a 30 year business plan that underpinned the HRA and outlined the budgets required to support maintenance and improvement in the Councils housing stock. Periodically, there would be a budgeted surplus in order to create reserve balances to then meet future investment.
- It was clarified that the Larch Close development had experienced a delay due to drainage survey findings.
- Members praised the reduction in void times but noted that the bad debt provision had risen. The Deputy Chief Executive and Section 151 Officer acknowledged that this was the result of challenges with the collection of former tenant arrears.
- Clarification was given that tenants had been charged the correct level of charges for services and facilities, however, an incorrect level had been transferred onto the new housing system, distorting the budget. This had since been corrected.
- Members were assured that all repair programs were effectively delivered as planned in 2024/25 and the underspend of the repairs vehicle budget was because the existing fleet was still adequate.
- Confirmation was given that the full grant had been received for the Decarbonisation Scheme and all subsequent commitments had been paid for. The overspend was the result of an invoicing error which had been corrected within the year-end process to ensure this was fully accounted for.

Following discussions, it was proposed, seconded, and AGREED to:

1 – Approve the provisional HRA Revenue and Capital Outturn position for the financial year 2024/25.

2 – Approve the following revenue reserve movements in respect of the Housing Revenue Account:

- Transfer £400k from the HRA Priorities Reserve to the HRA Climate Change Reserve.*
- Transfer £1m from the HRA Priorities Reserve to create a HRA Reactive Repairs Reserve.*
- Transfer £2m from the HRA Priorities Reserve to the Major Repairs Reserve.*

3 - Delegate authority to the Deputy Chief Executive and s151 Officer, in consultation with the Cabinet Member for Finance, HR & Economic Development, to finalise the reserve movements in order to ensure the Working Balance level for the Housing Revenue Account are maintained at prudent levels.

22. Draft Annual Governance Statement 2024/25

Councillor Rhea Rayside returned to the Chamber.

The Draft Annual Governance Statement 2024/25 was introduced by the Cabinet Member for Corporate Governance and Licensing.

The Draft Annual Governance Statement consisted of:

- Foreword from the Leader of the Council and the Chief Executive
- Key elements of the Council's Governance Framework 2024/25
- How the Council has complied with the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework
- Governance Framework for 2024/25
- Review of Effectiveness
- Assurance Statement Review
- Governance key area of focus for 2025/26

The 'Governance key area of focus for 2025/26' was the delivery of:

- Recruitment of a new Director of Law & Governance.
- Appointment of an interim Data Protection Officer.
- Onboarding of new Director of Law & Governance, Data Protection Officer, and Deputy Monitoring Officer.
- Ensure Freedom of Information and Subject Access Request processes are reviewed and established.
- Review Local Government Reorganisation governance challenges.
- Review of the Constitution to ensure Member Code of Conduct is up to date and relevant.
- Review of the Officer Code of Conduct.
- New governance structure to be developed for LeisureSK Ltd based on the agency principles.

During discussions, Members commented on the following:

- It was suggested for the provision of the co-opted Member positions to be included in the report.
- It was confirmed that the Strategic Risk Register presented in September would incorporate the steps taken to adapt the Governance Framework in view of local government reorganisation (LGR).
- Clarification was given that the Officer Code of Conduct Update was paused until the director vacancy was filled.

The Draft Annual Governance Statement 2024/25 was NOTED by the Committee.

23. Treasury Management Annual Report 2024/25

The Treasury Management Annual Report 2024/25 was introduced by the Leader of the Council.

As of 31 March 2025, the Council held short and long-term investments of £62.767m and was compliant with the Council's policy to hold not more than 35% of investments as long-term. This included a £3m in the CCLA (Church, Charities, and Local Authorities) Local Authority Property Fund.

During 2024/25 the Council continued to place emphasis on ESG (Environmental, Social and Governance) investments. It was the aim to maintain at least 10% of the portfolio of this type of investment where possible which had been achieved over the last financial year.

Borrowing became increasingly expensive in 2024/25 - Gilt yields rose significantly after the Chancellor's Autumn Statement, and the loosening of fiscal policy.

The Council's treasury management functions operated effectively during 2024/25 and achieved the following:

- Repayment of principal was secured in all deposits.
- The Council's cash liquidity requirement was met throughout the financial year.
- Investment income levels have exceeded the amended budget as investment levels were higher than originally estimated.
- The Council achieved investment returns greater than the benchmark average.
- Robust management of the Council's debt position.
- Prudential indicators set for 2024/25 were achieved.

During discussions, Members commented on the following:

- It was queried why there was significant funds that had been invested on a short term basis rather than a long term basis. This was because some funds were only available on a short term basis and therefore could not be locked away over a longer term.
- A visiting Member requested clarity about the outcome of the Fair Tax Motion passed at the 23 November 2023 Full Council. It was clarified that an update on this had been given at the 18 June 2025 meeting of the Governance & Audit Committee. The Chairman agreed to email the minutes of this meeting to the visiting Member. It was AGREED for updates on the Council's Fair Tax Motion to be provided annually.

ACTION

- A question was raised about ESG investments, the Deputy Chief Executive and Section 151 Officer clarified that that the ethical, social and governance area of the Treasury Strategy was approved by Members each year and subsequent investments were made on this basis.
- It was confirmed that the findings of the Treasury Management Annual Report 2024/25 were all compliant with the CIPFA Code of Practice on Treasury Management.
- A Member suggested investing in Government bonds as a safeguard.

Following discussions, it was proposed, seconded, and AGREED to approve the Treasury Management Annual Report 2024/25.

24. Treasury Management Report Quarter 1 2025/26

The Treasury Management Report Quarter 1 2025/26 was introduced by the Leader of the Council.

No additional borrowing was required during the first quarter of 2025/26. All current Council borrowing was with the Public Works Loan Board (PWLb) and the average rate of interest paid on the debt portfolio was 2.50%.

Short-term borrowing was defined as borrowing due to be repaid within 365 days. As of 30 June 2025, the Council had short-term borrowing of £3.221m.

The average size of the investment portfolio for the 3-month period of Q1 was £66.479m compared to an average portfolio size of £80.901m during the same period in 2024/25. The reduction in the portfolio was largely due to holding capital grant funds at Q1 in 2024/25 which was used to fund the capital programme during the 2024/25 financial year. In addition to this general capital expenditure over the past 12 months had been funded from reserves as opposed to expensive external borrowing.

As of 30 June 2025, the Council held short term investments of £55.483m (specified investments) and £3m (non-specified investments). The Treasury Management Strategy stipulated that the Council should not ordinarily

hold more than 35% of investments as non-specified; this policy was adhered to during Q1 of 2025/26.

During discussions, Members commented on the following:

- It was queried whether officers anticipated any borrowing in quarter two. Officers confirmed that the current strategy was to borrow internally from other funding pools if borrowing was required.

The Treasury Management Report Quarter 1 2025/26 was NOTED by the Committee.

25. Fraud Prevention and Whistleblowing Annual Report 2024/25

The Fraud Prevention and Whistleblowing Annual Report 2024/25 was introduced by the Cabinet Member for Corporate Governance and Licensing.

Within the definition of whistleblowing, no issues were raised during 2024/25.

Regarding fraud, the Council received 24 external requests that required Investigation during 2024/25, which was an increase on previous years where there were 14 in 2023/24 and 20 in 2022/23. The increase was in respect of allegations that Benefits and/or Single Person Discount were being claimed fraudulently. All disclosures were made by an external third party, or were anonymous, and as such the legal protection afforded to employees who raised concerns did not extend to these individuals.

Following investigations, of the 24 requests, only 4 were founded.

Where an investigation established that misconduct or wrongdoing had taken place, appropriate action was taken including, where appropriate, the use of the Council's formal disciplinary procedure and/or referring matters to third party organisations including the Police.

During discussions, Members commented on the following:

- It was noted that there were no whistleblowing instances from SKDC officers, so it was queried whether officers felt confident enough to come forward. It was highlighted that there was the mechanism of the anonymous staff survey that all officers were encouraged to undertake, ensuring staff confidence of a confidential process.
- Across the instances of alleged fraud reports, there were no trends identified.
- The suggestion was made to signpost external bodies to the Fraud Prevention and Whistleblowing policies on the Council's website to raise awareness of the reporting process. **ACTION**

The Fraud Prevention and Whistleblowing Annual Report 2024/25 was NOTED by the Committee.

26. Work Programme 2025 - 2026

The Work Programme 2025-26 was NOTED by the Committee.

27. Any other business, which the chairman, by reasons of special circumstances, decides is urgent.

There was no other business.

The Chairman concluded the meeting at 16.10.

Action Sheet

To provide members with an update on actions agreed at the 23 July 2025 meeting of the Governance and Audit Committee.

Min no.	Agenda Item	Action(s)	Assigned to	Comments/status	Deadline
23	Treasury Management Annual Report 2024/25	A visiting Member requested clarity about the outcome of the Fair Tax Motion passed at the 23 November 2023 Full Council. It was clarified that an update on this had been given at the 18 June 2025 meeting of the Governance & Audit Committee. The Chairman agreed to email the minutes of this meeting to the visiting Member.	Chairman/Democratic Services	COMPLETED	
25	Fraud Prevention and Whistleblowing Annual Report 2024/25	The suggestion was made to signpost external bodies to the Fraud Prevention and Whistleblowing policies on the Council's website to raise awareness of the reporting process.	Assistant Director of Finance	The council will include this as part of Fraud Awareness week in November 2025.	

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South Kesteven District Council
Internal Audit Progress Report
24 September 2025



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Summary of 2025/26 work

Internal Audit

This report is intended to inform the Governance and Audit Committee of progress made against the 2025/26 internal audit plan. It summarises the work we have done, together with our assessment of the systems reviewed and the recommendations we have raised. Our work complies with Public Sector Internal Audit Standards. As part of our audit approach, we have agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

Internal audit methodology

Our methodology is based on four assurance levels in respect of our overall conclusion as to the design and operational effectiveness of controls within the system reviewed. The assurance levels are set out in Appendix 1 of this report and are based on us giving either 'substantial', 'moderate', 'limited' or 'no'. The four assurance levels are designed to ensure that the opinion given does not gravitate to a 'satisfactory' or middle band grading. Under any system we are required to make a judgement when making our overall assessment.



Internal audit plan 2025/26

We have made good progress in the delivery of the 2025/26 audit plan

We presented the following reports to previous Governance and Audit Committee meetings:

- ▶ Climate Plan
- ▶ Payroll Access.

We are pleased to present the following report to this Governance and Audit Committee meeting:

- ▶ Voids Management.

Fieldwork is in progress in respect of the following audits:

- ▶ Performance Management.

Planning is underway in respect of the following audits:

- ▶ Treasury Management
- ▶ Building Control
- ▶ IT Strategy
- ▶ Account Payables
- ▶ Market Services
- ▶ Main Financial Systems.

We anticipate presenting these reports at future Governance and Audit Committee meetings.

Changes to the 2025/26 internal audit plan

There are no changes to the Plan.

Value added

We are also presenting the following reports to this Governance and Audit Committee meeting:

- ▶ BDO - Global Risk Landscape
- ▶ This report examines the attitudes of 500 global risk leaders to a range of emerging and evolving risks such as Artificial Intelligence (AI), cyber-attacks and supply chain, and offers practical takeaways to manage risks
- ▶ The theme and title of this year's report is "The risk rift: why playing safe means losing growth" which highlights a big mistake in risk management - focusing too much on compliance rather than the bigger picture of risk. By shifting from a compliance-first to a risk-first mindset, organisation can take advantage of greater strategies to navigate and leverage risks for growth and opportunity.

Our research found that 69% of organisations surveyed took a risk-averse or risk-minimising approach, with 74% of Executives saying that embedding risk thinking into their organisation's culture is a priority.



Review of 2025/26 work

AUDIT	EXEC LEAD	AUDIT COMMITTEE	PLANNING	FIELD WORK	REPORTING	DESIGN	EFFECTIVENESS
Climate Plan	Debbie Roberts	18 June 2025	✓	✓	✓	M	S
Payroll Access	David Scott	23 July 2025	✓	✓	✓	M	S
Voids Management	Alison Hall-Wright	24 September 2025	✓	✓	✓	M	M
Performance Management	Debbie Roberts	13 November 2025	✓	✓			
Treasury Management	David Scott	21 January 2026	✓				
Building Control	Emma Whittaker	21 January 2026	✓				
IT Strategy	Gary Andrew	21 January 2026	✓				
Account Payables	Rikki Wiltshire	21 January 2026	✓				
Market Services	Kayleigh Boasman	18 March 2026	✓				
Main Financial Systems	David Scott	18 March 2026	✓				

Voids Management

SRR REFERENCE:

2 - SERIOUS SAFEGUARDING FAILURE BY THE COUNCIL

3. SERIOUS HEALTH, SAFETY, AND WELL-BEING FAILURE BY THE COUNCIL

Design Opinion	M Moderate	Effectiveness Opinion	M Moderate
Recommendations	0 2 0		



SCOPE

Background

- ▶ Void properties, which are Council-owned housing units that are unoccupied between tenancies, represent a significant operational and financial challenge for local authorities. While vacant, these properties do not generate rental income, may attract anti-social behaviour, and reduce the availability of affordable housing for those in housing need.
- ▶ Local authorities have a statutory duty under the Housing Act 1985 and subsequent regulatory frameworks to provide safe, secure, and habitable homes for residents, with minimal delay in allocating available stock.
- ▶ The Regulator of Social Housing, through its Tenant Satisfaction Measures Standard (2023) and Home Standard, expects providers to ensure properties are well-maintained and promptly re-let when they become void. As such, efficient voids management is both a service delivery expectation and a driver of financial sustainability, as void properties represent a loss of rental income and reduce the availability of affordable housing for residents.
- ▶ South Kesteven District Council (the Council) has introduced measures to improve void property turnaround performance, including setting a corporate target of 100 days for 2024/25 between a tenant leaving and a new tenant entering the property. The aim is to reduce this to 80 days in 2025/26 and to 60 days by 2027/28.
- ▶ Voids management is a shared responsibility between the Housing team (who manage tenancy terminations and allocations) and the Technical Services team (who coordinate inspections, repairs and contractor mobilisation).
- ▶ The Council has an in-house Repairs team supported by external contractors for major works of void properties and is currently transitioning to a new digital project planner system to manage voids more efficiently.
- ▶ The Council's Voids Policy (2022-2025) outlines its commitment to minimising void periods through effective inspections, repairs, re-letting, and monitoring performance. A revised process is underway with changes in team structure, resourcing, and IT systems, with the aim to improve turnaround times, data accuracy, contractor management and overall service quality.
- ▶ There is a re-let standard managed through the South Kesteven Voids Quality Standard (SKVQS) that ensures properties meet minimum safety and quality standards before reallocation.

Purpose

- ▶ The purpose of this audit is to provide assurance on the Council's end-to-end void management processes, from initial vacancy notification through to re-letting. The audit will evaluate procedural controls, operational performance, contractor

management, adherence to the Council's Void Quality Standard, and the use of IT systems to manage and track void activities.

Areas reviewed

As part of the scope of this audit the following areas were reviewed:

- ▶ Documented voids management procedures to assess whether these clearly established the necessary processes and controls. We assessed whether staff had received sufficient training and guidance to ensure the consistent application of voids management standards.
- ▶ A sample of five void properties from 2024/25 and 2025/26 (April 2024 -July 2025) was reviewed to assess whether:
 - ▶ Tenancy terminations were processed in line with policy.
 - ▶ Post-tenancy inspections were completed and documented.
 - ▶ Recharge opportunities were identified and pursued.
 - ▶ Root cause analysis of repeat voids or delays had been carried out.
 - ▶ Re-let standards (condition of property prior to letting) were met.
- ▶ Council's performance against internal void targets, including average re-let time, (calendar days), rent loss (%), and cost per void. We benchmarked the Council's performance against these metrics to other local authorities based in the East Midlands to assess how it performed in comparison to others and to highlight improvement areas.
- ▶ Processes for identifying and recovering tenant recharges at the end of tenancy, and whether opportunities for cost recovery were consistently pursued in compliance with the Recharge Policy.
- ▶ Housing and Technical Services performance dashboards, minutes of management meetings and escalation processes to assess whether void performance risks were being monitored, challenged, and acted upon effectively.
- ▶ The Council's governance arrangements to assess the level of reporting and oversight of voids management performance. We reviewed reports on void performance, including its key performance metrics, to the Housing and Scrutiny Committee as part of the routine performance reporting cycle, ensuring Members can monitor performance against targets and to scrutinise management responses to any underperformance.
- ▶ The Technical Services Restructure (March 2025) which introduced a dedicated Voids Manager, Supervisor, Inspectors, Contract Officer, and Planner roles, supported by specialist Resource and Cost Officers.
- ▶ A walkthrough of the voids workflow and resources planning (in April 2025) covering the end-to-end process from tenancy termination through to re-let to assess how responsibilities are defined, tracked and managed at each stage.
- ▶ Processes to manage contractors for void properties to ascertain whether these provided effective oversight of the performance of contractors, allowing for underperformance to be addressed or escalated promptly.
- ▶ Evidence of tenant engagement during tenancy termination and sign-up processes, including communication of expected standards and timescales for re-let. This was to ascertain whether the Council actively engaged with tenants to manage their expectations over re-let timescales.



AREAS OF STRENGTH

We identified the following areas of good practice:

- ▶ There was regular reporting on performance of voids management to the Housing and Scrutiny Committee on the key performance metrics. This supported strong governance and democratic oversight. Performance data, trends, and key challenges are provided to Members, with sufficient scrutiny supporting accountability and informed challenge.
- ▶ The Council has strengthened resource planning for voids by structuring the Technical Services team with clear roles, including management, supervision, inspection, planning, and cost-tracking. This approach improves accountability, reduces delays, and supports more consistent void management performance.
- ▶ The SKVQS set out requirements for safety, compliance and tenant-ready standards. We reviewed evidence as part of this audit and confirmed that the framework had been consistently applied in the properties that we sample tested.
- ▶ There are monthly meetings with major void contractors, attended by key officers and contractor representatives, to monitor performance, raising issues, and monitoring delivery against expectations. A designated Contract Officer has been appointed to manage the relationship.
- ▶ A set of key performance indicators (KPIs) have been established to monitor turnaround times to volumes of voids in progress. These are presented to the Technical Services team meetings, enabling performance monitoring at operational level and ensuring management has visibility of trends.



AREAS OF CONCERN

We found:

- ▶ While void management KPIs are reported, underperformance is not consistently linked to tangible action plans or escalation. KPI data for 2024/25 and 2025/26 highlighted underperformance in re-let turnaround timescales, rent loss and cost per void. Without stronger performance oversight and follow-through actions, there is a risk of continued inefficiency, loss of revenue and financial strain (Finding 1 - Medium).
- ▶ There are no formal criteria defining major and minor voids, leaving classification open to interpretation. The Voids Policy is out of date, with two versions (2021-24 and 2022-25) in circulation (we note that management were awaiting the outcome of this review prior to updating the Policy). Roles and responsibilities for Housing and Technical Services are not clearly defined, as there is no overarching procedure document setting out end-to-end responsibilities, resulting in inconsistent practice, weak accountability and longer turnaround times (Finding 2 - Medium).



ADDED VALUE

- ▶ Using the Council's raw performance data between January 2024 and July 2025, we produced a month-by-month breakdown of re-let times, rent loss and cost per void, split between major and minor voids. These results were then compared against the Council's internal 80-day benchmark and industry standards.
- ▶ The key findings from our benchmarking were:
 - Re-let times - The Council averages 81 days overall (132 major, 85 minor) against sector benchmarks of 25 to 29 days (median) and 50 to 74 days (Housemark)
 - Rent loss - At £1,585 per void, the Council is above national comparators (£427-£1,089)
 - Cost per void - The Council is higher than peers, driven by long turnaround times and a larger proportion of major voids.
- ▶ However, we note improvements in the April-July 2025 data collated thus far, as average re-let time for this period excluding major voids was 67 days, putting the Council at the middle of the Housemark benchmark and average void loss at under a thousand pounds (£910).



CONCLUSION

We conclude that the Council has a Moderate design and effectiveness of controls for the management of its voids function.

Control Design

- ▶ The control design is Moderate because the Council generally has a sound system of internal control designed to achieve system objectives with some exceptions. Policies were in place for voids management and tenant recharge, and contracts with external providers set expectations for major void works. However, two overlapping versions of the Voids Policy remain in circulation and there was no overarching end-to-end procedure that maps responsibilities between Housing and Technical Services. This did lead to some inconsistencies in how the processes were applied by staff.

Control Effectiveness

- ▶ The control effectiveness is Moderate as there was evidence of non-compliance with some controls, that may put system objectives at risk. Performance monitoring is embedded, with KPIs regularly reviewed in team meetings and one-to-one meetings. However, underperformance is not consistently translated into corrective actions or escalated that can be tracked and monitored to improve performance. Our benchmarking identified that the Council's average re-let time for void properties was below its performance target, and significantly below the average nationally and in the East Midlands. As a result, it lost more rental income per property due to them being void than the national average.

Direction of Travel

- ▶ There has been a positive direction of travel in performance against KPIs with re-let times going from 143 days to 126 days and now to sub one hundred, increased monitoring of void KPIs and regular reporting at both team and managerial levels. The current opinion of Moderate on both the design and effectiveness of controls reflects a balance between adequate voids management processes with some gaps identified in how these were applied.
- ▶ We recognise the Council is achieving against some of its own internal voids targets; however, these are set below sector best practice and do not reflect higher standards achieved by other local authorities. The issue of extended re-let times has been a long-standing challenge dating back to at least 2019.
- ▶ If recommendations are implemented, particularly around classification, escalation, action tracking of underperformance and policy consolidation, the Council could improve performance and close the benchmarking gap.

Sector update

Our quarterly Local Government briefing summarises recent publications and emerging issues relevant to local authority providers that may be of interest to your organisation. It is intended to provide a snapshot of current issues for Elected Members and Executive Directors.

LEADERSHIP IN LOCAL GOVERNMENT

CMI has partnered with the Social Market Foundation to explore the role that quality leadership and management can play in improving local government effectiveness

Effective leadership and management are crucial for public sector performance, including local government. The Chartered Management Institute (CMI) have partnered with the Social Market Foundation to conduct research, based on expert insights, survey data and case studies to examine the latest leadership and management challenges in local government.

We have summarised the key findings and the proposed improvements that this report by the CMI have made.

Key findings

Only 67% think that senior leadership in their organisation is effective at ensuring the organisation succeeds, raising questions about how widespread good leadership is.

Less than half (only 45%) of surveyed leaders and managers agreed that in 2022, the leadership in their council was effective at attracting talent.

40% of leaders and managers said the senior leadership in their authority were poor at motivating staff or failed to do it at all.

Only 44% think that their organisation is performing well in ensuring accountability for failure and just under a quarter (24%) think addressing staff underperformance is poor.

Proposed improvements





- ▶ The Office for Local Government (Oflog) should prioritise leadership and management quality, adopting and sharing best practices across the sector to collectively improve leadership standards.
- ▶ The Department for Levelling Up, Housing and Communities (now the Ministry for Housing, Communities and Local Government) should establish a leadership academy to provide managers and leaders with access to high quality leadership training.
- ▶ The Department for Levelling Up, Housing and Community should create a 10-year workforce strategy for local government, supporting by an increase in funding to local authorities to improve recruitment and retention of staff.
- ▶ The workforce strategy should recognise the importance of diversifying the workforce, introducing a direct entry system for leaders from other industries to bring in fresh ideas and perspectives.

Management and leadership in local government report - CMI

FOR INFORMATION





For the Governance and Audit Committee and Executives Directors

Key performance indicators




QUALITY ASSURANCE	KPI	RAG RATING
The auditor attends the necessary, meetings as agreed between the parties at the start of the contract	All meetings attended including Governance and Audit Committee meetings, pre-meetings, individual audit meetings and contract reviews have been attended by either the Engagement Partner or Engagement Manager	
Positive result from any external review	Following an External Quality Assessment by the Institute of Internal Auditors in May 2021, BDO was found to 'generally conform' (the highest rating) to the International Professional Practice Framework and Public Sector Internal Audit Standards	
Quality of work	We issue surveys at the end of each audit, however, have not received any responses for the 2025/26 reviews. The number of responses is lower than we would expect, and we will work with the management team to increase the number of responses to our surveys during 2025/26.	
Completion of audit plan	We have progressed the 2025/26 Internal Audit Plan, with two audits presented to this Governance and Audit Committee meeting and other audits in the fieldwork or planning phase.	

Appendix 1

OPINION SIGNIFICANCE DEFINITION

LEVEL OF ASSURANCE	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION	FINDINGS FROM REVIEW
Substantial 	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate 	In the main, there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally, a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non-compliance with some controls, that may put some of the system objectives at risk.
Limited 	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non-compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE DEFINITION

RECOMMENDATION SIGNIFICANCE	
High 	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
Medium 	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
Low 	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.

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The Risk Rift: Why playing safe means losing growth



Foreword

In fast-changing times, proactive risk management is the key to growth



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The lesson from the past 12 months is clear: forget about waiting for the turbulence to pass. In an era of non-stop crisis, businesses that want to grow and meet their targets must take a proactive approach to risk.

The problem is that few are - and things are getting worse. This is our 10th annual report on global risk, and it is remarkable that our survey of 500 senior leaders worldwide found that 69% now say their companies are risk-averse or risk-minimising, compared to 61% last year. This is likely to have grown even more since we conducted the survey, given the increasing risk of a global trade war and frequent US policy changes.

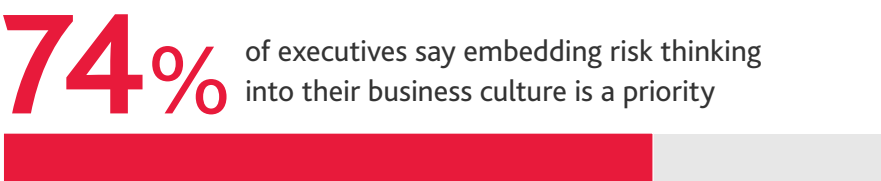
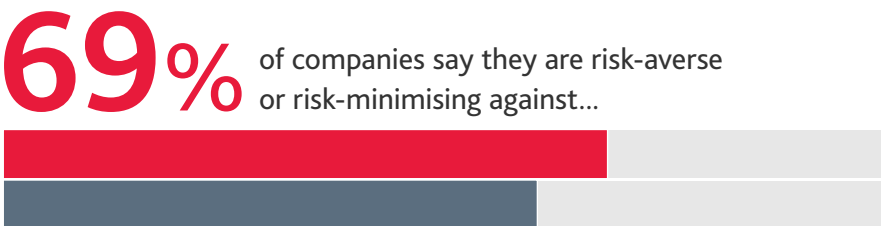
Senior managers were already frustrated with their risk management efforts. Given a list of six risk management failings, executives on average said half applied to their organisation. None of the 500 global respondents, all senior leaders, gave their risk management a clean bill of health. Notably, CEOs were particularly critical of compliance overspend, suggesting that risk management strategies as they stand are failing to deliver value.

Part of the problem is that businesses are increasingly taking a compliance-led approach to risk, with a box-ticking mentality distracting from real risk management.

Fortunately, many executives recognise this as an issue – 74% say that embedding risk thinking in the company culture will start to tilt the balance from a heavy focus on compliance to real risk strategies that can deliver more value and opportunities for the business.

This means recognising that growth will require change, which also means that the risk landscape will shift, potentially exposing the business to additional risk vectors in areas such as supply chain or cybersecurity.

It has never been more critical for businesses to take a proactive approach to risk and ensure their risk management strategies are not weighed down by box-ticking. If they can make this adjustment, businesses can improve their risk posture and ensure they are better placed to take advantage of the many opportunities the current global risk landscape is creating. ■



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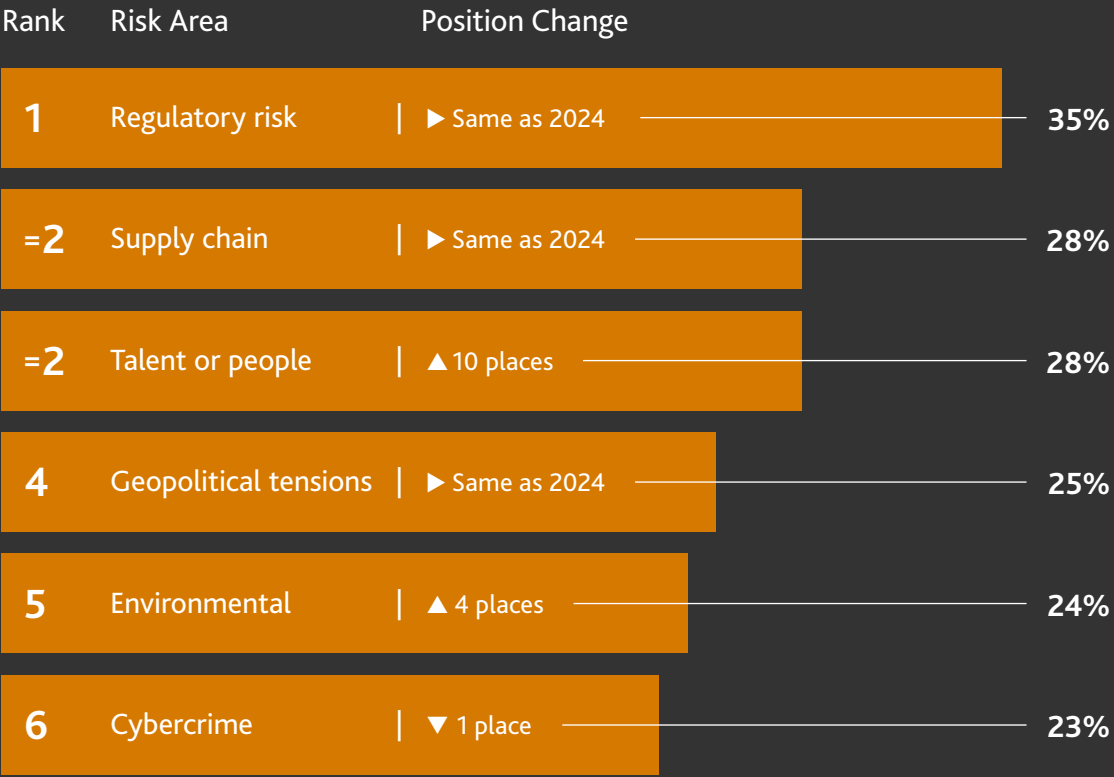
Executive summary

On a cliff edge: the state of risk in 2025

Some 84% of executives say the global risk landscape is more than ever defined by crisis. As a result, many businesses are taking a safety-first approach – but this risks sacrificing growth.

See page 06

THE TOP RISKS ORGANISATIONS ARE UNPREPARED FOR

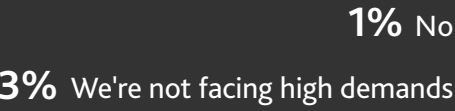


Regulation vs real risk management

Regulators are asking for ever-more information about risks. Some executives say it can help make companies safer – to an extent.

See page 09

ARE REGULATORY DEMANDS FOR EXTRA REPORTING REDUCING COMPANY RISK PROFILES?



39%
Yes

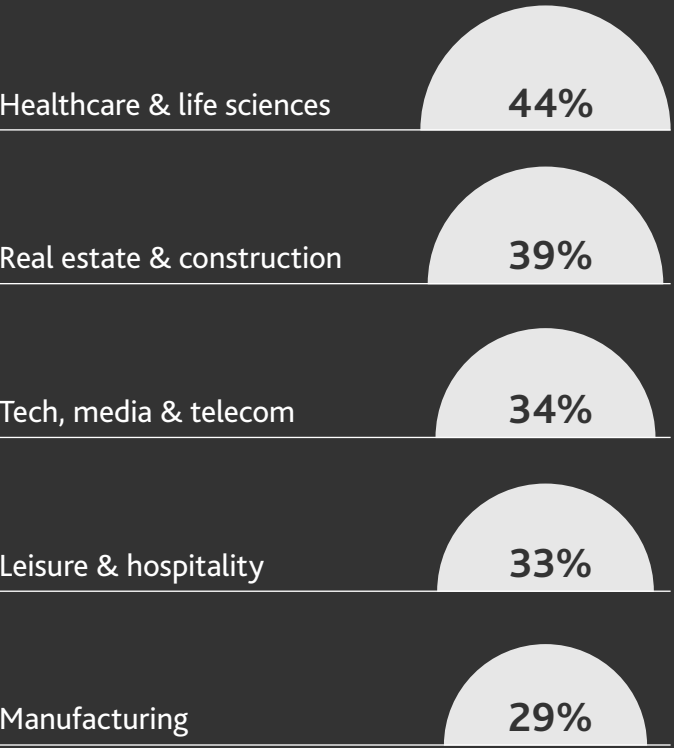
57%
Somewhat

Workforce risk is back on the agenda

For the first time since the pandemic, companies are getting worried about talent and people risks – 28% said one of these was a top three risk, against just 12% in 2024. AI could make this issue more pressing.

See page 11

THE SECTORS WHERE LEADERS ARE MOST UNPREPARED FOR PEOPLE/TALENT RISK

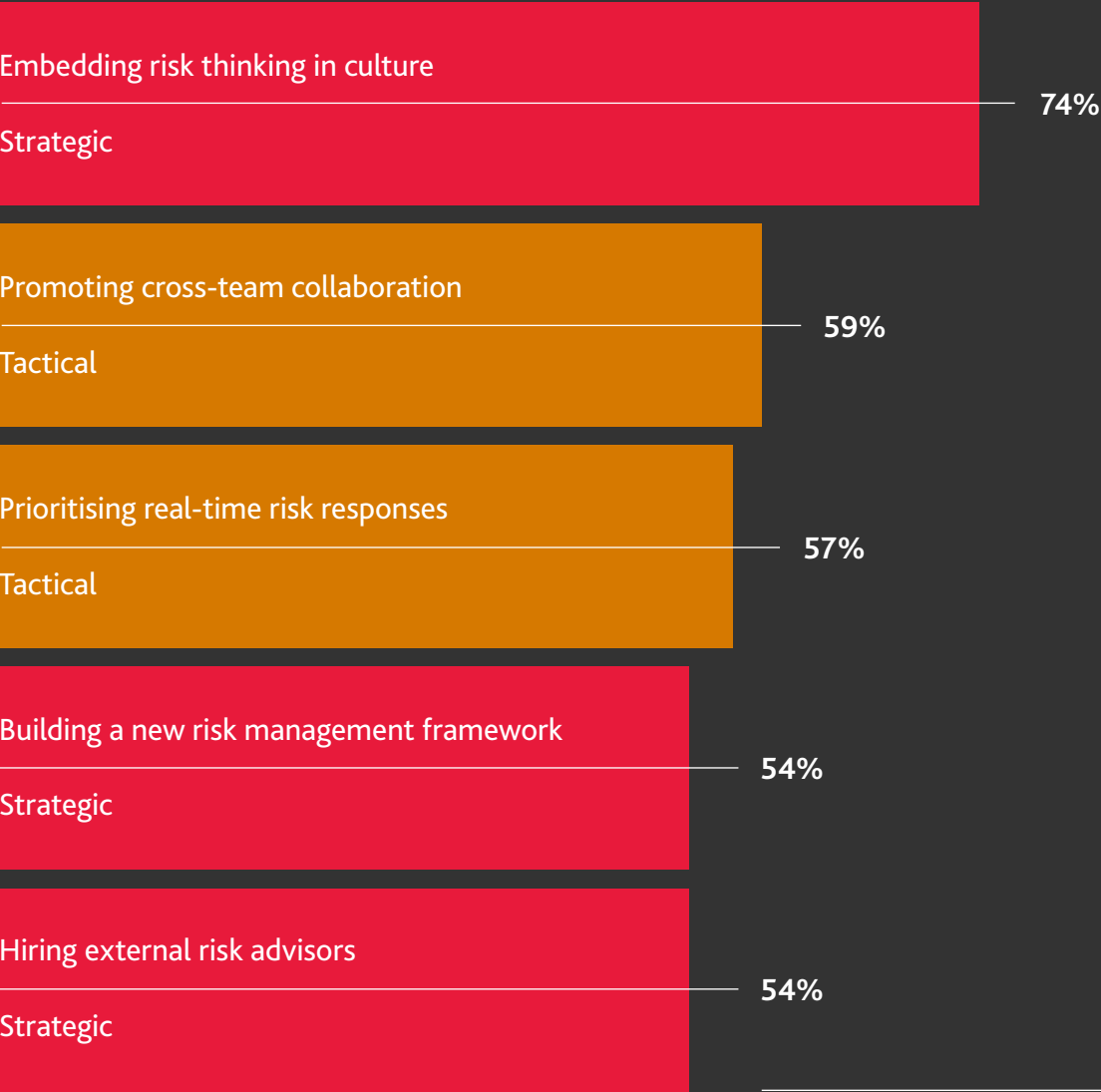


The risk rift

Regulators' demands for information on risk can help drive risk reduction – up to a point. Companies must not create a box-ticking environment that can distract from real risk management strategies.

See page 12

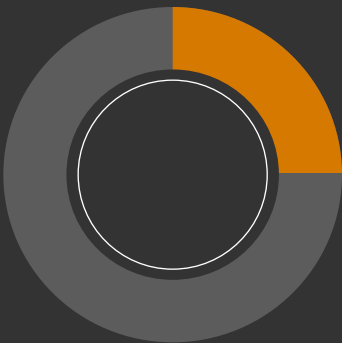
WHAT ARE COMPANIES DOING TO TILT THE BALANCE TOWARD REAL RISK MANAGEMENT?



Cyber breaches: no end in sight

Cyberattacks are rising up the risk agenda as the threat landscape continues to evolve, accelerated by AI. However, CTOs are worried that the growing focus on cyber compliance might distract from practical risk reduction.

See page 16



25%

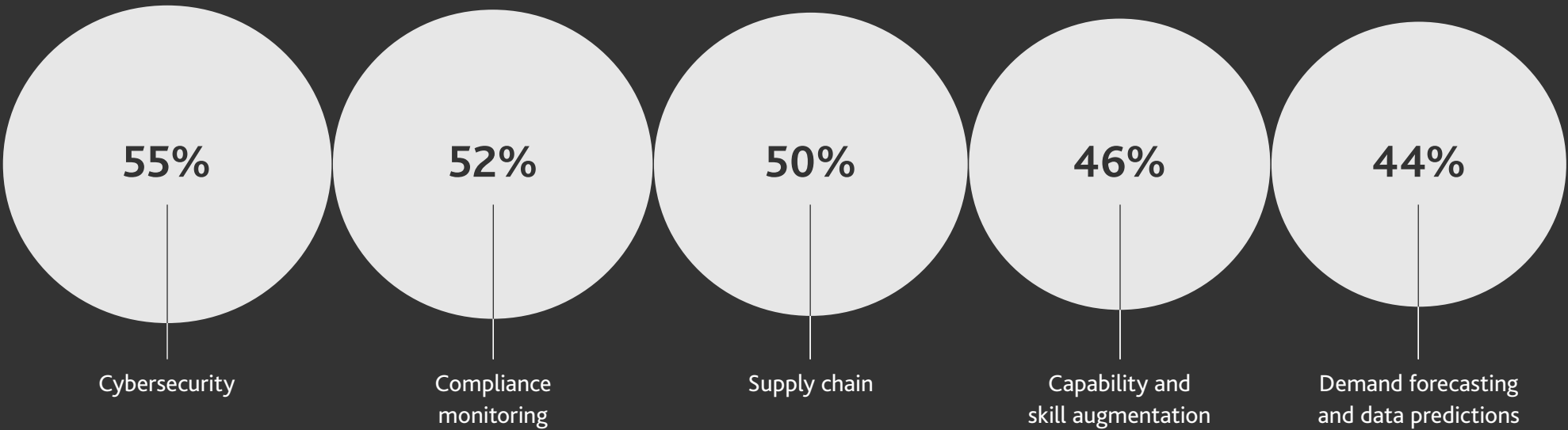
of CEOs cite cybercrime as a top three risk in 2025

The risk/reward gap on AI

Attitudes towards AI have shifted again over the past year – more executives see it as an opportunity than a risk (but some see it as both). Leaders believe AI can improve risk management, but a thoughtful, structured approach is needed.

See page 21

WHERE AI IS EXPECTED TO HAVE THE MOST IMPACT IN THE NEXT 12 MONTHS

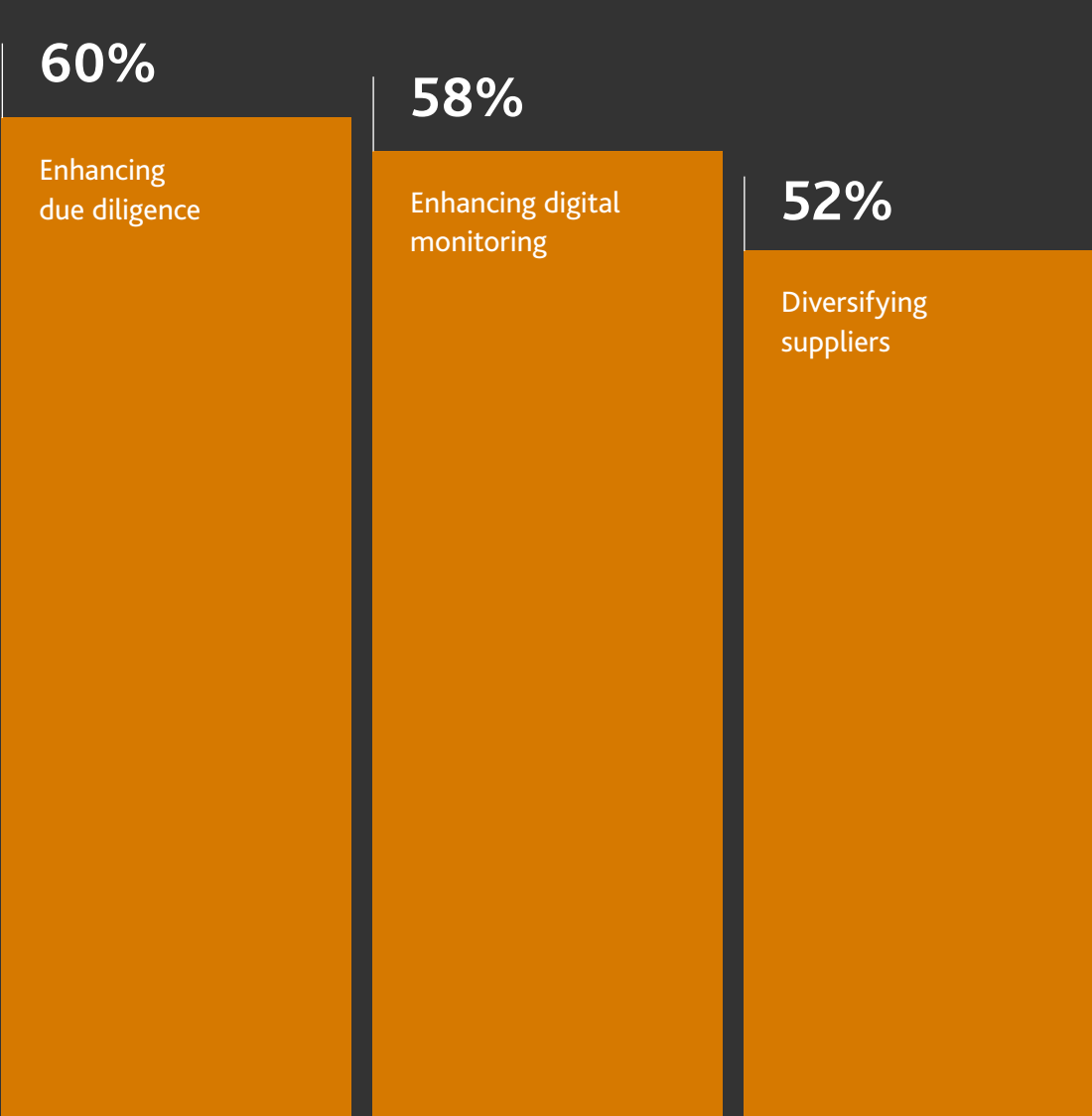


Avoid supply chain ruptures by 'flexsourcing'

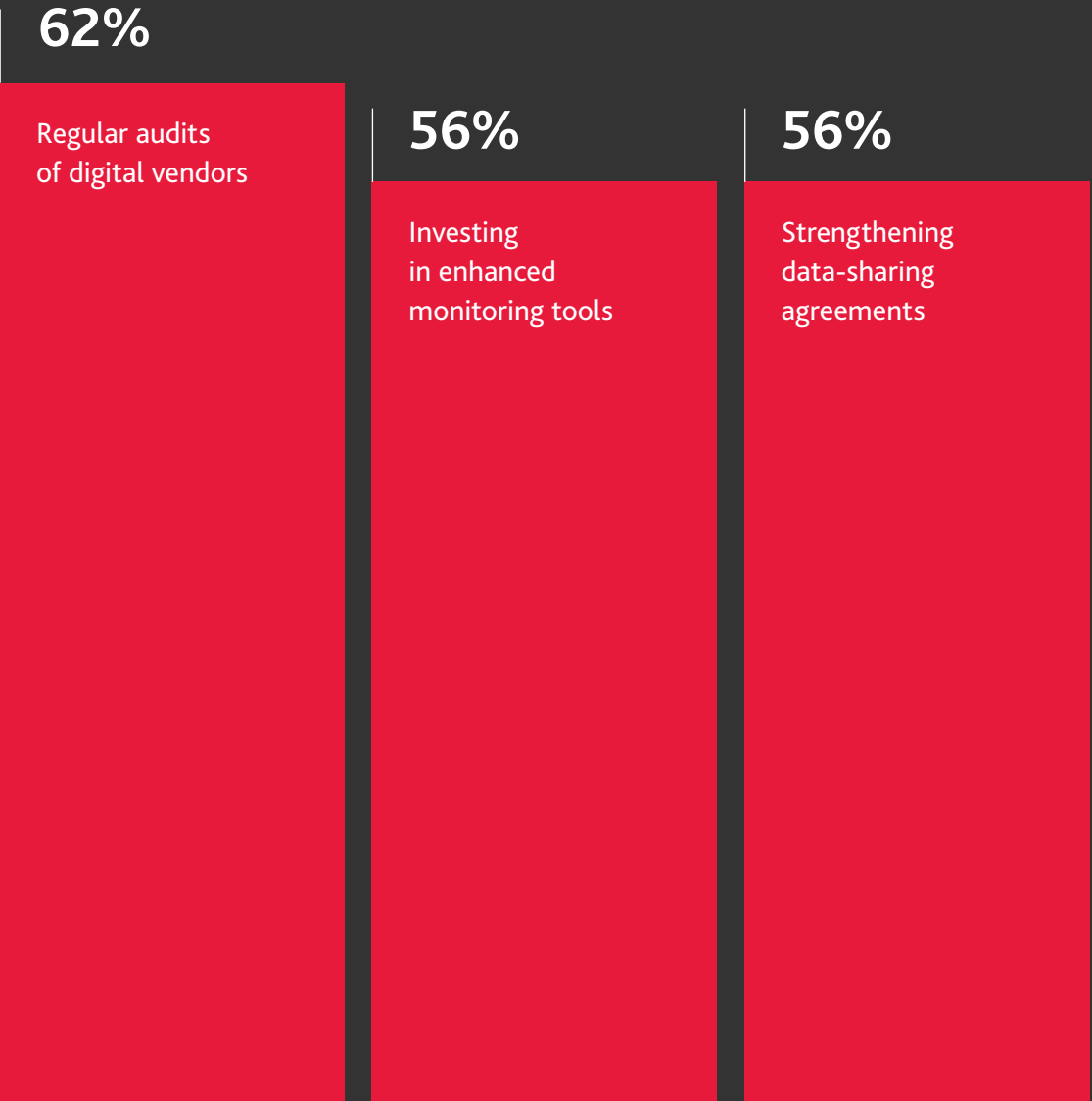
Supply chains are under strain, with the threat of tariffs and the need to switch sources likely to make things worse. Firms need to consider 'flexsourcing', a hybrid approach that blends nearshoring with friendshoring, building the agility to switch procurement to countries with more reliability or lower tariffs.

See page 25

THE TOP THREE WAYS COMPANIES ARE STRENGTHENING THEIR PHYSICAL SUPPLY CHAINS



AND THE TOP THREE WAYS COMPANIES ARE STRENGTHENING THEIR DIGITAL SUPPLY CHAINS

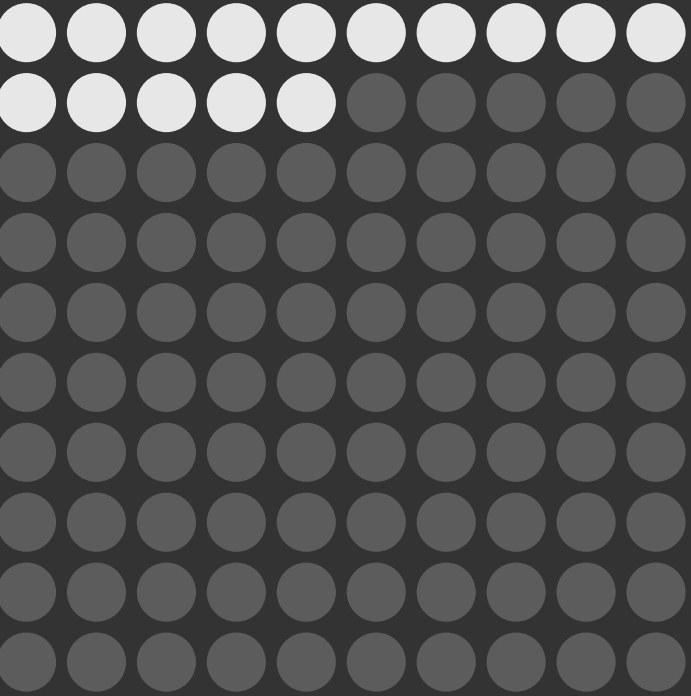


Don't give fraudsters a chance

Fraud risk is underappreciated and sometimes misunderstood, with only 15% of executives citing it as a top three risk. As fraudsters exploit AI to find new vulnerabilities, it's time for companies to prioritise.

See page 27

Only
15%
of executives cite fraud risk
as a top three risk



On a cliff edge: the state of risk in 2025

Organisations may stagnate if they don't proactively embrace risk

At a glance

What is changing

The global risk landscape faces greater uncertainty than ever, prompting companies to take a more defensive approach to risk management.

Why it matters

This 'wait and see' approach is not suitable for the 'permacrisis' era – it will limit growth opportunities and risks holding companies back.

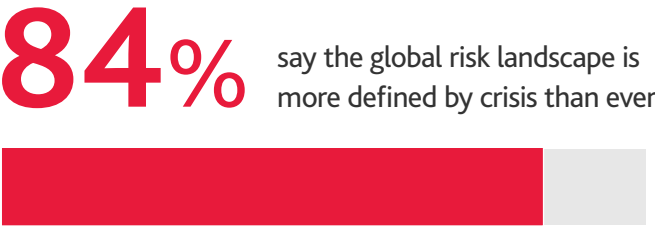
What to do

While the timidity is understandable, businesses must take a proactive approach that weighs their risk appetite against what could go wrong, and plan accordingly.

From escalating world trade tensions to shifts in geopolitical relationships, the global risk landscape has been in flux for more than a decade – and shows no sign of stabilising. The perceived level of crisis among risk professionals and senior executives remains at record levels, with 84% of respondents in the survey saying the global risk landscape is more defined by crisis now than ever.

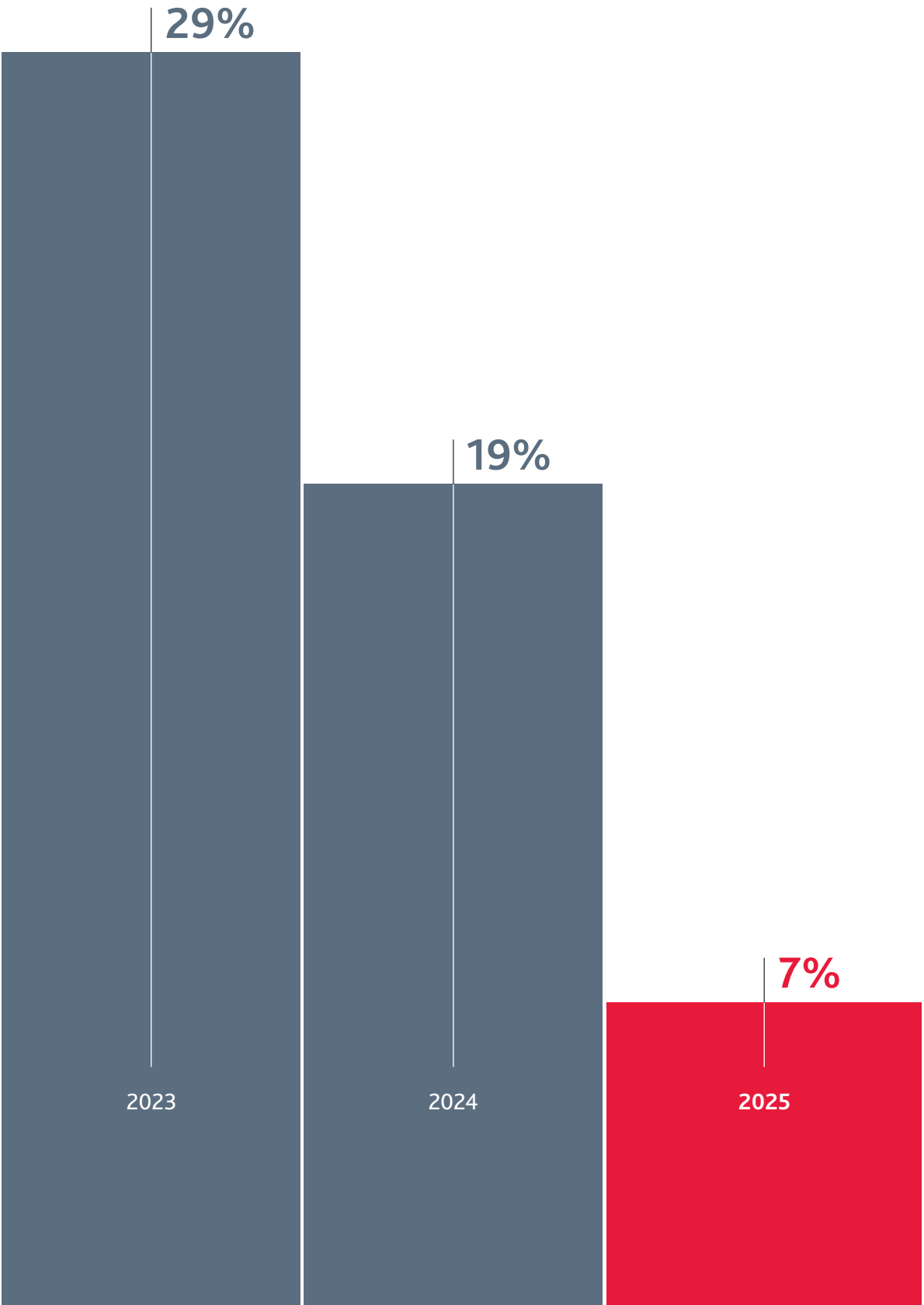
Against this backdrop, businesses are struggling to navigate a path forward.

Only 7% of executives said their risk management is 'very proactive', down from 19% in 2024 and 29% in 2023. This matters: if companies are overly cautious, it will weigh on growth and increase pressure from stakeholders. ▶



PROACTIVE RISK MANAGEMENT IS BECOMING RARE

Percentage who say their risk management is 'very proactive'



“The chaos and volatility that’s all around us right now is definitely disrupting business,” said Dave Arick, Managing Director for Global Risk Management at claims management and loss adjusting business Sedgwick. “You see a lot of hesitation from businesses as they look at investments and growth, because they don’t know where the next curveball is going to come from, so there’s a bit of a ‘wait and see how it plays out’ mentality.”

The challenge with adopting this stance is that if the problems just keep mounting, businesses will stagnate.

“Waiting for it to settle down means you’re going to end up with a lot of businesses being paralysed by fear of what could go wrong,” Arick said. “There’s a lot of reasons to be cautious, but you don’t meet your targets by being cautious.”

A better approach in this environment is to engage in scenario planning and anticipate the things that could go wrong so businesses can start to seize opportunities instead of sitting on their hands waiting for the turbulence to subside.

“Even for aggressive companies that want to take a big swing at something that’s maybe transformative for that business, you can still put some planning in place to think through the potential things that could go wrong,” said Arick. “How do we best prepare so that we’re not caught flat-footed if those things do happen?”

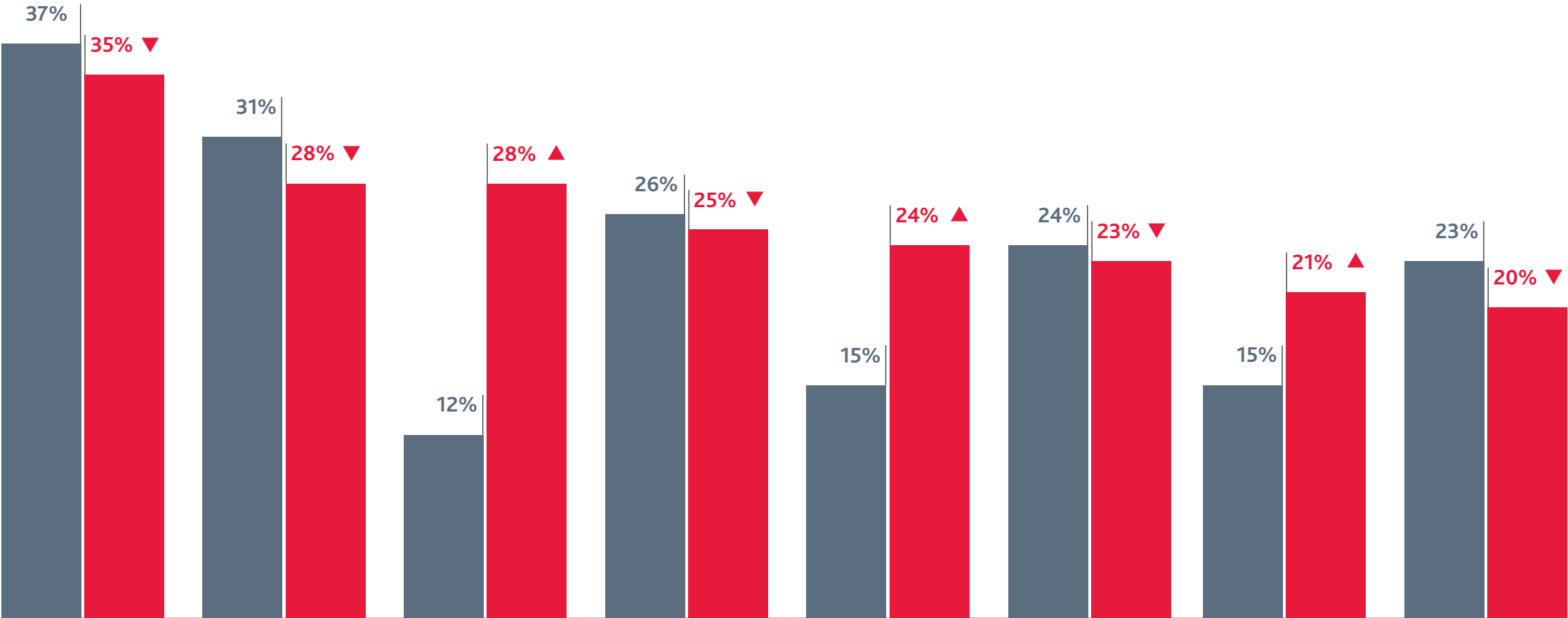
Scenario planning is not just a one-and-done exercise given how fast the global risk landscape keeps changing. ▶

WHICH RISKS ARE ORGANISATIONS MOST UNPREPARED FOR?

Data shows the risks chosen among top three by respondents

2024 2025

1	2	3	4	5	6	7	8
Regulatory risk	Supply chain	Talent or people	Geopolitical tensions	Environmental	Cybercrime	Increasing competition	Tech changes and development
▶ Same as 2024	▶ Same as 2024	▲ 10 places	▶ Same as 2024	▲ 4 places	▼ 1 place	▲ 3 places	▼ 2 places



"We're doing our goal-setting and strategy for the year and part of that process is to analyse and review the top risks for the moment, ensuring we have the right remediations in place," said Lianne Appelt, Head of Enterprise Risk Management at Salesforce. "The landscape has changed significantly since our last internal risk assessment back in December and the regulatory landscape I would say is the biggest change."

This increased regulatory burden may be prompting businesses to take a more 'safety first' compliance approach to risk management, which steers risk managers to be more reactive than proactive.

"The risk landscape is large and it is evolving rapidly, so it is difficult to keep up with all the

things the companies are facing," said Dawn Williford, Principal, Risk Advisory Services at BDO USA. "However, in the long run, if you were actually spending the money up front to identify and manage risk versus reacting to it, the cost could be much less – that's the biggest benefit of having a proactive approach."

Regulatory risk remains the top risk among C-suite executives, with 35% selecting it as one of the top three risks they feel most unprepared for.

"Companies feel that regulation is a burden because the regulators are becoming less predictable," said Emanuel Van Zandvoort, Partner, Risk Advisory Services – Enterprise Risk Management at BDO Netherlands. "In Europe,

companies have to invest a lot in compliance and then laws and regulations change overnight."

Some 52% of respondents named data privacy as one of the top three most important regulations for their business, more than any other type of regulation.

Supply chain risk and people/talent were joint second – a big jump for people risk which was only in 12th place in 2024 (see page 11). Geopolitics remains a concern, placed at fourth.

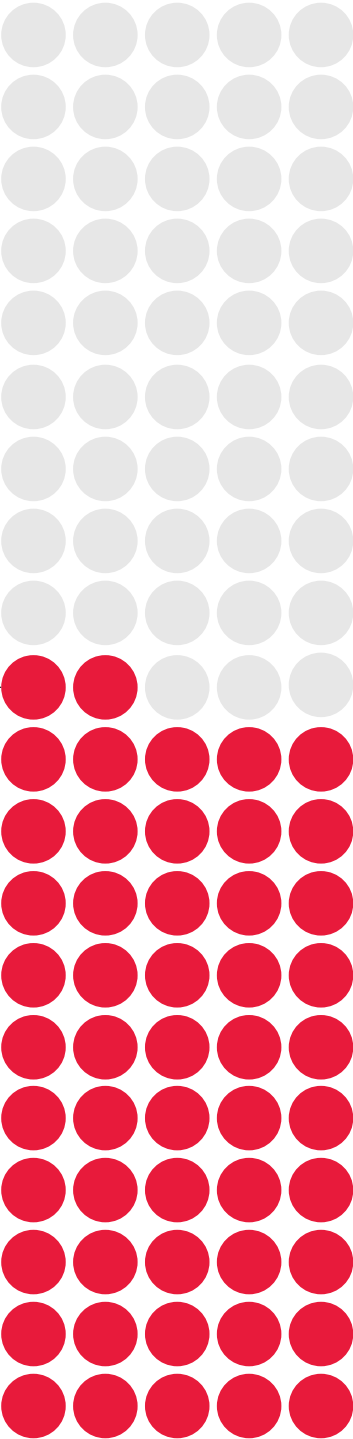
Geopolitics is also adding to the heightened sense of uncertainty globally, where businesses are dealing with confusion around tariffs and escalating trade tensions, which in turn is fuelling the 'wait and see' approach. The friction between the US and China is also adding pressure on businesses, particularly in the APAC region.

"The first thing is the Sino-US trade war, and the second thing is about the relationship between Taiwan, US and China, so the situation in the APAC region is quite tense," said Ricky Cheng, Director and Head of Risk Advisory at BDO Hong Kong.

Environmental risk is another fast-rising issue, moving up four places to fifth, with 24% now saying they are unprepared for this. Cybercrime is still very much on the radar: it was ranked sixth. ■

52%

see data privacy as one of the three most important regulations for their business



37 “Companies feel that regulation is a burden because the regulators are becoming less predictable.”

Emanuel Van Zandvoort,
Partner, Risk Advisory Services –
Enterprise Risk Management, BDO Netherlands

Can regulation help shine a light on real risk management?

Reporting requirements may help focus minds on risk, but could create complacency

At a glance

What is changing

The regulatory burden on companies continues to grow, with compliance teams facing additional reporting requirements.

Why it matters

An increased focus on regulation can create a box-ticking environment that distracts from real risk management.

What to do

Regulation can feed into risk thinking but organisations must always focus on the macro and micro risks a business faces.

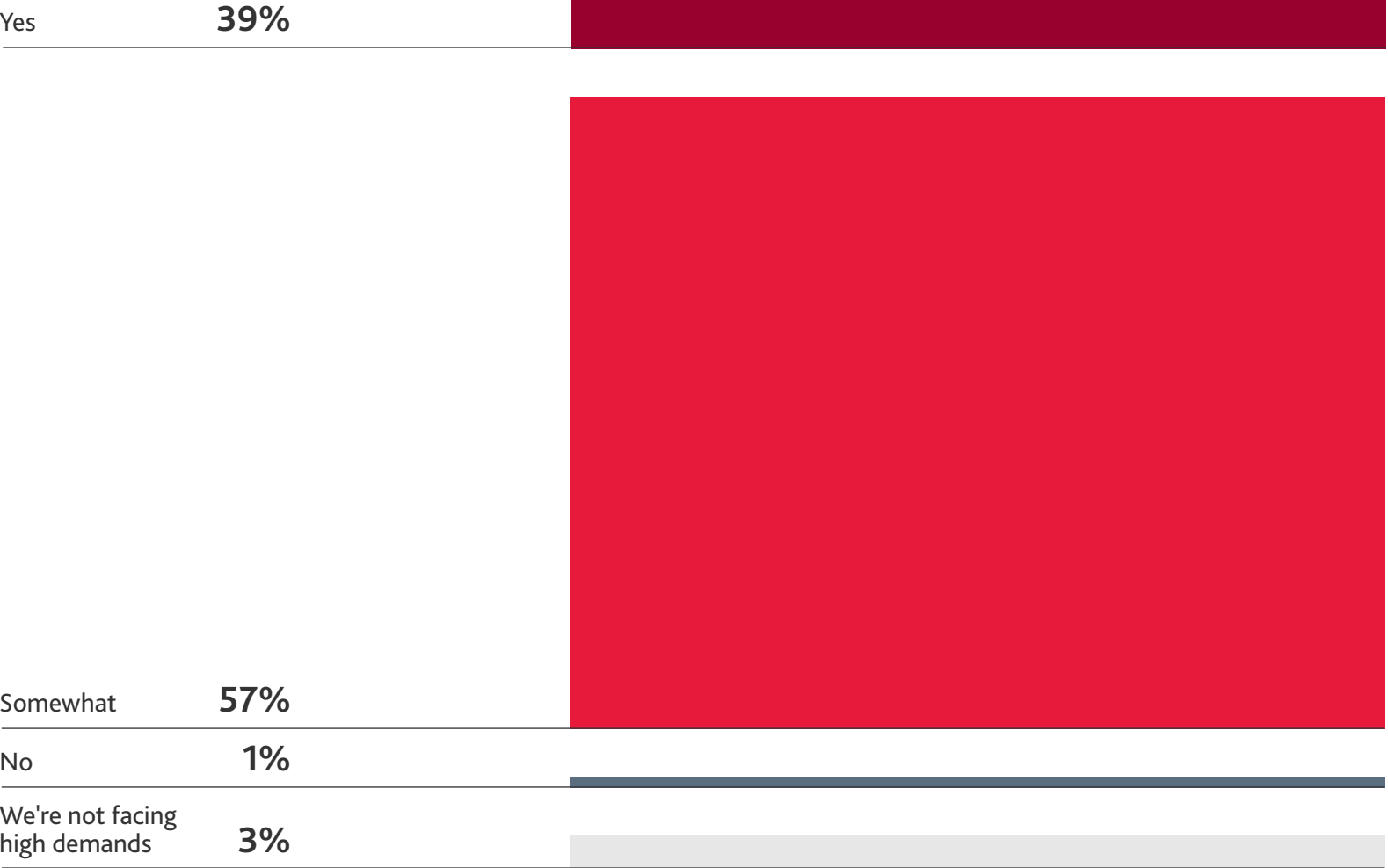
Businesses face increasing volumes of regulation, particularly those that operate across borders. While this adds to the compliance burden for risk managers, a majority of C-suite respondents said that regulators' demands for additional reporting were generally helpful in reducing their overall risk.

More than a third of respondents (39%) said that increased regulation reduces their risk profile, while another 57% said it somewhat reduced their risk.

However, it should only ever be viewed as one component of an organisation's risk management strategy.

"Regulation is one aspect of risk management, but I don't think regulation will give you a full picture of your risk environment. It can help, but you'd be missing the exercise if you take it from a compliance-first approach, as opposed to focusing in on the macro and micro events and threats that exist within a specific organisation," said Ziad Akkaoui, National Practice Leader, Risk Advisory at BDO Canada. ▶

ARE REGULATORY DEMANDS FOR EXTRA REPORTING REDUCING COMPANY RISK PROFILES?





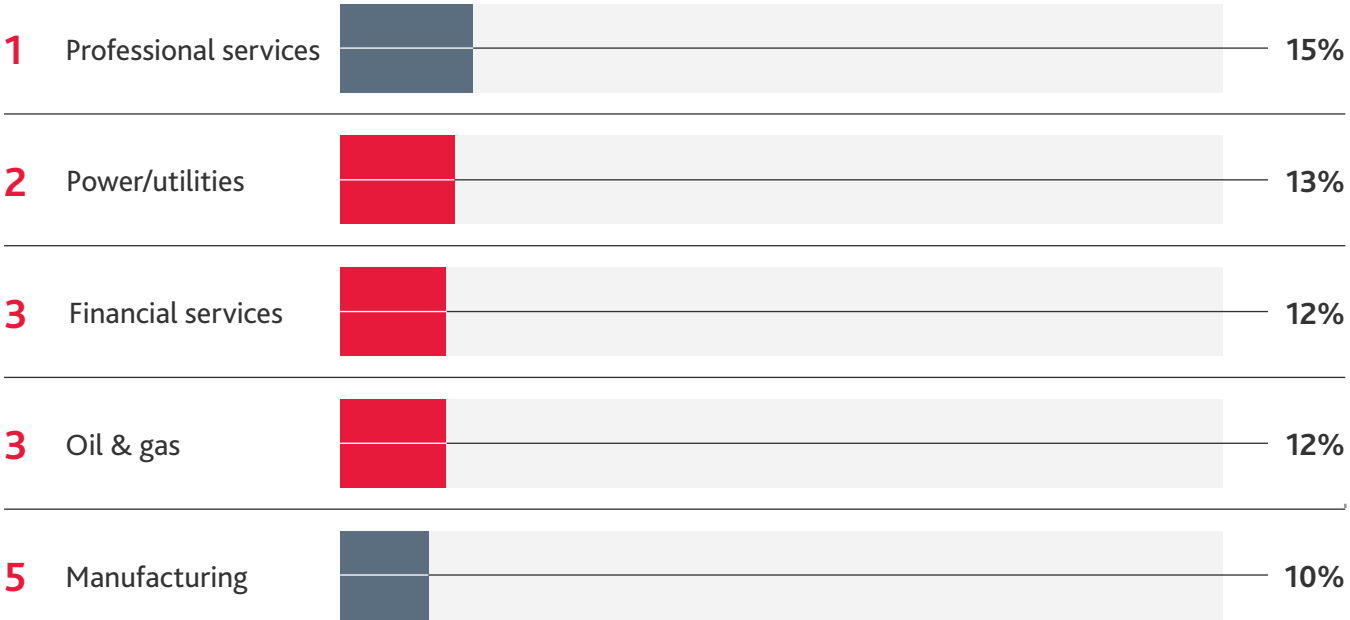
The potential for regulation to support more proactive risk management could hinge on the volume of regulation a business faces. Companies in industries that are heavily regulated said they are more likely to deal with risk very proactively, with power and utilities (13%) and financial services and oil and gas (both 12%) businesses taking steps to stay ahead of risk. This is likely because the pace of regulatory change means companies in these sectors have to constantly adjust to changing risk

thresholds set not only by their boards but by the regulators too, said Enric Doménech, Head of Risk Advisory Services at BDO Spain.

While not a heavily regulated industry, 15% of professional services firms said they deal with risk very proactively. This is potentially not just because of regulatory concerns but also because a breach of client data could be reputationally fatal for a firm. ■

TOP FIVE SECTORS THAT SAY THEY DEAL WITH RISK 'VERY PROACTIVELY'

● Heavily regulated industries



People risk is climbing up the agenda again

Executives are increasingly worried about access to talent

The biggest change to the rankings for 2025 is the sharp increase in concern about people and talent. More than a quarter of executives (28%) said talent or people capacity is a top three risk, up from 12% in 2024. While 'people capacity' and 'talent' separately rank relatively low on the list of risks executives feel unprepared for, when combined they rank joint second – above longstanding problems such as geopolitical tensions and cybercrime.

Concerns vary by sector. Healthcare and life sciences are most concerned about people/talent (44%), followed by real estate and construction (39%), and then tech, media and telecom (34%).

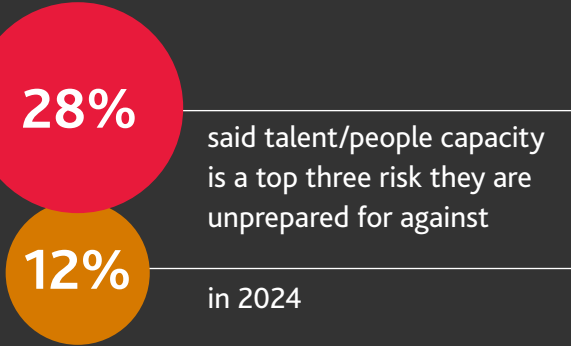
"There is a scarcity of talent, and trying to retain good people and trying to attract really good people

is hard," said Dave Arick, Managing Director for Global Risk Management at Sedgwick. "Being able to speak the language of risk is something that is really important for all of us in the world that we're in today."

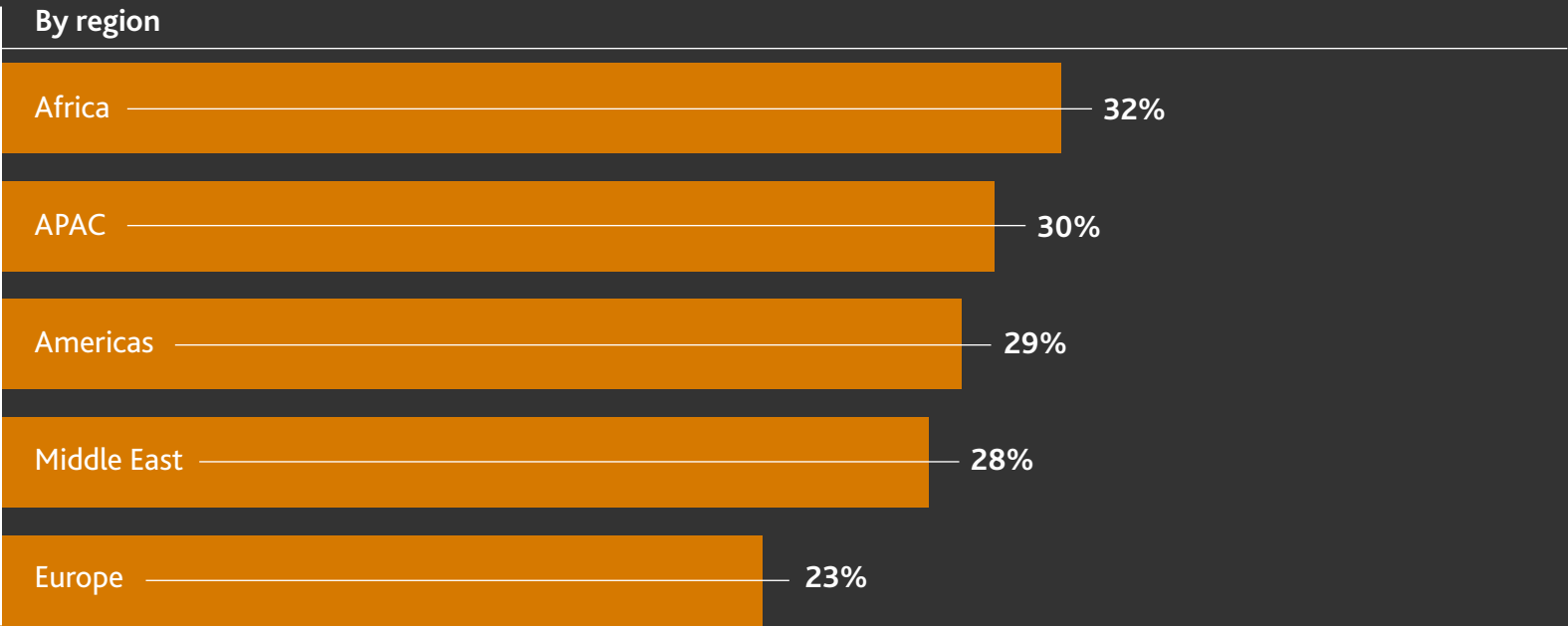
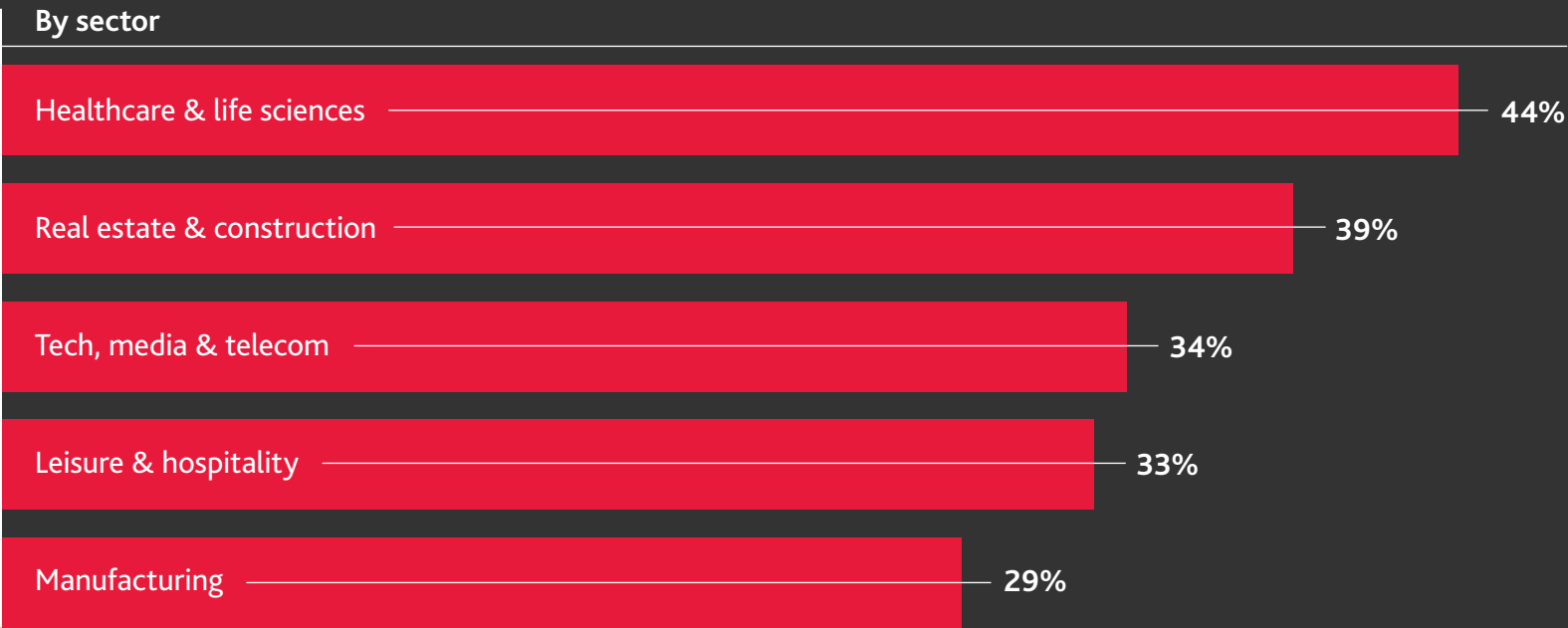
"Just finding the right people to add to your workforce that can have their eyes and ears open – even if their day job isn't risk management – is getting harder. My view is that we're all risk managers to some degree."

AI may also be impacting perceptions of people risk, not just because businesses will increasingly need talent who are proficient in AI – either as users or developers – but because the rise of the technology may chip away at institutional knowledge and have a long-term impact on training and employee skills.

"Manual tasks are being stripped out, but that's how people learn when they come into risk," said Alisa Voznaya, a Partner leading BDO's Consulting practice in London. "You need people to understand what actually happens in the weeds. When you strip that out, you lose the opportunity to train people with that view. So there is a concern about how you get that experience – we don't want to lose that muscle memory." ■



WHERE IS TALENT/PEOPLE RISK HITTING HARDEST?



The risk rift: how a compliance-led approach is holding back growth

A focus on box-ticking may be overshadowing real risk management strategies

At a glance

What is changing

Increased regulation and an uncertain operating environment are prompting businesses to take a more compliance-led approach to risk management.

Why it matters

This approach often takes precedence over real risk management, which means businesses may be missing out on or overlooking potential growth opportunities.

What to do

Embedding a risk culture helps shift the mindset away from a compliance-led approach and instead embraces risk to identify growth-driving business opportunities.

Executives think they have the right balance between real risk management – the broad risks that are a potential threat to a company – and compliance. But take a closer look at those assertions and it reveals potential fractures inside the organisation.

While a majority of respondents say there is an equal focus between risk and compliance (54%), the survey shows that CEOs/MDs are not on the same page as their Chief Risk Officers (CROs). Company leaders say their biggest problem is compliance overspend, followed by a box-ticking mentality. By contrast, CROs say their biggest problem is limited adaptability to new risks, followed by minimal use of monitoring tech.

The regulatory backdrop may also be forcing companies to take a more compliance-led approach given that broad market uncertainty introduces even more unknowns into risk-taking.

“The regulatory environment is seeing sudden shifts and downright reversals rather than a gradual drift under the current administration,” said Polly James, Senior Director of Risk Management at Feld Entertainment in the US. “A rush to reduce federal ►



oversight and push regulation down to the state level is not helpful for businesses that operate across the country."

Getting the balance right between real risk management and compliance is essential if companies want to be more proactive around risk.

"Regulatory and compliance risks have always been at the forefront of our risk landscape, but what is happening this year is unique. It's important to really stay on top of it, because that enables us to not really have to stop or pause other activities or innovations in pursuit of compliance activities," said Lianne Appelt, Head of Enterprise Risk Management at Salesforce.

Most businesses recognise the need to increasingly focus on real risks. As many as 74% of executives said it is a priority to embed risk thinking into their company culture.

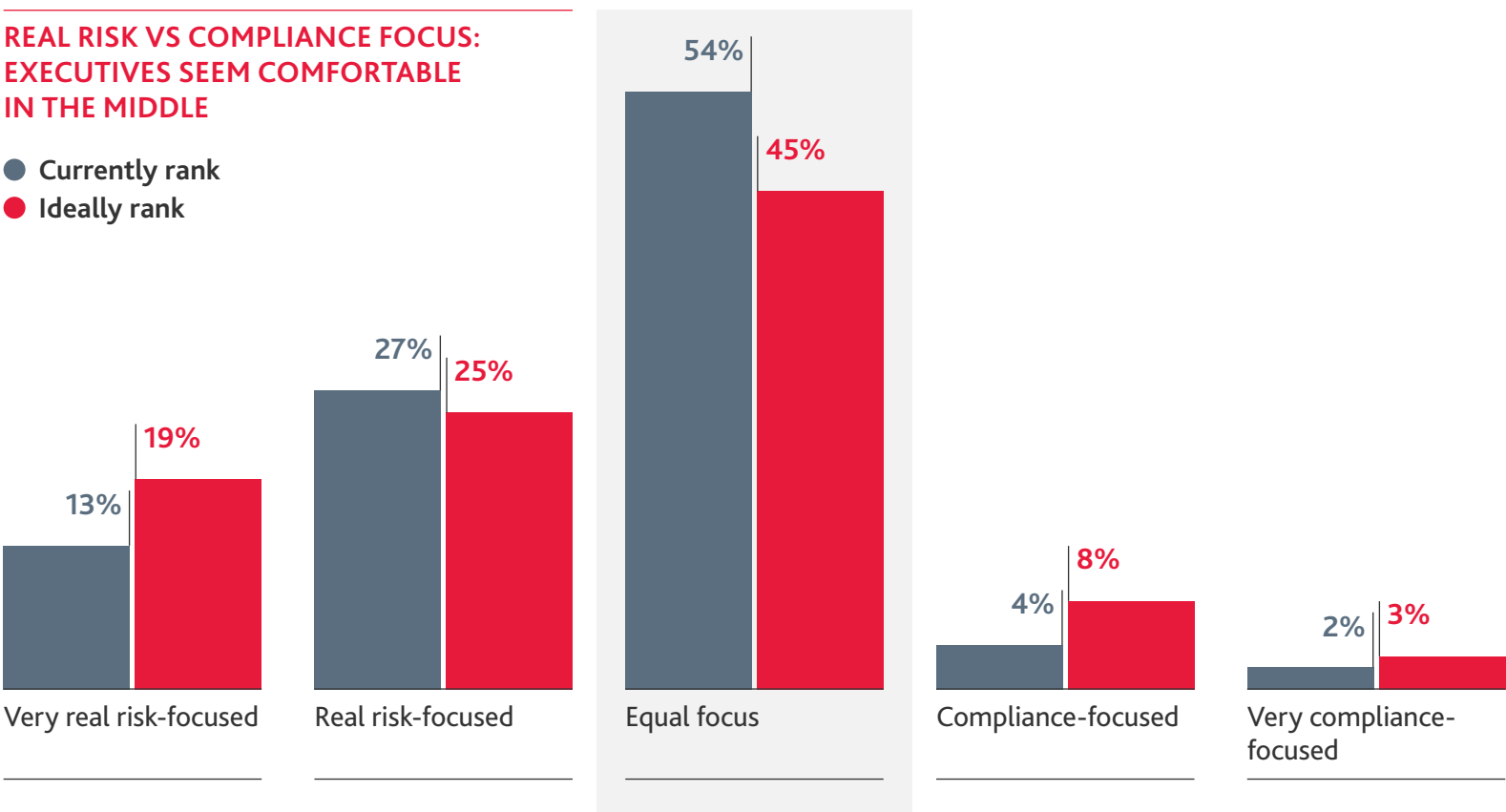
"There definitely needs to be awareness of what risk means for individuals and the business, as well as the upside of operating with a mindset that is aligned to a company's strategic objectives and values." said Matt Williams, a Partner in BDO Australia's Risk Advisory Services team.

Another issue is the apparently contradictory views of senior leadership. While 63% of CEOs and managing directors said regulatory risk is one of the top three risks they are unprepared for, 60% also said that compliance overspend is a major problem.

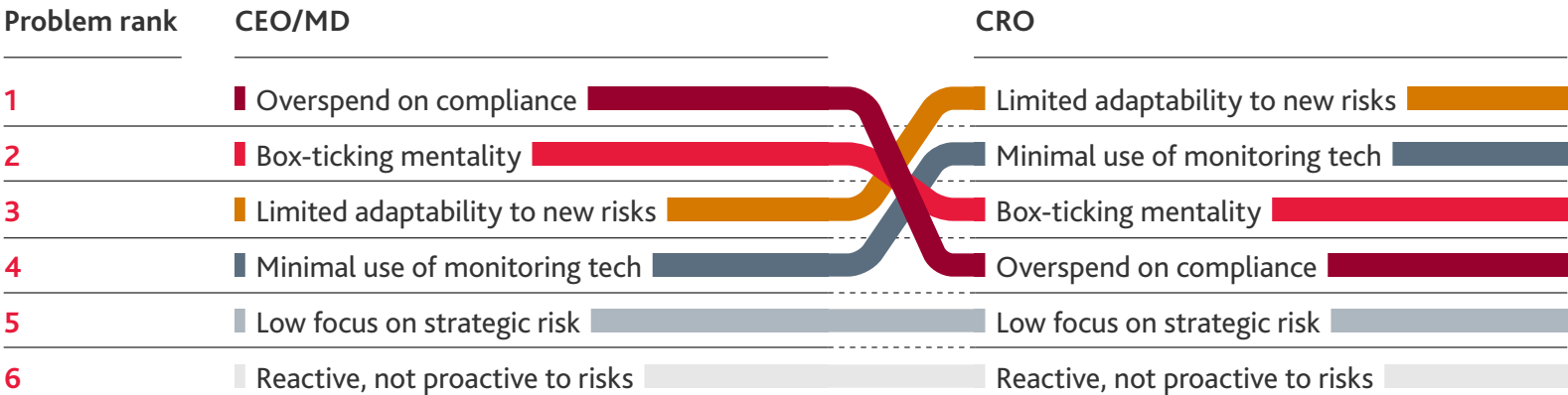
One potential reason for this mismatch is that business leaders think their companies are not getting the best value out of their compliance and regulation efforts because they are too focused on box-ticking rather than finding ways to capitalise on their risk management. ▶

REAL RISK VS COMPLIANCE FOCUS: EXECUTIVES SEEM COMFORTABLE IN THE MIDDLE

● Currently rank
● Ideally rank



BUT LOOK DEEPER – CEOs/MDs ARE HIGHLY CRITICAL (AND THEY DON'T ALIGN WITH THEIR CHIEF RISK OFFICERS)



“Regulatory and compliance risks have always been at the forefront of our risk landscape, but what is happening this year is unique.”

Lianne Appelt,
Head of Enterprise Risk Management,
Salesforce

WHAT ARE COMPANIES DOING TO TILT THE BALANCE TOWARD REAL RISK MANAGEMENT?

Embedding risk thinking in culture

Strategic

74%

Promoting cross-team collaboration

Tactical

59%

Prioritising real-time risk responses

Tactical

57%

Building a new risk management framework

Strategic

54%

Hiring external risk advisors

Strategic

54%

While some CEOs might complain that compliance is too expensive because it doesn't contribute to their bottom line, 'underspending' could potentially have damaging consequences, said Richard Walker, Head of Risk Advisory Services at BDO South Africa.

"Businesses must weigh the risks and opportunities: while saving on compliance overspend is tempting, getting caught can result in hefty fines and damage to reputation," said Walker.

Some businesses are investing in risk in other ways, for instance by hiring consultants. However, appetite for this approach often depends on a business's ownership structure. For example, 67% of management and PE-owned businesses said they are engaging consultants to ensure a focus on real risk management, though founder-owned companies were less likely to do this (just 43%). ■

Insight

Say goodbye to box-ticking

Alisa Voznaya
Partner leading BDO's Consulting
practice in London

“Organisations sometimes feel that a compliance approach is easier – you follow the processes and you feel like you've done your job, you feel good about yourself. You get a dopamine rush. Whereas with a risk culture, it almost feels like the hardest thing to possibly do.

Organisations need to recognise this and ask themselves, do we talk about risk strategically or do we talk about risk as a tick-box exercise? The telltale sign for me is how much time is spent by functions focusing on the compliance elements that need to be filled in, without ever really

bringing those risk assessment conversations to the executives. This means executives are not considering these issues as part of their agenda.

There can also sometimes be a lack of understanding on how the compliance programme connects to risk. In those situations where you have compliance and risk functioning independently – unless it's obviously a very regulated environment – that's problematic because ultimately they're driving towards the same purpose and just looking at it through a different lens.” ■

“
Organisations need to
ask themselves, do we talk
about risk strategically
or as a tick-box exercise?”

Cyber breaches: no end in sight

The evolving cybercrime threat is keeping executives on their toes

At a glance

What is changing

Cybercriminals are getting ever more sophisticated, which is making CEOs sit up and take notice, particularly if competitors have been impacted.

Why it matters

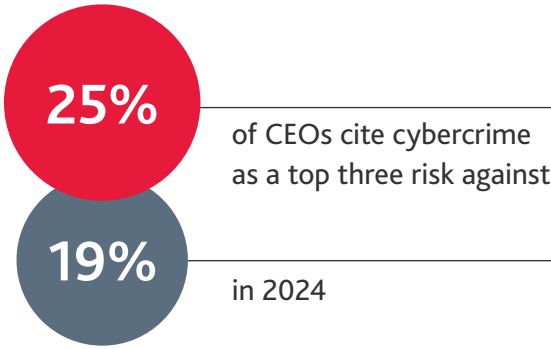
Cyberattacks can cause severe reputational damage and result in significant regulatory penalties for companies who don't take adequate security measures.

What to do

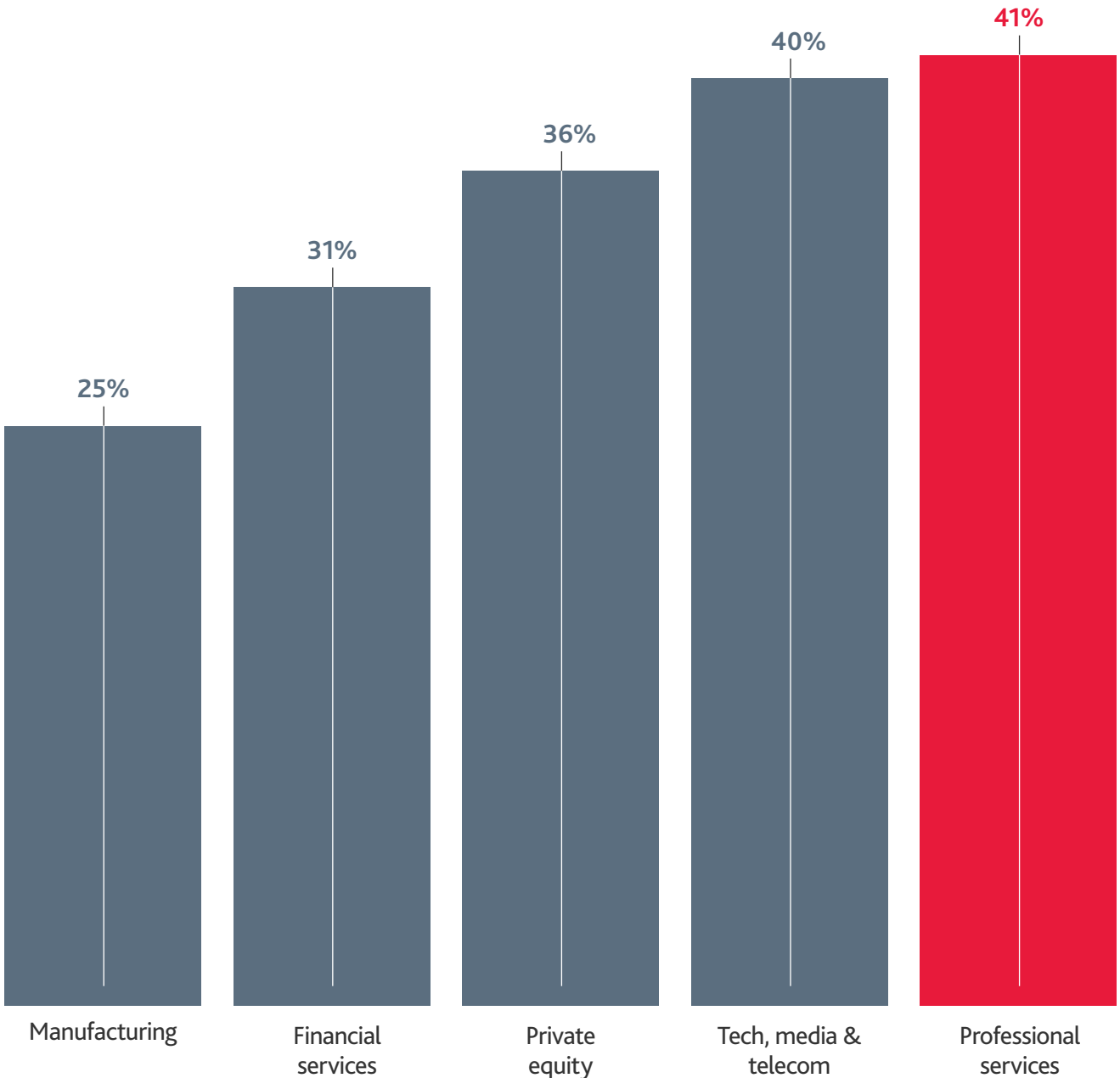
The companies with the best cyber posture are typically those that view cybersecurity as an enabler and not simply as a cost of doing business.

The threat of cyberattacks is making CEOs more nervous than ever. The average cost of a data breach in 2024 was almost \$5 million, according to an IBM/Ponemon Institute report. Against this backdrop, a quarter of CEOs cited cyberattacks as one of their top three risks, up from 19% last year.

"There isn't a lot that is new, it's more the sophistication and the velocity at which some of these cyberattacks are able to penetrate and impact companies that is changing," said Lianne Appelt, Head of Enterprise Risk Management at

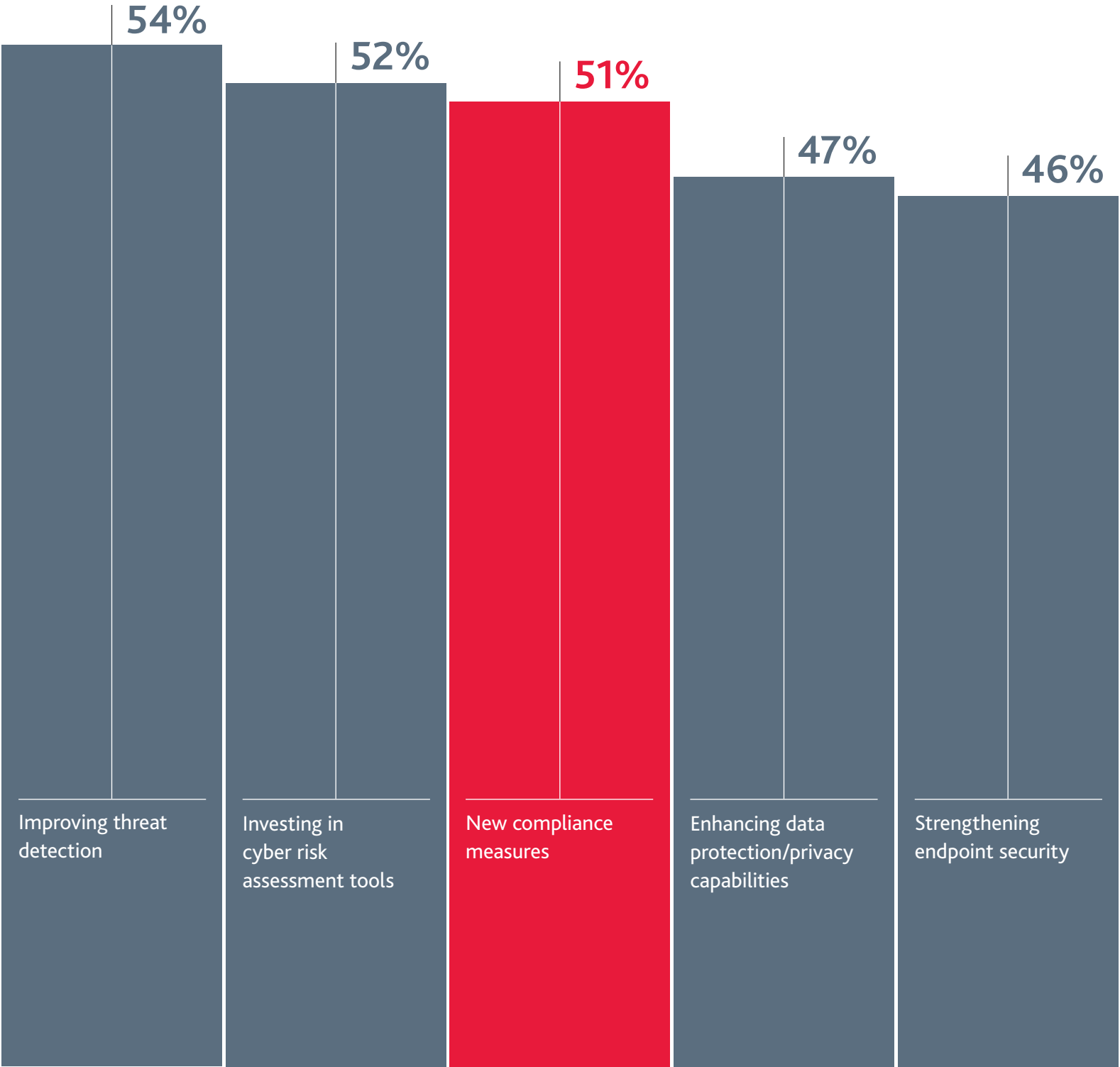


THE INDUSTRIES THAT ARE MOST LIKELY TO SAY THEY ARE UNPREPARED FOR CYBER RISK



WHAT ARE BUSINESS LEADERS' CYBERSECURITY PRIORITIES FOR THE NEXT TWO YEARS?

46



Salesforce. “As a tech company, cyber risk is always at the forefront for us, so we do everything we can to ensure that our products and services and our internal systems are safe.”

While email phishing campaigns to launch malware attacks, invoice or payment fraud are still the biggest cyber-related risks, there is an increase in social engineering attacks that target employees. These seek to gather intelligence on businesses to either steal intellectual property or commit some kind of fraud.

“Threat actors are using the machines that we use to make our lives more efficient to help them with reconnaissance and to learn more about the organisation and its people,” said Rocco Galletto, Partner and Global Head of Cyber at BDO Canada. “We have a team that tests everything from physical to logical security controls, and they’re getting to the point where even malware is now caught by the tools, but social engineering through an employee always gets us in.” ▶

“When cyber teams are strongly aligned with overarching organisational goals, they can quickly help their organisations stay safe.”

Rocco Galletto,
Partner and Global Head of Cyber, BDO Canada

Some industries are potentially more vulnerable than others. Professional services firms were the most likely to be unprepared for cyber risk (41%), followed by tech, media and telecom businesses (40%) and private equity (36%).

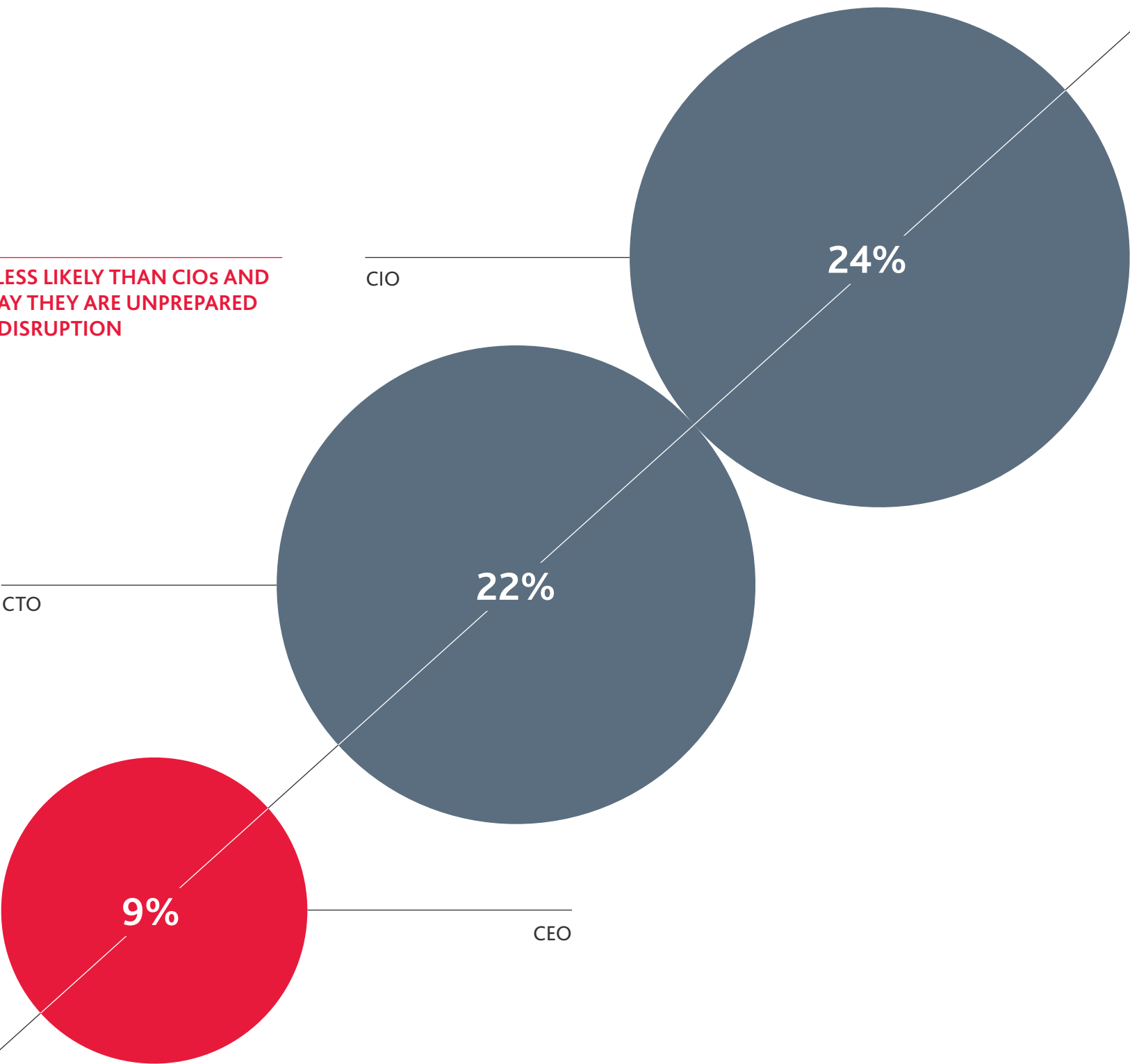
The pace at which cyber threats are evolving means there is also a growing gap between those who are prepared and more cyber resilient and those who are not taking sufficient steps to improve. The pace of tech change is also a risk for companies: 20% of respondents cited this as a top three risk they are unprepared for, but only 9% of CEOs.

“As the tech changes, a business's risk profile changes, not only because the tech is changing, but because of the way they operate changes,” said Galletto. ▶

WHICH RISKS ARE EXECUTIVES MOST STRUGGLING TO HANDLE?



CEOs ARE LESS LIKELY THAN CIOs AND CTOs TO SAY THEY ARE UNPREPARED FOR TECH DISRUPTION



“Because tech is moving faster, businesses are moving faster, and cyber has a tough time catching up. So there probably is more of a lag today than there has been in the past – and that gap seems to be getting larger.”

The key difference between cyber-resilient businesses and those that are lagging is that the former look at cybersecurity as an enabler to the business, said Galletto.

“When cyber teams are strongly aligned with overarching organisational goals, they can quickly help their organisations stay safe,” he said. “This means you can start to anticipate what could go wrong, and if it does go wrong, it can quickly be recovered.”

Aside from the real risk of attacks, cyber is also becoming a growing compliance challenge, with 52% of Chief Technology Officers saying their firm has a box-ticking mentality, which can distract from broader risk management strategies.

“
Aside from the real risk of attacks, cyber is also becoming a growing compliance challenge.”

“Firms go through this check-box exercise, but what they fail to achieve is day-to-day sustainment,” said Galletto. “You need people to manage those compliance actions, not just when you’re being audited. So it becomes a resource challenge where there just aren’t enough people to keep up with sustainment and compliance ends up becoming a check-box exercise.” ■

Insight

The cyber challenge for mid-sized firms

Rocco Galletto

Partner, Global Head of Cyber,
BDO Canada

“A frequent challenge for our mid-size enterprise clients is that they are subject to similar regulations as a large enterprise, but they only have small teams – maybe five to ten security people – whose mandate is to keep the organisation safe.

So the organisation may well have 2,000 to 4,000 people, but they only have a small team of security practitioners protecting the business.

Given those circumstances, we're seeing an increasing trend among those types of businesses reaching out to professional services firms like BDO to help shepherd them through some of the

areas where they may lack resource capacity or have a lack of understanding of how other organisations of their size are managing or tackling the problem.

Having a structured cybersecurity programme in place is important for organisations to stay ahead or at least keep pace with evolving cyber risk.

There are different levels of readiness that they should consider. The first level is identifying all the things you need to protect within your organisation and how those are protected. It's also important to adapt: when an organisation changes or evolves, security controls must also evolve to maintain its cybersecurity posture.” ■

“
When an organisation evolves, so should its security controls to maintain its strong cybersecurity posture.”

Bridging the risk and reward gap on AI

Companies must get the risk framework right as optimism fuels AI arms race

At a glance

What is changing

Companies are increasingly optimistic about the opportunities created by AI while seeing it less as a risk.

Why it matters

Businesses may overlook or underestimate potential AI risk that could impact them, causing lasting reputational damage and/or severe regulatory entanglements.

What to do

Businesses need a structured risk management framework to safely embrace AI innovation, because if they get it wrong, it can wipe out the investment completely.

As AI has continued to advance over the past 12 months, attitudes towards the technology's risk have shifted again, with most executives now seeing more opportunity and less risk. Asked to rank AI risk on a scale of one to five, with five as the most significant, most respondents (57%) scored AI risk at three. A year ago, 52% placed AI risk at four.

"We're at a pivotal moment where AI is no longer theoretical - it's in everyone's hands. That accessibility is fuelling innovation, but it's also creating blind spots. As enthusiasm grows, the real risk is assuming AI is plug-and-play. Without a strong risk framework, companies may be scaling exposure faster than they're scaling value," said Kirstie Tiernan, AI Leader at BDO USA.

Another reason for this shift is that businesses may believe there is a greater risk of being left behind if they don't embrace potential AI opportunities, added Vernie Balasubramaniam, Director of AI, Privacy and Data Protection at BDO UK.

Part of the issue is that AI is so pervasive across different business needs that senior executives are not aware of

AI IS SEEN AS MORE OF AN OPPORTUNITY THAN A RISK (BUT SOME SEE BOTH)

18%

A risk

45%

An opportunity

25%

Neither

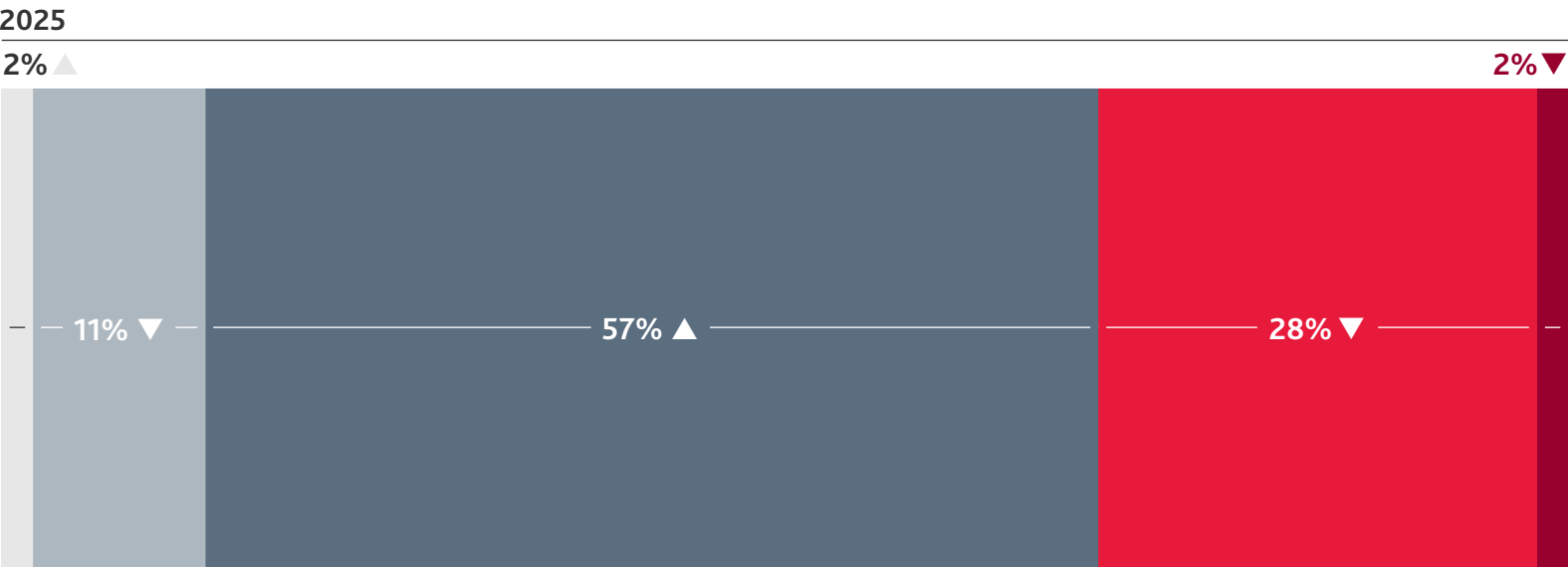
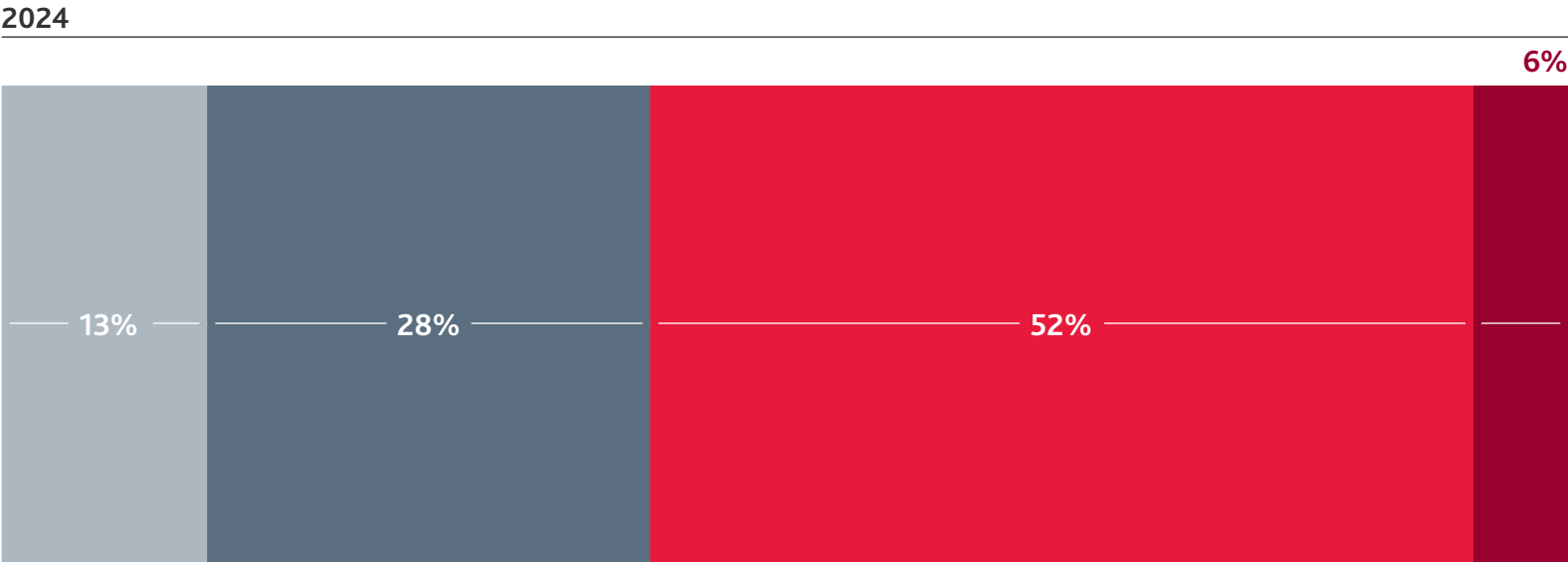
12%

Risk and opportunity

CONCERNS ABOUT AI RISK HAVE EASED SINCE 2024

Scale

No risk 1 2 3 4 5 Significant risk



everything that is available and therefore fret they may be at a disadvantage to their peers, she said. There are several areas where executives believe AI will have a significant impact on their business over the next 12 months, with cybersecurity coming out on top (55%), followed by compliance monitoring (52%) and supply chain (50%).

“AI-driven compliance is a good thing – you can have more data points to give you much more detailed insight as to a particular risk and who’s exposing an organisation,” said Balasubramaniam. “This means you can have real-time risk management in areas such as fraud detection.”

Despite this opportunity, only 31% of respondents believe AI could help with risk identification or fraud detection and prevention, a potential missed opportunity which again signposts a lack of awareness of the tools that are available.

While there is more optimism among executives, there is still a recognition of the potential risks of using the technology. Some 62% of respondents said AI could increase privacy risks, while 56% said it could increase cybersecurity risks.

It’s possible that other risks are being overlooked, said Tiernan.

“There’s still a lot of underestimation, particularly around operational and ethical bias risk,” she said. “Many leaders equate AI risk with data privacy or just model bias, and they stop there. The reality is that risk now includes reputation risk, workforce disruption, over-automation and maybe even sometimes loss of institutional knowledge.”

In the same vein, some companies could be underestimating the broader risk to the company if they get their AI strategies wrong.

“They don’t see that you can cripple the company, for example if you put all your data in one place – if you have a breach, you’ve not lost one database, you’ve lost all of your data,” said Balasubramaniam.

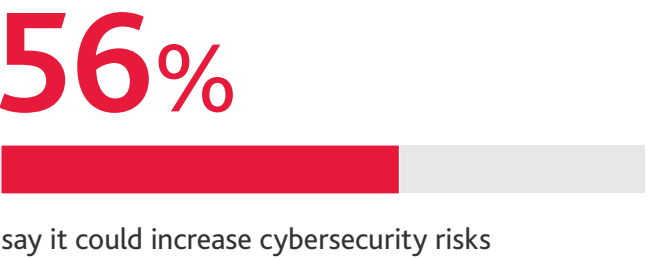
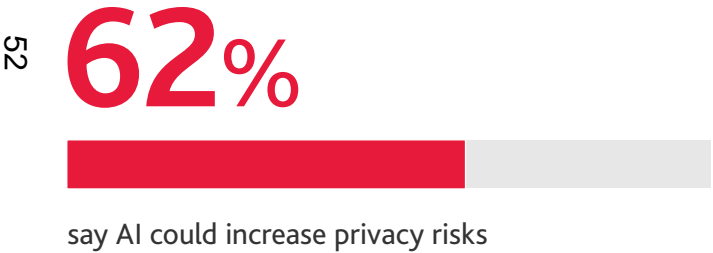
To avoid these potential pitfalls, businesses need to ensure there is wide participation in conversations around AI investments, particularly from a risk perspective.

Polly James, Senior Director for Risk Management at Feld Entertainment, said her business has a cross-functional team that weighs the risks and benefits and agrees on guardrails for any new AI initiatives. ▶

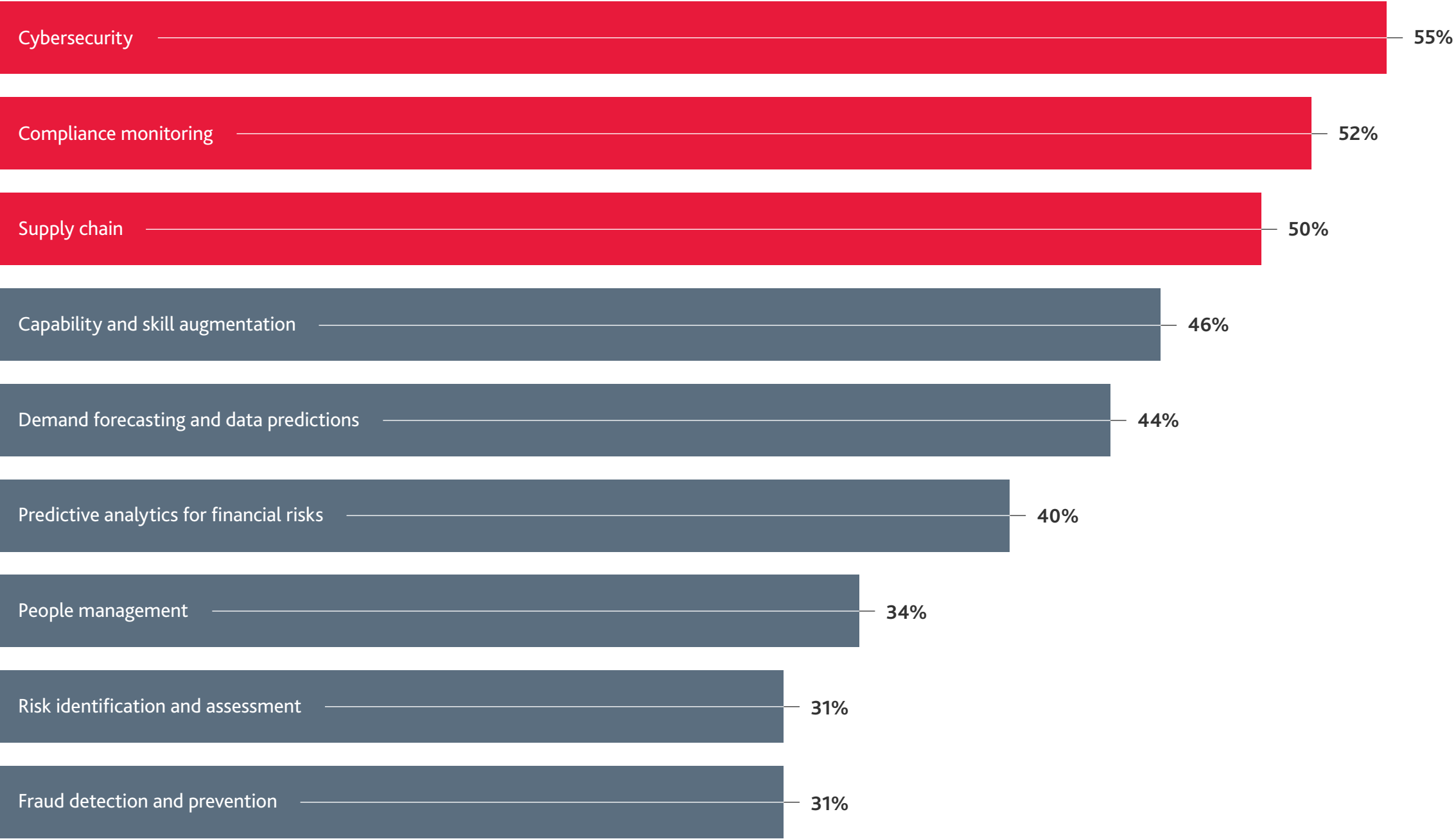
“We are proceeding with caution and testing the waters rather than jumping in with both feet,” she said. “We are limiting users and building safeguards around who can use it and ensuring that information is not fed into a public model.”

There is also a risk that small and mid-size businesses may become over-reliant on AI tools because it may be cheaper for them to use AI rather than hire more human staff.

“In a large corporation, they’ll probably get the balance right because they’re likely to have a more structured approach for embracing AI, so SMEs are probably at the highest risk,” said Balasubramaniam. ■



WHERE AI IS EXPECTED TO HAVE THE MOST IMPACT IN THE NEXT 12 MONTHS



Insight

A structured approach to AI risk

Vernie Balasubramaniam

Director of AI, Privacy and Data Protection,
BDO UK

"We recommend having an AI strategy, someone who is accountable for AI, and an AI governance committee consisting of multiple stakeholders. This ensures it's not a single point of failure – lots of people are aware and they're looking at AI from multiple risk opportunities.

It's also important to implement a structured compliance programme as early as possible to ensure you identify existing controls that can help mitigate any AI risks, so you don't have to reinvent the wheel. Organisations also need to perform regulation mapping to understand the regulatory impacts globally, not just from a particular location."

Kirstie Tiernan

AI Leader and Member of Board
of Directors, BDO USA

"AI risk isn't a technology problem – it's a leadership blind spot. If boards don't know what questions to ask, they can't govern effectively. Organisations need more than a head of AI; they need a governance model that ensures leadership is fluent in the right risk language, and supported by independent oversight on ethics, bias, and accountability. Without that, optimism becomes exposure." ■



Avoid supply chain ruptures by ‘flexsourcing’

Rising geopolitical risk means organisations need to reassess their supply chains

At a glance

What is changing

Geopolitical tensions and trade war posturing are ramping up concerns about supply chain resilience and making people rethink supplier relationships.

Why it matters

Many businesses were stung during COVID-19 for relying on one supplier far away from their consumers, impacting the availability of their products and their profitability.

What to do

Businesses need to invest in ways to reduce their physical supply chain risk by taking a ‘flexsourcing’ approach that combines nearshoring with friendshoring.

Supply chain risk once again ranked second among the risks business leaders felt unprepared for when the survey was conducted. Since then, global disruptions, including an escalating trade war between the US and countries that were previously seen as trade partners, are likely to have intensified those concerns.

Given the potential business disruption caused by supply chain blockages, nearshoring was already a growing trend post-Covid as businesses moved to limit the distance between suppliers and their end customers. Some businesses are now transitioning to an agile mix of nearshoring and friendshoring, or what may better be understood as ‘flexsourcing’.

“Flexsourcing is increasingly important because with all the new tariffs that are being proposed, you’ve got companies that are looking at drastically altering where they manufacture products, which creates a whole different set of compliance issues for companies to run through,” said Dave Arick, Managing Director for Global Risk Management at Sedgwick. “As we saw during Covid, relying on single points of failure is a recipe for disaster. So having flexibility – not just flexing existing suppliers but potentially finding alternatives – is critical given what is happening in the world today.”

Despite this, executives said the main way they are seeking to reduce physical supply chain risk over the next two years is by enhancing due diligence (60%) and digital monitoring (58%), potentially because recalibrating supply lines again is not easy (nearshoring was bottom of the list with just 41%).

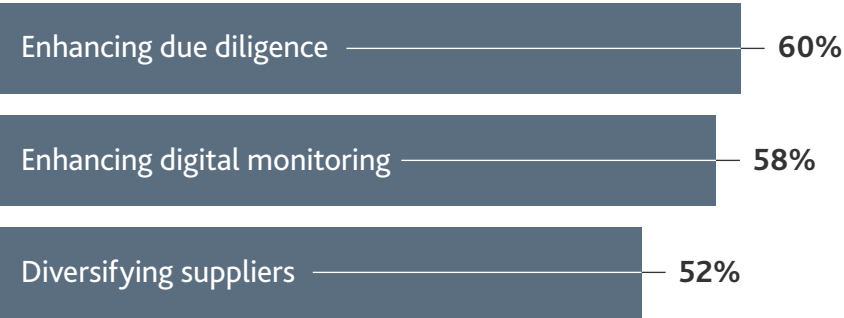
“It’s not a quick win, it’s a long-term strategic play,” said Fraser Paget, Head of Supply Chain and Logistics Advisory at BDO UK. “It also comes down to cost – it’s much better to nearshore, but it’s probably more expensive.”

Executives said they are also strengthening their digital supply chains by conducting regular audits for digital vendors (62%) and investing in enhanced digital monitoring tools and strengthening data-sharing agreements (both 56%).

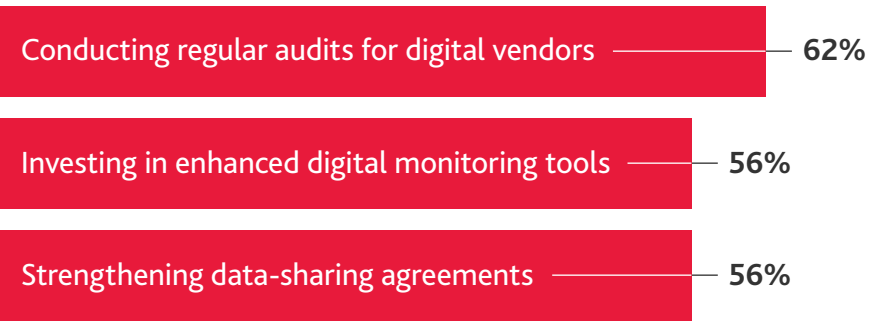
Whereas in the past there was more investment in digitising finance systems and marketing, logistics is now starting to catch up, said Paget.

“With everything that’s gone on over the past five years, I think that mindset is changing,” he added. ■

THE TOP THREE WAYS COMPANIES ARE STRENGTHENING THEIR PHYSICAL SUPPLY CHAINS



THE TOP THREE WAYS COMPANIES ARE STRENGTHENING THEIR DIGITAL SUPPLY CHAINS



Insight

Tread carefully on supply chain transformation

Fraser Paget

Head of Supply Chain and Logistics Advisory,
BDO UK

“Supply chain has generally been underinvested from a technology point of view but it’s rapidly catching up because it’s such a high risk. AI can help massively with forecasting. The challenge is the bigger a business gets, the harder it is to implement new technology or change systems, so you get a lot of large companies running old systems because the change management is just too big – they say we’ll just stick with what we’ve got.

When you have a constant cycle of change management and need for new investment, large businesses can struggle because they can’t afford that disruption.

Large-scale transformation projects can significantly disrupt a business’s financial performance. For instance, a contributor to Mothercare’s demise was the lack of availability of stock after implementing a new warehouse management system, while KFC faced major challenges fulfilling chicken orders when it changed logistics providers. Senior leaders must recognise that investing in technology affects the entire business infrastructure, not just the tech itself.

If you’re a grocer and you can’t get goods to the supermarket or if you’re an e-commerce business and you can’t fulfil orders to your customers, then you don’t have a business. You have to stress test your technology and risk analyse it and ensure you are able to roll back if things don’t go as planned.” ■

“
When you have a constant cycle of change management and new investment, large businesses can struggle.”

Fraud risk: don't give fraudsters an opening

The AI boom could increasingly expose organisations to deepfake risk

At a glance

What is changing

The rise of AI is adding to the fraud risk landscape by making it easier for fraudsters to hoodwink staff using deepfake technology.

Why it matters

Employees can be duped into handing over sensitive material or even authorising payments.

What to do

Continuous training on internal controls is essential for reducing fraud risk as most incidents stem from controls not being followed correctly.

Fraud is a potentially underappreciated and sometimes misunderstood risk. Only 15% of executives cited fraud as one of their top three risks, putting it on a par with issues such as brand damage and funding access.

But it can be costly for businesses. Fraud examiners estimate organisations lose 5% of revenue annually to occupational fraud – fraud committed by their own employees – according to the Association of Certified Fraud Examiners (ACFE). On top of that, the rise of AI technology is creating opportunities for professional fraudsters to infiltrate a company using deepfakes. All of this means companies need to pay more attention to fraud risk.

“Sometimes it takes an industry competitor or something in the news or something small that hits home in their own organisation to wake up an organisation.” said Glenn Pomerantz, Partner and Global Head of Forensics at BDO USA. “There’s no great celebration for the successes of preventing fraud but if you are a victim of a \$50 million embezzlement, that becomes very well-known

very quickly, so organisations are somewhat inconsistent in respect of their attention to fraud.”

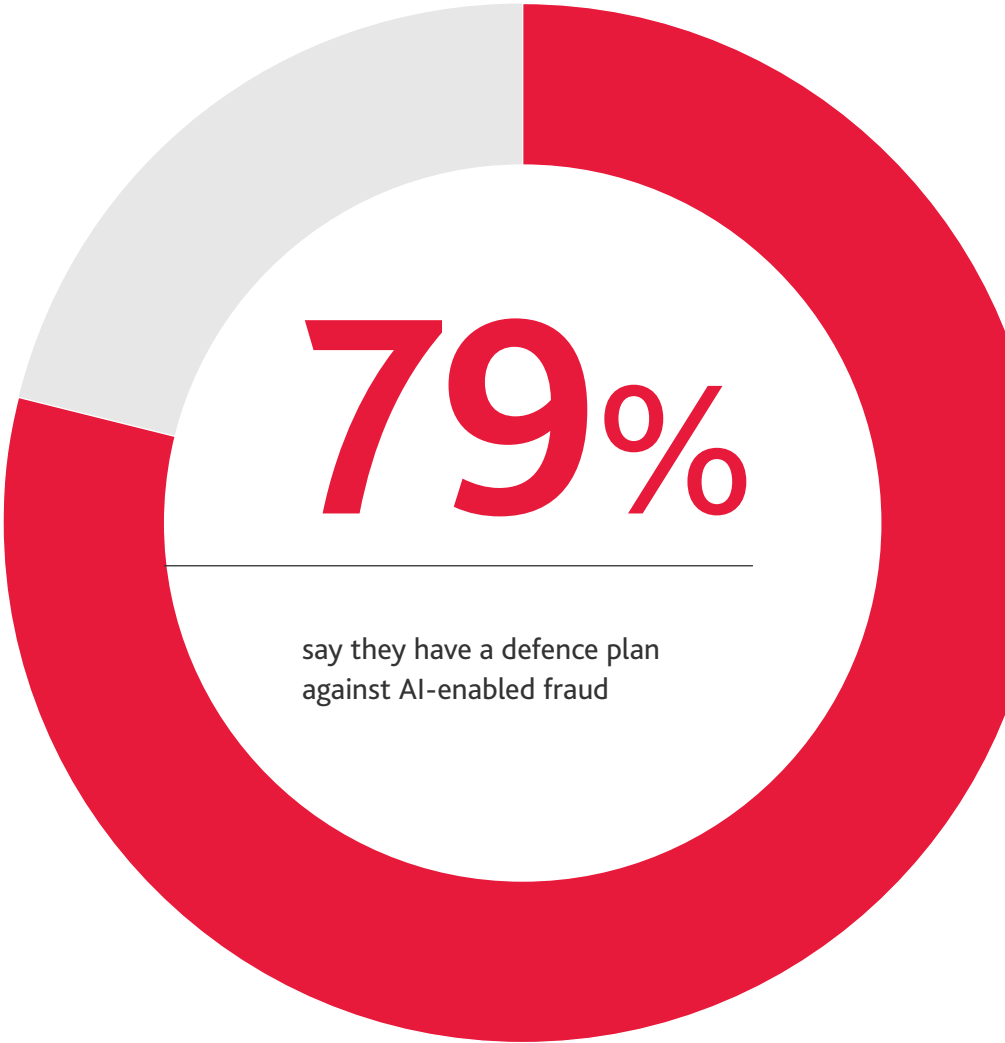
Often fraud occurs not because the right controls were lacking, but because they were not followed properly, Pomerantz said.

“There’s always some breakdown – it’s almost like death and taxes, it never goes away. But some companies try harder than others,” he said.

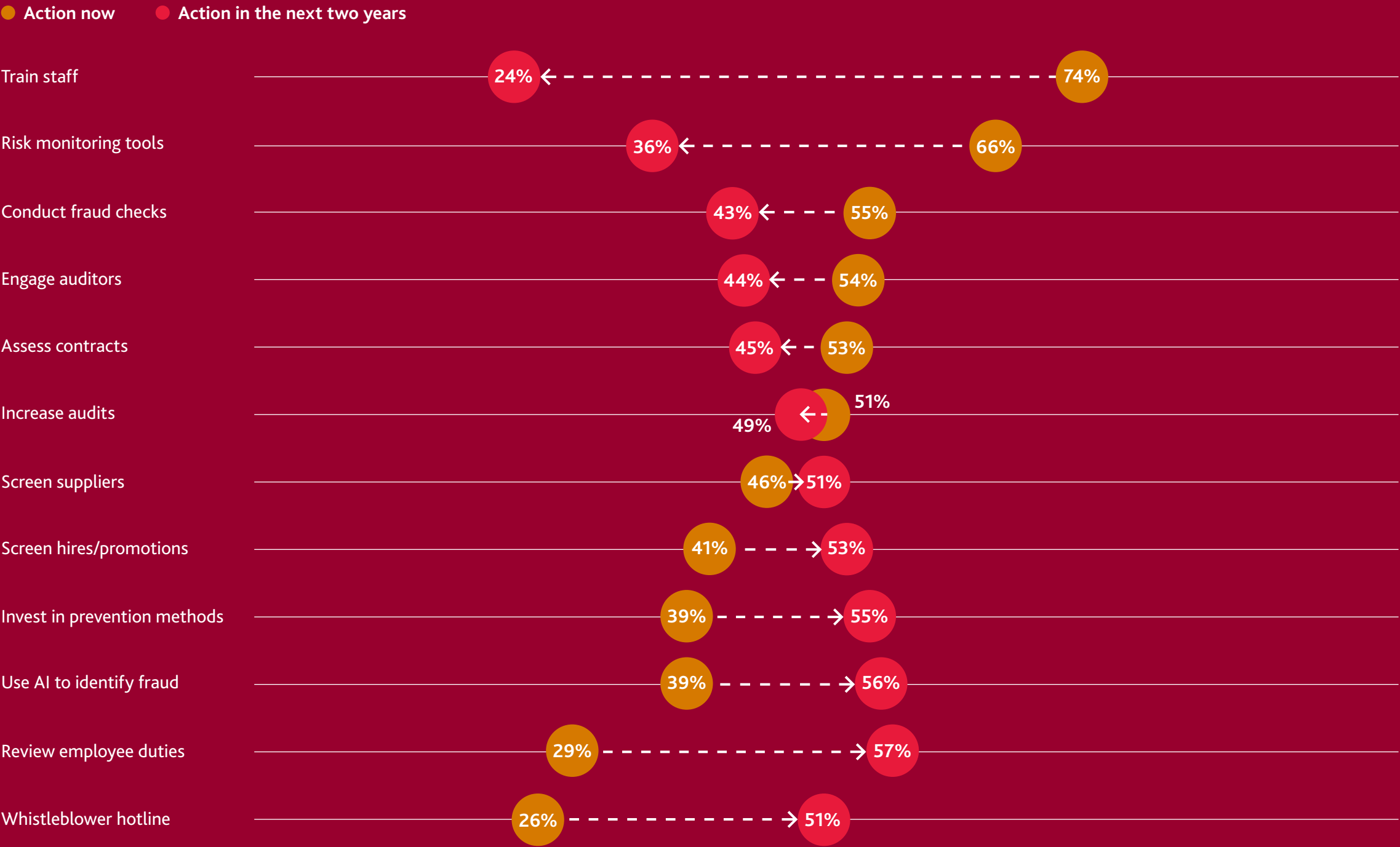
Most companies are taking the threat of AI risk seriously – 79% said they have a plan to combat AI-enabled fraud, though that still leaves a fifth of companies that are potentially vulnerable.

Actions that companies are taking against fraud today include training staff (74%), investing in risk-monitoring tools (66%) and conducting fraud checks (55%). Worryingly, however, when asked what their priorities will be in two years, only 24% said staff training will still be the priority.

“There is potentially a misperception that you only have to train once,” said Pomerantz. ▶



ACTION AGAINST FRAUD: TRAINING AND TOOLS ARE TODAY’S PRIORITIES (BUT NOT TOMORROW’S)



“You’re also dealing with employee turnover – a third of the people you trained three years ago are probably now gone. Training has to be reinforced, it’s not a one off.”

Businesses may also be overlooking an opportunity to detect occupational fraud. Just 26% said installing a whistleblower hotline is a way to combat such fraud, the lowest-ranked tactic in the survey. This is notable because ACFE data shows many frauds (43%) are detected because of tips.

However the anomalous statistic could simply be because many organisations already have functional whistleblower programs, Pomerantz said. ■

Insight

Busting the myths to reduce fraud risk

Glenn Pomerantz

Partner, Global Head of Forensics,
BDO USA

“Vetting new employees is an internal risk control, whether you’re performing background checks and/or checking references.

In several instances insufficient background checks are conducted, combined with a failure to check references. This underscores how critical it is to fully vet potential employees.

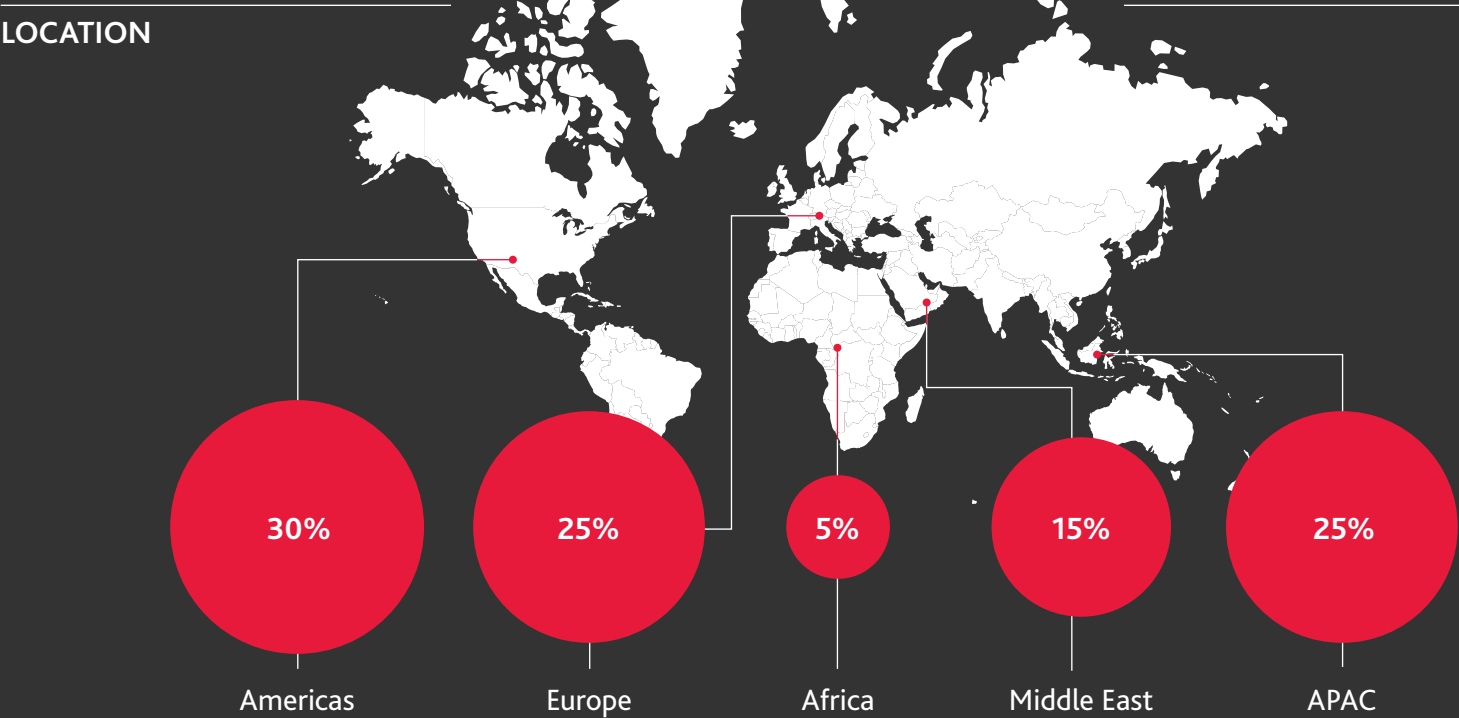
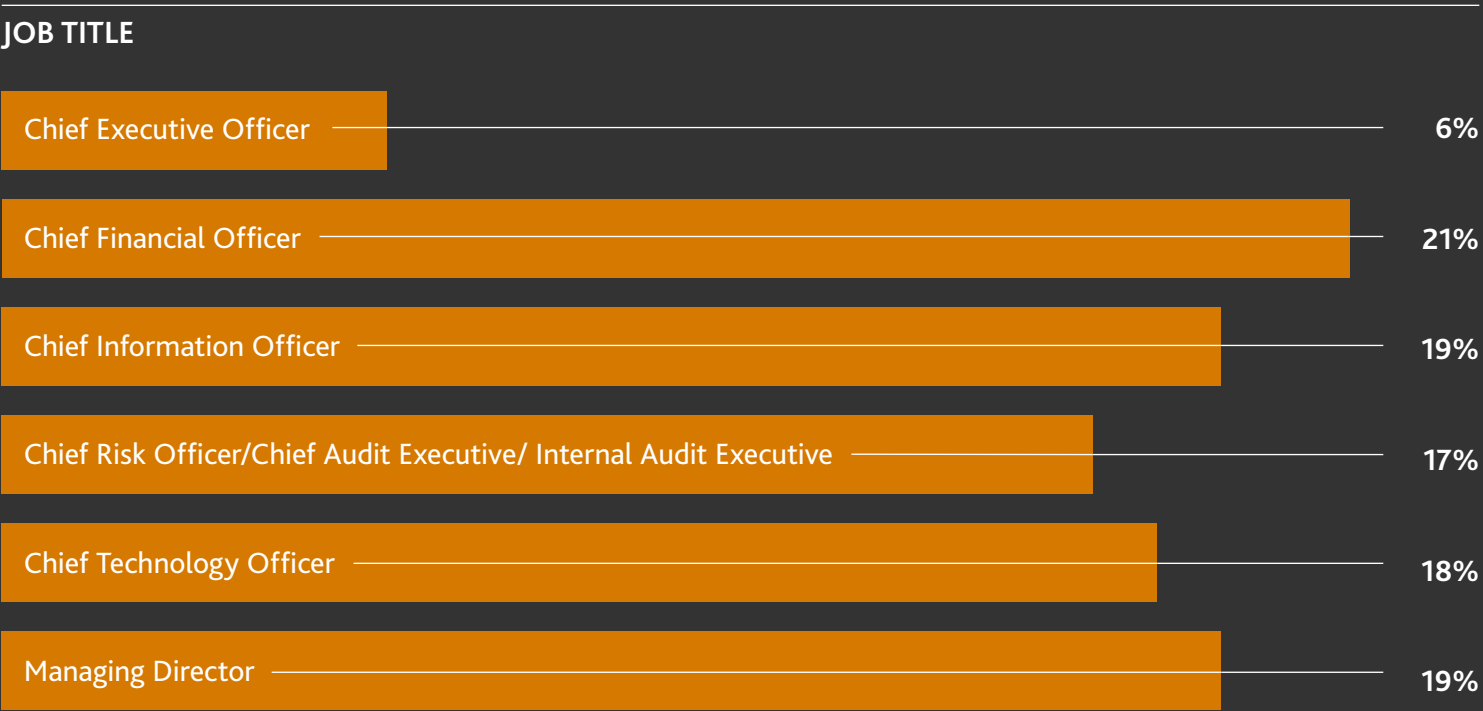
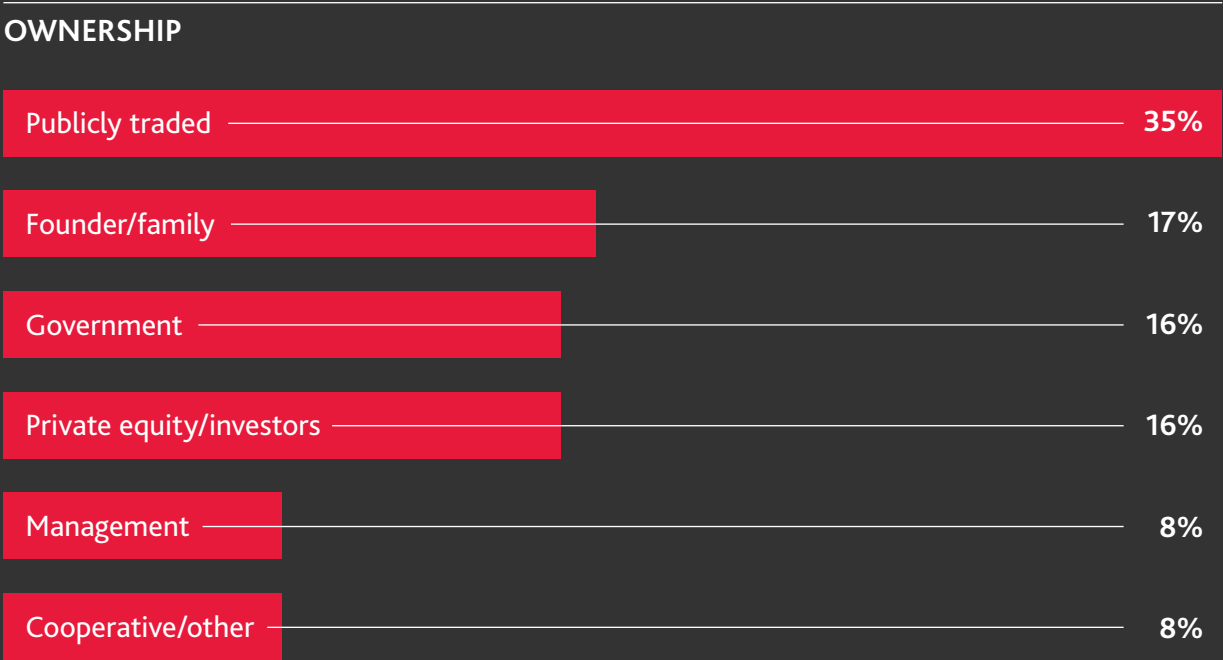
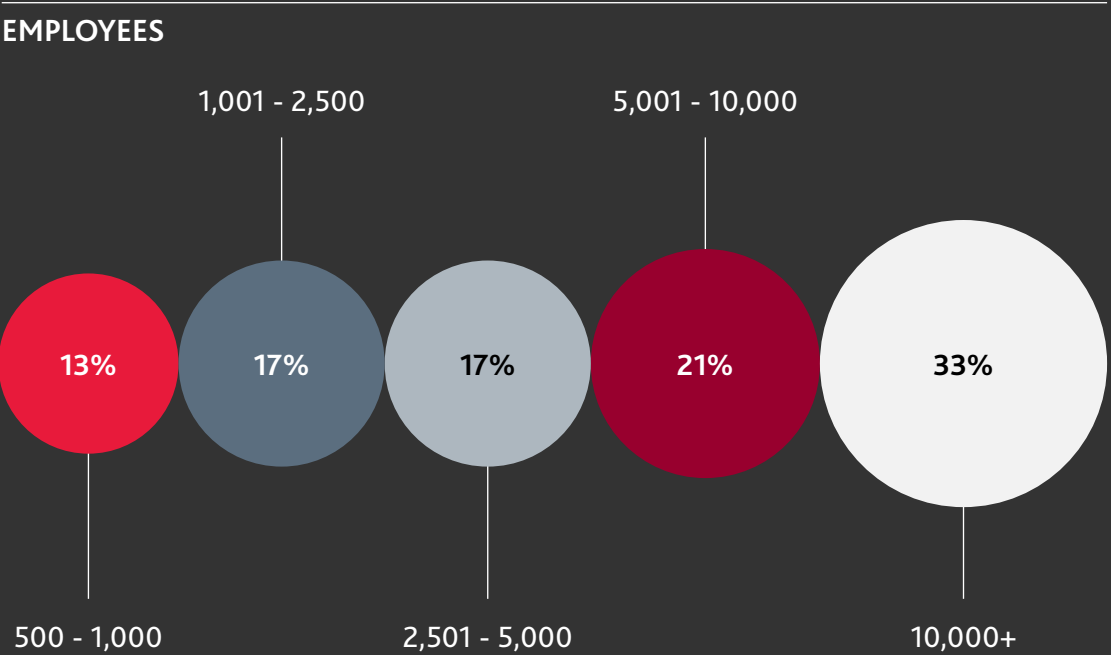
I see organisations along a spectrum, with some checking the background check box in order to fulfil compliance requirements and others conducting intense vetting of employees in positions of trust.

My suggestion is to pick up the phone to the previous employer – maybe 50% will talk to you, and 90% of those 50% will talk to you off the record and provide you with insights that can help you make more informed hiring decisions.” ■

“
I see organisations along a spectrum, with some checking the background check box in order to fulfil compliance requirements and others conducting intense vetting of employees in positions of trust.”

Methodology and demographics

BDO and alan. agency surveyed 500 senior executives (including CEOs, CFOs, CROs and CTOs) at businesses across a range of industries worldwide, including financial services, power and utilities, healthcare and life sciences, manufacturing, private equity and more. All businesses employed at least 500 staff and generated at least \$100 million in annual revenue. The fieldwork by iResearch Consulting Group took place between 24 January and 17 February 2025. ■



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Internal Audit Follow Up of Recommendations Report

South Kesteven District Council

2

September 2025



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SUMMARY TABLE

2023/24	Total Recs	H	M	L	To follow up	Previously complete		Complete		In progress		Overdue		Not Due	
						H	M	H	M	H	M	H	M	H	M
Responsive Repairs	8	-	2	-	2	2	4	-	2	-	-	-	-	-	-
Total	8	-	2	-	2	2	4	-	2	-	-	-	-	-	-

2024/25	Total Recs	H	M	L	To follow up	Previously complete		Complete		In progress		Overdue		Not Due	
						H	M	H	M	H	M	H	M	H	M
Social Housing Decarbonisation Fund	5	-	5	-	5	-	5	-	-	-	-	-	-	-	-
Homelessness	4	-	4	-	4	-	2	-	1	-	1	-	-	-	-
Income Generation	1	-	1	-	1	-	-	-	-	-	-	-	-	-	1
Business Continuity and Disaster Recovery	6	-	6	-	5	-	3	-	2	-	-	-	-	-	1
Council Tax and Business Rates	2	-	2	-	2	-	2	-	-	-	-	-	-	-	-
Total	18	-	18	-	18	-	12	-	3	-	1	-	-	-	2

2025/26	Total Recs	H	M	L	To follow up	Previously complete		Complete		In progress		Overdue		Not Due	
						H	m	H	M	H	M	H	M	H	M
Climate Plan	4	-	2	2	2	-	-	-	-	-	-	-	-	-	2
Payroll Access	2	-	2	0	2	-	-	-	-	-	-	-	-	-	2
Total	6	-	4	2	4	-	-	-	-	-	-	-	-	-	4

SUMMARY NARRATIVE

2023/24

Please find below a summary of the status of implementation of recommendations arising from reports issued in September 20254.

- ▶ Both recommendations last reported to committee on the Responsive Repairs review, is now complete and we obtained evidence of completion.
- ▶ We have now completed follow-up work on all outstanding audit exceptions and recommendations inherited from our predecessor. Evidence was obtained to confirm all agreed actions have been implemented and no further follow-up required.

2024/25

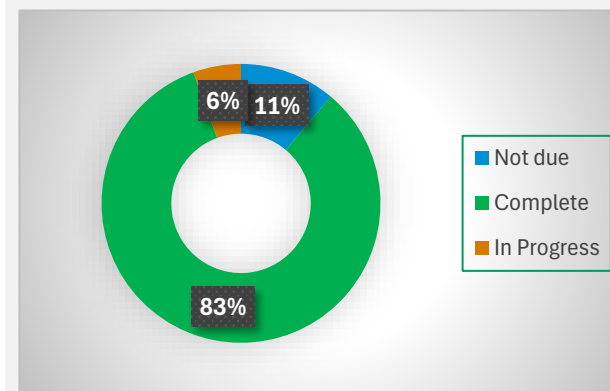
Please find below a summary of the status of implementation of recommendations arising from reports issued in 2024/25.

- ▶ 15 medium recommendations have been completed from 2024/2025 reviews.
- ▶ One medium recommendation for the Homelessness audit is in progress and not due for this Governance and Audit Committee. We have discussed these with the Head of Service (Housing) and Safeguarding Lead and obtained evidence that progress has been made to implement the recommendation, but further work is needed for these to be recorded as complete. We will follow up on these recommendations as they fall due.
- ▶ Two recommendations (Income Generation and Business Continuity Plan) are not yet due for follow-up.
- ▶ Overall, there is a positive completion rate for recommendations, demonstrating improvements in internal controls. From audits performed in 2024/25, 83% of recommendations have been completed. This is a strong performance and demonstrates a good culture for improving internal controls and processes.

REQUIRED AUDIT COMMITTEE ACTION:

We ask the Audit Committee to note the progress against the recommendations.



September 2025 Cumulative implementation on reports with outstanding recommendations






2025/26

No recommendations are due yet for follow-up for the completed audits within the 2025/26 audit plan.


RECOMMENDATIONS: COMPLETE

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
Responsive Repairs	The implementation of a programme where 10% of jobs will be formally quality assessed will be implemented within QL with clear oversight responsibility.	Medium 	Head of Service (Technical Services)	Complete	<p><u>Management Comments:</u></p> <p>Repairs post checks have now commenced on QL system with KPIs set and monitored monthly. Repairs Contact Centre generates post checks, book appointments and allocate these tasks to supervisors. Outcome of this is updated on the monthly Repairs KPIs dashboard by Senior Information and Resource Officers for onward monitoring by management.</p> <p><u>Internal Audit Comments:</u></p> <p>We obtained and reviewed the KPI sheet as of March 2025, and the technical team's performance update as of May 2025 showing the measurement of performance against target, which shows the number of post-repair checks completed Year To Date (YTD) and the percentage of all jobs post checked YTD. This is monitored by the Technical Services Manager monthly with month-on-month progress seen towards building up to desired target. We confirmed that this is now completed and operational.</p>
2024/25					
Social Housing Decarbonisation Fund	<p>The Director of Housing should prepare a business case ahead of the application for Wave 3 funding to cover the</p> <ul style="list-style-type: none"> ▶ Resources and staff capacity to manage and deliver the project ▶ Skills assessment of existing staff to manage and deliver the project. <p>Where projects are delayed, this should be reported to the relevant committees or groups within the governance and oversight structures, with explanations for the reasons for delays.</p>	Medium 	Director of Housing	Complete	<p><u>Management Comments:</u></p> <p>The restructuring of the Service team to meet business requirements has now been completed. Clear structure chart and job descriptions have been developed outlining responsibilities of all retrofit roles with a business case completed. Progress report on these actions have been reported to the Housing and Scrutiny Committee as of March 2025.</p> <p><u>Internal Audit Comments:</u></p> <p>We obtained and reviewed the job descriptions, business case for created roles and the new technical team structure chart as of May 2025. We confirmed that increased resources have been create for Wave 3 funding, with skills assessment for each role defined and evaluated. We confirmed that this is now completed and operational.</p>

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
Homelessness	The Head of Service, (Housing) and Safeguarding Lead to develop and implement a local homelessness action plan that identifies area specific risks factors and defines targeted interventions with clear measurable outcomes that align with the Council's overall Housing Strategy and the Lincolnshire Homelessness and Rough Sleeper strategy.	Medium 	Head of Service (Housing) and Safeguarding Lead	Complete	<p>Management Comments:</p> <p>A local Homelessness action plan has been developed and under use by the Housing team.</p> <p>Internal Audit Comments:</p> <p>We obtained and reviewed the local Homelessness action plan which incorporated the Lincolnshire Homelessness and Rough Sleeper Strategy priorities with defined actions, who would complete them and by when. While most actions have an 'ongoing' status, completion dates have been set for December 2026 with progress against each action monitored and recorded as of June 2025. We confirmed that this is now completed.</p>
Business Continuity and Disaster Recovery	For each identified directorate/service area, management should ensure that a defined and up to date BCP is in place that identifies staff responsible for the plan in addition to key areas of vulnerability and defined business impact assessments.	Medium 	Health and Safety and Compliance Manager	Complete	<p>Management Comments:</p> <p>Business Continuity Plans (BCPs) have been completed for all key areas of vulnerabilities. Though some are more complex in detail than others due to the business impact assessment requiring thorough review and assessment.</p> <p>Internal Audit Comments:</p> <p>We obtained and reviewed 16 different BCPs completed for various services and directorates with defined action owners and directive showing clear action plans in the event of a disrupting incident. We confirmed that this is now completed.</p>
	Within the individual BCPs, management should ensure that any identified activities that depend on a third-party provider have an identified BCP. This should also specify whether the BCP has been tested.	Medium 	Health and Safety and Compliance Manager	Complete	<p>Management Comments:</p> <p>Services with BCPs having third party dependencies have been identified and these expanded upon in the BCPs during the February Officer's meeting and agreed at the Business Continuity steering group meeting.</p> <p>Internal Audit Comments:</p> <p>We obtained and reviewed Services with third party dependencies within their BCPs, such as Technical Services, and Finance, which shows internal or external stakeholder dependencies and the service lead and their contact details. We confirmed that this is now completed.</p>

RECOMMENDATIONS: IN PROGRESS

These recommendations have been marked as In Progress as they have not been implemented by their original date; a revised date has been provided.

AUDIT	RECOMMENDATIONS MADE	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
Homelessness	The Director of Housing to ensure in the review of the Housing Strategy for period covering 2024-27 that the objectives for homelessness and temporary accommodation are in place which are linked to the Council's main objectives as part of the corporate plan, these should be specific, measurable, and achievable.	Medium 	Director of Housing	31 March 2025 30 Jan 2026	<p><u>Management Comments:</u></p> <p>A new Housing Strategy covering 2025-2030 has been drafted with Homelessness and Temporary accommodation objectives included and undergoing public consultation and planned to be presented at the January 2026 Cabinet meeting.</p> <p><u>Internal Audit Comments:</u></p> <p>We note the progress of this recommendation and will follow up in due course.</p>

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**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Governance and Audit Committee

Wednesday, 24 September 2025

Report of Councillor Philip Knowles,
Cabinet Member for Corporate
Governance and Licensing

Risk Management Annual Report 2024/25

Report Author

Tracey Elliott, Governance & Risk Officer

✉ tracey.elliott@southkesteven.gov.uk

Purpose of Report

In accordance with the Governance and Audit Committee's terms of reference, one of the key areas for the Committee is to monitor and review the risk management arrangements in place including the annual report for risk management activity for 2024/25.

Recommendation

The Committee is recommended to approve the Risk Management Annual Report 2024/25.

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Effective council
Which wards are impacted?	All Wards

1. Implications

- 1.1 Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.2 There are no specific financial comments arising from this report. The Strategic Risk Register is regularly reviewed to ensure agreed actions are implemented and new risks and remedial actions are identified as necessary.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.3 Consideration of the Council's arrangements for risk management is a key component of the role of the Governance and Audit Committee and demonstrates effective governance.

Completed by: Alison Hall-Wright, Deputy Monitoring Officer

2. Background to the Report

- 2.1 In accordance with The Accounts and Audit (Amended) Regulations 2015, part of an internal control framework includes effective arrangements for the management of risk. A public service organisation must identify, analyse and prioritise risks, as well as manage and control risks in a cost-effective manner to maximise the quality and efficiency of its service provision and protect its reputation.
- 2.2 One of the key terms of reference of the Committee is to monitor and review the risk management arrangements in place and the activities that are being undertaken to assess the effectiveness of those arrangements. In accordance with Governance and Audit Committee's workplan, the Strategic Risk Register is now presented to Committee three times a year for review.
- 2.3 Effective risk management is critical to ensure an organisation maintains its services, progresses towards achieving its corporate objectives, and provides assurance it is operating on sound corporate governance principles.

3. Strategic Risks

- 3.1 The Strategic Risk Register has been subject to regular review with Corporate Management Team facilitated by Matt Humphrey, Partner, RSM UK Consulting.

- 3.2 During 2024/25, Committee have reviewed the Strategic Risk Register at its meetings on 24 September 2024 and 19 March 2025. The latter meeting also included a report on emerging risks for the first time.
- 3.3 The proposed updated Strategic Risk Register will be presented by Matt Humphrey to Governance and Audit Committee as a separate agenda item at this meeting.

4. Service Risks

- 4.1 The service risks were realigned to the new Council senior staffing structure and have been assessed for relevance and if additional risks can be identified.
- 4.2 Heads of Service and Service Managers, as part of the completion of their service plans, were asked to identify their current service risks. This full register was reviewed to identify if there were any trends or if further consideration was needed in respect of any risks that may need to be included in the Strategic Risk Register if appropriate.
- 4.3 A review of the process for considering service risks will be undertaken in 2025/26 to establish if the current process is fit for purpose.

5. Risk Management Framework

- 5.1 The current Risk Management Framework 2025-27 was approved by Governance and Audit Committee on 22 January 2025 to ensure that it remained fit for purpose and reflective of the current arrangements and operating environment of the Council.

6. Annual Assurance Statement

- 6.1 Officers of the Senior Team produced an Annual Assurance Statement for 2024/25 which assessed the effectiveness of the key control environment within their areas of responsibility.
- 6.2 Management assurance is a key assurance mechanism on which the Council seeks to obtain visibility over. The Council recognise that management may not be able to provide a positive assurance in all cases and would prefer a conclusion to be reached that is objective and honest with a view to then addressing any areas of concern in the future as may be required.
- 6.3 Senior Team were asked to agree, or otherwise, to various statements based on their knowledge and understanding across seven core areas of assurance:
- Probity and Regulatory

- Procurement
- Governance
- Human Resources
- Health and Safety
- IT and Data Management
- Business Continuity.

- 6.4 The overall assurance level revealed that managers 'Fully Agreed' with 83% of the statements on assurance with the remainder being 14% 'Partially Agreed'; 1% 'Not Agreed' and 2% 'Don't Know'.
- 6.5 Themes for improvement were identified for Procurement, Health and Safety, and Business Continuity.
- 6.6 The responses were reported to Statutory Officers Group for review. Actions arising from the completion of the Assurance Statement have been captured and will be monitored during 2025/26.
- 6.7 The output of the Annual Assurance Statement exercise has been captured in the Council's Annual Governance Statement.

7. Action Plan 2025/26

Action	Timeline
Strategic Risks	
1. Keep under review the strategic risks and update the Strategic Risk Register accordingly	Ongoing
2. Review of emerging risk and update of the Council's Emerging Risk Radar	Quarter 3
3. Assessment of Strategic Risk controls effectiveness	Quarter 4
4. Consider the Council's strategic risks and risk appetite in making decisions where appropriate to do so	Ongoing
Service Risks	
5. Review the service risk process ahead of completion of service plans	Quarter 3
Annual Assurance Statement	
6. Review of the process and assurance areas to ensure it remains fit for purpose	Quarter 3

Risk Management Group	
7. Re-establish Risk Management Group as part of Senior Team Meeting	Quarter 3
Risk Management elearning	
8. Explore elearning options with a view to rolling out to officers and Members	Quarter 4

8. Key Considerations

- 8.1 The Committee should keep under review the risk management activity and any further steps identified.

9. Reasons for the Recommendations

- 9.1 Governance and Audit Committee, as part of its terms of reference, 9.1 (xii) approve the annual report on risk management activity and consider the effectiveness of the Council's overall arrangements for managing risk.

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**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Governance and Audit Committee

Wednesday, 24 September 2025

Report of Councillor Philip Knowles,
Cabinet Member for Corporate
Governance and Licensing

Strategic Risk Register

Report Author

Tracey Elliott, Governance & Risk Officer

✉ tracey.elliott@southkesteven.gov.uk

Purpose of Report

To provide an update on the Council's Strategic Risks and Strategic Risk Register.

Recommendation

The Committee is asked to consider the outcomes of the review and approve the updated Strategic Risk Register.

Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Effective council

Which wards are impacted?

All Wards

1. Implications

- 1.1 Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.2 There are no specific financial comments arising from this report. The Strategic Risk Register is regularly reviewed to ensure agreed actions are implemented and new risks and remedial actions are identified as necessary.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.3 It represents good governance to keep the Council's Strategic Risk Register under regular review, which is a responsibility of the Governance and Audit Committee. There are no significant legal or governance implications arising from this report which are not already reflected in the report or appendices.

Completed by: Alison Hall-Wright, Deputy Monitoring Officer

2. Background to the Report

- 2.1 One of the key areas for Governance and Audit Committee, as part of its terms of reference, is to monitor and review the risk management arrangements in place and the activities that are being undertaken to mitigate those risks. In accordance with Governance and Audit Committee's workplan, the Strategic Risk Register is presented to Committee three times a year for review.
- 2.2 Ensuring the ongoing effectiveness of the internal control environment is incumbent on those charged with governance at the Council. In doing so, the Council can demonstrate that it is protecting public funds, resources, and assets as well as staff, customer, and wider stakeholder interests. The Governance and Audit Committee rely on a number of assurance mechanisms for this purpose, including reports generated from within the Council, Scrutiny and Overview, and externally generated eg internal audit.
- 2.3 The Strategic Risk Register was last reviewed by the Committee at its meeting on 19 March 2025 following an assessment of emerging risks. Since this date the Strategic Risk Register has been kept under review and updated accordingly.
- 2.4 As a reference point the revised UK Code of Corporate Governance identifies that those responsible for governance should carry out a robust assessment of the

emerging and principal risks to determine the nature and extent of the risk it is willing to take in order to achieve its priorities. This is a requisite of good governance.

3. Strategic Risk Register

- 3.1 The Council faces an ever-changing risk landscape impacted by local, national and global events and therefore by its nature the Strategic Risk Register is always a work in progress.
- 3.2 With the above in mind the Council has kept under review the strategic risk register including the risks, causes and effects, controls, scoring, risk appetite and further actions. In doing so the Council has used various sources including compare and contrast with other Council risks, the RSM Emerging Risk Radar (amongst other reports / publications) and the cumulative knowledge and experience of officers, as well as RSM whom have facilitated the strategic risk register review.
- 3.3 The current Council Strategic Risk Register can be found at Appendix A. There are now 11 Strategic Risks, as compared with 15 previously reported.
- 3.4 Previously reported strategic risks and changes include:

Previous Strategic Risks	Changes commentary
1. Successful/serious cyber security attack on the Council	Remains relevant – current SR1.
2. Serious safeguarding failure by the Council	<p>Merged previous SR2: Serious safeguarding failure by the Council with SR3: Serious health, safety, and wellbeing failure by the Council.</p> <p>Two risks of a similar nature resulting in harm to individuals who interact with the Council, with similar controls and scoring.</p> <p>Now merging into current SR2.</p>
3. Serious health, safety, and wellbeing failure by the Council	As above. Now merged into current SR2.
4. Ineffective financial management	<p>Risk revised SR4: Ineffective financial management now being current SR3: Unable to maintain financial sustainability.</p> <p>The new risk provides for a longer-term view of the Council finances, with ineffective financial</p>

Previous Strategic Risks	Changes commentary
	management eg poor financial information, weak financial controls etc being contributory causes.
5. Unable to maintain and build quality and consistency in service provision by the Council	<p>Removed previous SR5: Unable to maintain and build quality and consistency in service provision by the Council.</p> <p>This is considered an effect of several of the current strategic risks rather than a risk in its own right.</p>
6. Unable to maintain and build sufficient staffing capacity and capability	Remain relevant – current SR4.
7. Failure to explore digital transformation of Council Services	<p>Removed previous SR7: Failure to explore digital transformation of Council Services.</p> <p>No longer considered a strategic risk – the Council remaining cognisant of digital development within future planning, plus the forthcoming Local Government Reorganisation has meant that future digital plans will need to be aligned with other local councils that form the new unitary authority.</p>
8. Not maintaining and developing fruitful partnerships and collaborations	<p>Removed previous SR8: Not maintaining and developing fruitful partnerships and collaborations.</p> <p>No longer considered a strategic risk – the Council remaining cognisant of its duties to work collaboratively within future planning, plus the forthcoming LGR has meant that future collaborations and partnerships will need to be aligned with other local councils that form the new unitary authority.</p>
9. #TeamSK values/ culture are not lived	<p>Removed previous SR9: #TeamSK values/culture are not lived.</p> <p>No longer considered a strategic risk – the Council values form part of the controls in connection with building capacity and capability.</p>
10. Unable to meet requirements of new regulations and legislation affecting the Council	Remains relevant – current SR5.
11. Not sufficiently responding to climate change	Removed previous SR11: Not sufficiently responding to climate change.

Previous Strategic Risks	Changes commentary
	No longer considered a strategic risk – the Council remaining cognisant of its duties to manage climate change within future planning, plus the Council remains on track to achieve its carbon emissions targets in readiness for 2030.
12. Not effectively engaging with our key external stakeholders	Removed previous SR12: Not effectively engaging with our key external stakeholders. This risk has been significantly revised to reflect current circumstances. Now new SR6.
13. Governance failure	Revised being now current SR7: Major Governance failure.
14. Significant fraud/ theft successfully committed against the Council	Remains relevant – current SR8.
15. Unable to effectively respond to national and local political priorities	Removed previous SR15: Unable to effectively respond to national and local political priorities. No longer considered a strategic risk in its own right and instead now addressed by existing risk in relation to meeting requirements of regulation / legislation change.

3.5 The new strategic risks identified are summarised below:

New Strategic Risks	Commentary
New – Societal, demographic and cultural changes impacting on communities within the district.	New strategic risk reflecting current circumstances. See current SR6.
New – Increasing levels of homelessness and meeting the challenges of maintaining quality social housing provision within the district.	New strategic risk reflecting current circumstances. See current SR9.
New – The implications and general uncertainty of Local Government Reorganisation on the Council.	New strategic risk reflecting current circumstances. See current SR10.
New – Not leveraging the opportunities of Devolution.	New strategic risk reflecting current circumstances.

New Strategic Risks	Commentary
	See current SR11.

4. Next steps

- 4.1 The Council will continue to keep under review the strategic risks and update the Strategic Risk Register accordingly. This will include a review of emerging risk and the Council's Emerging Risk Radar will be updated, as well as an assessment of Strategic Risk controls effectiveness.
- 4.2 The RSM Emerging Risk Radar Autumn 2025 is attached as Appendix C which will be considered as part of the above review.
- 4.3 The outcome of this review could result in further changes in the Strategic Risk Register and will be included in reporting to this Committee at a future meeting.

5. Key Considerations

- 5.1 The Committee should keep under review the emerging risks, and Strategic Risk Register, and any further steps identified.
- 5.2 The Committee should seek to ensure alignment of assurance provision within the Strategic Risk Register for the purpose of building a picture of effectiveness of risk management within the Council.

6. Reasons for the Recommendations

- 6.1 Governance and Audit Committee, as part of its terms of reference, 9.1 (xi) reviews the Strategic Risk Register and other key risks (including partnerships) and seek assurances that appropriate mitigating action has been taken where necessary.

7. Appendices

- 7.1 Appendix A –Strategic Risk Register
- 7.2 Appendix B – Strategic Risk Profile
- 7.3 Appendix C – RSM Emerging Risk Radar Autumn 2025

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite (not listed by priority)	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
<p>1. Successful/serious cyber security attack on the Council</p> <p><u>Corporate Priority</u></p> <p>Effective Council</p> <p><u>Risk Appetite</u></p> <p>Averse</p> <p><i>We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</i></p>	<p>Potential causes:</p> <ul style="list-style-type: none"> • Lack of effective cyber security detection arrangements (out of date, not communicated, not understood) • Lack of relevant and timely training relating to cyber security • Lack of clarity in roles and responsibilities relating to cyber security • Cyber security culture not bought into • Insecure digital systems and records (Council and third-party providers) • There are increasing frequency of attacks and with increased complexity occurring • Institutions are being targeted by criminals and aggressive states <p>Possible effects:</p> <ul style="list-style-type: none"> • Inability to access systems – unable to deliver services • Data compromised – potential harm to individual/ICO fine • Investigation and rectification costs • Council reputation damage 	<ul style="list-style-type: none"> – Up to date and effective IT and cyber security protections in place which are reviewed annually and are communicated to staff – Cyclical mandated IT and cyber security training provided to all staff – Elected Member cyber security training in place – Two-factor authentication now in place for elected members – Defined roles and responsibilities in relation to cyber security with an IT security lead – Regular communications, reminders, and updates to staff in connection with cyber risk – Programme for continuous updating/ installation of software (including firewall) and new hardware etc – Regular reporting and monitoring of IT security/cyber incidents and remedial plans produced and actioned – Engagement with national organisations and attendance at key events to ensure continuous learning of threats and prevention 	<p>Impact 4 V Likelihood 2 = High 13</p> <p>Note: There is no change currently</p>	<p>The Council is developing a Cyber Security Strategy (due Oct 2025) that is supported by an action plan that is guided by the principles of ‘deter and detect’ and ‘defend and develop’</p>
<p>2. Health, Safety, Wellbeing, and Safeguarding failures by the Council</p>	<p>Potential causes:</p> <ul style="list-style-type: none"> • Lack of effective application of health, safety, wellbeing and safeguarding policies and procedures (out of date, not communicated, not understood) 	<ul style="list-style-type: none"> – Corporate Health & Safety and Safeguarding policies and procedures in place which are regularly reviewed and are accessible via intranet and included as part of induction for all new starters 	<p>Impact 4 V Likelihood 1 = Medium 10</p>	<p>Continuance of existing controls to ensure risk is being managed.</p>

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite (not listed by priority)	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
<p><u>Corporate Priority</u></p> <p>Effective Council</p> <p><u>Risk Appetite</u></p> <p>Averse</p> <p><i>We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</i></p>	<ul style="list-style-type: none"> • Lack of relevant and timely training relating to health, safety, wellbeing, and safeguarding • Lack of clarity in health, safety, wellbeing, and safeguarding roles and responsibilities • Health, safety, wellbeing, and safeguarding culture not bought into • Lack of effective health, safety, wellbeing, and safeguarding risk assessments • Poorly maintained systems and records <p>Possible effects:</p> <ul style="list-style-type: none"> • Harm to service user/staff member/visitor etc • Investigation and rectification costs (including potential fines) • Council reputation damage 	<ul style="list-style-type: none"> – Health & Safety Manager and Safeguarding Lead Officers in post to provide safety advice and coordinate health and safety and safeguarding activities ie policy, procedures, communications, initiatives etc – Roles and responsibilities defined within the Health & Safety and Safeguarding policies – Health & Safety and Safeguarding annual reports to Governance & Audit Committee – Health & Safety and Safeguarding monthly reports presented to Statutory Officers Group – Monthly meetings with Chief Executive and Health & Safety Manager – Health & Safety Manager and Safeguarding Lead Officer communicate important issues to Senior Leadership Team for their consideration and agreement of action necessary – Service and activity risk assessments undertaken across the Council by managers and cyclically reviewed annually (as a minimum) – Physical deterrents including secure sites eg perimeter fencing, CCTV, site security and access to sites by authorised staff – Monthly housing compliance review by Chief Executive and Leader to ensure embeddedness of safety, wellbeing, and safeguarding arrangements for tenants – Exercise with Caution List maintained and subject to regular review 	<p>Note:</p> <p><i>This is a merged risk including both safeguarding and health, safety and wellbeing</i></p> <p><i>Likelihood decreased from 2 to 1</i></p>	

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite <i>(not listed by priority)</i>	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
		<ul style="list-style-type: none"> – Programme of Health & Safety audits with outcomes reported and actions monitored – County Council S11 annual Independent Audit to validate safeguarding arrangements with outcomes reported to Governance & Audit Committee – Statutory Officers Group receive a monthly report of accident figures with causes/ failures highlighted. Actions agreed and monitored. – 6 year safeguarding training programme in place for identified Council staff – Annual Safeguarding training mandatory for elected members 		
<p>3. Unable to maintain financial sustainability</p> <p><u>Corporate Priority</u></p> <p>Effective Council</p> <p><u>Risk Appetite</u></p> <p>Cautious</p> <p><i>We are willing to accept some degree of residual risk where we have identified scope to achieve</i></p>	<p>Potential causes:</p> <ul style="list-style-type: none"> • External factors being increasing costs (macro economic play through largely outside of controls) eg energy, supplies, local government financial settlement and fair funding review implications, resetting of business rates etc, or unforeseen financial event and cost • Implications of Local Government Reorganisation on finances • Poor financial information, planning, and budgetary control • Weak financial controls – financial procedures are out of date, not 	<ul style="list-style-type: none"> – Financial Regulations and Contract Procedure Rules in place and regularly reviewed and updated – Medium Term Financial Plan supported by relevant policies – Monthly financial reports including assessment/discussion of financial position produced and presented at Corporate Management Team – Financial training for all finance staff and budget holders – Scheme of Delegation in place and transparency in Officer Delegated Decision reporting 	<p>Impact 3 V Likelihood 3 = High 12</p> <p>Note: Impact increased from 3 to 4</p>	<p>Financial regulations are being reviewed to ensure fitness for future.</p> <p>Assess financial implications of fairer funding and other related consultations on the Council finances, including both general fund and</p>

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite (not listed by priority)	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
<i>proportionate benefit – striking a balance between the two.</i>	<p>communicated, not understood, not followed</p> <ul style="list-style-type: none"> • Lack of clarity in roles and responsibilities relating to finances/financial management • Poorly maintained systems and records <p>Possible effects:</p> <ul style="list-style-type: none"> • Council financial stability threatened • Council plans stifled • Council reputation damage • Qualified External Audit Opinion 	<ul style="list-style-type: none"> – Service management monthly budget management routines including meetings with finance team as required – Statutory Officers review of committee reports for financial implications including commentary as appropriate – Quarterly budget report to Finance and Economic Overview and Scrutiny Committee and Cabinet – Annual Budget Joint Overview & Scrutiny Committee – Experienced finance team including Procurement Officer and support from Welland Procurement Partnership – Internal audit plan adopted by Governance & Audit Committee and monitored – Annual Governance Statement production and publication – Annual financial statements produced and signed off by CMT (and subject to external audit – unqualified opinion) – Regular bi-monthly meeting with External Audit, Chief Executive, and Section 151 Officer – Annual Member training delivered 		<p>housing revenue account.</p>
4. Unable to maintain and build sufficient staffing capacity and capability	<p>Potential causes:</p> <ul style="list-style-type: none"> • Certain areas, services, and roles within the Council are more challenging to recruit into 	<ul style="list-style-type: none"> – New People Strategy 2025-2030 in place and monitored by Employment Committee – All vacant and new posts subject to a business case and challenged to review if the post is still 	<p>Impact 3 V Likelihood 2 =</p>	<p>People Strategy being reviewed including succession</p>

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite (not listed by priority)	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
<p><u>Corporate Priority</u></p> <p>Effective Council</p> <p><u>Risk Appetite</u></p> <p>Cautious (and in some cases Open)</p> <p><i>We are willing to accept some degree of residual risk where we have identified scope to achieve proportionate benefit – striking a balance between the two.</i></p> <p><i>In some cases we may take on an Open risk appetite where we are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks e.g sharing of posts with other councils etc.</i></p>	<ul style="list-style-type: none"> • Competition and skill shortage in the marketplace to fill vacancies (intensified by LGR) • LGR uncertainties ie increased leavers due to staff looking for alternative employment or older staff retiring from local government etc • The Council is not seen as sufficiently attractive as an employer (image and profile, rewards and benefits, culture and values etc) • Lack of personal/career development, progression, and succession opportunities (intensified by LGR) • Poor performance goes unchecked – not identified and not addressed <p>Possible effects:</p> <ul style="list-style-type: none"> • Inconsistencies or deterioration in quality of service/provision • Reduced knowledge and experience within the Council • Deterioration in service user/stakeholder experience and outcomes • Inefficiency/increased costs experienced 	<p>required at the requested grade prior to progression</p> <ul style="list-style-type: none"> – Alternative service provision options considered/explored as appropriate eg buying in services/sharing posts etc – Job evaluation scheme with regular review of market conditions – Regular Joint Consultative and Negotiation Committee meetings – Employee Assistance Programme in place – Internal development through training and apprenticeships – Corporate training plan in place with focus on middle managers for upskilling and training – #Team SK Values embedded within the Council – Talent Management Strategy – Succession Planning – Employment Committee receive quarterly HR dashboard data – Development and improvement plans in place with SMART KPIs – Annual appraisal and staff development plans in place for all staff completion and outcomes subject to monitoring and review – Annual staff survey with outcomes reported to the Employment Committee – Equality & Diversity/gender pay gap assessment 	<p>High 9</p> <p>Note: There is no change currently</p>	<p>planning and development of staff.</p> <p>All HR policies to be reviewed in year 2025/26</p>

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite (not listed by priority)	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
		<ul style="list-style-type: none"> – Pay policy presented to Employment Committee and Council annually – Use of apprenticeship schemes to enable home grown talent – Annual service planning undertaken which aligns to the Corporate Plan priorities – Wellbeing programme in place – Chief Executive annual appraisal undertaken by external officer and presented to Employment Committee 		
<p>5. Unable to meet requirements of new regulations and legislation affecting the Council</p> <p><u>Corporate Priority</u></p> <p>Effective Council</p> <p><u>Risk Appetite</u></p> <p>Minimal</p> <p><i>We shall seek a low degree of residual risk, in a well controlled environment with limited benefit potential.</i></p>	<p>Potential causes:</p> <ul style="list-style-type: none"> • Lack of awareness or visibility of emerging/ new regulations and legislation • Ineffective (untimely) interpretation to enable understanding of requirements and implications • Lack of communications/learning and development to meet new requirements across the Council • Ineffective response plans – what, how, who, and when • Ineffective response – lack of resources, knowledge and experience, funding etc • Currently an increasing number of legislative and regulatory changes impacting local government. (See separately the Housing Risk at 9.) 	<ul style="list-style-type: none"> – Departments undertake regular horizon scanning for new legislation – Monitoring Officer and Deputy Monitoring Officer in place – Regular reporting on breaches of legislation/ regulations produced by Monitoring Officer – Attendance at professional events and conferences – LGA links, District Councils' Network, LG Futures, CIPFA, and APSE wider networks etc used to raise awareness of legislative and regulatory changes – Daily briefing email to Chief Executive from the MHCLG – Review of any government data sets where the Council may be an outlier 	<p>Impact 3 V Likelihood 1 = Medium 6</p> <p>Note: There is no change currently</p>	<p>Continuance of existing controls to ensure risk is being managed.</p>

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite <i>(not listed by priority)</i>	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
	Possible effects: <ul style="list-style-type: none"> • Ultra vires activities – the Council could be subject to legal challenge • Deterioration in quality of services • Council reputation damage 			
6. NEW: Societal, demographic and cultural changes impacting on communities within the district <u>Corporate Priorities</u> Effective Council Enabling Economic Opportunity <u>Risk Appetite</u> Open <i>We are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks.</i>	Potential causes: <ul style="list-style-type: none"> • Increasing level of misinformation in the public domain • Increasing/shifting elements of extremism, poverty, ethnicity within communities creating new demands and tensions • Increasing levels of distrust by the public in institutions and politicians • The Council has no mechanism for identifying and assessing shifts in society and assessing implications • Lack of confidence in politicians and institutions • Ineffective channels of communication with communities and individuals • Service user needs are now often more complex coupled with an expectation that the Council will meet their needs • Inaccessibility of/erosion of wider public services and other agencies including charities leading to the Council becoming the focal point for assistance and help 	<ul style="list-style-type: none"> – Local Economic Forum in place – Engagement of SK Team with key partnerships – Community Engagement Strategy and Plan – Community consultation framework adopted – External Communications Plans including digital comms (web site and social media) – Youth Council in place – Chief Executive/Directors/Cabinet/Members networking within communities and with agencies operating across communities – Parish councils' engagement – State of District report produced annually and presented to Cabinet – Annual Monitoring Statement produced and presented annually – Attending service specific conferences to seek service improvements and innovative ideas 	Impact 2 V Likelihood 3 = High 8 Note: <i>This is a new risk and incorporates the previous stakeholder engagement risk</i>	Undertake a review of stakeholders including communities and neighbourhoods to ensure the Council is seeking to continually effectively engage, including ways and means of communication

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite (not listed by priority)	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
	<p>Possible effects:</p> <ul style="list-style-type: none"> • Stakeholder interests not best served • Erosion of confidence in the Council and increased public criticism (perceived or reality) • Increased pressure on Council services, staff and Members • Potential undermining of governance, suboptimal services and erosion of democracy 			
<p>7. Major Governance failure</p> <p><u>Corporate Priority</u></p> <p>Effective Council</p> <p><u>Risk Appetite</u></p> <p>Averse</p> <p>We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</p>	<p>Potential causes:</p> <ul style="list-style-type: none"> • Lack of clearly defined committee structure and procedures, including terms of reference to support effective decision making and scrutiny • Behavioural expectations of members (eg adherence with the Nolan Principles/ Standards in Public Life) are not clearly set out (not communicated or recognised). • Lack of governance measurement – ineffective processes, non-adherence and poor behaviours go unidentified/not tackled • Lack of Member development programme <p>Possible effects:</p> <ul style="list-style-type: none"> • Ineffective/inefficient decision making • Illegality 	<ul style="list-style-type: none"> – Up to date Constitution in place (and subject to regular review) – Clearly defined committee structure in place – Up to date Terms of Reference for all committees – Member and Officer Scheme of delegation in place – Governance training provided at induction and cyclical updates – Committee effectiveness assessment (annually). Action plans developed to address areas of concern – Committee chairs are sufficiently experienced and trained to fulfil role – Up to date policies and procedures including compliance which are subject to cyclical review and are communicated to staff (and accepted) – Council decisions published 	<p>Impact 3 V Likelihood 2 = High 9</p> <p>Note: There is no change currently</p>	<p>Undertaking review of constitutional decision making documents.</p>

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite (not listed by priority)	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
	<ul style="list-style-type: none"> Stakeholder dissatisfaction Local democracy undermined – reputation damage 	<ul style="list-style-type: none"> Annual Governance Statement produced and presented to Governance & Audit Committee Annual Code of Conduct mandatory training for elected Members Processes in place for complaints, FOI, Subject Access Requests and data breaches which are reported monthly to Statutory Officers meeting 		
<p>8. Significant fraud/theft successfully committed against the Council</p> <p><u>Corporate Priority</u></p> <p>Effective Council</p> <p><u>Risk Appetite</u></p> <p>Averse</p> <p><i>We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</i></p>	<p>Potential causes:</p> <ul style="list-style-type: none"> Externally – increasing levels of attempted and successful digital fraud and theft occurring making use of AI etc Lack of effective anti/counter fraud (theft and corruption) policy and procedures (out of date, not communicated, not understood), including whistleblowing arrangements Lack of relevant and timely training relating to preventing/detecting fraud (theft and corruption) Lack of clarity in fraud/theft prevention roles and responsibilities Anti-fraud culture not bought into Poorly maintained systems and records <p>Possible effects:</p> <ul style="list-style-type: none"> Investigation and rectification costs 	<ul style="list-style-type: none"> Counter Fraud Strategy in place Whistleblowing Policy in place Anti-Money Laundering Policy in place Internal audit appointed Governance & Audit Committee Monthly Statutory Officers Group meeting Annual report on fraud prevention and detection arrangements at the Council Appropriately trained staff, appropriate culture and awareness, segregation of duties, whistleblowing procedures and closure reports Financial Regulations/Standing Orders, budget monitoring regime, financial management systems, indemnity insurance National Fraud Initiative/data matching External audit opinion explicitly addresses regularity Fraud risk assessment undertaken 	<p>Impact 4 V Likelihood 1 = Medium 10</p> <p>Note: There is no change currently</p>	<p>Develop fraud risk assessment action plan</p> <p>Deliver counter fraud, whistleblowing, and anti-money laundering training</p> <p>Counter fraud, whistleblowing, and anti-money laundering training is being rolled out</p>

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite (not listed by priority)	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
	<ul style="list-style-type: none"> • Council reputation damage 	<ul style="list-style-type: none"> – Monthly whistleblowing report presented to Statutory Officers – External investigation undertaken where necessary 		
<p>9. NEW: Increasing levels of homelessness and meeting the challenges of maintaining quality social housing provision within the district</p> <p><u>Corporate Priority</u></p> <p>Housing</p> <p><u>Risk Appetite</u></p> <p>Minimal</p> <p><i>We shall seek a low degree of residual risk, in a well controlled environment with limited benefit potential.</i></p>	<p>Potential causes:</p> <ul style="list-style-type: none"> • Level of demand (due to various social economic factors) for accommodation exceeds availability • Stock condition/condition of rental property in the market does not meet regulatory standards • Lack of engagement/effective strategy between the Council and housing providers to address needs etc • Insufficient resources available – financial, people (capacity and knowledge) to allocate to addressing needs as well as new housing requirements/regulations eg Awaabs Law, new decent homes standard etc <p>Possible effects:</p> <ul style="list-style-type: none"> • Increased level of poverty • Increased demand for support from the Council (and wider agencies) and increasing costs – significant impact on the Housing Revenue Account could be expected 	<ul style="list-style-type: none"> – Up to date and relevant policies and procedures communicated to staff – Council housing stock condition survey – Council housing stock maintenance and repair programme – HRA reserves/funding – Council tenant engagement and surveying re experiences – Regular reporting to Housing Overview & Scrutiny Committee and Finance Committee on housing performance – Liaison with wider agencies to address housing issues across the district – Local plan development kept under review – Council enforcement team assess private rental standards, developing improvement action plans with landlords – Housing KPI dashboards in place and reported monthly – Housing compliance monthly meeting with Chief Executive and Leader – Increase in available temporary accommodation 	<p>Impact 3 V Likelihood 3 = High 12</p> <p>Note: This is a new risk</p>	<p>New policies and procedures being introduced by the Council to address expectations in relation to Housing (these will be kept under review)</p>

Appendix A – Draft Strategic Risk Register

Strategic Risk Description, linkage with Corporate Priority and Risk Appetite <i>(not listed by priority)</i>	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
	<ul style="list-style-type: none"> Stakeholder dissatisfaction/reputation damage Regulatory criticism/intervention including fines 	<ul style="list-style-type: none"> Work in partnership with local groups to support homelessness cases Joint rough sleeping team across four councils providing a resilient service 		
<p>10. NEW: The implications and general uncertainty of Local Government Reorganisation on the Council</p> <p><u>Corporate Priority</u> Effective Council</p> <p><u>Risk Appetite</u> Open (and in some cases Hungry) <i>We are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks.</i></p>	<p>Potential causes:</p> <ul style="list-style-type: none"> General uncertainties and unknowns created by the proposed reorganisation of local government and the creation of single tier authorities eg timing, clarity, expectations, implications for members and officers re future role and employment, provision of services and contracts, partnerships and collaborations, funding, third tier etc Lack of available resources (capacity and capability)/bandwidth at the Council Insufficient finances available to support and fund LGR activities Lack of Council leadership, direction, engagement and preparedness re LGR <p>Possible effects:</p> <ul style="list-style-type: none"> LGR risks/opportunities go unmanaged The Council loses its ability to influence outcomes that will best serve residents Quality of business as usual is compromised Recruitment and retention challenges 	<ul style="list-style-type: none"> CMT continue monitoring of LGR proposals and information in the public domain via various sources eg MHCLG, LGA, DCN, CIPFA etc LGR priorities reserve set up (£75k) to supplement national grant to Greater Lincolnshire Chief Executive communications/briefings to staff on LGR LGR project team and project plan established Cabinet receive regular LGR updates from CMT Actions plans created in response to LGR issues emerging and progress monitored Parish Council/Town Council briefings and engagement sessions Regular briefings to elected Members Working in partnership with North Kesteven District Council Professionals commissioned to advise on specific service modelling Data agreement in place across Greater Lincolnshire & Rutland County Council Chief Executive monthly meeting with MHCLG Officers Attend regular national briefings 	<p>Impact 4 V Likelihood 3 = Very High 15</p> <p>Note: This is a new risk</p>	<p>Complete a submission risk assessment taking into account internal/external factors, key considerations covering both risks and opportunities to best position/serve residents</p> <p>As above with ongoing SWOT/risk assessment as LGR progresses with action plan review and refinement as LGR progresses</p>

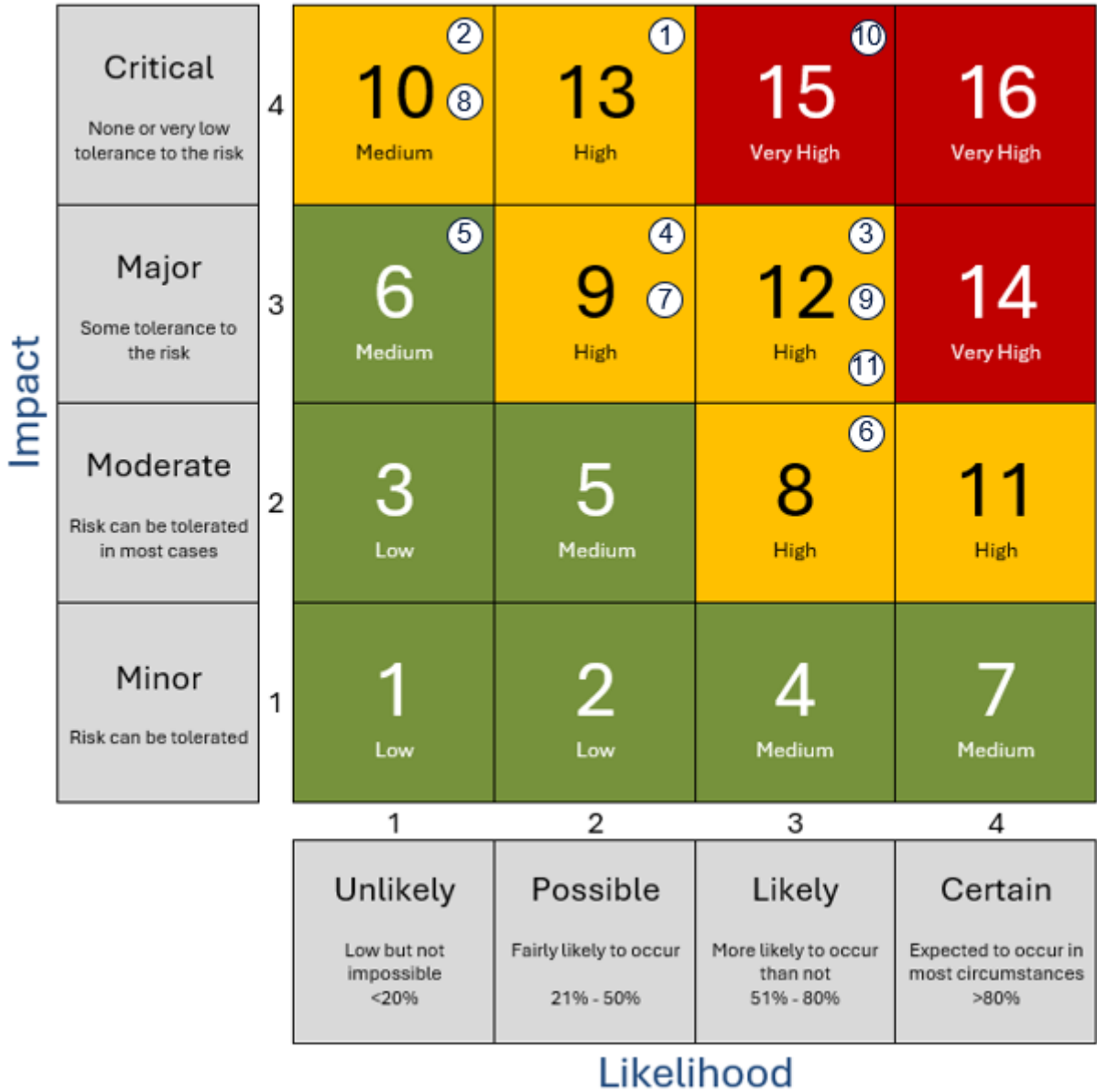
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Strategic Risk Description, linkage with Corporate Priority and Risk Appetite <i>(not listed by priority)</i>	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
<p><i>In some cases we may take on a Hungry risk appetite where we are eager to be innovative and choose and work with a range of options based on maximising opportunities and beneficial outcomes, even if those activities carry a very high level of residual risk eg where SKDC can see advantages in driving and influencing the agenda in the best interests of the Council stakeholders. In doing so we recognise that failures are an opportunity for learning and improvement.</i></p>	<ul style="list-style-type: none"> • Poor Value For Money • Criticism of the Council/Members 	<ul style="list-style-type: none"> – Governance timeline for decision making in place 		
<p>11. NEW: Not leveraging the opportunities of Devolution</p> <p><u>Corporate Priority</u> Effective Council</p> <p><u>Risk Appetite</u> Hungry</p>	<p>Potential causes:</p> <ul style="list-style-type: none"> • General uncertainties re devolution – clarity, expectations, implications for members and officers re future role and employment, provision of services and contracts, partnerships and collaborations, funding, third tier etc • Lack of available resources (capacity and capability)/bandwidth at the Council to support devolution activities • Insufficient finances available to support and fund devolution activities 	<ul style="list-style-type: none"> – CMT continue monitoring of devolution proposals and information in the public domain via various sources eg MHCLG, LGA etc – Chief Executive communications/briefings to staff – Devolution project team established – Cabinet receive regular updates from CMT – Actions plans created in response to issues emerging and progress monitored – Chief Executive update from the combined Authority – District Joint Committee established 	<p>Impact 3 V Likelihood 3 = High 12</p> <p>Note: This is a new risk</p>	<p>Complete a devolution risk assessment taking into account internal/external factors, key considerations covering both risks and opportunities to best</p>

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Strategic Risk Description, linkage with Corporate Priority and Risk Appetite (not listed by priority)	Potential key causes of the strategic risk and possible effects if realised	Existing Key Controls & Enablers (excluding effectiveness assessment)	Residual score	Action updates
<p><i>We are eager to be innovative and choose and work with a range of options based on maximising opportunities and beneficial outcomes, even if those activities carry a very high level of residual risk eg where SKDC can see advantages in driving and influencing the agenda in the best interests of the Council stakeholders. In doing so we recognise that failures are an opportunity for learning and improvement.</i></p>	<ul style="list-style-type: none"> • Lack of visible communications and engagement by the GLCCA with the Council <p>Possible effects:</p> <ul style="list-style-type: none"> • Devolution risks/opportunities go unmanaged • The Council loses its ability to influence outcomes that will best serve residents • Quality of business as usual is compromised. • Recruitment and retention challenges. • Poor VFM • Criticism of the Council/members 	<ul style="list-style-type: none"> – Leader represents South Kesteven on Committee – Nominations to sub committees and Mayoral Combined County Authority in place 		<p>position/serve residents</p> <p>As above with ongoing SWOT/risk assessment as Devolution progresses with action plan review and refinements to best position the Council/serve residents</p> <p>Seek to obtain permanent seat on the Greater Lincolnshire Combined County Authority Board</p>

Risk Matrix



Appendix B – Strategic Risk Profile

Risk Matrix

Impact	Critical None or very low tolerance to the risk	4	10 ^② Medium	13 ^① High	15 ^⑩ Very High	16 Very High
	Major Some tolerance to the risk	3	6 ^⑤ Medium	9 ^④ High	12 ^③ High	14 ^⑪ Very High
	Moderate Risk can be tolerated in most cases	2	3 Low	5 Medium	8 ^⑥ High	11 High
	Minor Risk can be tolerated	1	1 Low	2 Low	4 Medium	7 Medium
			1	2	3	4
			Unlikely Low but not impossible <20%	Possible Fairly likely to occur 21% - 50%	Likely More likely to occur than not 51% - 80%	Certain Expected to occur in most circumstances >80%
			Likelihood			

Strategic Risks and Risk Appetite

1. Successful/serious cyber security attack on the Council **AVERSE**
2. Health, Safety, Wellbeing, and Safeguarding failures by the Council **AVERSE**
3. Unable to maintain financial sustainability **CAUTIOUS**
4. Unable to maintain and build sufficient staffing capacity and capability **CAUTIOUS** (and in some cases **OPEN**)
5. Unable to meet requirements of new regulations and legislation affecting the Council **MINIMAL**
6. NEW: Societal, demographic and cultural changes impacting communities within the district **OPEN**
7. Major governance failure **AVERSE**
8. Significant fraud/theft successfully committed against the Council **AVERSE**
9. NEW: Increasing levels of homelessness and meeting the challenges of maintaining quality social housing provision within the district **MINIMAL**
10. NEW: The implications and general uncertainty of Local Government Organisation on the Council **OPEN** (and in some cases **HUNGRY**)
11. NEW: Not leveraging the opportunities of Devolution **HUNGRY**

Risk appetite descriptors
on the following page

Risk Appetite Descriptors

Risk appetite level	Risk appetite level description
Averse	We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available
Minimal	We shall seek a low degree of residual risk in a well-controlled environment with limited benefit potential
Cautious	We are willing to accept some degree of residual risk where we have identified scope to achieve proportionate benefit – striking a balance between the two
Open	We are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks
Hungry	We are eager to be innovative and choose to work with a range of options based on maximising opportunities and beneficial outcomes even if those activities carry a very high level of residual risk. In doing so we recognise that failures are an opportunity for learning and improvement

Emerging Risk Radar



Emerging risk considerations

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Autumn 2025



Emerging risk radar – Autumn 2025

Given your strategic objectives, what do you see as the **emerging events or threats that could impact on your business**, either negatively or positively, and that you believe should be watched?

We received **201 survey responses** from board members & senior management across all industries/sectors as well as drawing on our current emerging risk knowledge.

Key emerging risks in summary

There are 26 emerging risks identified, an increase of 2 since the last publication. New emerging risks in the form of **misinformation spread via social media platforms and a loss of trust in institutions** – impacting private, public and not for profit sectors, both new risks being intrinsically linked. In addition, there have been updates in wording in many of the previous emerging risks.

6 emerging risks identified as more prevalent being 2 more since the last emerging risk radar publication, including **geo-political instability, cyber attacks increasing, artificial intelligence governance lag, threats to operational resilience of technology, continued economic slow down** and **affordability and cost pressures**.

Many of these emerging risks are already recognised and being tackled by businesses. These risks, however, are constantly changing and therefore their management should be kept under review by the Board or equivalent. Furthermore, these emerging risks rarely exist in isolation so it is important that a holistic view is taken to understand their connectivity and how best to tackle these emerging risks.

The top 3 most prevalent emerging risks

01

Geo-political instability

Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the impact on businesses and society.

02

Cyber attacks increasing

Cyber-attacks increasing in frequency and complexity. Unable to sufficiently invest in defence – attacks more disabling, coupled with loss of data in serious targeted attacks.

03

Artificial Intelligence (AI) governance lag

Increasing use of and reliance on AI without sufficient checks and balances to ensure strengths, weaknesses, threats and opportunities are understood.

Emerging risk – why and what?

Why?

The board should establish and keep under review the risk and internal control framework and determine the nature and extent of the emerging and principal risks it is willing to take to achieve its strategic objectives.

What?

An emerging risk might be defined as:
“a new or unforeseen level of uncertainty driven by external events – the risk may still be forming, and it may not be clear as to the implications for the business, be these negative or positive.”

To be watchful of these emerging risks and how they might play through is an important element of preparedness and the business management of risk.

We have framed the emerging risks as:

Most prevalent: risk themes that were more regularly identified in responses and discussions.

Keep monitoring: to represent the risk themes that had a moderate prevalence in responses and discussions

Worth watching: those emerging risk themes that were less prevalent.

These risk themes are constantly evolving and shifting, so are all worthy of consideration.

Emerging risk considerations

What do you see
as the emerging
risks?

How far will these
emerging risks
affect your
business?

How far will these
emerging risks
play through into
your existing
strategic risks?

How far will they
change the way
you currently
manage your
strategic risks?

How will you
respond?
How will you
continue to review
the emerging
risks?

Emerging areas of risk

Autumn 2025

Consistent >
Increasing <>
Decreasing <

Direction of travel since previous emerging risk radar publication.

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	Most prevalent	
2.2	Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the impact on businesses and society e.g. trade and travel barriers.	>
4.1	Cyber-attacks increasing in frequency, complexity with greater levels of disruption, including targeted ransomware attacks across all sectors. Coupled with loss / theft of data. Businesses being unable to invest in defence or afford cost of recovery leading to business failure.	>
4.2	Artificial Intelligence (AI) governance lag – increasing use of and reliance on AI without sufficient checks and balances to ensure strengths, weaknesses, threats and opportunities are understood.	<>
4.3	Operational resilience of technology increasingly threatened e.g. power outage, IT infrastructure age, cost of maintenance / lack of investment, sabotage (be this physical or digital via cyber attack), as well as reliance on AI going un-checked.	<>
5.1	Continued economic slow-down. Persistent inflation. Reduced spending by consumers. Reduced and / or changes in spending by Government impacting all sectors.	>
6.1	Affordability and cost pressures e.g. employment costs, energy costs etc. Creating financial pressure impacting investment and discretionary spend. Impacting longer term plans.	>

Emerging areas of risk

Autumn 2025

Direction of travel since previous emerging risk radar publication.

	Keep monitoring	
1.1	Availability and effectiveness of public services are reduced due to under investment, lack of resources, strategic change e.g. devolution, local government review and police reform. Further, likely increased industrial action and increasing demand from the public.	⬆
1.3	Societal tensions created, stemming from, by example, racial, ethnicity, diversity, wealth, age, cultural differences as well as fall out from global geo-political tensions and instability, as well as social media. These can spill-over into the working environment.	⬆
2.1	Change in government priorities resulting in new or changes to laws, policies, regulations and consequences affecting businesses across all sectors.	✓
2.3	Increasing level of regulation, compliance and inspection / enforcement. e.g. Economic Crime and Corporate Transparency Act etc.	➤
3.1	Ability to effectively engage with and leverage off the sustainability agenda, including ability to meet green agenda targets (coupled with potential for Green Washing).	➤
3.2	Increasing weather pattern shifts / extreme weather impacting all sectors – storms, floods, temperature changes impacting supply chains, productivity and continuity / recovery of operations.	➤
5.2	Reduced investment in research and development - businesses take a short-term approach and focus on business as usual (reducing agility and innovation) due to macro-economic conditions including geo-political challenges.	➤

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Emerging areas of risk

Autumn 2025

Direction of travel since previous emerging risk radar publication.

	Keep monitoring	
6.2	Supply chain resilience across all ranges of goods and services, including having supply chain knowledge and visibility e.g. unknown child labour practices.	➤
6.3	Access to and availability of finance and funding – impacting both private, public and not for profit sectors, including cost of finance, funding changes - including funding and grants provided by Government.	➤
6.4	Increasing levels of fraudulent activity making use of technology as a tool for doing so including use of AI.	⬆
7.1	Loss of access to skills, knowledge and experience – reduced investment in staff development / apprenticeships, temporary contracts more frequent, reduced pool of skilled / experienced staff available with movement between employers coupled with changes in the working landscape. Increased use of AI / technologies in the workplace replacing human roles – likely impacting all sectors and professions in medium / longer term.	➤
8.1	Loss of accountability and oversight - lip service to standards / codes, lack of transparency in decision making, conflicts of interest justified.	⬆
8.2	Developing the board member capacity and capability - fitness for future, including availability of non-executives for appointment and holding modern world insights.	➤

Emerging areas of risk

Autumn 2025

Direction of travel since previous emerging risk radar publication.

	Worth watching	
1.2	Increasing awareness of mental health and physical well-being issues impacting individuals stemming from post pandemic fall-out e.g. remote working fatigue, expectation of business v individuals. Further, being increasing poverty etc. Also impacting on public services and employers (creating potential duty of care implications).	➤
1.4	Access to affordable housing. Increasing homelessness and poor housing conditions. e.g. damp and mould hazards. Access to affordable housing and the impact on individuals, families, society more widely and business in the form of access to / availability of staff due to location or ill-health.	➤
1.5	Epidemic / further pandemic (and lock down) impacting public health / productivity.	➤
4.4	NEW: Misinformation spread via social media platforms impacting businesses.	New
5.3	Various factors leading to market changes impacting business e.g. access to materials and labour, global trade embargos, restrictions, tariffs, business re-location, competition, ownership / acquisition and merger.	➤
8.3	Shifts in business culture due to external influence and attitudes creating conflicts and tensions amongst leadership in all sectors.	➤
8.4	NEW: Loss of trust in institutions, both large businesses, government and public sector bodies.	New

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Emerging risk radar Autumn 2025

Societal and Community

- 1.1 – Availability and effectiveness of public services are reduced.
- 1.2 – Increasing awareness of mental health and physical well-being issues.
- 1.3 – Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural differences, spilling over into the work environment.
- 1.4 – Access to affordable housing, homelessness and poor housing conditions.
- 1.5 – Epidemic / further pandemic (and lock down) impacting productivity.

Governance

- 8.1 – Loss of accountability and oversight – lip service to standards / codes, lack of transparency in decision making, conflicts of interest justified.
- 8.2 – Developing the board capacity and capability – fitness for future, availability of NEDs and having real world insights.
- 8.3 – Shifts in business culture due to external influence and attitudes creating conflicts / tensions amongst leadership.
- 8.4 – **NEW** Loss of trust in institutions, both large businesses, government and public sector bodies.

Economic and Financial

- 6.1 – Affordability & cost pressures e.g. staff, energy etc.
- 6.2 – Supply chain resilience across all ranges of goods and services, including supply chain visibility.
- 6.3 – Access to and availability of finance and funding including cost of finance and funding changes.
- 6.4 – Increasing levels of fraudulent activity making use of technology as a tool for doing so, including AI.

People Resources

- 7.1 – Loss of access to skills, knowledge and experience – reduced investment in staff development / apprenticeships, temporary contracts more frequent, reduced pool of skilled / experienced staff available with movement between employers and increased use of AI replacing human roles.

Political, Policy and Regulation

- 2.1 – Change in government priorities resulting in new or changes to laws, policies, regulations affecting businesses.
- 2.2 – Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the influence on society and business.
- 2.3 – Increasing level of regulation, compliance and inspection.

Environmental

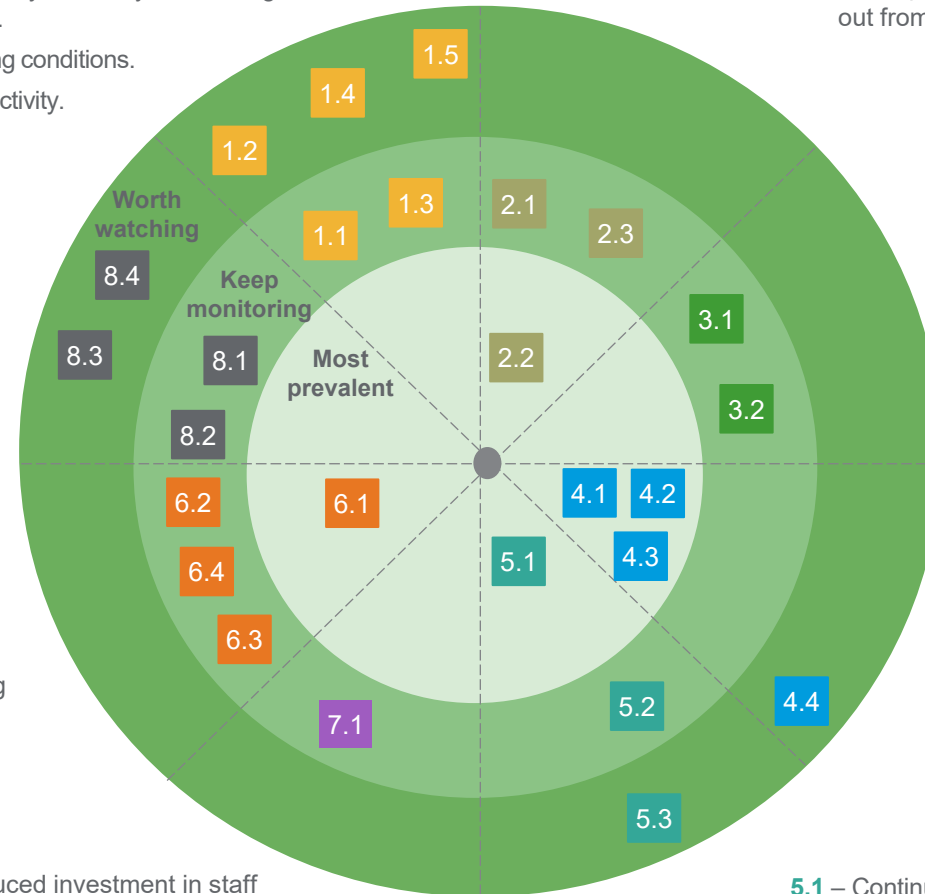
- 3.1 – Ability to effectively engage with and leverage off the sustainability agenda.
- 3.2 – Increasing weather pattern shifts / extreme weather impacting businesses productivity and continuity / recovery of operations.

Technological

- 4.1 – Cyber-attacks increasing in frequency and complexity.
- 4.2 – Artificial Intelligence (AI) governance lag – increasing use of and reliance on AI without sufficient checks and balances.
- 4.3 – Operational resilience of technology increasingly threatened e.g. power outage, IT infrastructure age, cost of maintenance / lack of investment, sabotage etc.
- 4.4 – **NEW** Misinformation spread via social media platforms impacting businesses.

Commercial

- 5.1 – Continued economic slow-down. Persistent inflation. Reduced spending by consumers. Reduced / changes in spending by Government.
- 5.2 – Reduced investment in research and development, reducing agility and innovation due to macro-economic conditions.
- 5.3 – Various factors leading to market changes e.g. access to materials and labour, global trade restrictions, location, competition, ownership, acquisition & merger.



Emerging risk radar Spring 2025

Societal and Community

- 1.1 – Availability and effectiveness of public services are reduced.
- 1.2 – Increasing awareness of mental health and physical well-being issues.
- 1.3 – Societal tensions stemming from, by example, racial, ethnicity, diversity, wealth, age, and cultural extremes.
- 1.4 – Access to affordable housing, homelessness and poor housing conditions.
- 1.5 – Epidemic / further pandemic impacting public health / productivity.

Governance

- 8.1 – Tick box governance – lip service to standards / codes, lack of transparency in decision making, conflicts of interest justified, and loss of accountability.
- 8.2 – Developing the board capacity and capability – fitness for future.
- 8.3 – Shifts in business culture due to external influence and attitudes.

Economic and Financial

- 6.1 – Shifts in employee costs, energy costs etc.
- 6.2 – Supply chain resilience across all ranges of goods and services.
- 6.3 – Access to and availability of finance and funding including cost of finance and funding changes.
- 6.4 – Increasing levels of fraudulent activity making use of technology as a tool for doing so.

People Resources

- 7.1 – Shortages in skills and experience – reduced investment in staff development / apprenticeships, temporary contracts more frequent, reduced pool of skilled / experienced staff available with movement between employers.

Political, Policy and Regulation

- 2.1 – Change in government priorities resulting in new or changes to laws, policies, regulations affecting businesses.
- 2.2 – Geo-political change and instability, including potential for trade wars, fall-out from and expansion of armed conflicts and the influence on society and business.
- 2.3 – Increasing level of regulation, compliance and inspection.

Environmental

- 3.1 – Ability to effectively engage with and leverage off the sustainability agenda.
- 3.2 – Increasing weather pattern shifts / extreme weather impacting businesses and supply chain (nationally and globally).

Technological

- 4.1 – Cyber-attacks increasing in frequency and complexity.
- 4.2 – Digital transformation including Impact of artificial intelligence on business – capacity, capabilities and funding available to understand, keep-up with, explore and develop digital.
- 4.3 – Operational resilience of technology e.g. power outage, IT infrastructure age, sabotage etc.

Commercial

- 5.1 – Continued economic slow-down. Reduced spending by consumers and reduced / changes in spending by Government.
- 5.2 – Reduced investment in research and development due to macro-economic conditions.
- 5.3 – Access to markets - global trade embargos, restrictions, tariffs and competition.



Further insights



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4policies: <https://youtu.be/ufXYt1juwhA>

4questionnaires: <https://youtu.be/NW17EoRJsjS>

This is our 6th emerging risk radar publication. We know from feedback that this lands well with boards and management in all sectors, with the publication being used for comparison with existing risk information, as well as helping strengthen and improve controls and risk mitigation plans, with the publication often being used to stimulate board, committee and management discussion – including at away days as part of board and organisation development. We are now offering a facilitated emerging risk discussion / workshop so that individual businesses may get more from the emerging risk radar. If you would like to know more about this service then please make contact.

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If you would like to participate in the next emerging risk radar survey, please contact matthew.humphrey@rsmuk.com

Note re contents of the emerging risk radar:

- This is not subject to any form of validation. RSM cannot guarantee the completeness, accuracy or validity of the contents.
- The content is based on the views of board members and others with whom RSM have interacted as part of this process with the information gathered being collated, interpreted and summarised by RSM.
- The views are not necessarily representative of all sectors.
- There is no relationship of any kind created between RSM and the recipient / user of the emerging risk radar publication. The publication is for purposes of reference, compare, contrast and discussion as required by the recipient / user.



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Governance and Audit Committee

Wednesday, 24 September 2025

Report of Councillor Phillip Knowles
Cabinet Member for Corporate
Governance and Licensing

Annual Health and Safety Report 2024/25

Report Author

Phil Swinton, Head of Health, Safety, Compliance & Emergency Planning

✉ phil.swinton@southkesteven.gov.uk

Purpose of Report

This report presents the annual Health and Safety Report for 2024/25. It provides an overview of South Kesteven District Council's management of health and safety. It summarises progress made, highlights areas for improvements, and identifies accident rates for the period 2024/25

Recommendations

The Committee is recommended to:

- 1. Note the attached Health and Safety report for the period 2024/25.**
- 2. Provide comments or feedback to assist with maintaining the effectiveness of the Council's health and safety arrangements.**

Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Connecting communities
Sustainable South Kesteven
Enabling economic opportunities
Housing
Effective council

Which wards are impacted?

(All Wards);

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 There are no specific financial implications associated with this report. The Council has in place budgets to support Health and Safety compliance and training.

Completed by: David Scott – Assistant Director of Finance and Deputy s151 Officer

Legal and Governance

- 1.2 This is a look back at 2024/2025 and is for the information of members. There are no additional governance implications.

Completed by: James Welbourn, Democratic Services Manager

Risk and Mitigation

- 1.3 Failure to comply with Health and Safety could have significant reputational and financial impact should an incident occur, and a claim is made against the Council. Having robust health and safety measures in place will protect the employees, and members of the public, and provide strong mitigation in the event of a claim.

Completed by: Tracey Elliott, Governance & Risk Officer

Mental Health and Emotional Wellbeing

- 1.4 The annual Health and Safety report holds significant implications for Human Resources. There is an intrinsic link with employee wellbeing and ensuring our people have the right working environment that does not jeopardise their physical or mental wellbeing. There are also links with employment laws, employee productivity, absenteeism, and employee satisfaction. Furthermore, insights derived in the report inform our training and development plan enabling the Council to address specific skills gaps and ensure our employees are adequately equipped in health and safety.

Completed by: Sam Fitt, Senior Human Resources Officer

2. Background to the Report

- 2.1. The Health and Safety Annual report 2024/25 (attached at Appendix A) demonstrates that the Council's commitment to health and safety and its performance have been strong in this period. It is important that the Council continues to review systems and improve them where practical, as well as actively monitoring behaviours and trends in safety compliance. Members will be aware the Council provides a varied range of services, some of which present a higher risk due to the nature of works and the frequency with which they are undertaken.
- 2.2 The annual report identifies that the Council has seen a significant increase in the number of accidents/incidents when compared to the previous year. The Health and Safety team provides both operational and technical support to the Council and also undertakes reviews and audits into the use of and adherence to guidance and best practice.
- 2.3 The annual report also provides an update on Business Continuity and Emergency Planning action for 2024-25. For the second year SKDC faced unprecedented and record-breaking river water levels/extremes of weather and the subsequent impact on the fluvial system. The Council again provided support to the affected communities both in response and through recovery.

3. Key Considerations

- 3.1. This report invites feedback from the Members of the Governance and Audit Committee.

4. Other Options Considered

- 4.1 There are no other options. This report is provided annually for Members

5. Reasons for the Recommendations

- 5.1. The Management of Health and Safety is a legal requirement, and the Council holds a moral obligation to safety. Failure to monitor, review and effectively manage matters of safety could lead to individuals being exposed to injury or ill health. Any failure in this duty would also leave the Council exposed to financial and reputational risks from both Civil and Criminal cases.

6. Appendices

- 6.1. Annual Health and Safety Report 2024/25

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**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Corporate Health and Safety Annual Report 2024 – 2025



Philip Swinton
Head of Safety, Compliance and Emergency
Planning

South Kesteven District Council
September 2025



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INTRODUCTION

1.0 EXECUTIVE SUMMARY

This report provides an overview of South Kesteven District Council's Health and Safety performance during the 2024/25 financial year. This report will also cover Business Continuity (BC) and Emergency Planning (EP) actions for the same financial period.

The council's overall performance within these areas remains strong with a high level of assurance, these areas have robust policies and procedures with risk mitigation in place. This is based on several factors including; internal and external audit findings, key performance indicators, benchmarking of higher risk areas with other agencies and the evaluation of the response and recovery work during the extreme weather events.

The number of accidents/incidents reported to the council has seen a significant increase from the previous year. In isolation this rise would be cause for concern, however there are a number of factors which have contributed, and should be seen as a positive.

Business Continuity and Emergency Planning saw another challenging period. For the second year SKDC faced unprecedented and record-breaking river water levels/extremes of weather and the subsequent impact on the fluvial system. This led to several communities being impacted as in 2024.

The Council again provided support to these communities both in response and through recovery. The program of providing support for the creation of community emergency plans remains in place with a number of Parish Councils having engaged. The Councils response was swift, comprehensive, and ensured the impact to the community was minimised as much as possible.

1.1 The Health and Safety Management Approach

The direction for health and safety is set by the Corporate Management Team with Cabinet Members support. This sets the corporate priorities for health and safety across the council's activities. The Corporate Management Team (CMT) and Senior Management Team (SMT) have overall responsibility for ensuring sufficient time and resources, making sure these are available to council officers, to fulfil health and safety responsibilities and provide staff with the required support and training. Members and staff at every level carry a moral, legal, and financial obligation to adhere and actively support health and safety. This approach has proven effective, and there are no plans to change this.

As noted in last year's report, the Council has created an Officer Safety Working group, which is now embedded in the management approach towards safety improvement. The group meets 4 to 5 times a year depending on the need and discusses a wide range of items including, accidents trends and behaviours to increase the knowledge, build awareness for colleagues to share and be able to take appropriate action. Through this group we have seen the confidence of officers to challenge safety concerns and to actively engage with the safety team grow, which can only enhance and improve the culture of safety.

Significant matters or concerns raised will be led by the Health and Safety team but will include the individuals/service area raising this and the Health and Safety lead will report any actions and strategic concerns to CMT/SMT where appropriate and when a wider council response is required.

1.2 Corporate Health and Safety Role

The role of the Corporate Health and Safety team remains unchanged. It is the responsibility of the Health and Safety team to monitor accidents and trends, ensuring investigations are prompt and appropriate. Should it be required at any point, the Health and Safety team will notify the Health and Safety Executive, or other relevant bodies of any reportable matters and coordinate the Council's cooperation and response.

The team continue to produce and provide guidance to managers and all service areas on a number of topics, as well as carrying out other core functions including, risk management support and audit, technical support on health and safety related matters and training provision.

With the increased resource now in the safety team, it will be moving to a more hands on role in some key areas. The team will be increasing the active monitoring of higher risk locations and will this year be undertaking in-house Hand Arm Vibration (HAV) testing of the operational equipment being used by service areas. This will provide greater flexibility and speed in the testing and identifying any dangerous equipment to reduce the likelihood of exposure and occupational related ill health, as a result this will reduce sickness levels and insurance exposure.

2.0 BUSINESS CONTINUITY & EMERGENCY PLANNING

2.1 Business Continuity

The Business Continuity (BC) arrangements within SKDC are under regular review and this was last completed in March 2025. This included the overarching BC Strategy for the council and the Business Impact Analysis (BIA) and Business Continuity Plan (BCP) for each service area/ Directorate.

The overarching strategy identifies those areas which are classified as a critical service, and which would take priority in a widespread business interruption event. These critical service areas also make up the majority of the membership should an Incident Management Group be stood up, dependant on the need.

The BIA is effectively a risk assessment for service provision and looks at the threats to the service, ranging from loss of power or location to failure of a provider or contractor, and anything in between, which may affect the service.

This then requires the service area to identify the mitigations they can introduce at service level, and those areas with which they would need corporate support to continue to provide the service, the level at which they could tolerate operating and the projected time for which they could operate at this level before business impact became critical.

The quality of BIA and BCP returned this year has been very good. To ensure transparency these are also reviewed by our partners in the County Emergency Planning team and were scrutinised by our external audit provider whilst the internal review was conducted.

The BC Steering group meets to discuss shared best practice and BC related matters; this group also agrees the exercising program for the coming year. Following the flooding in January 2025, it was

agreed by the group that this live incident would be considered as meeting the exercising requirements for the first 6-months, as this incident involved a full incident management group in response and recovery.

The work undertaken in this area and the training/exercise opportunities which officers attended along with other Category 1 responders, have put the council in a strong position to respond to business interruption incidents and would likely reduce the impact on services. Category 1 responders, under the Civil Contingencies Act 2004, are organisations at the core of the response to most emergencies (the emergency services, local authorities, NHS bodies). They have several key duties including; sharing information with other local responders to enhance co-ordination, to co-operate with other local responders to enhance co-ordination and efficiency and to have business continuity arrangements.

2.2 Emergency Planning

The Emergency Planning team of the Council has continued to provide the general “day-to-day” support and operational readiness required of a Category 1 responder. Most recently this has been heavily flood related, both in response and the wider project of raising awareness and resilience in communities, providing information and some flood defence to parish councils and residents, as well as supporting emergency services and other partners as and when required on a range of matters.

The flooding in January 2025 again provided a very challenging time for all involved. During the response phase officers were monitoring and dealing with flooding risks which spanned the length of the district from Claypole to Market Deeping. Several of the communities impacted in 2024 were being supported again, a number which had not been affected previously were at risk and being supported with significant flood risk still on the horizon into the early hours of day 3 of the response.

It is acknowledged that the response did not reach all those who needed it in time. The Council is committed to doing everything it can to support the communities, but its resource is not infinite, and we must remember that responsibility for much of this, sits outside the districts powers and ability to control or manage. The Emergency Planning lead attended the County debriefs for both response and recovery to raise issues identified including a failure in communication with delayed response to residents of Grantham.

We have worked with those residents to support them in obtaining help from the partner agencies with responsibility and have organised and hosted flood awareness events with several agencies to provide information, support and advice on preparedness and resilience direct to the affected communities.

The Council now has additional Tactical and Strategic trained officers (TCG/SCG) than it has ever had, to further increase resilience and response to incidents without unduly impacting service provision. Officers regularly attend exercises, most recently cyber-attack, extremes of heat and flooding, to continue to develop operational understanding of managing these incidents and multi partner responses.

SKDC continues to maintain a strong approach to emergency planning and supporting other agencies, which is acknowledged by our partners. There is a duty officer on call 24/7 who will work with our CCTV operators to triage/manage any calls received. In addition to this, the council’s senior officers also operate a rota system for on-call duties should the situation require additional resource, or it carries a wider council impact and escalation by the duty office.

3.0 HEALTH AND SAFETY TRAINING

Providing suitable training for employees is a legal requirement and essential to ensuring employees work safely, this also provides management with a level of assurance that their teams are health and safety competent and confident in their roles. Employee training needs are identified in one-to-ones, as well as training required for a particular role as highlighted in role or specialist works risk assessments.

The ability to provide a range of training options online has allowed the council to continue to meet its legal and moral obligations in these areas.

The move to a new online training model for Display Screen Equipment (DSE) was completed last year and now fully embedded with users able to choose multiple options to identify their exact working style in line with hybrid working.

As with previous reports, Corporate Health and Safety continues to support the following training as part of its function:

- Health and Safety (induction for new employees);
- Workstation Safety Plus (mandatory online training for all DSE users);
- Fire Safety Awareness and Manual Handling to be provided through the new LMS;
- Fire Warden (training needs for all council workplace premises);
- First Aid at Work (3-days and 2-days refresher);
- Accident Investigation training (provided in house for those with responsibility to investigate)
- Business Continuity training (provided in conjunction with LCC EP team) to the senior team and rolling out to team leaders;
- Evacuation chair training;
- Risk Assessment training.

4.0 ACCIDENTS AND INCIDENTS

Services are responsible for reporting, recording, and investigating accidents and incidents that occur within their own service area and those that involve the public. In significant incidents, the Corporate Health and Safety team will act as the lead investigators. The Council must identify the root cause of an incident and reduce the likelihood of reoccurrence. All health and safety incidents must be submitted to the Corporate Health and Safety team, who oversee a central database and provide assurance to the council that suitable and sufficient investigations are taking place, proportionate to the level of incident.

Failure to report in a specified timeframe can result in a breach of regulations. Any failure to report is challenged by the corporate team with the responsible service area.

4.1 Accident and Incident Trends

There was a total of 103 reported accidents in 2024/25 this is an increase of 20 (24%) reported incidents on the previous year.

This number includes accidents which involved a member of the public, at one of our sites, with no fault of SKDC, which accounted for 30 accidents (29%). Near miss reporting has increased again from last year. While the reporting of accidents will always be encouraged the corporate team have identified that a number of accidents are being reported which could be classified as a first aid incident or not reportable at all.

A series of workshops will be provided, and this will become a standing feature in the safety working group with recent examples being used to further clarify the distinction between what to report and what not to report.

Slip, trip, or fall incidents still account for the highest proportion of all reports (28%) and are usually the most common causes of accidents. They also make up 80% of the incidents that meet the Reporting of Incidents, Disease and Dangerous Occurrences Regulations (RIDDOR) in 2024/25

While all accidents carry the potential for significant injury or loss and are investigated on that basis, the councils reported accidents are, for the most, made up of minor accidents that resulted in sprains, cuts, and lower-level injuries.

4.2 Accident and Incident Numbers and Charts

Chart A shows the number of reported accidents/incidents over the last three years for council work - related activities by reporting area.

The Waste services have reported their highest figure for three years with a total of 17 accidents, 8 of the 17 were vehicle related accidents. This is still a low number for the amount of staff and operational movements. The number is encouraging but this requires constant attention to safety controls and behaviours within the area, to ensure that accidents remain as low as possible and that all accidents are being reported.

This area is a traditional high-risk area due to the number of staff, vehicle movements and the potential for significant injury. For this reason, the Safety team have undertaken a benchmarking exercise with peers in Lincolnshire. While the number is slightly higher than some, it is in line with the numbers that other safety teams are recording within their own Waste services.

The sharpest increases have been seen in the Housing Technical Services area, which has doubled the number of reported accidents from 2023/24, and in the Streets team which has risen to 22 from 6 in 23/24. A significant amount of time has been spent with both services in the last year to improve the level and quality of accident reporting, which has accounted for some of the increase. There has also been an increase in staffing levels and the number of tasks being completed by both which will increase the potential for accidents/incidents.

There is no evidence that this increase is due to a reduction in safety. The corporate safety team have been working very closely with the Trade Union safety reps, actively monitoring works, undertaking site visits, and reinforcing the importance of reporting.

As part of the workshops noted in section 4.1 a full review of accidents from 2024/25 will be completed with each of the highest incident service areas to examine for trends, behaviours, or additional mitigations.

Table 1 Provides a breakdown by type of accident and the overall percentage for the periods 2023/24 and 2024/25.

Table 2 Provides the service area and type of accident for 24/25 relevant to this report.

The largest accident category figures for 2024/25 are slips and trips, accounting for 29 accidents. This remains in line with the main cause of accidents nationally but is a slight reduction on last year.

Regardless of the context, the Council, its officers, and Members have a legal, moral, and financial responsibility to constantly review all its activities and procedures and to drive safety improvements wherever practical.

Although the numbers are still what could be considered low for the size of the organisation and the activity undertaken. It is important to note an increase in the number of near miss reports for the third year running. The reporting of near misses has in the past been challenging, this continued increase demonstrates the effectiveness of the training session provided.

The Corporate Health and Safety team continue to highlight this message through training and awareness sessions, and the continued support of the leadership team is key to improving this, and all other aspects of the safety culture at SKDC.

Table 3 Provides a brief breakdown of the vehicle accident reports provided to the Corporate Health and Safety team. There were a total of 24, of which 9 are identified as partly or entirely being the fault of a third-party vehicle. The remaining 15 all being the fault of the SKDC driver operating the vehicle.

This number in itself is again very low for the volume of vehicle movements made each year and in several cases are only minor damage (wing mirrors or scratches). While it would always be preferable to incur no accidents at all, this is not a realistic target so the drive must always be to reduce so far as possible.

There were a number of reversing accidents reported, these are the type of incident that should be almost completely avoidable. Staff receive training and instruction in safe reversing and in aiding a driver to reverse a vehicle. There have been several failings in this area as can be seen from the table. The safety team have worked with the relevant areas to reinforce the importance of strong reversing controls.

Where required, officers have been retrained and subjected to additional active monitoring by the service areas.

Disciplinary and capability actions are never the preferred option of supporting or increasing awareness of and compliance with safety matters, however, they have also been implemented in several cases, the overriding duty is to reduce accidents and prevent injury or loss and this is one which the safety team and service areas take seriously.

Corporate Training Provided 2024 - 2025

TRAINING	DATES	DELEGATES
FIRE WARDEN	2024-05-29	14
	2024-10-09	11
	2025-03-25	11
	TOTAL	36
TOTAL FIRE WARDENS TRAINED ACROSS THE COUNCIL		75
FIRST AID AT WORK	May-24	1
	Jun-24	2
	Jul-24	2
	Aug-24	1
	Sep-24	6
	Oct-24	3
	Nov-24	3
	Dec-24	1
	Feb-25	1
	Mar-25	1
	TOTAL	21
TOTAL FIRST AIDERS TRAINED ACROSS THE COUNCIL		42
CARDINUS HEALTH AND SAFETY PLUS (DSE)		
ACTIVE USERS		371
TOTAL COMPLETE		350
OUTSTANDING		21

CHART A – This chart shows the trend in accident numbers by service areas over the last 3-years.

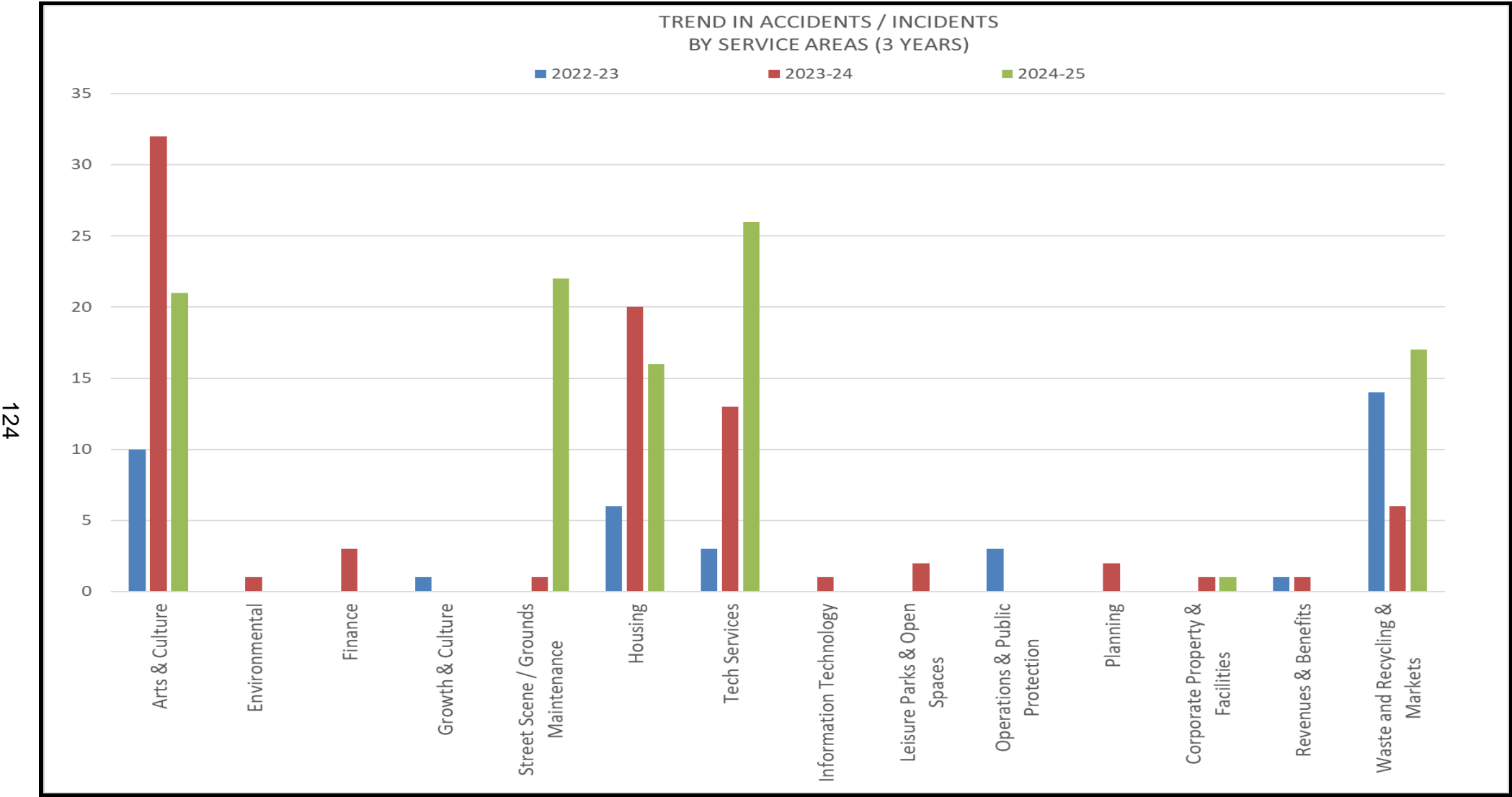


TABLE 1 – Accident by Type 2024/25

CATEGORY	2024/25	% OF TOTAL
Assault - Physical	2	1.94
Contact with electricity	1	0.97
Contact with moving machinery	1	0.97
Falls from height	1	0.97
Injured while handling a person	1	0.97
Injured while handling an object	4	3.8
Manual Handling	3	2.9
Medical	3	2.9
Near Miss	13	12.6
Slips/Trips/Falls	29	28.1
Struck Against	2	1.94
Struck by moving object	10	9.7
Property Damage	8	7.7
Unacceptable Behaviour	1	0.97
Vehicle Accidents/Incidents	24	23.3
TOTAL	103	

TABLE 2 - Comparison by Service Area 2024/25

CATEGORY/INJURY TYPE	ARTS & CULTURE	STREETS GROUNDS	HOUSING	HOUSING TECH SERVICES	PROPERTY & FACILITIES	MARKETS & WASTE SERVICES	TOTAL
Assault - Physical			1			1	2
Contact with moving machinery				1			1
Contact with electricity		1					1
Fall from height	1						1
Injured while handling a person			1				1
Injured while handling object		1		3			4
Manual Handling	1	2					3
Medical	1			2			3
Near Miss	2	4		3		4	13
Slips/Trips/Falls	12		11	4	1	2	29
Struck Against	1			1			2
Struck by moving object	2	3		3		2	10
Property Damage	1	4	1	2			8
Unacceptable Behaviour			1				1
Vehicle Accidents / Incidents		7	1	7		8	24
TOTAL	21	22	16	26	1	17	103

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TABLE 3 – Vehicle Accidents 2024/25

A/I Number	Date of Incident	Who was at fault	SKDC Vehicle Damage	Third Party Vehicle/ Property Damage	Cause	Insurance claim
HS/375-24	2024-04-06	Third Party	Minor	Major	Collision - Third Party went through red light	Yes
HS/376-24	2024-04-06	SKDC	Minor	Major	Driving - SKDC vehicle clipped the kerb/grassy bank causing impact with Third Party	Yes
HS/378-24	2024-04-29	SKDC	No damage	No damage	Operative complacency in vehicle checks	No
HS/383-24	2024-05-16	SKDC	Minor	Minor	Reversing	No
HS/385-24	2024-05-08	SKDC	N/A	Minor	Mower slipped on wet grass into gas box knocking it off wall	No
HS/389-24	2024-05-30	Third Party	Wing mirror	N/A	Parked - wing mirror damaged	No
HS/395-24	2024-07-02	Third Party	Minor	N/A	Non-fault - Third party van canopy opened and damaged Council vehicle	Repair cost recovered
HS/397-24	2024-06-03	Third Party	Minor	N/A	Non-fault - Third Party tractor/trailer hit SKDC vehicle	Repair cost recovered
HS/410-24	2024-07-26	50/50	Minor	Minor	Sideswipe - vehicles on narrow road	Yes
HS/413-24	2024-08-11	SKDC	No damage	No damage	Driving - caught Third Party wing mirror	No
HS/417-24	2024-09-23	SKDC	No damage	Major	Reversing	Yes
HS/418-24	2024-09-23	Third Party	Minor	Minor	Non-fault - Third Party pulled out of junction	Repair cost recovered
HS/419-24	2024-09-27	SKDC	Minor	No damage	Reversing	No
HS/425-24	2024-10-04	50/50	Minor	No damage	Non-fault - Third Party reversing	No
HS/432-24	2024-10-24	SKDC	No damage	Minor	Reversing	No
HS/435-24	2024-10-29	SKDC	Minor	N/A	Reversing	No
HS/438-24	2024-11-21	Third Party	No damage	Minor	Collision - Third Party at fault	No

A/I Number	Date of Incident	Who was at fault	SKDC Vehicle Damage	Third Party Vehicle/ Property Damage	Cause	Insurance claim
HS/443-24	2024-12-04	SKDC	Major	Major	Collision - SKDC vehicle did not observe stationary traffic ahead	Yes, and personal injury
HS/447-24	2024-12-27	Third Party	Minor	No damage	Parked - wing mirror damaged	No
HS/461-24	2025-02-11	SKDC	Minor	No damage	Careless driving	No
HS/469-24	2025-03-12	SKDC	Minor	Damage to brick wall	Reversing	Yes
HS/474-24	2025-03-14	SKDC	No damage	Damage to bollard	Careless driving	No
HS/475-24	2025-03-21	SKDC	Minor	Major	Reversing	Yes
HS/476-24	2025-03-24	SKDC	No damage	Minor	Careless driving	No

TABLE 4 – RIDDOR Summary of Accidents Reported

SECTION	ACCIDENT	REPORTED TO HEALTH & SAFETY	TRIGGER (Over 7 days or specified injury)	PERSON EXPOSED	DESCRIPTION OF INJURY	CATEGORY TYPE	HAZARD TYPE
Waste & Recycling	20-11-2024	28-11-2024	Specified injury	Employee	Slipped in water and fell backwards. Fracture of left fibula neck.	Fracture/s	Slips/Trips/Falls
Arts & Culture	11-12-2024	13-01-2025	Specified injury	Member of Public	Fell down emergency stairs in the theatre suffered a fracture	Fracture/s	Slips/Trips/Falls
Repairs - Technical Services	11-02-2025	12-02-2025	Over 7 days	Employee	Slipped and fell backwards, landing on right elbow, jarring shoulder. Ligament damage to right shoulder.	Tendon and Tissue Damage	Slips/Trips/Falls
Housing	28-02-2025	10-03-2025	Specified injury	Member of Public	Fell over, hit the back of head causing severe laceration.	Laceration/ Cuts	Slips/Trips/Falls
Repairs - Technical Services	08-03-2025	12-03-2025	Over 7 days	Employee	Crushed left thumb on tail lift causing a small fracture and cut/tear to the tissue, fractured and required surgery.	Fractures	Injured while Handling/ Lifting an object

4.3 Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) Table 4

RIDDOR regulations require certain specified accidents, ill health, and dangerous occurrences to be reported to the relevant enforcing authority, in this instance the Health and Safety Executive.

As detailed in Table 4 on page 13, the reported five accidents in 2024/25. These were reportable due to meeting the specified injury threshold. The number of these reports will fluctuate dependant on several factors, but an increase is not an automatic cause for concern. All accidents are subject to the same level of expected levels of investigation, however, any RIDDOR reportable accident will automatically involve the Corporate Safety team and will be subject to an increased level of scrutiny.

4.4 Leisure Centres

Table 5 Shows the number of incidents at each leisure centre, along with the number of visitors and overall visitor per accident rate. These numbers are provided by Leisure SK, and they are responsible for recording accidents and reporting them to the relevant authority.

There are a recorded 835,442 people who attended all three sites with 386 accidents being reported during the year. This is a slight increase on the previous years with the rate going from 0.04 to 0.05 and gives a rate of one accident per 2,164 visitors.

The numbers are broadly consistent with previous years but the reduction in footfall with an increase in accidents must be monitored to ensure this upward trend does not continue, where practical. Where it does then these activities must be reviewed to ensure that the mitigations are suitable and take human behaviours into account.

By the very nature of sporting and physical activities you will see an increased risk of accidents. children and teenagers have a different perception of risk and are more likely to run in areas they should not or behave in an overly exuberant manner which can lead to increased risk of incident.

TABLE 5 : Leisure Centre Accident Rates (over 5 years)

Footfall per Incident 2024 - 2025				
Area	Footfall	Accidents	Visitors per Accident	% Rates
Bourne	253,954	162	1568	0.06
Stamford	135,762	49	2771	0.04
Grantham	445,726	175	2547	0.04
Deeping Closed				
Total	835442	386	2164	0.05

Footfall per Incident 2023 - 2024				
Area	Footfall	Accidents	Visitors per Accident	% Rates
Bourne	255,201	155	1646	0.06
Stamford	125,102	52	2406	0.04
Grantham	481,315	123	3913	0.03
Deeping Closed				
Total	861618	330	2611	0.04

Footfall per Incident 2022 - 2023				
Area	Footfall	Accidents	Visitors per Accident	% Rates
Bourne	175,293	110	1594	0.06
Stamford	83,277	22	3785	0.03
Grantham	468,525	123	3809	0.03
Deeping Closed				
Total	727095	255	2851	0.04

Footfall per Incident 2021 - 2022				
Area	Footfall	Accidents	Visitors per Accident	% Rates
Bourne	120,769	70	1725	0.06
Stamford	62,779	14	4484	0.02
Grantham	289,675	71	4080	0.02
Deepings Closed				
Total	473223	155	3053	0.03

Footfall per Incident 2020 - 2021				
Area	Footfall	Accidents	Visitors per Accident	% Rates
Bourne				
Deepings		Closed because of Covid-19 (No figures)		
Stamford				
Grantham				
Total	0	0	0	0.00

5.0 HEALTH AND SAFETY PERFORMANCE MEASURES

Along with the KPI's below, a quarterly dashboard of performance indicators is shared with Corporate Management Team and Heads of Service and covers accidents and incidents, quarterly monitoring activities and any trends identified or areas which require increased focus.

Fire logbook and Risk assessment audits have been added this year to the indicators. These have been completed in previous years so are not a new feature but were reported internally and will now be a permanent feature of this report.

TABLE 6 – Health and Safety Target Performance Indicators

HEALTH AND SAFETY TARGET/PERFORMANCE INDICATOR	2022/23	2023/24	2024/25
Number of staff RIDDOR notifications to the enforcing authority	1	5	5
Number of staff lost days as the result of accidents (<i>based upon information received</i>)	58	135	252
Number of accidents/incidents	38	83	103
Fire logbooks Audit	100%	100%	100%
Risk Assessment Audits	100%	100%	100%

6.0 SERVICE PLAN 2025-2026

6.1 Health and Safety Plan

The Corporate teams planned works for the coming year will include several specific actions in addition to the day-to-day role of providing frontline support and guidance to the corporate body as noted below.

6.1a: Part of the Corporate Safety team plan will be to return some services to an in-house provision. The first of which will be the testing and monitoring of equipment in identified areas for exposure to Hand Arm Vibration risks. The team will undertake testing, provide advice, guidance and support to those staff and areas with an identified risk. Bringing services in house reduces delays in testing which could create an occupational exposure to staff and provides a pro active resource. Although cost is not a factor when considering safety this will provide a significant saving to the authority.

6.1b: Annual reviews of Risk Assessments, Fire action logs and review of policy, procedures and guidance remain a constant part of the work plan. Annual review of assessments and controls are recognised best practice and will allow greater insight into activities and oversight/ support to be provided by the Corporate Safety team. The regular review of risk and mitigation is a fundamental requirement to ensuring safety is at the forefront of decisions the Council makes and how it manages its undertakings.

6.1c: The new Turnpike Depot provides excellent opportunities for the Council and services to develop. The Safety team have been involved with this project through 24/25 and will continue to support this project and the move to the new site. The team will be situated on the site to support and ensure there is a smooth and safe transition to operating this multi service hub.

6.1d: Continue to develop the working relationship with Trade Union safety representatives and develop a program of safety group site visits to grow the understanding and culture of safety throughout organisation.

6.2 Business Continuity and Emergency Planning 2025/26

The Business continuity arrangements underwent a full internal review and an internal audit in 2024/25. The quality and standard was high and this included the introduction of a new document to the suite of arrangements.

In 2025/26 there will be a planned annual review in which service areas will be asked to review their documents against any changes to service provision or changes to technologies or newly identified dependencies. The steering group will meet to discuss findings and plan and exercises or testing, outside those organised by partner agencies which the council routinely attend.

Where the council responds to a live incident this, on agreement by the steering group, can be taken as fulfilling the planned exercises for that period as there is invariable a business continuity impact when a response group is formed. While no one hopes for an incident, they provide invaluable insight, information and training experience for officers.

Emergency Planning

Working with partners in the LCC Emergency Planning team we will continue to provide training and advice to all identified tactical and strategic officers to ensure the knowledge and skills required in an emergency are current and that SKDC remains well placed to respond and has built in operational resilience.

The Council will continue to offer support with community resilience plans and engage with all those Parish and Town Councils who wish to create their own plans. As part of our duty as a Category 1 responder and commitment to supporting the communities of SKDC.

This includes several Flood awareness events which will be attended by partner agencies, including the Environment Agency and LCC as the lead flood authority. These events are designed to provide information to residents and communities affected by flooding and to enhance their preparedness and resilience. This also allows us to bring partners together in one location where residents can raise concerns and discuss local issues.

As identified last year, a working group was established ahead of the expected The Terrorism (Protection of Premises) Act, referred to as Martyn's Law, which comes into effect in 2025. This group will provide support and guidance for venue/ building managers in the council to ensure that the requirements are being met with proportionate mitigations.

Officers will continue to attend training events to ensure their skills and knowledge remain current and they have the confidence to act in the event that they are required to respond to an incident within the district boundary or as part of a county wide multi agency response.

Desktop and live play exercises will be attended by officers where relevant and required. Officers from SKDC will be involved in the National exercise planned for late 2025 as they were last year. These exercises provide a great opportunity to practice and hone the skills needed during an emergency and to meet with partners and build relationships that are vital during a response or recovery phase.

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**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Governance and Audit Committee

Wednesday, 24 September 2025

Report of Councillor Philip Knowles,
Cabinet Member for Corporate
Governance and Licensing

Local Government and Social Care Ombudsman Annual Review Letter 2024/2025 and Housing Ombudsman Landlord Performance Report 2024/25

Report Author

James Welbourn, Democratic Services Manager

✉ james.welbourn@southkesteven.gov.uk

Purpose of Report

To present the Local Government and Social Care Ombudsman Annual Review Letter for 2024/2025 and the Housing Ombudsman Landlord Performance Report for 2024/25.

Recommendations

The Committee is asked to note the Local Government and Social Care Ombudsman Annual Review Letter 2024/25 and the Housing Ombudsman Landlord Performance Report 2024/25.

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Connecting communities Sustainable South Kesteven Enabling economic opportunities Housing Effective council
Which wards are impacted?	(All Wards);

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

1.1 There are no specific financial implications arising from this report.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

1.2 This report is for information purposes only.

Completed by: James Welbourn, Democratic Services Manager

2. Background to the Report

- 2.1. The Local Government and Social Care Ombudsman Annual Review Letter 2024/25 was issued to the Chief Executive on 21 May 2025, and it was requested by the Ombudsman that the letter be shared with the Chairman of a Scrutiny Committee (or similar).
- 2.2. Complaints to the Ombudsman are compiled by the Legal team at SKDC, who then inform the relevant service of the outcome following the review by the Ombudsman.
- 2.3. The Housing Ombudsman issued its Landlord Performance Report for 2024/25 to the Council on 20 June 2025, attached at appendix 3. The information was presented to Cabinet on 9 June 2024 as part of the Annual Complaints and Service Improvement Report which the Council is required to submit to the Housing Ombudsman by 30 September 2025.
- 2.4. Responses to complaints escalated to the Housing Ombudsman are managed within the Housing Service Area.

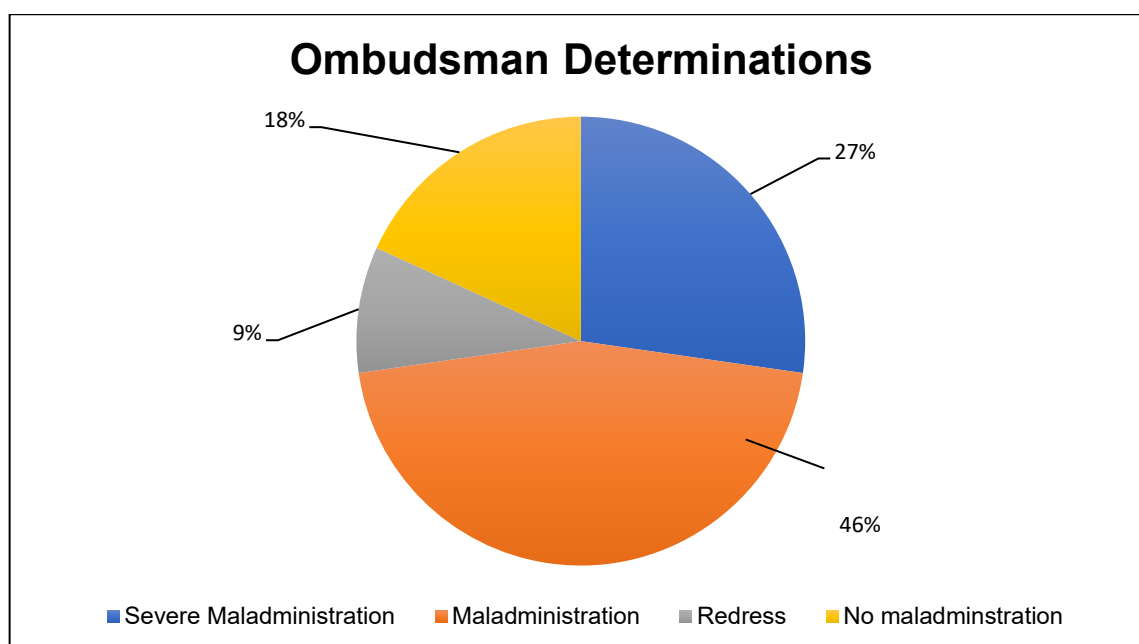
3. Key Considerations

- 3.1. A summary of the complaints and enquiries received during 2024/2025 are available at Appendix 2, along with any action taken. No compliance data was included as there was none available for the period.

- 3.2. During the period 1st April 2024 – 31st March 2025 a total of 19 cases were referred to the Local Government Ombudsman. None of the cases were upheld.
- 3.3. Of the 19 complaints, 10 were either not for the Ombudsman to investigate or were not ready to be investigated. When the Ombudsman says the complaint is 'not for us' it means that either the Council has not had the chance to consider the complaint first, or the complainant has come to the wrong Ombudsman.
- 3.4. Details of the remaining 9 complaints, and the reasons why they were not upheld are available [here](#).
- 3.5. Corporate complaints are monitored by this Committee as part of the Corporate Plan key performance indicators at Q2 and Q4.

Housing Ombudsman

- 3.6. During 2024/25 the Housing Ombudsman made determinations on 4 cases, resulting in 11 findings, 18 orders with just 2 recommendations across all cases. The following chart summarises the 11 findings:



- 3.7. The 11 findings are categorised as follows:
- Property condition - 4
 - Complaints handling – 3
 - Reimbursement and Payments – 2
 - Anti-Social Behaviour – 1
 - Information and data management – 1

3.8. The 18 orders can be broken down as follows:

- Compensation – 7
- Apology – 4
- Repairs – 2
- Take Specific non-Repair Action – 2
- Case Review – 1
- Practice Review – 1
- Other – 1

3.9. The key issues related to property condition and handling of complaints. The Council paid £5,150 in compensation and 2 recommendations to review succession planning and contact a tenant to offer the chance to raise a further complaint.

4. Other Options Considered

4.1 None – this is for information

5. Reasons for the Recommendations

5.1. To ensure that members are informed about the period 2024/2025.

6. Appendices

6.1. Appendix 1 – Ombudsman Annual Review Letter 2024/2025.

6.2. Appendix 2 – Contents of Excel workbook containing complaints and enquiries received during the period.

6.3. Appendix 3 – Housing Ombudsman Landlord Performance Report 2024/25

21 May 2025

By email

Ms Bradford
Chief Executive
South Kesteven District Council

Dear Ms Bradford

Annual Review letter 2024-25

I write to you with your annual summary of complaint statistics from the Local Government and Social Care Ombudsman for the year ending 31 March 2025. The information offers valuable insight about your organisation's approach to complaints, and I know you will consider it as part of your corporate governance processes. We have listened to your feedback, and I am pleased to be able to share your annual statistics earlier in the year to better fit with local reporting cycles. I hope this proves helpful to you.

[Your annual statistics are available here.](#)

In addition, you can find the detail of the decisions we have made about your Council, read the public reports we have issued, and view the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

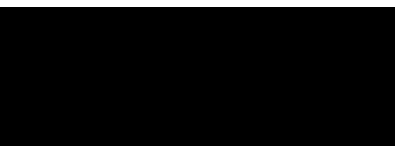
In a change to our approach, we will write to organisations in July where there is exceptional practice or where we have concerns about an organisation's complaint handling. Not all organisations will get a letter. If you do receive a letter it will be sent in advance of its publication on our website on 16 July 2025, alongside our annual Review of Local Government Complaints.

Supporting complaint and service improvement

In February we published [good practice guides](#) to support councils to adopt our [Complaint Handling Code](#). The guides were developed in consultation with councils that have been piloting the Code and are based on the real-life, front-line experience of people handling complaints day-to-day, including their experience of reporting to senior leaders and elected members. The guides were issued alongside free [training resources](#) organisations can use to make sure front-line staff understand what to do when someone raises a complaint. We will be applying the Code in our casework from April 2026 and we know a large number of councils have already adopted it into their local policies with positive results.

This year we relaunched our popular [complaint handling training](#) programme. The training is now more interactive than ever, providing delegates with an opportunity to consider a complaint from receipt to resolution. Early feedback has been extremely positive with delegates reporting an increase in confidence in handling complaints after completing the training. To find out more contact training@lgo.org.uk.

Yours sincerely,



Amerdeep Somal
Local Government and Social Care Ombudsman
Chair, Commission for Local Administration in England

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Reference	Authority	Category	Subcategory	Received
23015295	South Kesteven District Council	Planning & Development	Other planning application	22/08/24
23017648	South Kesteven District Council	Environmental Services & Public Protection & Regulation	Antisocial behaviour	28/06/24
24001107	South Kesteven District Council	Planning & Development	Other planning application	30/04/24
24002115	South Kesteven District Council	Environmental Services & Public Protection & Regulation	Antisocial behaviour	16/05/24
24002174	South Kesteven District Council	Corporate & Other Services	Standards committees	17/05/24
24002710	South Kesteven District Council	Planning & Development	Householder planning application	30/05/24
24004771	South Kesteven District Council	Housing	Homelessness	02/07/24
24006347	South Kesteven District Council	Environmental Services & Public Protection & Regulation	Refuse & recycling	26/07/24
24006910	South Kesteven District Council	Highways & Transport	Rights of way	04/08/24
24007614	South Kesteven District Council	Planning & Development	Enforcement-householder	14/08/24
24008355	South Kesteven District Council	Housing	Homelessness	22/08/24
24008774	South Kesteven District Council	Other	NULL	27/08/24
24009078	South Kesteven District Council	Environmental Services & Public Protection & Regulation	Antisocial behaviour	22/08/24
24010264	South Kesteven District Council	Benefits & Tax	Council tax	16/09/24
24010719	South Kesteven District Council	Housing	Homelessness	10/12/24
24013535	South Kesteven District Council	Planning & Development	Householder planning application	22/11/24
24018775	South Kesteven District Council	Planning & Development	Other planning application	29/01/25
24020697	South Kesteven District Council	Benefits & Tax	Council tax support	27/02/25
24021399	South Kesteven District Council	Planning & Development	Householder planning application	10/03/25

Reference	Authority	Category	Subcategory	Decided	Decision	Decision Reason	Remedy
23015295	South Kesteven District Council	Planning & Development	Other planning application	24/10/24	Closed after initial enquiries	Not warranted by alleged injustice	
23017648	South Kesteven District Council	Environmental Services & Public Protection & Regulation	Antisocial behaviour	22/08/24	Closed after initial enquiries	No worthwhile outcome achievable by investigation	
23018761	South Kesteven District Council	Benefits & Tax	Council tax	28/04/24	Closed after initial enquiries	26(6)(a) tribunal Other	
23019012	South Kesteven District Council	Environmental Services & Public Protection & Regulation	Refuse & recycling	08/04/24	Closed after initial enquiries	Not warranted by alleged fault	
24001107	South Kesteven District Council	Planning & Development	Other planning application	30/04/24	Referred back for local resolution	Premature Decision - advice given	
24002115	South Kesteven District Council	Environmental Services & Public Protection & Regulation	Antisocial behaviour	24/06/24	Referred back for local resolution	Premature Decision - referred to Organisation	
24002174	South Kesteven District Council	Corporate & Other Services	Standards committees	08/07/24	Closed after initial enquiries	Not warranted by alleged fault	
24002710	South Kesteven District Council	Planning & Development	Householder planning application	30/05/24	Referred back for local resolution	Premature Decision - advice given	
24004771	South Kesteven District Council	Housing	Homelessness	02/07/24	Referred back for local resolution	Premature Decision - advice given	
24006347	South Kesteven District Council	Environmental Services & Public Protection & Regulation	Refuse & recycling	26/07/24	Referred back for local resolution	Premature Decision - advice given	
24006910	South Kesteven District Council	Highways & Transport	Rights of way	23/09/24	Closed after initial enquiries	Other Agency better placed	
24007614	South Kesteven District Council	Planning & Development	Enforcement-householder	15/10/24	Closed after initial enquiries	Not warranted by alleged fault	
24008355	South Kesteven District Council	Housing	Homelessness	22/08/24	Referred back for local resolution	Premature Decision - referred to Organisation	
24008774	South Kesteven District Council	Other	NULL	27/08/24	Incomplete/Invalid	Insufficient information to proceed and PA advised	
24009078	South Kesteven District Council	Environmental Services & Public Protection & Regulation	Antisocial behaviour	29/08/24	Referred back for local resolution	Premature Decision - referred to Organisation	
24010264	South Kesteven District Council	Benefits & Tax	Council tax	16/09/24	Referred back for local resolution	Premature Decision - advice given	
24013535	South Kesteven District Council	Planning & Development	Householder planning application	12/12/24	Closed after initial enquiries	26(6)(b) appeal to Minister	
24018775	South Kesteven District Council	Planning & Development	Other planning application	06/03/25	Closed after initial enquiries	Not warranted by alleged injustice	
24020697	South Kesteven District Council	Benefits & Tax	Council tax support	27/02/25	Referred back for local resolution	Premature Decision - advice given	

Explanatory notes	
A new column has been added to the received, decided and compliance outcome sheets, detailing the primary subcategory recorded on the case (the main subject of the complaint).	
Cases received	
Cases with a recorded received date between 1 April 2024 and 31 March 2025. Status as of 3 April 2025.	
Cases decided	
Cases with a recorded decision date between 1 April 2024 and 31 March 2025. Status as of 3 April 2025.	
Please note that some cases may have been reopened since that date, with either a decision outcome pending or a new decision outcome recorded.	
Service improvement recommendations are no longer included in this workbook. Councils can view them on the online map here: https://www.lgo.org.uk/your-councils-performance	
We report our decisions by the following outcomes:	These decision outcomes are included in the number of cases reported as not for us / not ready for us in the complaints overview section on the online map.
Invalid or incomplete: We were not given enough information to consider the issue.	
Advice given: We provided early advice or explained where to go for the right help.	
Referred back for local resolution: We found the complaint was brought to us too early because the organisation involved was not given the chance to consider it first.	
Closed after initial enquiries: We assessed the complaint but decided against completing an investigation. This might be because the law says we're not allowed to investigate it, or because it would not be an effective use of public funds if we did.	This decision outcome is included in the number of cases reported as assessed and closed in the complaints overview section on the online map.
Upheld: We completed an investigation and found evidence of fault, or the organisation provided a suitable remedy early on.	These decision outcomes are included in the number of cases reported as investigated in the complaints overview section on the online map.
Not upheld: We completed an investigation but did not find evidence of fault.	
The following decision reasons are satisfactory remedy decisions , i.e. upheld cases where we were satisfied the authority had already provided a suitable remedy to resolve the complaint:	These decision reasons are included in the number of cases reported as satisfactory remedies provided by the council on the online map.
Upheld - Injustice remedied during organisations complaint processes	
Upheld - fault & inj - no further action organisation already remedied	
Compliance outcomes	
Cases with a recorded remedy achieved date between 1 April 2024 and 31 March 2025. Status as of 23 April 2025. The relevant date is the date of compliance with the recommendations (for example, the date on an apology letter) rather than the date the evidence is provided to us. If we were notified after 23 April 2025 of a remedy achieved before 31 March 2025, this will not be included here.	
Some cases may be marked as 'Remedy completed late' even when the remedy achieved date is before the remedy target date. This happens because the target date covers all remedies (service improvements and personal remedies). As service improvements often have a longer timescale for completion, we will mark a case as 'completed late' where this longer timescale is met, but the personal remedy was provided late.	

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Housing
Ombudsman Service

LANDLORD PERFORMANCE REPORT

2024/2025

South Kesteven District Council

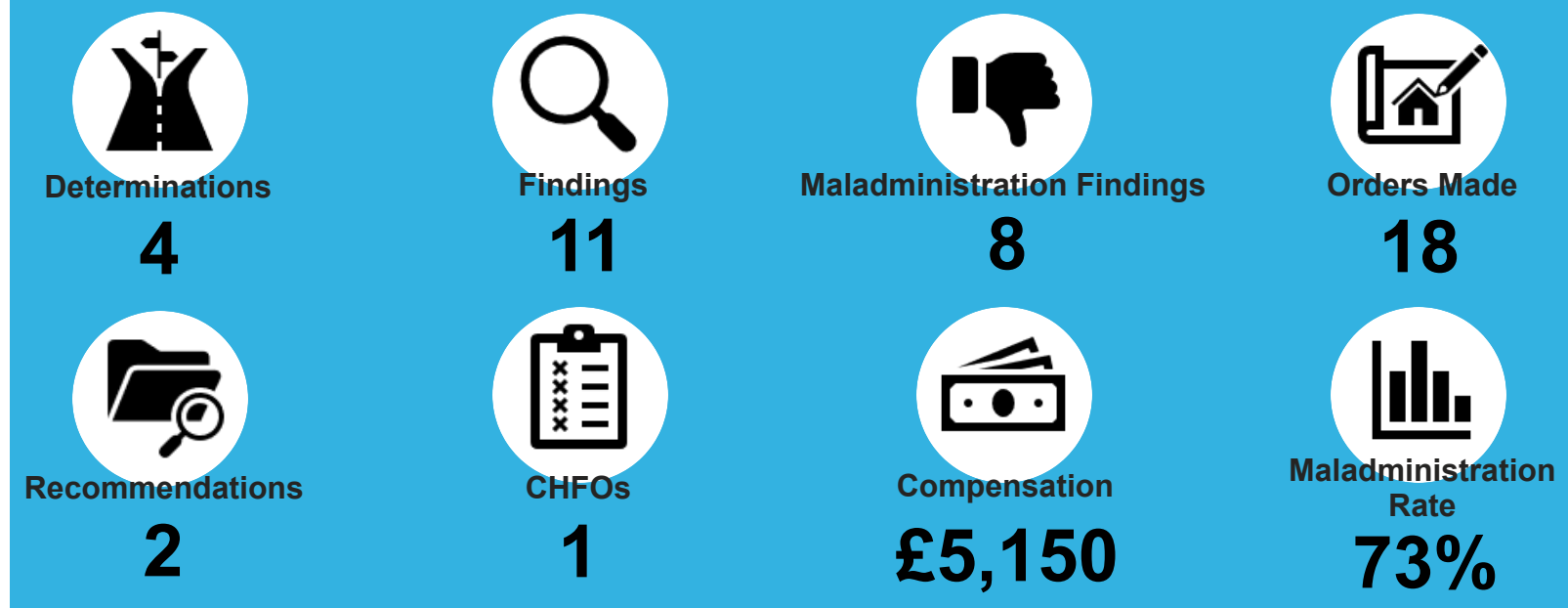
South Kesteven District Council

Landlord: South Kesteven District Council

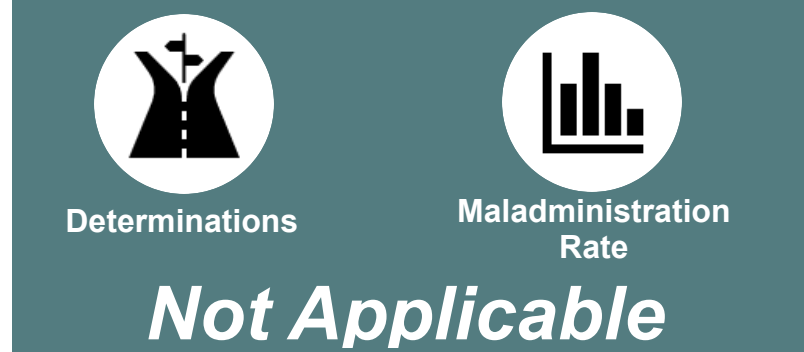
Landlord Homes: 6,020

Landlord Type: Local Authority / ALMO or TMO

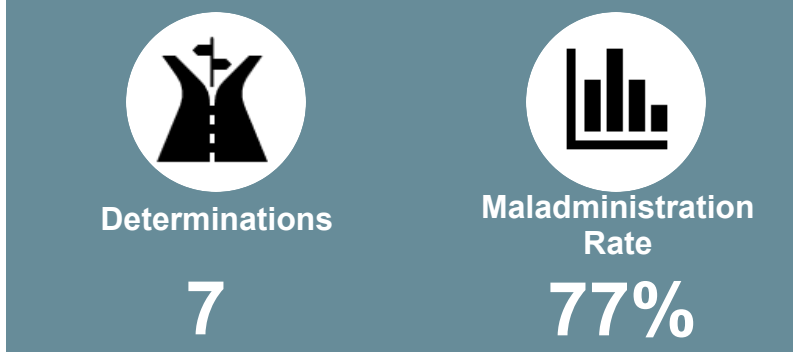
PERFORMANCE AT A GLANCE



PERFORMANCE 2022-2023



PERFORMANCE 2023-2024

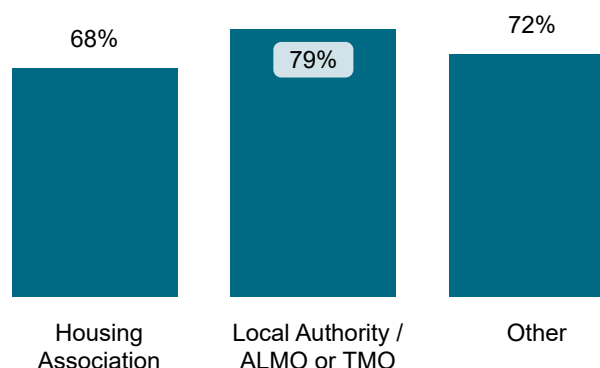
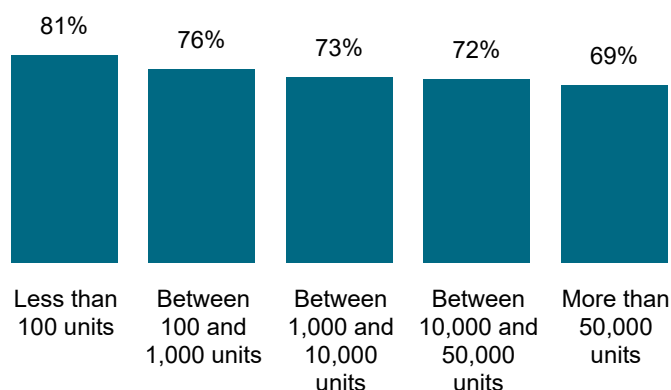


Maladministration Rate *Comparison* | Cases determined between April 2024 - March 2025

NATIONAL MALADMINISTRATION RATE: 71%	National Maladministration rate for Landlords of a similar size <u>and</u> type: 77%
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National Mal Rate by Landlord Size: Table 1.1

by Landlord Type: Table 1.2



Findings Outcome Comparison | Cases determined between April 2024 - March 2025

National Performance by Landlord Size: Table 2.1

Outcome	Less than 100 units	Between 100 and 1,000 units	Between 1,000 and 10,000 units	Between 10,000 and 50,000 units	More than 50,000 units	National	Landlord Findings
Severe Maladministration	5%	10%	5%	5%	5%	5%	27%
Maladministration	38%	36%	41%	41%	41%	41%	45%
Service failure	32%	24%	22%	22%	20%	21%	0%
Mediation	0%	0%	1%	2%	2%	1%	0%
Redress	3%	6%	10%	12%	17%	13%	9%
No maladministration	14%	17%	15%	13%	10%	13%	18%
Outside Jurisdiction	8%	7%	6%	6%	5%	6%	0%
Withdrawn	0%	0%	0%	0%	0%	0%	0%

National Performance by Landlord Type: Table 2.2

Outcome	Housing Association	Local Authority / ALMO or TMO	Other	National	Landlord Findings
Severe Maladministration	4%	6%	3%	5%	27%
Maladministration	39%	45%	35%	41%	45%
Service failure	21%	22%	27%	21%	0%
Mediation	1%	1%	1%	1%	0%
Redress	16%	7%	10%	13%	9%
No maladministration	13%	11%	15%	13%	18%
Outside Jurisdiction	5%	7%	8%	6%	0%
Withdrawn	0%	0%	0%	0%	0%

Landlord Findings by Category | Cases determined between April 2024 - March 2025

Table 2.3

Category	Severe Maladministration	Maladministration	Service failure	Mediation	Redress	No maladministration	Outside Jurisdiction	Withdrawn	Total
Property Condition	1	2	0	0	1	0	0	0	4
Complaints Handling	1	2	0	0	0	0	0	0	3
Reimbursement and Payments		0	0	0	0	2	0	0	2
Anti-Social Behaviour	1	0	0	0	0	0	0	0	1
Information and data management	0	1	0	0	0	0	0	0	1
Total	3	5	0	0	1	2	0	0	11

Findings by Category Comparison | Cases determined between April 2024 - March 2025

Top Categories for South Kesteven District Council

Table 3.1

Category	# Landlord Findings	% Landlord Maladministration	% National Maladministration
Property Condition	4	75%	73%
Complaints Handling	3	100%	77%
Reimbursement and Payments	2	0%	46%

National Maladministration Rate by Landlord Size:

Table 3.2

Category	Less than 100 units	Between 100 and 1,000 units	Between 1,000 and 10,000 units	Between 10,000 and 50,000 units	More than 50,000 units	% Landlord Maladministration
Complaints Handling	100%	86%	84%	81%	70%	100%
Property Condition	65%	79%	73%	74%	73%	75%
Reimbursement and Payments	0%	100%	45%	43%	48%	0%

National Maladministration Rate by Landlord Type:

Table 3.3

Category	Housing Association	Local Authority / ALMO or TMO	Other	% Landlord Maladministration
Complaints Handling	73%	87%	86%	100%
Property Condition	71%	79%	68%	75%
Reimbursement and Payments	46%	46%	0%	0%

Findings by Sub-Category | Cases Determined between April 2024 - March 2025

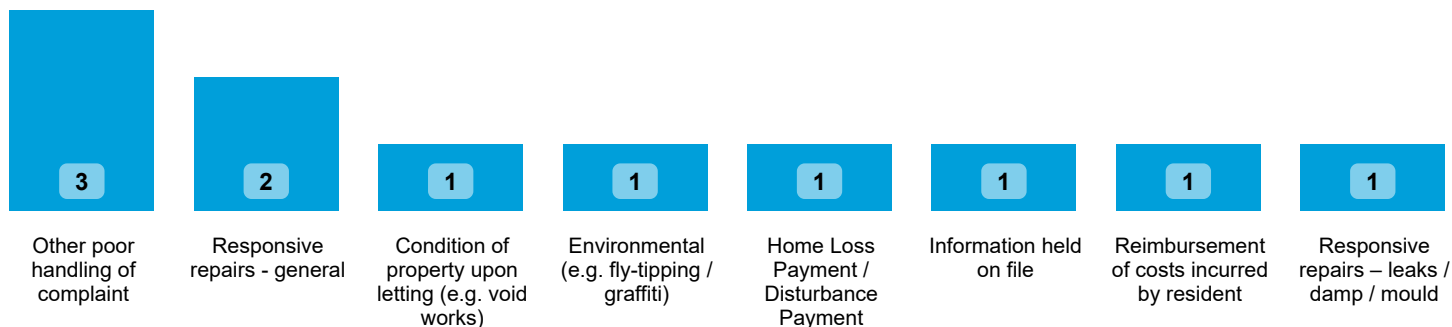
Table 3.4

Highlighted Service Delivery Sub-Categories only:

Sub-Category	Severe Maladministration	Maladministration	Service failure	Mediation	Redress	No maladministration	Outside Jurisdiction	Withdrawn	Total
Responsive repairs - general	1	0	0	0	1	0	0	0	2
Responsive repairs – leaks / damp / mould	0	1	0	0	0	0	0	0	1
Total	1	1	0	0	1	0	0	0	3

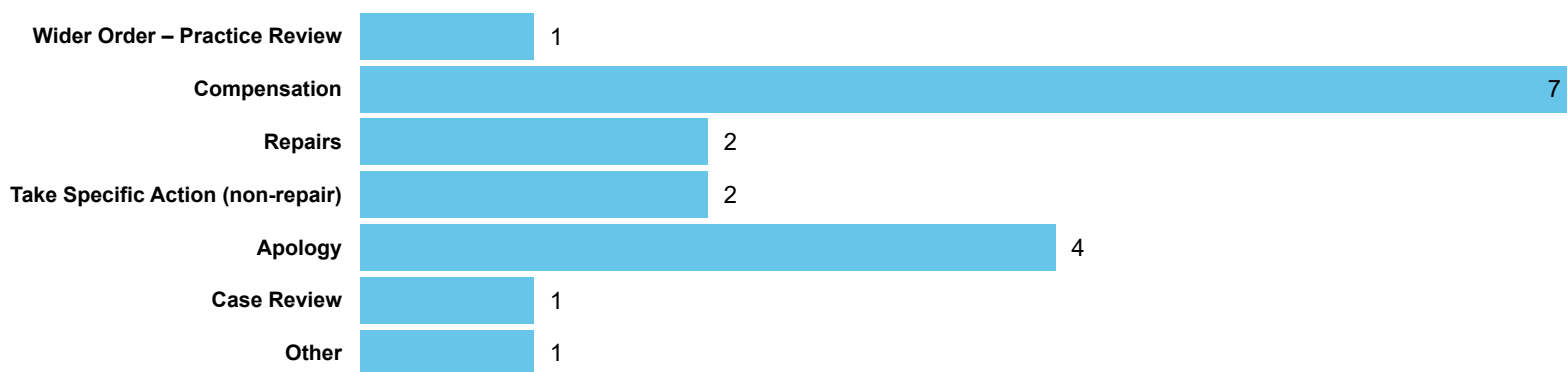
Top Sub-Categories | *Cases determined between April 2024 - March 2025*

Table 3.5



Orders Made by Type | *Orders on cases determined between April 2024 - March 2025*

Table 4.1



Order Compliance | *Order target dates between April 2024 - March 2025*

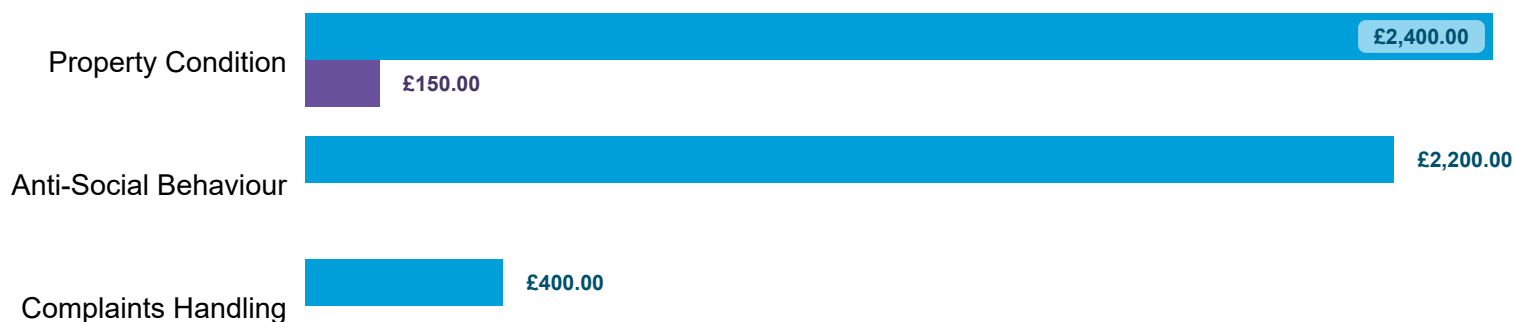
Table 4.2

Order	Within 3 Months	
Complete?	Count	%
Complied	18	100%
Total	18	100%

Compensation Ordered | *Cases Determined between April 2024 - March 2025*

Table 5.1

● Ordered ● Recommended



Introduction | *Notes on your figures in this report*

The Housing Ombudsman's 2024-25 landlord reports are for landlords with 5 or more findings made in cases determined between 1 April 2024 and 31 March 2025.

The data comes from our casework management system. The reports include statistics on cases determined in the period. If we published a performance report for the landlord last year, then its individual report will also include limited statistics about cases determined between 1 April 2022 and 31 March 2024 for year-on-year comparison. Where a landlord has merged, we have merged the 2022-24 data and it may therefore be different to the published figures last year.

Determinations | *Cases Determined*

The number of cases determined (decided upon) for this landlord by the Ombudsman. 4 determinations were recorded for South Kesteven District Council, this includes OSJ and Withdrawn determinations. 4 determinations were made excluding OSJ and Withdrawn.

In this report we are only counting the determinations excluding OSJ and Withdrawn overall - this is a change from previous years to where we counted all Determinations. We have also adjusted the determined figures for 22/23 and 23/24 referenced on the first page of this report to exclude OSJ and Withdrawn so that it is comparable. This means these figures may not match the published reports for those years.

Findings | *Category Findings*

The number of findings on cases determined. Each category on a determined case has one finding. When we count findings, we exclude any cases where the entire case was declared outside our jurisdiction (OSJ) or all elements of the complaint were entirely Withdrawn, usually prior to the case being allocated for investigation.

On this basis, we are only counting the findings made in the 4 determinations. 11 findings were recorded for South Kesteven District Council in these 4 determinations.

Maladministration Rate | *Calculated from Category Findings*

Under our Scheme, maladministration includes findings of severe maladministration, maladministration and service failure. The number of findings of maladministration are expressed as a percentage of the total number of findings (excluding findings of 'outside jurisdiction' and 'withdrawn'). This is referred to as 'mal rate'.

The number of findings recorded for South Kesteven District Council to calculate the Maladministration rate is 11. This excludes the findings of Outside Jurisdiction or where elements of the case were Withdrawn during our investigation, but we made other findings on the case.

The number of 'Mal' findings recorded for South Kesteven District Council is 8, which gives the Maladministration rate of 72.7% (8 / 11). The national Mal rate is calculated on the same basis and is comparable to previous reports.

Orders | *Calculated from Orders issued on Cases Determined*

We issue Orders when the case investigation has resulted in a category finding of some level of maladministration or mediation. They are intended to put things right for the resident. We can issue multiple orders for each category of a case, so if we issue compensation of £50 for one category, and £50 for another category - we will count this as two orders even though the Landlord may just see it as one order of £100 compensation for the case.

The number of orders recorded for South Kesteven District Council is 18, these orders are across 7 category findings.

Unit Numbers | *Homes owned by the Landlord*

The number of homes (or 'units') owned or managed by the member landlord under the Housing Ombudsman Service's jurisdiction as of 31 March 2024. This is based on information available from the Regulator of Social Housing and provided by landlords.

Governance and Audit Committee Work Plan 2025-2026

Item	Current Issues/Status	Outcome Sought
13 November 2025		
Auditors Annual Report	To provide the annual report	To review and note the contents of the report.
Treasury Management Activity Updates	Update on treasury and debt management operations during the financial year.	To review and note the contents of the report.
Corporate Plan 2024-27: Key Performance Indicators Report	To present the Council's performance against the Corporate Plan 2024-27 KPIs	To review and note the contents of the report
Financial Regulations	Update of the Council's Financial Regulations	Recommendation to Full Council
Counter Fraud Annual Report 2024/25	Annual report of counter fraud activities undertaken during the year	To review and approve the contents of the report
Safeguarding Annual Report 2024/25	Annual report of safeguarding	To review and note the contents of the report
Review of the Co-opted Member position of the Governance & Audit Committee	For Members to review the position of the Governance & Audit Committee's Co-opted Member	For Members to decide whether to continue the position.
Amendments to the Constitution	To consider a number of amendments to the Constitutional.	Recommendation to Full Council
21 January 2026		
Internal Audit Progress Report	Update from the Council's Internal Auditors in respect of progress made against the plan	To review and note the contents of the report
Indicative Internal Audit Plan 2026/27	Internal Audit to present the indicative Internal Audit Plan for 2026/2027	To review and approve the indicative Internal Audit Plan for 2026/2027

Item	Current Issues/Status	Outcome Sought
External Audit Annual Governance Report	Key findings arising from the statutory audit of the Council	To review and note the contents of the report
Annual Governance Statement 2024/25	To consider the Draft Annual Governance Statement for 2024/2025	To review and approve the Draft Annual Governance Statement 2024/2025
Treasury Management Strategy 2026/27	Council's indicative Treasury Management Strategy for 2026/2027	To review and approve the indicative Treasury Management Strategy for 2026/2027
18 February 2026 (Provisional)		
Statement of Accounts 2024/25	To be approved each year by the statutory deadline	To approve the 2024/2025 Statement of Accounts and their publication on the Council's website
18 March 2026		
Annual Report on Grants and Returns	External Audit's report on grants and returns for the year	To review and note the contents of the report
Internal Audit Progress Report	Update from the Council's Internal Auditors in respect of progress made against the plan	To review and note the contents of the report
Internal Audit Follow Up Report	Update from the Council's Internal Auditors in respect of progress made against the implementation of actions	To review and note the contents of the report
Indicative Internal Audit Plan 2026/27	Internal Audit to present the indicative Internal Audit Plan for 2026/2027	To review and note the contents of the report
Statement of Accounting Policies	Annual report prior to the preparation of the Statement of Accounts to ensure that the policies are up to date and in line with the CIPFA Code of Practice	To consider approving the Statement of Accounting Policies

Item	Current Issues/Status	Outcome Sought
Strategic Risk Register	Strategic Risk Register is presented to the Committee every four months as part of the monitoring and review of the risk management arrangements	To review and approve the Strategic Risk Register
Unscheduled		
Access to Information Working Group Update	Update on the meeting of the Access to Information Working Group	To review and note the contents of the report
Housing Benefit Subsidy Claim 2023/24	To provide the outcome of the Housing Benefit (Subsidy) Assurance Process for 2023/24	To review and note the contents of the report
Items to be allocated as and when required		
Code of Conduct		
Code of Corporate Governance		
Constitutional Amendments		
Contract Procedure Rules – being reviewed 2025/26		
Financial Regulations – being reviewed 2025/26		
Risk Management Framework – due in 2027/28		
Counter Fraud, Bribery, and Corruption Strategy – due 2026/27		
Anti Money Laundering Policy – due 2026/27		
Whistleblowing Policy – due 2026/27		
Review of Subject Access Requests		

Item	Current Issues/Status	Outcome Sought
Committee Members meeting with auditors		