



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL

## Governance and Audit Committee

Wednesday, 19 March 2025

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

## Internal Audit Follow Up Report

### Report Author

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### Purpose of Report

To review and note the update on the implementation of internal audit actions.

### Recommendations

**The Committee is recommended to review and note the contents of the attached Follow Up Report that has been prepared by the internal auditors BDO.**

### 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Does the report contain any exempt or confidential information not for publication?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 comments arising from this report.

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

### ***Legal and Governance***

- 1.2 Regular review of performance against audit recommendations represents good governance and supports the effectiveness of the Council's internal auditing provision.

*Completed by: Graham Watts, Monitoring Officer*

## **2. Background to the Report**

- 2.1 Under the Local Government Act 1972 (s151) and the Accounts and Audit Regulations, the Council has a responsibility to maintain an adequate and effective internal audit service. At South Kesteven District Council the internal audit service is provided by BDO.
- 2.2 In accordance with the Public Sector Internal Audit Standards (PSIAS) the internal audit service provides assurance on the adequacy and effectiveness of the authority's governance, risk management, and control arrangements.
- 2.3 BDO has undertaken a follow up of audit recommendations to ensure that they have been implemented in accordance with the management action and the date agreed.

## **3. Key Points to Note**

- 3.1 The Follow Up Report, attached as Appendix A, details the follow up of 20 recommendations.
- 3.2 BDO has followed up the outstanding two recommendations from 2023/24 for Responsive Repairs – one has been completed and the other is 'in progress' and acknowledged as good progress is being made. The action 'in progress' relates to the implementation of a programme where 10% of jobs will be formally quality assessed.

- 3.3 BDO has followed up 13 medium recommendations from 2024/25 audits as summarised below, and five recommendations are not yet due:

<b>2024/25 Audits</b>	<b>Complete</b>	<b>In progress</b>	<b>Not due</b>
Social Housing Decarbonisation Fund	4	1	-
Business Continuity & Disaster Recovery	4	2	1
Council Tax and NNDR	2	-	-
Homelessness	-	-	3
Income Generation	-	-	1
	10	3	5

- 3.4 For those recommendations 'in progress' BDO have obtained evidence from the Health & Safety and Compliance Manager, and the Head of Technical Services, that progress has been made to implement these recommendations, but further work is needed for these to be recorded as complete. Another update on these recommendations will be provided at the next Committee.
- 3.5 BDO's report, attached as Appendix A, provides the full details of the actions followed up and that overall, there is a positive completion rate for recommendations, demonstrating improvements in internal controls.

### **3. Reasons for the Recommendations**

- 4.1 Governance and Audit Committee, as part of its terms of reference, 9.1 (ii) approve the Internal Audit Strategy and Plan and monitor performance.

### **4. Appendix**

- 5.1 Appendix A – Internal Audit Follow Up Report