

Internal Audit Follow Up of Recommendations Report

South Kesteven District Council

June 2026



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SUMMARY TABLE

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	-	1	-	1	-	-	-	-	-	-
Payroll	2	-	2	-	2	-	1	-	1	-	-	-	-	-	-
Voids Management	2	-	2	-	2	-	1	-	1	-	-	-	-	-	-
Performance Management	1	-	1	-	1	-	-	-	-	-	1	-	-	-	-
Treasury Management	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-
Building Control	2	-	1	1	1	-	-	-	-	-	1	-	-	-	-
IT Strategy	3	-	1	2	1	-	-	-	1	-	-	-	-	-	-
Accounts Payable	2	-	1	1	1	-	-	-	-	-	-	-	-	-	1
Market Services	2	-	-	2	-	-	-	-	-	-	-	-	-	-	-
Financial Systems and General Ledger	4	-	1	3	1	-	-	-	-	-	-	-	-	-	1
Total	24	-	11	13	11	-	3	-	4	-	2	-	-	-	2

SUMMARY NARRATIVE

2025/26

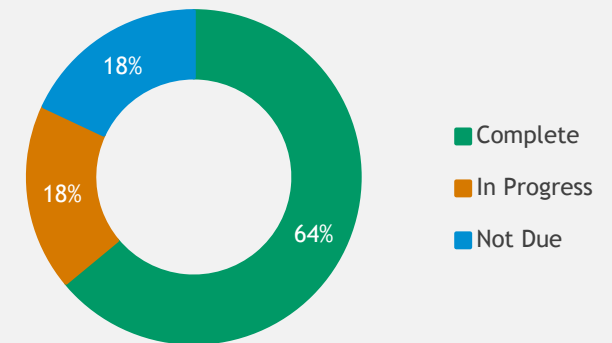
Please find below a summary of the status of implementation of recommendations arising from reports issued in 2025/26.

- ▶ Seven of the eleven recommendations from 2025/26 reviews have been completed, two are in progress, and two are not yet due.
- ▶ The remaining recommendations regarding the Climate Plan, Payroll and Voids Management reviews have now been noted as completed with sufficient supporting documentation received and reviewed.
- ▶ For the outstanding recommendation from the Building Control review, there has been progress against the completion of required actions. We will follow up on the action to recommendation 1b in accordance with the due date previously agreed to allow sufficient time for the Council to be able to fully produce and implement the Power BI dashboard to provide live data as required.
- ▶ Recommendations from the Performance Management review will be reviewed in line with agreed due dates with Service Lead discussions ongoing to refresh several KPI indicators and targets as part of performance management processes.


REQUIRED GOVERNANCE AND AUDIT COMMITTEE ACTION:



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

Implementation of recommendations since 2025/26




RECOMMENDATIONS: COMPLETE

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2025-26 Climate Plan	<p>2a. Council to finalise and approve the Climate Action Plan at the earliest opportunity, ensuring it translates each of the eight strategic themes into SMART actions with clear timelines and accountable officers.</p> <p>2b. The Sustainability and Climate Change Manager should incorporate a RAG (Red, Amber, Green)-rated tracking and escalation mechanism within the Plan to support regular performance reporting, enable early identification of delivery risks, and inform climate governance decisions.</p>	<p>Medium</p> 	Sustainability and Climate Manager	<p>30/11/2025</p> <p>31/03/2026</p>	<p>Management Comments:</p> <p>The draft Climate Action Plan was presented to Environment OSC on 10 November 2025.</p> <p>The purpose of the Climate Action Plan is not only to track progress in implementing projects to drive down carbon emissions arising from direct Council operations (energy used in Council buildings, fuel used in Council vehicles), but also to set out actions for the Council's wider service delivery and external-facing work with partners to address climate change for the region.</p> <p>The final version of the Climate Action Plan, with minor amends, was discussed at Cabinet on 10 March 2026 and Cabinet recommended to approve the adoption of the Climate Action Plan.</p> <p>Internal Audit Comments:</p> <p>We have reviewed the Cabinet Meeting Minutes on 10 March and have noted that the Cabinet have made the decision to approve the adoption of the Climate Action Plan, with delegated authority to the Director of Housing and Projects in consultation with the Cabinet Member for Environment and Waste to approve minor amendments to the Action Plan.</p> <p>On review of the Action Plan, there is clear reference of a provision of a workplan from across service areas of the Council consisting of 64 ongoing, short or medium term actions.</p> <p>Each of the outlined actions includes a Lead Officer who is responsible for the implementation or ongoing delivery of the project. The Climate Action Plan also includes a framework for delivery that sets out the remit of the action.</p> <p>The Climate Action Plan is presented against each of the Council's eight Themes, with relevant actions assigned to each area.</p> <p>Twice yearly reporting will be completed on the Action Plan, with updates provided by the Lead Officer. An annual report will also be presented to the Environment Overview and Scrutiny</p>



AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
					<p>Committee to update on actions, as well as a twice-yearly report to CMT.</p> <p>Evidence has been provided and reviewed to support the completion of the recommendations noted.</p>
2025-26 Payroll	<p>2a. The Exchequer and Systems Manager should review all super user/system administrator profiles and implement a principle of least privilege, restricting access to modules and functions that are not required for the individual's role. Discussions with the provider should explore technical options to segment access without compromising operational efficiency.</p> <p>2b. Exchequer and Systems Manager should work with the provider to enable logging of all user activity, including system administrator actions. This should be supplemented with periodic reviews by a designated officer to identify unauthorised changes, suspicious activity, or access to restricted modules.</p>	<p>Medium</p> 	Exchequer and Systems Manager	<p>30/11/2025</p> <p>30/04/2026</p>	<p>Management Comments:</p> <p>The Council has arranged training with iTrent to take relevant individuals through how to make the changes to the admin roles to ensure it is split out correctly. The Council have been keeping a checklist to keep a log of who has system admin access.</p> <p>The Council have a user role report in place which is reviewed and checked by the Payroll and HR teams. This has been added the process to the monthly payroll check list. Nothing untoward has been identified to date but if there had, it would be flagged up to the Assistant Director of Finance and Deputy Section 151 Officer.</p> <p>Internal Audit Comments:</p> <p>The Council have confirmed that training has now taken place with iTrent, with a subsequent meeting having taken place to update the system so that reporting can be provided to show the updated profile report.</p> <p>Subsequently we have received a copy of the user report for iTrent which is filtered to show system admin access. On review, the only noted system admin roles are limited to the Assistant Director of Finance, Systems and Exchequer Manager, Senior HR Officer and the Head of Service (Human Resources and Organisational Development).</p> <p>Processes regarding user role have been reviewed and deemed sufficient and appropriate as part of monthly payroll checks.</p> <p>Evidence has been provided and reviewed to support the completion of the recommendations noted.</p>
2025-26 Voids Management	<p>1a. The Technical Services Manager should review the drivers of major void durations and develop targeted interventions (e.g. contractor capacity, repair process redesign).</p>	<p>Medium</p> 	Head of Service (Housing Technical Services)	<p>31/12/2025</p> <p>31/03/2026</p>	<p>Management Comments:</p> <p>The Head of Technical Services and the Voids Manager along with their Team have looked at nine major voids over a period of four months to understand the drivers which impact major void durations to enable interventions to be developed.</p> <p>Key issues identified related to:</p>

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
					<ul style="list-style-type: none"> • Delays associated with the contractor delivering major void works are being addressed through two KPI sheets, which monitor contract performance and compliance with agreed timeframes. These are reviewed monthly by the Voids Manager and Head of Service, with any non-compliance discussed at contractor progress meetings. • Delays at the pre-works stage (scoping and ordering) are now monitored against defined targets, with performance reported monthly through KPIs. • Delays in the post-inspection stage are also being tracked against set targets and reported monthly via KPI monitoring. <p>To reduce delays caused by work being passed between teams, it has been agreed that, where possible, component replacements will be completed by the Voids Team to ensure single-point accountability. Exceptions apply for asbestos removal and heating replacements, which remain with specialist contractors.</p> <p>Enhanced monitoring arrangements have contributed to a reduction in the time taken to complete major void works over the past three months, as evidenced in KPI reporting.</p> <p><u>Internal Audit Comments:</u></p> <p>We have reviewed the voids KPI sheet as well as a copy of the voids review which was conducted in March 2026. As part of their review the Council have taken clear steps to identify the reasoning and outcome for major void durations, with appropriate actions identified to help mitigate the risk of delays moving forward.</p> <p>The voids KPI sheet documents several different performance measures across voids including average time to complete major void repairs and time for post inspection processes after works. A target for 2026/27 has been set for each of the relevant areas being monitored by the Council with monthly reporting and assigned responsibility across each KPI.</p> <p>Evidence has been provided and reviewed to support the completion of the recommendations noted.</p>

AUDIT	ACTIONS AGREED	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2025-26 IT Strategy	1b. Management should ensure that the Strategy sets out how the defined expectations and objectives link to the Council's wider corporate objectives, as well as any policies, procedures, and activities that are underpinning its delivery.	Medium 	Head of Property and ICT	30/04/2026	<p><u>Management Comments:</u></p> <p>The Council have developed the IT Service Plan for 2026/27, which has been drafted in such a way to support the delivery of the IT and Cyber Strategy, ensuring the corporate plan linkages to the IT Strategy are defined.</p> <p>This will be referenced across all SKDC Service Plans to ensure strategies are aligned to meet the strategy outcomes. All Service Plans have been reviewed by the Corporate Management Team prior to the new financial year.</p> <p><u>Internal Audit Comments:</u></p> <p>We have reviewed a copy of the IT Service Plan for 2026/27 which was noted as last updated by the s151 Officer in March 2026. The Service Plan aligns with the Council's Corporate Plan for 2024-2027 to help link the Council's vision and priorities with objectives and required work to be undertaken by teams and individual officers.</p> <p>The Service Plan highlights key themes to identify how the principles of the IT Strategy link to the Council's key priorities within the Corporate Plan. This is done via the following themes including Engage, Optimise, Empower and Transform. These key themes not only address organisational pressures but are also driven and updated by wider technology industry demands and trends.</p> <p>Evidence has been provided and reviewed to support the completion of the recommendation noted.</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
2025-26 Performance Management	<p>The Head of Corporate Projects, Performance and Climate Change should:</p> <p>1a. Introduce a formal escalation process to ensure KPI updates are consistently provided each quarter. Where services fail to provide timely updates or commentary, this should be challenged directly with the relevant service lead or KPI owner, with non-compliance escalated to CMT. A quarterly monitoring log should be maintained to evidence follow-up action and hold service accountable.</p> <p>1b. Ensure that all exceptions (eg KPIs paused due to leadership changes or awaiting action plans) are formally documented by the Corporate Projects and Performance Team and highlighted in reports to the relevant Overview and Scrutiny Committee and Cabinet, for continuity and completeness.</p>	Medium 	Policy Officer	30/11/2025 31/08/2026	<p>Management Comments:</p> <p>The Council are working on bringing forward a Performance Management Framework (likely very similar to the North Kesteven DC document) to formalise the KPI reporting process as recommended in the audit. Discussions are ongoing with Service Leads on refreshing several KPI indicators and targets. This is expected to be brought to relevant Committees in quarter two of 2026/27.</p> <p>Internal Audit Comments:</p> <p>We note the progress on this recommendation and will follow up in accordance with the revised implementation due date.</p>
2025-26 Building Control (EMBC)	<p>The Building Control Manager should embed a closed-loop performance cycle:</p> <p>1a. Seeking ways to obtain more feedback response by engaging options like we have described recommendation 1e, to help further analyses of customer satisfaction.</p> <p>1b. Consolidate monthly survey metrics into a standard KPI dashboard (including inspection booking reliability, website request completion rate, contact responsiveness, and AM/PM slot adherence)</p>	Medium 	Assistant Director (Planning and Growth) Building Control Manager	1a and 1b - 31/07/2025 1c - 28/02/2026 31/03/2026 1d - 31/03/2025 1e - 31/05/2026	<p>Management Comments:</p> <p>A link to the satisfaction survey is now sent to agents following the issue of a decision notice. This will help increase the return rate as well as receiving feedback from other stakeholders. As well as the standard questionnaire request sent with all completion certificates, the questionnaire is now sent with all approvals which picks up all other stakeholders.</p> <p>As part of the building regulation application process, to enable a completion certificate to be issued for a building project, there is a requirement for the Client to submit a 'Notice of Completion' form. The form requires all Duty Holders (Client, Principal Designer, Principal Contractor) to sign. The Council have now</p>

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	<p>1c. Maintain a partnership action log with owners, target dates, and closure evidence.</p> <p>1d. Escalate negative cases and repeated themes to the Partnership Board with a brief “you said—we did” summary; and verify fixes (e.g., automated inspection confirmation emails and web-form work queues) and reflect outcomes in subsequent dashboards.</p> <p>1e. EMBC could further strengthen feedback engagements using regular agent forums to promote survey participation and by publishing a ‘You said, we did’ summary on the EMBC and partner council websites. This would improve visibility of learning from feedback and help demonstrate continuous improvement beyond survey collection alone.</p>				<p>included a further question at the bottom of the form which asked about the quality of the service provided and asking for a rating between 1 and 5 which also includes a comments box. This question must be returned before any completion certificates are issued.</p> <p>The Council are working on a Power BI dashboard which will provide live data including application stats, inspection booking reliability and completion certificate request response rate. This is still in its infancy (for building control) and is reliant on other Council service areas to complete the data transition.</p> <p>Long term the Council are hoping to include all the information relating to the Building Control OSR data which is required by the Building Safety Regulator every quarter. Current dashboard data includes fee income, % of applications decided within statutory time frame and % of inspection response rate.</p> <p>Regarding AM and PM slot adherence, the Council do try to cater for AM/PM inspections but due to the actual numbers of inspections carried out daily, this is not always achievable and adhering to all AM/PM requests would be counterproductive.</p> <p>The Council have created a SharePoint folder that the partners have access to. This contains an excel spreadsheet log that has all the required information on it as well as a folder for any evidence. The log is a standing item on the Board meeting agenda.</p> <p>The feedback survey data is currently shared with the partners and within the wider team. A log has been created to enable monitoring of key themes and review actions or service improvements that have occurred because of any of the feedback received.</p> <p>This is now a standing item on the Board meeting agenda. Negative comments are not very common and can be listed in a simple word document.</p> <p>As stated above, a developers/agents forum has been set up, and this can be used to obtain further feedback and provide updates about service improvements/changes.</p> <p>EMBC have just migrated over to the SKDC website and are further developing content which will include customer feedback. The Council have also created a Facebook and LinkedIn business profile. These profiles include customer service data with ‘you</p>

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					<p>said/we do' information which will demonstrate continuous improvement. Partner Council websites link to the EMBC webpage on the SKDC site, as such all the building control content representing the three partners is all in one place.</p> <p>Internal Audit Comments:</p> <p>We have received sufficient and appropriate supporting documentation to be able to mark recommendations 1a, 1c, 1d and 1e as completed. We will follow up on the action to recommendation 1b in accordance with the due date previously provided to allow sufficient time for the Council to be able to fully produce and implement the Power BI dashboard to provide live data as required.</p>

FOR MORE INFORMATION:

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