

The Highland Council

Agenda Item	4
Report No	AC/7/26

Committee: Audit Committee

Date: 27 May 2026

Report Title: Action Tracking Report

Report By: Strategic Lead (Audit and Risk)

1. Purpose/Executive Summary

- 1.1 The Global Internal Audit Standards (the GIAS) require the Chief Audit Executive to establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. Details of this process known as action tracking, is provided at section 5 of this report.
- 1.2 The outcome of this process is reported to each meeting of the Audit Committee. This report provides details of the action tracking completed for all actions that had passed their agreed target date at the end of March 2026. In addition to the summary information reported, section 6.1 includes additional information to assist understanding of the profile in days of open actions to completion dates, and trend information showing agreed action completion rates.

2. Recommendation

- 2.1 The Committee is invited to **scrutinise, comment** upon and **note** the action tracking information provided including the revised target dates for the completion of outstanding actions.

3. Implications

- 3.1 **Resource:** any resource implications arising from audit actions should be addressed by the relevant Services and where required, will be reported to Committee.
- 3.2 **Risk:** the implementation of the management agreed actions will improve the control environment and assist in reducing the risk exposure to the Council.
- 3.3 There are no **Legal, Health and Safety** or **Gaelic** implications arising from this report.

4. Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is an update report and therefore an impact assessment is not required.

5. Action Tracking Process

- 5.1 The action tracking process operates as follows:
 - (1) Audit reports contain an action plan which details the areas of concern; management agreed action; target date for implementation; and the title of the Officer responsible for implementation.
 - (2) On a monthly basis those actions which have passed their agreed target dates are action tracked. This involves contacting the appropriate Manager(s) to confirm that their actions have been implemented. If a timely response is not received the matter is escalated to the appropriate Assistant Chief Executive.
 - (3) Where the agreed management action has not been undertaken, an explanation is requested. However, if this response is considered unsatisfactory, it is subject to further audit enquiry and/ or investigation. Where delays have occurred and the explanation provided is considered reasonable, a revised implementation date is agreed, and this is action tracked once this date has expired.
- 5.2 In addition to the above, monthly reports are provided to each of the Assistant Chief Executives detailing all outstanding recommendations within their service cluster which enables them to monitor progress leading up to the target dates when these should be completed. The monthly reports also detail the number of times a revised action date has been applied. Where a second revised action date is requested by the responsible officer, approval is required from the appropriate Assistant Chief Executive before this is agreed.

6. Action Tracking Results

6.1 Summary report

There are currently 50 agreed actions in progress, of which 32 (64%) have revised action dates.

The report attached at **Appendix 1** provides a summary of actions which have been subject to the action tracking procedure outlined above. This details the audits where management agreed actions had passed their agreed target date and were subject to action tracking at the end of March 2026. Overall, this shows that 17 (49%) of the 35 actions tracked had been completed, with revised target dates agreed for the remainder.

Table 1 profiles all open agreed management actions (as at 30/04/26) by the number of days until they are due to be completed.

Table 1 – Open management actions

	0 - 30 Days	30-60 days	60-90 days	Over 90 days	Total
High	4	2	6	3	15
Medium	3	4	13	14	34
Low	0	0	1	0	1
Total	7	6	20	17	50

Table 2 shows the action tracking completion rates previously reported to the Audit Committee over the last year. This details the number of actions tracked at the end of the month showing: number tracked (Due), number completed (C) and percentage completed (% C).

Table 2 – Completion performance

	June 25			September 25			December 25			March 26		
	Due	C	% C	Due	C	% C	Due	C	% C	Due	C	% C
High	7	5	71%	0	-	-	9	3	33%	8	3	38%
Medium	12	7	58%	8	6	75%	10	5	50%	23	10	43%
Low	1	1	100%	1	1	100%	2	1	50%	4	4	100%
Total	20	13	65%	9	7	78%	21	9	43%	35	17	49%

6.2 Actions with revised target dates

Action tracking at the end of March 2026 resulted in revised target dates being agreed for 18 actions. These are in respect of eight audits, further details provided below. The original target date for implementation and the most recent revised date are shown in brackets. Further information has also been provided by way of management updates.

Cessation of Utility supplies (1 High, 3 Medium actions).

High Priority - The review of the property estate is underway as is engagement with service managers to ensure that vacant or properties soon to become vacant are identified and monitored in line with the Council's new Void Property Management procedure. Reports on vacant property management will be taken to the new Asset Reconfiguration Board. (Original target date 31/03/2025. Revised action date 30/06/2026).

Medium priority - The new Void Property Management Procedure will be completed and communicated to all Council services/relevant parties to ensure that agreed actions are undertaken with agreed timescales. (Original target date 30/11/2025. Revised action date 30/06/2026).

Medium priority - The new Strategic Asset Management Plan will contain a process that ensures the regular review and scrutiny of property use, occupancy, mothballing or disposal. Property status reports will be submitted to the new Asset Reconfiguration Board to monitor changes to occupancy or use. All properties will be included in a rolling 5-year condition survey programme with all information loaded into Concerto (the Council's property database). The creation of an in-house building surveying team has been approved as part of the Council's new delivery plan and recruitment to the new team will commence in July. (Original target date 31/03/2025. Revised action date 30/06/2026).

In response to the three actions above, the Service has stated that the new Board and approach in the Service is well embedded although consideration of the new guidance / procedure has had to be deferred to the 28 May 2026 Strategic Asset Management Board meeting.

Medium priority - Notifications coming from the New Void Property Management Procedure will also be sent to the Climate Change and Energy Team for appropriate action in regard to the ongoing analysis and management of utility consumption. Contingent on Property reply regarding voids this will be completed and presented to Strategic Asset Management Board by end of May (Original target date 30/11/2025. Revised action date 30/06/2026).

Children's Service transitions arrangements (1 High, 4 Medium actions).

High Priority – An effective method for early resolution of disputes including an escalation process should be agreed and implemented so any potential delays in transferring accommodation are communicated to senior managers as early as possible. In relation to operational disputes which result in increased risk to a service an escalation process should be co designed and implemented by Highland Council and NHS that links to the risk register allowing for early communication to senior management. Meetings held with NHS have taken place. The escalation procedure, scope and remit will be produced and taken to the Joint Oversight Group for sign off. (Original target date 31/12/2025. Revised action date 30/04/2026).

Medium Priority - The Joint Transitions Team would benefit from setting out all key tasks in the transitions process in a formal document including a minimum expectation for meeting records, specifically having action points for each meeting to show tasks, assigned responsibility and timescales so that there is clear accountability. Joint meeting template to be agreed including actions and timescales, to be recorded on Client's file. Joint checklist and meeting template has been submitted by Children's services to Adult Social Work for consideration and approval, this will be concluded by May 2026. (Original target date 31/12/2025. Revised action date 31/05/2026).

Medium Priority - The Joint Protocol should be reviewed and brought up to date particularly to include a robust quality assurance mechanism for assessing the Transitions Service's performance. Updated Joint Transition procedures to be agreed between the Council and NHS in line with National Transitions to Adulthood Strategy for Young Disabled People 2025-2030. To include pathway of support, funding and timescale. Introduction of a checklist identifying tasks for each organisation and timescales within the transition journey. This is currently ongoing with a conclusion date of May 2026 between Adult Social Work and Children's Services (Original target date 31/03/2026. Revised action date 31/05/2026).

Medium Priority – The Joint Transitions Team should improve record keeping to better support an effective transitions process. It would be good practice to ensure the systems are kept up to date for all referrals, requests for service and allocated workers. Having a written record of the planned transition date for all different services for each service user would ensure both parties in the Joint Transitions Team have an indisputable set of dates where services should transfer. Procedures to be agreed between the Council and NHS that will include a recorded planned transition date within transition pathway and will be recorded within the Transition checklist of the client. This is currently ongoing with a conclusion date of May 2026 between Adult Social Work and Children's Services (Original target date 31/03/2026. Revised action date 31/05/2026).

Medium Priority - The risk register should be updated to reflect good risk management practices by: Establishing the risk appetite, Clarifying risk scoring criteria, Including more detailed mitigation actions, Improving accountability with clear risk ownership, Explaining how mitigations reduce risk, Setting timescales for actions, Improving visibility of risks from all partner organisations that may affect transition arrangements. The risk register should be reviewed regularly to show how mitigations are influencing risk levels. The recommendation will be implemented. This recommendation would allow for clear communication between agencies of the current service risks and the implications of NHSH risks to the Council both now and for forecasting measures and should include all children's Disability Services along with Joint Transitions team. This is currently being reviewed by Adult Social Work and Children's Social Work with an expected agreement by July 2026 (Original target date 31/12/2025. Revised action date 31/07/2026).

Corporate Landlord Model (1 High, 1 Medium action).

High Priority - A project plan and timetable should be devised and appropriately resourced to ensure that all necessary property asset information to fulfil the corporate landlord data function is collected, recorded, and maintained on the Concerto system. An appropriate project plan, in conjunction with other Council Services, to develop the additional property asset information-modules within the Corporate Property Database (Concerto), will be prepared, appropriately resourced, and actioned to capture and maintain key information to fulfil the corporate landlord function/Single Property Service.

Although not being prepared as a project plan per se a range of actions and measures are being taken to address the monitoring and updating of asset information. Concerto updates are being made routinely and additional property asset information-modules within the Corporate Property Database (Concerto) are being established with appropriate resourcing to capture and maintain key information to fulfil the corporate landlord function/Single Property Service. A database of vacant and mothballed properties is being held in the Property Service's ROAB SharePoint site. Also, the Strategic Asset Management Board is operating effectively with a standing item on Current and Forecasted Vacancies and Mothballing, and corresponding guidance has been prepared and will be reported to the 28 May 2026 Strategic Asset Management Board (SAM Board) for approval. (Original target date 30/09/2024. Revised action date 30/06/2026).

Medium priority - Management should review, revise and re-issue the procedure for the identification, reporting and recording of unallocated, unused, or vacant properties. The Void Property Management procedure is currently being reviewed and will be reported to the SAM Board on 28 May 2026 for approval. Once complete it will be adopted by Council Staff involved in the management of Void General Fund properties. (Original target date 30/09/2024. Revised action date 30/06/26).

Elections Management (1 Medium).

Medium priority – The draft elections budgets should be uploaded to CiA to assist budget monitoring and utilise CiA functionality to enable live reporting. Scottish Parliament and a by-election plus changes to Finance personnel responsible resulted in budgets not being loaded to CiA and no mechanism has been set up for this yet. The Elections Manager to work with Finance on this once the two elections have concluded. (Original target date 30/11/2025. Revised action date 30/09/26).

Human Resources - Learning and Development (1 High, 2 Medium actions).

High priority - Succession planning should be formally rolled out across all services as part of the workforce planning cycle. This should include clear timelines, responsibilities, and monitoring arrangements to confirm that succession plans are developed, maintained, and aligned with organisational workforce needs. From a Learning and Development perspective, a Modern Apprenticeship eLearning module has been developed to provide clear information on the recruitment of Modern Apprentices. The module is intended to support understanding of the Modern Apprenticeship process and reduce barriers associated with recruitment. This activity aligns with workforce development activity and supports succession planning approaches, contributing to delivery of the People Strategy. eLearning to be rolled out 10/04/2026 and other parts of action regarding succession planning now built into Committee reporting. (Original target date 31/03/2026. Revised action date 30/04/2026).

Medium priority - The planned Learning and Development (L&D) strategy should be developed and implemented. It should include clearly defined objectives, measurable outcomes, and success metrics, along with timelines and assigned accountability, to ensure consistency and effective monitoring of learning and development activities across the Council. Learning and Development recognises the importance of a clear, consistent and measurable approach to learning and development. A corporate Learning and Development (L&D) Strategy is currently in development and will provide the overarching framework to address this recommendation. The Strategy will align learning and development activity to the Council's corporate priorities, workforce plan and organisational values, ensuring that investment in skills and capability is targeted, measurable and delivers value for money and have tangible links to the People Development and Talent strategies. This will align with the overall Corporate and People strategies. The Strategy is in draft form and is to be submitted to the June Corporate Resources Committee, once considered by the Corporate Management Team. Revised action date of end of June to allow strategy to be communicated once approved. (Original target date 31/03/2026. Revised action date 30/06/26).

Medium priority – The revised process developed by People Development for managers to record Employee Review and Development (ERD) completion should be fully implemented, applied consistently across all service areas (apart from teaching staff), and subject to regular compliance monitoring. The information captured on training needs should then be utilised by People Development to where possible identify common themes and inform the scheduling and organisation of appropriate training provision. Recording of whether an ERD has been completed is captured via Traineasy. This process will be enhanced with an MS Forms based approach and will capture ERD verbatim. This will make performance conversations more accountable, actionable and data driven. This process will continue until such time ERD's can be incorporated into a future HR system. The technology for the MS forms is in place, however seeking to put back a launch date until June 2026, due to unanticipated changes in staffing, current self-service ERD form needs a small improvement as light on manager feedback. Coordinating a structured rollout which will help managers and employees understand what has changed and their respective roles in the new process. Communications will take place in May 2026, guidance and awareness will make the June launch smoother and reduce confusion or rework. (Original target date 31/03/2026. Revised action date 30/06/26).

Review of Financial Procedures in Schools (1 Medium action).

Medium Priority - The current guidance relating to inventories within the financial regulations is cumbersome and not practical for schools to implement, this is acknowledged by both Internal Audit and the Education and Learning service. Having looked outwards at other guidance, the proposal is to agree specific guidance for schools that meets both their needs and provides an appropriate level of assurance for the council. This needs to be agreed with the Chief Officer for Finance however due to other pressures it has not been possible to come to a finalised position regarding this. A revised date is required for the agreement of this guidance, this being the end of the current school session on 2 July 2026 with a view to this being circulated and implemented by schools from August 2026. (Original target date 30/06/2024. Revised action date 31/08/2026).

Roads Maintenance (1 High action)

High priority - Management must prepare, approve and distribute a suite of policies, procedures and guidance that will allow all roads teams to manage and control their activities in a transparent and consistently controlled manner. The management of road and amenity operations is being re-structured to deliver efficiencies through greater collaborative working. The appointment of the Chief Officer for Operations and Maintenance should enable this to be progressed at pace. The action at December 2025 was not yet complete although the process for the restructure had commenced; liaison with the affected managers and the Trade Unions has included various meetings and discussions around the proposed structure arrangements. A further revised date has been requested of 31/03/2027. (Original target date 30/06/2025. Revised action date 31/03/2027).

Wider review of internal controls following the Aberdeen City Council Tax Fraud (1 Medium action).

Medium Priority – The process should be amended to ensure that data submitted for BACs payments reconciles fully to the pay reports generated by ResourceLink. The use of a checksum on the data file could simplify this process. Payroll and BACs processing team will look into how to strengthen the controls to address the finding and recommendation, and make a formal decision on whether changes to the process can and should be made. Confirmation is being sought from our payroll system provider as to an option suitability by end of June. (Original target date 31/03/2026. Revised action date 30/06/2026).

Designation: Strategic Lead (Audit and Risk)

Date: 30 April 2026

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Appendix 1 - Audits where actions have passed their agreed target date and were subject to action tracking

Audit Name	Service Cluster	High		Medium		Low		Action Tracking Results			
		Due	Complete	Due	Complete	Due	Complete	Due	Complete	Revised action date	% complete
Cessation of Utility supplies	Place	1	0	3	0	0	0	4	0	4	0%
Children's Service transitions arrangements	People	1	0	5	1	0	0	6	1	5	17%
Climate Change Plans and Implementation	Place	1	1	0	0	0	0	1	1	0	100%
Climate Strategy & Sustainability	Place	0	0	3	3	1	1	4	4	0	100%
Corporate Landlord Model	Place	2	1	3	2	1	1	6	4	2	67%
Efficiency of Debt Recovery Arrangements	Corporate	0	0	2	2	0	0	2	2	0	100%
Elections Management	Corporate	0	0	1	0	0	0	1	0	1	0%
Family Teams child protection	People	0	0	0	0	1	1	1	1	0	100%
Human Resources - Learning and Development	Corporate	2	1	3	1	0	0	5	2	3	40%
Review of Financial Procedures in Schools	People	0	0	1	0	0	0	1	0	1	0%
Roads Maintenance	Place	1	0	0	0	0	0	1	0	1	0%
Wider review of internal controls following the Aberdeen City Council Tax Fraud	Corporate	0	0	2	1	1	1	3	2	1	67%
Grand Total		8	3	23	10	4	4	35	17	18	49%
Percentage complete			38%		43%		100%				