



**Glasgow City Council**

**Finance and Audit Scrutiny Committee**

**Report by Head of Audit and Inspection**

**Contact: Jillian Campbell Ext: 74247**

**Item 3**

**20th May 2026**

## **INTERNAL AUDIT – SUMMARY REPORT**

### **Purpose of Report:**

To advise members of the main findings of the following audit reports issued recently, together with a summary of action taken:

- Chief Executive's Department – Whole Family Early Intervention Fund (WFEIF) Arrangements
- Chief Executive's Department – Payroll Verification
- Corporate Review – hub West Scotland
- Corporate Review – Worldpay Income
- Education Services – School Transport
- Financial Services – Payroll Verification

The audits undertaken in this period provide assurance linked to the Grand Challenges and Missions within the Council Strategic Plan 2022-2027, including Grand Challenge 4, Mission 3 – Enable staff to deliver a sustainable and innovative council structure that delivers value for money.

### **Note:**

In most cases one of four opinions is expressed:

- The control environment is satisfactory i.e. audit testing found no concerns with the control environment.
- A reasonable level of assurance can be placed upon the control environment i.e. audit testing found no major weaknesses in the control environment but some improvements could be made.
- A limited level of assurance can be placed upon the control environment i.e. improvements are necessary to ensure the control environment is fit for purpose.
- The control environment is unsatisfactory i.e. significant improvements are required before any reliance can be placed upon the control environment.

### **Recommendations:**

The Committee is asked to:

1. Note the content of the reports, and
2. Instruct the Head of Audit & Inspection to provide follow up reports showing progress towards achievement of the Action Plans arising from the audits undertaken.

Ward No(s):

Citywide:

Local member(s) advised: Yes  No  consulted: Yes  No

## **1 High Level Summary**

- 1.1 The attached Internal Audit Update Summary provides the Finance and Audit Scrutiny Committee with an overview of the work undertaken by Internal Audit during the period 14 March 2026 and 8 May 2026, as part of the agreed Internal Audit Plan.
- 1.2 The report summarises the findings of each of the audits completed during that time, highlights any recommendations made, and the audit opinion in light of the findings of the audit activity.
- 1.3 The detailed audit reports are available separately, together with agreed plans for addressing the recommendations.

## **2 Key Findings**

- 2.1 Internal Audit is an independent appraisal function within the Council. Its work is based on an annual audit plan which is prepared after a risk assessment of all potential audit issues identified by Internal Audit and Service Directors and takes account of the work of the Council's external auditor, Ernst and Young.
- 2.2 During the period between 14 March 2026 and 8 May 2026, six reviews have been completed and summary information for each review is provided below. The full reports are provided as appendices to this report.
- 2.3 **Chief Executive's Department – Whole Family Early Intervention Fund (WFEIF) Arrangements**

	<b>High</b>	<b>Medium</b>	<b>Low</b>	<b>Service Improvement</b>
Number of recommendations	1	0	0	0

The purpose of the audit was to evaluate the existing arrangements for managing the funding programme and identify opportunities for enhancing these arrangements as part of the ongoing process development.

Based on the audit work carried out there is scope for improvement in the existing arrangements and one recommendation which management should address.

The recommendation relates to the continued development of the governance structures that have been established for the management of WFEIF, including the documentation of approval routes, the recording and retention of decision outcomes, performance and risk management arrangements and payments aligned to the delivery of outcomes.

## 2.4 Chief Executive's Department – Payroll Verification

	High	Medium	Low	Service Improvement
Number of recommendations	0	1	0	0

The purpose of the audit was to verify:

- That only current Council employees were being paid.
- The accuracy of employee's core pay and hours.
- That appropriate steps had been taken to correct payroll records and recover overpayments as necessary.

Based on the audit work carried out, a reasonable level of assurance can be placed upon the control environment. The audit has identified some scope for improvement in the existing arrangements and one recommendation which management should address.

The recommendation relates to (1) ensuring that HR and Payroll changes are submitted to Customer and Business Services (CBS) for action in a timely manner, that overpayments are actioned immediately following identification and that redundant records are closed within the SAP system when they are no longer required.

## 2.5 Corporate Review – hub West Scotland

	High	Medium	Low	Service Improvement
Number of recommendations	0	0	1	0

The purpose of the audit was to gain assurance that there are adequate controls in place for the appropriate utilisation and management of hub West Scotland and that these are operating effectively.

Based on the audit work carried out, a satisfactory level of assurance can be placed upon the control environment. The audit has identified some scope for improvement in the existing arrangements and one recommendation which management should address.

The recommendation relates to the development of a formal protocol that can be used by Services to assess whether the criteria for using hub West Scotland services have been met.

## 2.6 Corporate Review – Worldpay Income

	High	Medium	Low	Service Improvement
Number of recommendations	0	2	0	0

The purpose of the audit was to gain assurance that effective controls are in place covering the use of the WorldPay system to manage income.

Based on the audit work carried out, a reasonable level of assurance can be placed upon the control environment. The audit has identified some scope for improvement in the existing arrangements and two recommendations which management should address.

The recommendations relate to (1) the creation and communication of procedure documents relating to WorldPay and Certificates Online, with relevant staff trained on the procedures thereafter and system access removed for those who no longer use the system, and (2) the implementation and recording of formal reconciliation arrangements for payments received via WorldPay.

## 2.7 Education Services – School Transport

	High	Medium	Low	Service Improvement
Number of recommendations	0	1	0	0

The purpose of the audit was to gain assurance that there are adequate controls in place for the arrangement of mainstream school transport providers and that these are operating effectively.

Based on the audit work carried out, a reasonable level of assurance can be placed upon the control environment. The audit has identified some scope for improvement in the existing arrangements and one recommendation which management should address.

The recommendation relates to the development of a formally documented complaints procedure which should be distributed to relevant staff across the school estate and communicated to parents/carers.

## 2.8 Financial Services – Payroll Verification

	High	Medium	Low	Service Improvement
Number of recommendations	0	1	0	0

The purpose of the audit was to verify:

- That only current Council employees were being paid.
- The accuracy of employee's core pay and hours.
- That appropriate steps had been taken to correct payroll records and recover overpayments as necessary.

Based on the audit work carried out, a reasonable level of assurance can be placed upon the control environment. The audit has identified some scope for improvement in the existing arrangements and one recommendation which management should address.

The recommendation relates to ensuring that HR and Payroll changes are submitted to CBS for action in a timely manner, that overpayments are actioned immediately following identification and that redundant records are closed within the SAP system when they are no longer required.

- 2.9 The full reports for the above reviews have been included as separate papers within the agenda.

### **3 Recommendations**

The Committee is asked to:

- Note the content of the reports, and
- Instruct the Head of Audit & Inspection to provide follow up reports showing progress towards achievement of the Action Plans arising from the audits undertaken.