

# Glasgow City Council Internal Audit Section Committee Summary

Item 3(c)

28th January 2026

## Glasgow City Health and Social Care Partnership – Payroll Verification

### 1 Introduction

- 1.1 As part of the agreed Internal Audit plan, we have carried out a payroll verification review of staff employed by the Glasgow City Health and Social Care Partnership (GCHSCP). This review only examined those staff on the Glasgow City Council payroll side of the GCHSCP.
- 1.2 In order to achieve this, a responsible officer at the HSCP was required to verify that all staff named on a download of data from June 2025 were current employees being paid at the correct level for the correct number of hours worked. The payroll extract dated 26th June 2025 showed HSCP had a payroll of 7,439 Council employees (FTE 6,258) with a total gross salary of £224.9m.
- 1.3 In addition to this we selected and reviewed responses from the line managers of a sample of 30 HSCP employees to corroborate the verification responses.
- 1.4 We conduct this exercise on a biennial basis and it is an essential component of the payroll leavers control environment.
- 1.5 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.
- 1.6 The audit focused on core salary and did not include a review of additional salary payments or overtime.

## 2 Audit Opinion

- 2.1 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.

## 3 Main Findings

- 3.1 The payroll verification exercise undertaken by HSCP management identified nine employees whose pay was not correct at the time our extract was taken. For three employees, overpayments totalling £12,749 were identified. The remaining six errors were employees who were being underpaid, the total amount of these was £1,680. These nine errors did not impact materially on the accuracy of the overall payroll and have now been corrected. Underpaid staff have been reimbursed and recovery action has been taken for the three overpaid staff.
- 3.2 Internal Audit also conducted sample checking of 30 HSCP employees to corroborate the Service's verification. The auditor was able to confirm with the line managers of the 30 staff sampled that the employees were current members of staff at the time of the payroll report, the correct remuneration was being paid to those employees and their hours of work were also correct.
- 3.3 As part of the audit, we also obtained details of previously identified overpayments to ensure that steps have been taken to recover these. In the financial year 2024/25 overpayments to HSCP leavers totalling £95,659 were made and recovery of this amount sought via 78 invoices raised. £44,368 of this amount is still due (as at September 2025). In the first six months of financial year 2025/26 there had been £28,360 of overpayments to staff who had left, the recovery process had started with over 20 invoices raised. £25,885 of this is still due (as at September 2025).
- 3.4 Through review of the overpayments report, we also found that one of the service responses on the verification exercise was incorrect as it indicated an employee was still an employee when they had left in December 2024. The employee had been on maternity leave, however this had not been advised to CBS therefore the employee continued to be paid full salary instead of a reduced salary whilst on maternity leave. The employee then did not return to work following maternity leave resulting in an overpayment of £13,500 to a leaver.
- 3.5 When running the payroll reports for this audit we identified that 55 HSCP staff paid by the health service were listed as "External Chiefs" on the GCC payroll report, giving them a SAP record to be able to carry out their managerial duties within MyPortal. We sampled five records and found one of

these staff had left the HSCP employment, but their record had not been closed.

- 3.6 An action plan is provided at section four outlining our observations, risks and recommendations. We have made two recommendations for improvement. The priority of these recommendations is:

Priority	Definition	Total
<b>High</b>	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	0
<b>Medium</b>	Less critically important controls absent, not being operated as designed or could be improved.	2
<b>Low</b>	Lower level controls absent, not being operated as designed or could be improved.	0
<b>Service Improvement</b>	Opportunities for business improvement and/or efficiencies have been identified.	0

- 3.7 The audit has been undertaken in accordance with the Global Internal Audit Standards in the UK public sector.
- 3.8 We would like to thank officers involved in this audit for their cooperation and assistance.
- 3.9 It is recommended that the Head of Audit and Inspection submits a further report to Committee on the implementation of the actions contained in the attached Action Plan.

## 4 Action Plan

No.	Observation and Risk	Recommendation	Priority	Management Response
<b>Key Control:</b> Employee records are accurately maintained.				
1	<p>The HSCP identified nine employees whose pay was incorrect at the time our payroll extract was taken. There were six underpaid employees and three overpaid employees.</p> <p>The six underpayments were for varying amounts and totalled £1,680, the highest amount being £593 and the lowest £34. For all six, the underpayment amounts were added to the employees next pay. These amounts were for small changes to the employee work patterns that had not been applied correctly but had occurred in the three months to June 2025.</p> <p>For the three overpayments, one was to a staff member who left the HSCP at the end of April 2025 but the Customer and Business Services (CBS) payroll team were not notified of this until the end of June 2025. The employee was overpaid £7,404 and has been invoiced for this amount (full amount still due at September 2025). The remaining two overpayments were for staff who continue to work for the Council, each had reduced their hours of work but due to managerial oversight, the service had not notified</p>	<p>HSCP senior management should remind managers:</p> <ul style="list-style-type: none"> <li>To submit details of changes to employee's details, including working patterns and hours, to HSCP HR in a timeous manner in order that these can be forwarded to CBS and acted on.</li> <li>Of their responsibilities in relation to managing and recording maternity leave, this should include ensuring that the relevant paperwork is submitted to CBS to allow for any pay adjustments to be made.</li> <li>That any overpayments should be actioned immediately to assist in the recovery process.</li> </ul> <p>Senior management should consider whether additional training is required to ensure that managers are fully equipped to deal with payroll related matters.</p>	<b>Medium</b>	<p><b>Response:</b></p> <p>Accepted</p> <p>We will issue a GCHSCP brief to remind managers of their responsibilities for notifying CBS of employee leaver notifications / Maternity Leave and contractual changes. We will issue a brief in January 2026 and then every 6 months.</p> <p><b>Officer Responsible for Implementation:</b></p> <p>Head of HR, GCHSCP</p> <p><b>Timescales for Implementation:</b></p> <p>31 January 2026</p>

No.	Observation and Risk	Recommendation	Priority	Management Response
	<p>CBS of this resulting in two overpayments. The first overpayment was for £5,126 and an agreed re payment plan is in place, the second was for £219 and was repaid in full in August 2025.</p> <p>Through review of the overpayments report, we also found that one of the service responses on the verification exercise was incorrect as it indicated an employee was still an employee when they had left in December 2024. The employee had been on maternity leave, however this had not been advised to CBS therefore the employee continued to be paid full salary instead of a reduced salary whilst on maternity leave. The employee then did not return to work following maternity leave resulting in an overpayment of £13,500 to a leaver. The employee has been invoiced for the overpayment.</p> <p>If changes to employment are not recorded and submitted in a timely manner there is an increased risk that under/overpayments may occur and may go undetected for a prolonged period.</p>			

No.	Observation and Risk	Recommendation	Priority	Management Response
2.	<p>The payroll verification exercise highlighted 55 staff who have a SAP record to allow them to carry out managerial duties within MyPortal. These are all NHS employees and are categorised as “External Chief” on Council systems, they do not receive any remuneration from GCC.</p> <p>We sampled five employees on this list and found that one had left the HSCP but their record on SAP was still live. No corporate process was found to exist for managing these positions.</p> <p>If SAP records for External Chiefs are not monitored appropriately, there is a risk that systems could be accessed or used inappropriately.</p>	<p>HSCP management should ensure that the External Chief employee found in the sample as having left has their SAP record closed immediately. Furthermore, management should review the remaining 54 External Chief users and ensure that these are appropriate and up to date.</p> <p>A process for reviewing and removing External Chief positions should be agreed and documented to ensure that access is removed timeously when it is no longer required. This should be communicated to all relevant staff.</p>	Medium	<p><b>Response:</b></p> <p>Accepted</p> <p>We are looking to implement a review of our External Chiefs on a quarterly basis starting January 2026.</p> <p><b>Officer Responsible for Implementation:</b></p> <p>Head of HR, GCHSCP</p> <p><b>Timescales for Implementation:</b></p> <p>31 January 2026</p>