



Glasgow City Council

Finance and Audit Scrutiny Committee

Report by Head of Audit and Inspection

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Item 5

25th March 2026

INTERNAL AUDIT – FOLLOW UP REPORT

Purpose of Report:

To provide the Committee with an update on the progress made by services in implementing audit recommendations during the period 22 December 2025 to 25 February 2026.

This report also includes the findings of a review of the status of a sample of previously closed recommendations.

Recommendations:

The Finance and Audit Scrutiny Committee is asked to:

- Note the content of the report.
- Note the progress made in terms of the recommendations implemented.
- Note that the Head of Audit and Inspection will submit further reports on the status of outstanding recommendations.

Ward No(s):

Citywide: ✓

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

1 Follow Up Summary

1.1 This report provides a summary of the status of Internal Audit recommendations previously reported to Committee. The report includes:

- A summary of the outstanding recommendations by Service.
- A summary of movement in the register.
- A register of outstanding recommendations.

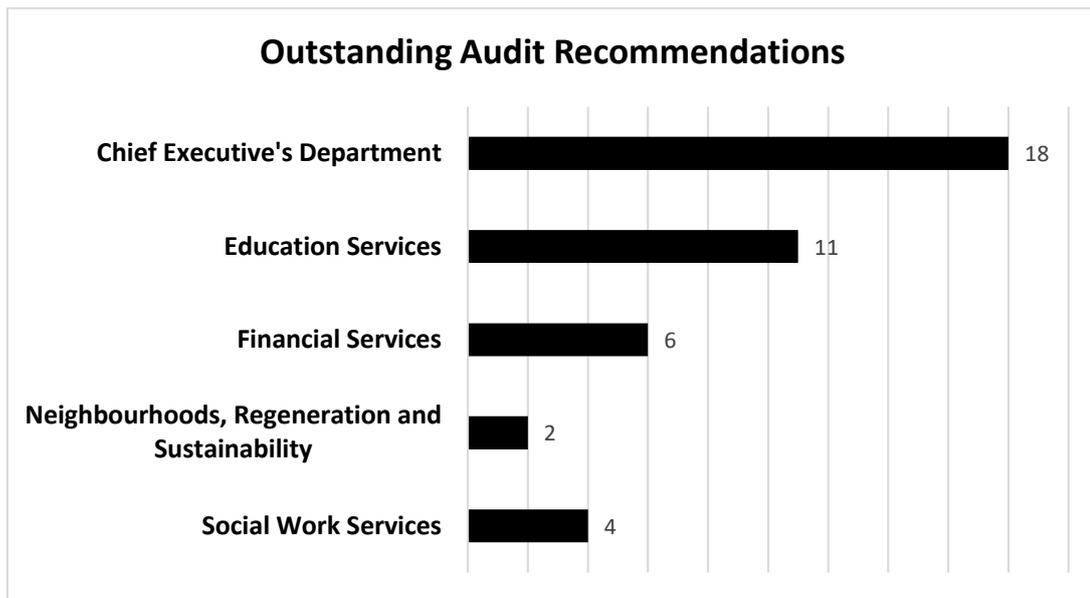
1.2 Internal Audit reports provide an independent assessment of the effectiveness and integrity of the Council's systems, providing assurance to the Council in this regard and with regard to Best Value.

1.3 Services are responsible for implementing previously agreed audit recommendations. As of 25 February 2026, 41 of these recommendations remain outstanding. The table below outlines the split of outstanding recommendations and their priority across each Service.

Table 1 – Outstanding Recommendations by Service

Service	Priority of Recommendation			Total
	High	Medium	Low	
Chief Executive's Department	7	11	0	18
Education Services	2	8	1	11
Financial Services	2	4	0	6
Neighbourhoods, Regeneration and Sustainability	0	2	0	2
Social Work Services	0	4	0	4
Total	11	29	1	41

Chart 1 – Outstanding Recommendations by Service



1.4 During the period from 22 December 2025 (the previous follow up report date) to 25 February 2025, Services satisfactorily implemented 5 recommendations. The table below shows the progress made by each Service during the period.

Table 2 – Progress since Previous Report

Progress since Previous Report	CED	ES	FS	NRS	SWS	Total
Recommendations Outstanding as at 22/12/2025	20	12	6	0	2	40
Recommendations added to register during period	1	0	1	2	2	6
less Recommendations Outstanding as at 25/02/2025	18	11	6	2	4	41
Recommendations Implemented During Period	3	1	1	0	0	5

1.5 A register of all recommendations which have passed the original implementation date is included as Appendix A.

2 Follow Up of Previously Closed Recommendations

2.1 As part of the 2025/26 Internal Audit Plan, we have carried out a review of previously closed recommendations to gain assurance that the enhanced controls implemented following the Internal Audit recommendations have been effectively sustained and continue to address the risks that were identified during the original audit.

2.2 We selected a sample of 25 previously closed findings across all Services, focusing on high priority recommendations. The findings in relation to 19 of these recommendations have previously been reported. Of the six remaining recommendations, we have confirmed that the enhanced control(s) previously implemented are still in place for three of these. However, for one Chief Executive (CEX) recommendation, we have found that the enhanced controls are no longer fully in place and an alternative risk mitigation has not been implemented. We will continue to follow this recommendation up with CEX staff to ensure that the associated risk is addressed. A further update will be provided to a later Committee with the findings of the remaining two recommendations.

3 Section 102 Report relating to Former Senior Officer Exit Payments

3.1 At a meeting on 14 August 2025, the Accounts Commission was presented with a statutory report by the Controller of Audit under section 102 of the Local Government (Scotland) Act 1973 in relation to the 2023/2024 audit of Glasgow City Council’s accounts concerning the exit packages for five former senior Council officers.

3.2 This report was presented to the full Council on 30 October 2025. The report included a number of questions for all Councils to consider in relation to lessons learnt. The table below outlines these questions and provides a brief overview of the current status within Glasgow City Council.

Questions for Councils to Consider	Status within GCC
Are schemes of delegation and codes of conduct fit for purpose and do they reflect the principles of public life?	<p>Amendments to the Scheme of Delegation were agreed by the City Administration Committee and approved by Full Council in May 2025. These changes amend and clarify the role of senior officers in relation to early retiral and voluntary severance and requires certain proposals to be referred to the Senior Officer Workforce Committee.</p> <p>These changes help to ensure that the key principles of public life, including objectivity and openness are complied with.</p>
Does the scheme of delegation include a clear process for considering proposals and approvals for restructure, redundancy and retirement and does it appropriately manage potential conflicts of interest?	The revised Scheme of Delegation outlines clear responsibilities in relation to employment issues and requires that proposals for early retiral and voluntary severance of Chief Officials are presented to the Senior Officer Workforce Committee.

<p>Is there appropriate officer and Councillor scrutiny of the decision making processes in relation to restructure, redundancy and retirement?</p>	<p>A Corporate Workforce Planning Board has been introduced with a remit including:</p> <ul style="list-style-type: none"> • Ensuring consistency of approach across the council. • Scrutiny of major reform proposals before submission to City Administration Committee. • Scrutiny of proposals which would lead to Chief Officials retiring early or being made redundant, but which are not major reform proposals, before submission to Appointment of Senior officers Committee (now renamed Senior Officer Workforce Committee). • Additional scrutiny of proposals which could be seen to benefit individuals or groups of individuals to give protection to those individuals and the council from a perception of vested interest or conflict of interest. • Guidance on the criteria to be considered when determining which service reforms require to be considered by Committee. <p>Regular reports are taken to the Finance and Audit Scrutiny Committee providing details in relation to employees granted flexible retirement, early retirement and voluntary redundancy.</p>
<p>Is there a good understanding and implementation of the requirements set out in the scheme of delegation relating to restructure, redundancy and retirement, through training and monitoring?</p>	<p>A series of corporate communications have been issued to Council staff and information has been published on the Council's website regarding the Section 102 report, including the Scheme of Delegation.</p> <p>Training has been recently rolled out across the Council on the Scheme of Delegation, with a focus on the link between decision making and the principles of public life, and includes an assessment of understanding.</p>
<p>Does the prevailing culture among senior officers reflect the standards and behaviours required by the principles of public life?</p>	<p>The Council is currently in the process of assessing culture amongst senior officers across the Council Family, using the Improvement Service's Culture Checklist. An action plan will be developed in response to this to enhance the culture to a future desired state, which reflects the standards expected.</p>

4 Recommendations for Committee

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- Note that the Head of Audit and Inspection will submit further reports on the status of outstanding recommendations.