



Glasgow City Council

Finance and Audit Scrutiny Committee

Report by Head of Audit and Inspection

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Item 4

25th March 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:

- Corporate Review – Establishment Visits
- Corporate Review – Preparedness for PPP Handback
- Corporate Review – Corporate Procurement Manual
- Corporate Review – Recruitment and Selection
- NRS – Weighbridge Controls

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 17 January 2026 and 13 March 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 17 January 2026 and 13 March 2026, five 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 **Corporate Review – Establishment Visits**

| | High | Medium | Low | Service Improvement |
|---------------------------|------|--------|-----|---------------------|
| Number of recommendations | 0 | 6 | 0 | 0 |

The purpose of the audit was to obtain assurance that there are sufficient and appropriate controls in place regarding a range of aspects, (e.g. physical security, information security, health and safety and cash management) and the effectiveness of these controls at each of the establishments visited.

Based on the audit work carried out, a reasonable level of assurance can be placed upon the control environment.

The recommendations relate to (1) physical security improvements, including door access codes and CCTV arrangements, (2) information security arrangements, e.g. the control of confidential waste and compliance with the leavers process, (3) further enhancing the health and safety arrangements in place across the Council, (4) the management of cash at establishments where cash is held, (5) ensuring compliance with the school funds management circular (MC23), where possible, and (6) the communication and recording of maximum class sizes, in line with MC19 (Number of Children and Young People in Rooms).

2.4 Corporate Review – Preparedness for PPP Handback

| | High | Medium | Low | Service Improvement |
|---------------------------|------|--------|-----|---------------------|
| Number of recommendations | 0 | 1 | 3 | 0 |

The purpose of the audit was to obtain assurance that there are sufficient and appropriate controls in place for the planning, identification and management of risks related to the PPP handover process and that the Council is adequately prepared to manage the handover effectively.

Based on the audit work carried out, a reasonable level of assurance can be placed upon the control environment.

The recommendations relate to (1) ensuring that risks relating to the project are documented, managed and routinely reported, (2) ensuring that contingencies are built into costs to account for known and unknown changes which could occur during the project (e.g. inflation), (3) the development of a lessons learned log, and (4) the approval of key project documents, including the Strategic Business Case.

2.5 Corporate Review – Corporate Procurement Manual

| | High | Medium | Low | Service Improvement |
|---------------------------|------|--------|-----|---------------------|
| Number of recommendations | 0 | 0 | 0 | 0 |

The purpose of the audit was to obtain assurance that there are adequate and proportionate procurement arrangements in place within the Council and that officers undertaking procurement activity are adhering to the Corporate Procurement Manual.

Based on the audit work carried out, a satisfactory level of assurance can be placed upon the control environment.

2.6 Corporate Review – Recruitment and Selection

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

The purpose of the audit was to gain assurance that there are adequate controls in place for an effective and efficient recruitment and selection process throughout Council Services.

Based on the audit work carried out, a reasonable level of assurance can be placed upon the control environment.

The recommendations relate to (1) the review and update of the Recruitment and Selection toolkit to include process timeframes where possible, and (2) the provision of performance information so that any delays can be identified and actioned at the earliest opportunity.

2.7 NRS – Weighbridge Controls

| | High | Medium | Low | Service Improvement |
|---------------------------|------|--------|-----|---------------------|
| Number of recommendations | 2 | 3 | 0 | 0 |

The purpose of the audit was to obtain assurance that there are sufficient and appropriate controls in place covering the management of the weighbridges operated by the Council.

Based on the audit work carried out, a reasonable level of assurance can be placed upon the control environment.

The recommendations relate to (1) the upkeep and recording of weighbridge related training, (2) the repair and upkeep of CCTV at one of the sites visited, (3) routinely verifying the continued charitable status of organisations benefiting from free domestic waste disposal, (4) the review of weighbridge system user accounts, ensuring that these remain commensurate with the role undertaken, and (5) the formal recording and approval of provisions granted to housing associations in relation to debt management.

2.8 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.