Agenda Item No: 11

Meeting of:	**Governance and Audit Committee**
Date of Meeting:	**Monday, 28 September 2026**
Relevant Scrutiny Committee:	Resources Scrutiny Committee
Urgent Decision Procedure Used **(If yes, why)**	No
Item Type	Part I
Report Title:	**Internal Audit Recommendation Monitoring**
Portfolio Holder:	No Relevant Cabinet Member
Strategic Leadership Team:	**Head of Finance/Section 151 Officer**
Lead Officer:	**Head of the Regional Internal Audit Service**

1.0 What is this report about?

This report is to provide members of the Committee with a position statement on internal audit recommendations made, implemented and outstanding as of 31st August 2026 and consider the information provided in respect of the status of the high and medium priority recommendations made by the Regional Internal Audit Service.

2.0 What are the Recommendations?

	Recommendations – What and How?	Reason for Recommendation – Why?
2.1	It is recommended that members of the Governance and Audit Committee note the content of the report and consider the information provided in respect of the status of the high and medium priority recommendations made by the Regional Internal Audit Service.	To keep Governance and Audit Committee informed on the status of Internal Audit recommendations and to review and assess the effectiveness of risk management and internal control.

3.0 What is the background to this report?

3.1 In accordance with the Global Internal Audit Standards, the internal audit activity must assess and make appropriate recommendations to improve the Council's governance, risk management and internal control. The Regional Internal Audit Service (RIAS) Strategy states that the implementation of agreed recommendations will be monitored.

3.2 Recommendations are made at the conclusion of an audit review if it is felt that improvements should be made to mitigate risk and strengthen controls. Recommendations are included, if appropriate, in the final audit report and recipients are asked to provide responses to indicate whether they agree with the recommendations and how and when they plan to implement them. To assist managers in focusing their attention, each recommendation is classified as being either high, medium or low priority.

3.3 **Table 1** shows the recommendation categorisation as follows:

Table 1 – Recommendation Categorisation	
Risk may be viewed as the chance, or probability, of one or more of the organisation's objectives not being met. It refers both to unwanted outcomes which might arise, and to the potential failure to realise desired results. The criticality of each recommendation is as follows:	
High Priority	Action that is considered imperative to ensure that the organisation is not exposed to high risks.
Medium Priority	Action that is considered necessary to avoid exposure to significant risks.
Low Priority	Action that is considered desirable and should result in enhanced control.

3.4 To ensure maximum coverage of the annual plan based on the capacity available within the team, the RIAS monitors the implementation of the high and medium priority recommendations, but the low priority recommendations are left to management to successfully implement.

3.5 Once the target date for implementation has been reached the relevant Officers will be contacted and asked to provide feedback on the status of each agreed high and medium priority recommendation. The implementation of these recommendations is monitored using internal audit software to ensure that improvements are being made.

3.6 Any audits concluded with a *No Assurance* or *Limited Assurance* opinion will also be subject to a follow up audit.

4.0 What issues are there to be considered?

4.1 **Appendix A** provides the status of the high and medium priority internal audit recommendations made as of 31st August 2026. This includes all audits completed from this financial year's plan and any audits completed in previous years where recommendations are yet to be implemented.

4.2 Table 2 below illustrates that of the 20 medium priority recommendations made in 2026-27 audits, 1 has been implemented and the remaining 19 have a future target date.

Table 2 - Summary of the Recommendation Status – 2026-27 Audits

	No. Made	Not Agreed	Imp.	Overdue			Future Target Date		
				High	Med.	Total	High	Med.	Total
2026-27	20	0	1	0	0	0	0	19	19

4.3 **Appendix A** also includes the high and medium priority recommendations made in relation to audits completed in previous years which are yet to be implemented and therefore the identified risk remains. This information is summarised in Table 3.

Table 3 - Recommendation Status – Audits Completed Pre-2026-27

	No. Made	Not Agreed	Imp.	Overdue			Future Target Date		
				High	Med.	Total	High	Med.	Total
2023-24	163	0	161	0	0	0	1	1	2
2024-25	117	0	114	0	0	0	0	3	3
2025-26	123	0	97	0	0	0	3	23	26
Total	**403**	**0**	**372**	**0**	**0**	**0**	**4**	**27**	**31**

4.4 Table 3 identifies the number of recommendations made, in each financial year, which are overdue or still have a future implementation date. There are currently no overdue recommendations.

4.5 **Appendix B** provides details of the 4 high-priority recommendations that have yet to be implemented as well as the 4 medium priority recommendations made in audits undertaken in 2023-24 and 2024-25 that still have a future implementation date. Until these are implemented the identified risks remain. The relevant Service Managers have provided updates on the progress being made to implement each recommendation and to provide assurance that any risks are being mitigated in the meantime. Managers were also asked to confirm the agreed dates or amend target dates if necessary.

4.6 All high and medium priority recommendations continue to be monitored and any undue delays are reported to the Council's Senior Leadership Team and ultimately to this Committee.

5.0 How has evidence been used to inform the report, including the views of others?

5.1 Recommendations were made at the conclusion of an audit where improvements were necessary to mitigate risks and strength controls. If Managers accept the recommendation, they provide a target date for implementation. Auditors monitor this information and liaise with Managers to seek assurance that each recommendation has been implemented by the agreed date or reasons why not. Managers are given the opportunity to provide commentary which includes any mitigating action that may be taken during the intervening period.

6.0 What are the next steps if the recommendations are approved?

6.1 The Regional Internal Audit Service will continue to monitor the implementation of recommendations, and any undue delays will be reported accordingly.

7.0 How does this report support Vale 2030 and Reshaping?

7.1 Internal Audit is a support service which does not directly provide a council service to the public.

7.2 Internal audits provide assurance on the adequacy and effectiveness of the internal control environment, governance arrangements and risk management processes in place. Recommendations are made to strengthen controls and mitigate identified risks. This in turn gives confidence to the effective, economic and efficient use of public funds and resources and the minimalization of fraud and error across those services.

7.3 The internal audit process often opens discussions on how services could be delivered more effectively, economically and efficiently.

8.0 How does this demonstrate the Five Ways of Working?

8.1 Long term –Provides positive assurance on sound financial management which gives a firm foundation for future delivery of services.

8.2 Integrated – providing audit assurance on the compliance with policies, procedures and legislation and the proper use of public funds, supports service areas to deliver their services in line with the well-being goals. Where appropriate audit reports will include recommendations to make service delivery more efficient.

8.3 Involved – Managers are given the opportunity to discuss audit findings and the recommendations made.

8.4 Collaborative –Good practice is shared across the 3 partner Local Authorities within the Regional Internal Audit Service (RIAS). RIAS is a member of the Welsh Chief Auditors' Group which also shares good practice on service delivery.

8.5 Preventative – identifying weaknesses in control, governance or risk management now will minimise the potential of fraud and error and also small issues escalating into much bigger problems in the future.

Resources

9.0 Finance

9.1 There are no resource implications as a direct consequence of this report, but effective audit planning, monitoring and reporting are key contributors in ensuring that the Council's

assets and interests are properly accounted for and safeguarded.

10.0 Workforce

10.1 There are no workforce issues as a direct consequence of this report

11.0 Legal and Equalities

11.1 Does an Equalities Impact Assessment need to be completed? No

11.2 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

11.3 The provision of an adequate and effective Internal Audit function is a legal requirement under the Accounts and Audit (Wales) Regulations 2014 as amended from time to time.

12.0 **Key Contacts**

12.1 **Who are the primary officers to contact with any comments and/or queries on the report?**

Lead Officer: Andrew Wathan Head of Regional Internal Audit Service	Democratic Services Officer: Gareth Davies

Appendix

Appendix A – Recommendations Monitoring

Appendix B – Recommendations Made Prior to 2026-27 Not Implemented

Background Documents

none

Vale of Glamorgan Council - Recommendation Monitoring

Audit Name	Audit Opinion	Final Report Date	Number Made			Not Agreed	Implemented			Overdue			Future Target Date		
			High	Medium	Total		High	Medium	Total	High	Medium	Total	High	Medium	Total
2023-24	**Total Recs Made**		26	137	**163**	0	25	135	**161**	0	0	**0**	1	1	**2**
PCI-DSS Follow Up	LIMITED	21-09-23	0	3	**3**	0	0	2	**2**	0	0	**0**	0	1	**1**
Ysgol Y Deri & St Cyres Building Compliance Follow Up	REASONABLE	23-04-24	1	1	**2**	0	0	1	**1**	0	0	**0**	1	0	**1**
Total			**1**	**4**	**5**	**0**	**0**	**3**	**3**	**0**	**0**	**0**	**1**	**1**	**2**
2024-25	**Total Recs Made**		11	106	**117**	0	11	103	**114**	0	0	**0**	0	3	**3**
Cyber Security in Schools	REASONABLE	09-01-25	0	3	**3**	0	0	2	**2**	0	0	**0**	0	1	**1**
ICT Business Continuity Follow Up	LIMITED	20-01-25	3	2	**5**	0	3	1	**4**	0	0	**0**	0	1	**1**
Civil Enforcement Follow-up	REASONABLE	14-04-25	0	2	**2**	0	0	1	**1**	0	0	**0**	0	1	**1**
Total			**3**	**7**	**10**	**0**	**3**	**4**	**7**	**0**	**0**	**0**	**0**	**3**	**3**
2025-26	**Total Recs Made**		7	116	**123**	0	4	93	**97**	0	0	**0**	3	23	**26**
Tender Evaluation & Award Follow Up (Project & Planned Team)	REASONABLE	22-10-25	1	1	**2**	0	0	1	**1**	0	0	**0**	1	0	**1**
Building Control	SUBSTANTIAL	07-11-25	0	1	**1**	0	0	0	**0**	0	0	**0**	0	1	**1**
Fleet Management	REASONABLE	05-12-25	0	4	**4**	0	0	3	**3**	0	0	**0**	0	1	**1**
Corporate Building Compliance	LIMITED	06-02-26	2	2	**4**	0	0	1	**1**	0	0	**0**	2	1	**3**
Highways Potholes	REASONABLE	10-02-26	0	4	**4**	0	0	3	**3**	0	0	**0**	0	1	**1**
Complaints & Compliments (Social Services)	REASONABLE	12-02-26	0	4	**4**	0	0	1	**1**	0	0	**0**	0	3	**3**
Community Safety	REASONABLE	24-02-26	0	1	**1**	0	0	0	**0**	0	0	**0**	0	1	**1**
School Governance & Budget Monitoring	REASONABLE	06-03-26	0	11	**11**	0	0	10	**10**	0	0	**0**	0	1	**1**
Local Authority Trading Company (LATC) Governance & Performance R	REASONABLE	24-03-26	0	3	**3**	0	0	0	**0**	0	0	**0**	0	3	**3**
Out of County Placements (ALN)	REASONABLE	07-04-26	0	4	**4**	0	0	2	**2**	0	0	**0**	0	2	**2**
Office Equipment Inventory Follow-up	REASONABLE	28-04-26	0	2	**2**	0	0	1	**1**	0	0	**0**	0	1	**1**
Officer Code of Conduct Follow Up	REASONABLE	18-05-26	0	5	**5**	0	0	0	**0**	0	0	**0**	0	5	**5**
Stores Management (Alps)	REASONABLE	18-05-26	0	5	**5**	0	0	2	**2**	0	0	**0**	0	3	**3**
Total			**3**	**47**	**50**	**0**	**0**	**24**	**24**	**0**	**0**	**0**	**3**	**23**	**26**
2026-27															
Regional Adoption Service	SUBSTANTIAL	12-06-26	0	2	**2**	0	0	0	**0**	0	0	**0**	0	2	**2**
Ysgol Gymraeg Pen y Garth	REASONABLE	07-07-26	0	6	**6**	0	0	1	**1**	0	0	**0**	0	5	**5**
Special Guardian Orders	REASONABLE	30-07-26	0	6	**6**	0	0	0	**0**	0	0	**0**	0	6	**6**
Illegal Money Lending Grant 2025-26	SUBSTANTIAL	06-08-26	0	1	**1**	0	0	0	**0**	0	0	**0**	0	1	**1**
Bus Service Support Grant 2025-26	REASONABLE	04-08-26	0	3	**3**	0	0	0	**0**	0	0	**0**	0	3	**3**
Microsoft 365 - Licensing & Application Utilisation	REASONABLE	12-08-26	0	1	**1**	0	0	0	**0**	0	0	**0**	0	1	**1**
SRS Joint Service	REASONABLE	06-08-26	0	1	**1**	0	0	0	**0**	0	0	**0**	0	1	**1**
Total			**0**	**20**	**20**	**0**	**0**	**1**	**1**	**0**	**0**	**0**	**0**	**19**	**19**

Vale of Glamorgan Council – Recommendations Made pre 2026/27 (not implemented)

Audit	Final Report Date	Recommendation	Category	Agreed Date	Current Position Management Update	Responsible Officer
PCI – DSS (Payment Card Industries – Data Security Standards) *(Limited Assurance)*	21-09-23	Complete the review by Qualified Security Assessor to obtain assurance on the Council's PCI-DSS position. Complete and return the Self-Assessment Questionnaire and the Attestation of Compliance to Worldpay.	Medium	31/01/24 Revised 31/10/24 30/04/25 31/01/26 31/03/26 31/08/26 31/10/26	A formal review and completion of the self-assessment questionnaire to enable sign off was scheduled. An on-site inspection took place week commencing 31st August and sign off is expected in the forthcoming weeks.	Operational Manager for Accountancy
Ysgol Y Deri & St Cyres Building Compliance Follow Up *(Reasonable Assurance)*	23-04-24	As per the previous recommendation, continued efforts are made by both schools, with the assistance of the Local Authority, to enter a new formal agreement that clearly defines and documents the individual and shared responsibilities of both schools.	High	31/07/24 Revised 31/12/24 31/08/25 31/11/25 30/09/26	A number of meetings have been held in the summer term to split the shared services on a 50:50 basis and to record this in an updated Modus Operandi document. An advanced draft Modus Operandi document is in place and is currently being considered by both schools with full implementation planned from Autumn 2026. As well as the Modus Operandi document, an appendix spreadsheet provides more detail on each shared compliance matter. In the meantime, and until this 50:50 split is finalised, St Cyres School continue to oversee all shared compliance matters, with the exception of the Water Safety Group which is led by Ysgol y Deri.	Headteachers & Governing Bodies (both schools) & Operational Manager, Strategy and Resources

Audit	Final Report Date	Recommendation	Category	Agreed Date	Current Position Management Update	Responsible Officer
Cyber Security in Schools *(Reasonable Assurance)*	9-01-25	The Council should have a mechanism by which it can identify any significant gaps in the completion rates of cybersecurity related training across its schools. In alignment with this, the need for cybersecurity related training should be strongly advised amongst schools with consideration given to it becoming a mandatory requirement.	Medium	30/06/26 Revised 30/09/26	The Council uses iDev as the approved mechanism for delivering and recording training and identifying gaps in completion rates in schools in the same way as it does elsewhere in the Council. Any iDev training available to corporate staff is therefore also available to school-based staff. The OM for Organisational Development has advised that all Cyber Security resources hosted on iDev will be made available Council wide in the coming weeks as part of the roll out of the new software. School specific training resources issued via partners such as WG on Cyber security and other matters are shared with schools along with timely reminders in relation to cybersecurity good practice. Reference to the requirement to ensure schools are appropriately trained and resilient in terms of cyber security is made in individual School Digital Strategies.	Operational Manager, Strategy & Resources
ICT Business Continuity Follow Up *(Limited Assurance)*	20-01-25	Recovery scenario training exercises are to be devised and completed on a periodic basis with an accompanying step-by-step process of the actions and order of actions to be devised and updated with each exercise completed.	Medium	30/06/26 Revised 30/11/26	Following migration to the cloud, we are finalising the decommissioning of our data centre assets. The team are also finalising the creation of the updated documentation. We will then create recovery exercises and complete these. Whilst the risk is not fully mitigated, we have tested full recovery of subsets of data in the event of a server failure and the likelihood of total loss of a cloud data centre, whilst not impossible, is significantly lower than an incident on premises.	OM – Digital IT

Audit	Final Report Date	Recommendation	Category	Agreed Date	Current Position Management Update	Responsible Officer
Civil Enforcement Follow-up *(Reasonable Assurance)*	14-04-25	The Council needs to adopt an Enforcement Policy that reflects current working practices and legislation	Medium	31/05/25 Revised 30/09/25 30/04/26 30/09/26 31/12/26	The development of the Enforcement Policy has been delayed due to staffing changes and the recruitment of a new Enforcement Manager. During this period, the need for a wider review of the Enforcement Service became evident, including consideration of charging mechanisms, Fixed Penalty Notice levels and opportunities to improve cost recovery. It is therefore considered appropriate to undertake this review alongside the draft policy development to ensure both reflect current operational practices and future service requirements. The review is expected to conclude by the end of 2026, with a revised Enforcement Policy and updated business case presented to Cabinet for consideration, thereafter.	Operational Manager Transport Services
Tender Evaluation & Award Follow Up (Project & Planned Team) *(Reasonable Assurance)*	22-10-25	Aggregate and cumulative spend with individual contractors must be compliant with Council's Procurement Code of Practice and Contract Procedure Rules. Procurement advice from Ardal regarding dynamic purchasing systems, frameworks available or the process to create frameworks must be sought.	High	30/6/26 Revised 30/9/26	Increased use has been made of frameworks where larger projects are undertaken. All jobs are now receiving three quotes when using external contractors. The service has focused on the larger value contracts and is now working through contractors with lower cumulative values.	Operational Manager - Building
Corporate Building Compliance *(Limited Assurance)*	06-02-26	The Council must establish a central process to ensure that inspection reports, provided by the Council's insurers, on the Council's plant, machinery & equipment undertaken and are reviewed, monitored and, in instances of non-compliance, escalated & reported at an appropriate level.	High	30/6/26 Revised 30/9/26 30/11/26	This recommendation was expected to be implemented prior to transfer of the Corporate Landlord function. Additional administrative capacity was approved and recruitment commenced to support this work; however, the resignation of an existing administrator and the subsequent withdrawal of a successful candidate delayed implementation. An extension has therefore been agreed and the Head of Corporate Landlord will continue to	OM Building Services; Health, Safety & Wellbeing Manager, and Head of Corporate Landlord

Audit	Final Report Date	Recommendation	Category	Agreed Date	Current Position Management Update	Responsible Officer
					progress this work following the introduction of the Corporate Landlord service.	
		The Council must establish a central process to ensure that significant remedial work identified within service & inspection certificates is recorded, monitored and, where necessary, escalated and reported at an appropriate level.	High	30/6/26 <u>Revised</u> 30/9/26 30/11/26	As above	OM Building Services & Head of Corporate Landlord