



Resources Directorate Internal Audit Section



Internal Audit Progress Report (as at 30 September 2025)

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Internal Audit Progress Report

1. Introduction

1.1 Background

This Internal Audit Progress Report summarises performance against the Audit Plan, including work completed, key findings, recommendations, emerging trends, and value-for-money observations. It covers the period 1 July to 30 September 2025 and follows the update provided at the Committee meeting on 16 September.

The Audit Plan provides the framework for annual audit work, aligned to the Council's governance arrangements which is responsive to changing risks throughout the year

1.2 Independence and objectivity

The Internal Audit section reports to the Audit Manager. Organisational independence is maintained, as the Audit Manager has not been responsible for managing any functions beyond the Internal Audit and Investigation teams. The Audit Manager reports administratively to the Chief Finance and Deputy S151 Officer and functionally to the Governance and Audit Committee. There have been no impairments to independence or objectivity.

All auditors have completed annual declarations of interest, and there are measures in place to manage any potential conflicts. They have also signed acknowledgements covering ethics, professionalism, and information use, in line with Audit Standards.

1.3 Non-Audit Responsibilities

In 25 March 2025, [Committee](#) considered and had no objections in principle, to the Audit Manager being appointed as a replacement Director for an outgoing Council officer of [Cardiff Heat Network](#).

Cardiff Heat Network is an arms-length wholly owned Council Special Purpose Vehicle, established to use heat generated at Viridor's Energy Recovery Facility (ERF) at Trident Park, which diverts non-recyclable waste from landfill every year. The first phase of the heat network involved construction works to enable heating to a number of large buildings in the city, including the replacement County Hall building, the new Indoor Arena, the Millennium

Centre, Tŷ Hywel, Cardiff & Vale College main building and Tresillian House. Full business case details are available [here](#). The Heat Network is moving into an operational phase.

The Chief Executive approves any Board Member changes, and the appointment of the Audit Manager as a Director will be formalised in the coming weeks.

The Internal Audit Charter advises that:

“In any case where the Audit Manager has, or is expected to have, roles and / or responsibilities that fall outside of internal auditing, safeguards will be established to maintain independence and objectivity.”

The Internal Audit Charter also states that:

“Any temporary non-audit responsibilities of the Audit Manager or assurance engagements over which the Audit Manager has responsibility will require an independent third party to provide assurance during the assignment period and for the subsequent 12 months upon completion of the work if such assurance activities are required regarding that area. In this event the Audit Manager will establish a plan to transition temporary responsibilities to management.”

The proposed safeguards agreed with the Committee in principle in March 2025 would apply, to manage any perceived risk of independence and objectivity. These are that the Audit Manager would not be involved in any audit work relating to:

- I. The Cardiff Heat Network, and
- II. Prosiect Gwyrdd – as Viridor will have a charge mechanism with Prosiect Gwyrdd to allow the trident park energy from waste to operate in heat extraction mode

In accordance with the Audit Charter, and an independent manager with the required qualifications and skills of a Chief Audit Executive, as per the Audit Standards, would be responsible for overseeing any such audits, with no involvement of the Audit Manager.

1.4 Conformance with Audit Standards

The Internal Audit Service operated under the [Public Sector Internal Audit Standards](#) (PSIAS) until 31 March 2025 and under the Global Internal Audit Standards (GIAS) for the UK Public Sector from 1 April 2025.

The GIAS in the UK Public Sector are represented by the Global Internal Audit Standards ([GIAS](#)), subject to the Interpretations of the Application Note for the UK Public Sector ([Application Note](#)), and the CIPFA Code of Practice for the Governance of Internal Audit in the UK Local Government ([Code](#)).

A Quality Assurance and Improvement Programme (QAIP) supports professional standards and service quality. The QAIP includes ongoing monitoring, periodic reviews, and an external assessment every five years, as required by the Standards

The focus of the Audit Management Team is on embedding the new regime, which is supported by the development of new audit methodologies to guide staff, a training and development programme and the updates to the Audit Strategy and Charter considered by Committee in its March meeting.

The latest 5-yearly external assessment with the PSIAS was completed and reported to the Governance and Audit Committee in March 2023, led by the Chief Auditor in Monmouthshire / Newport Councils, who was allocated to undertake the peer assessment of Cardiff Council's Internal Audit service. The assessment reported no partial or non-conformance. The next external assessment will be due by March 2028 and will assess conformance with the GIAS in the UK Public Sector.

1.5 Continuing Professional Development

A strong baseline of knowledge and skills was recognised across the Audit Team through the Audit Manager's annual review, informed by personal reviews and skills assessments

Audit staff have formalised objectives for 2025/26 in line with corporate timescales. A Training Plan is in place for all auditors, with additional needs identified through personal reviews, supervision, post-audit assessments, and documented learning points. Additionally, funding has been agreed for one Auditor to commence the Certified Internal Auditor (CIA) qualification with the Institute of Internal Auditors this autumn.

2. Summary of Work Performed

The following audit summary covers the work programme for 2025/26, and the associated activities, resources, findings, and measures of performance in quarter two 2025/26.

2.1 Current Activities

Any audits that were targeted to conclude in 2024/25, but were ongoing at the year end, have been completed.

The Internal Audit Team has been progressing the 2025/26 Plan and has provided management advice and guidance on control design and assurance where there has been an identified need and in cases of process change.

As at 30 September 2025, 26 new audits have been completed to at least draft stage, and 25 prior-year audits have been finalised. A summary of audit outputs and opinions is shown below.

Figure 1. Audit outputs and opinions (at 30 September 2025)

Status	Number of completed audits	Opinion				
		Effective	Effective with opportunity for improvement	Insufficient with major improvement needed	Unsatisfactory	No opinion given
Draft	15	0	14	0	1	0
Final	36	3	21	2	1	9
TOTAL	51	3	35	2	2	9
	26	New Audit Engagements completed				
	25	Finalised Audit Engagements from 2024/25				

Over the reporting period, one draft audit output has been issued with an opinion of 'unsatisfactory'. Information on this audit is provided within Section 2.4 – Critical Findings or Emerging Trends.

Figure 2. 2025/26 Audit outputs and opinions (at 30 September 2025)

No.	Assurance Audit Engagement	Audit Opinion
1.	Supported Living	Effective
2.	Home Care	Effective with Opp' for improv't
3.	Statutory Compliance	
4.	Gabalfa Primary School	
5.	Greenhill School	
6.	St. Patrick's Primary School	
7.	Mental Health Day Services	
8.	Ely and Caerau ICC	
9.	Disabled Facility Services	
10.	Technology Risk Management	
11.	VFM - Invest to Save	
12.	Corporate Complaints Handling	
13.	Safeguarding	
14.	Music Service	
15.	Eastern High	
16.	Bereavement Services	
17.	School Transport	
18.	Ysgol Gyfun Gymraeg Bro Edern	Unsatisfactory
19.	PRU - Y Deryn Family of Schools	
Audit Work with 'No Opinion'		
20.	Joint Committees - Prosiect Gwyrdd	Consultancy, certification, advice and guidance
21.	Joint Committees - Port Health Authority	
22.	Joint Committees - Glamorgan Archives	
23.	Small Body Return - Foster Wales and National Adoption Joint Committee	
24.	Innovate Grant	
25.	Purchasing Payments and Processing - CRSA 2025/2026	Control Risk Self-Assessments
26.	Payroll & HR - CRSA 2025/2026	
Concluded Audits from the Prior Year		
27.	Payroll and HR processes 2023/24	Effective
28.	Allocations, Lettings and Voids	
29.	Income Recovery	Effective with opportunity for
30.	Llysfaen Primary School	

No.	Assurance Audit Engagement	Audit Opinion	
31.	Emergency Duty Team	improvement	
32.	Residential Care		
33.	Governor Services		
34.	All Saints Primary School		
35.	Cardiff High School		
36.	Ysgol Hamadryad		
37.	Rumney Primary School		
38.	St Teilo's C.W. High School		
39.	Radyr Comprehensive School		
40.	Payroll & HR, in-year Testing 2024/25		
41.	Housing Development and Regeneration		
42.	Corpus Christi High School		
43.	Follow-up audit – Falconwood		
44.	Meadowbank School		
45.	Ysgol Plasmawr		
46.	Llanedeyrn Primary School		
47.	Children's Pocket Money and Savings		
48.	Below Tender Threshold Procurement Controls		Insufficient, major Improv't needed
49.	Lamby Way stores		
50.	Castle Canteen Advisory Review		No Opinion
51.	St. David's Hall Post Closure Review		

The following outputs were not given an assurance opinion, and the reasons are outlined below:

Figure 3. Completed audits without an assurance opinion (at 30 June 2025)

Audit	Comments
Joint Committees - Prosiect Gwyrdd	Work to support completion of Statement of Accounts, 2024/25
Joint Committees - Port Health Authority	
Joint Committees - Glamorgan Archives	
Small Body Return - Foster Wales and National Adoption Joint Committee	Certification
Innovate Grant	
Purchasing Payments and Processing - CRSA 2025/2026	Control Risk Self-Assessments (CRSAs)
Payroll & HR - CRSA 2025/2026	

The report status for the year to date is shown in **Appendix A**.

2.2 Resources

There have been no changes to the establishment during the reporting period, and all posts remain filled. One case of long-term sickness absence continued, and another commenced during quarter 2. Both members of staff returned to work after this reporting period.

Timesheet analysis recorded 621 chargeable days against a pro-rata target of 766 days, with the variance primarily attributable to sickness, additional leave and training. Despite this, overall audit output has remained positive (refer to Section 3.2 – Performance). A review in quarter 1 identified inconsistencies in time coding, which have been addressed with relevant staff.

Time is available for audit development activities, and all auditors are progressing their individual training plans in line with the Continuing Professional Development framework (Section 1.5)

2.3 Annual plan

The Committee approved the Audit Plan 2025/26 in its meeting in March 2025. At this time, it was advised of the position against the Audit Plan 2024/25 including the audit targets for the remainder of the quarter. Details were also provided on how assurance would be achieved for planned audit engagements that would not be completed from the Audit Plan 2024/25.

The 2025/26 Audit Plan (Appendix B) is set annually but remains flexible and is subject to ongoing risk assessment and review to address emerging risks. In-year changes may be introduced where appropriate.

- In Appendix B, audits being concluded from 2024/25 are shown in grey for tracking purposes and to distinguish them from the audits for 2025/26.
- The Audit Manager has added one audit under his delegation to add audits of up to 10 planned audit days. This relates to certifying 'Innovate' Welsh Government Grant spend.

There has been a good start in delivery of the Audit Plan 2025/26, although it remains lower than targeted as at quarter 2 (see Section 3.2 – Performance). A number of school audits which are small in size will start in quarters 3 and 4. This will improve the proportion of audits delivered.

Audits are allocated on a basis that provides the greatest assurance and value and mitigates any impairment to the annual opinion of the Audit Manager on the Council's control environment for 2025/26.

2.4 Critical findings or emerging trends (Q2 2025/26)

At its July meeting, the Committee was advised that a draft report had been issued providing an unsatisfactory assurance opinion in respect of Ysgol Gyfun Gymraeg Bro Edern. The Headteacher of another Cardiff school (Ysgol Glantaf) has since joined Ysgol Bro Edern as Executive Headteacher, and a Head of School (also from Ysgol Glantaf) has also joined the school. These management changes commenced at the beginning of this academic year as part of a two-year collaboration between the two schools to strengthen teaching and learning, improve governance, and raise standards. The audit report has now been finalised with the incoming school management, and an executive summary is provided at Appendix C for information.

During quarter 2, an unsatisfactory audit opinion was issued for the Pupil Referral Unit (PRU) – Y Deryn Family of Schools. The audit identified control issues in a number of key areas, including governance, financial administration, budgetary control, procurement, and asset management. Specific issues included incomplete governance frameworks, inadequate oversight, questionable and miscoded expenditure, inconsistent procurement practices, and the absence of an asset register. The Headteacher at Fitzalan High School has been assigned oversight responsibilities as part of a support package for the PRU to address control matters. The draft report has been discussed with the Director of Education and PRU management, and a course of action is being agreed. Once the report is finalised, an executive summary will be presented to the Committee. Internal Audit will monitor progress through the recommendation tracker and regular engagement with management, with a follow-up audit scheduled in line with protocol.

2.5 Value for Money findings (Q2 2025/26)

An audit of Invest to Save has been completed over the reporting period which had a value for money theme. The report, which is at draft stage, concludes that the Council has a structured and broadly effective approach to scheme evaluation and award, with sound corporate recovery and overall management of funding allocated to scheme owners. However, the actual performance of schemes and the revenue implications on directorate budgets are not corporately monitored, and it is recommended that this is introduced.

The vast majority of audits undertaken by the Internal Audit Team have objectives which cover value for money assurances, from which a general satisfactory level of assurance can be provided for the reporting period. However, within an audit with a lower assurance opinion or an advisory audit with high priority rated recommendations, there would be control gaps which need to be

addressed to provide assurance that the objectives of these services are being run with proper attention to a combination of economy, efficiency, and effectiveness.

3. Audit Performance and Added Value

3.1 Added Value

Relationship Manager meetings continue to be held with Directors and their representatives quarterly, with particular focus given to understanding the priorities and risks within each management team, and the changes to systems or processes planned or underway, in order to direct audit advice and inform the planning of audit engagements.

Feedback from audit clients has been positive with 100% satisfaction and 91% of clients scoring all areas of their audit as good or excellent. Only one client reported that they were not sure if their audit added value.

In the audit outputs issued to date (as at 30 September 2025), there have been 205 recommendations made, 54 recommendations have been agreed, and all other recommendations are being considered by audit clients through draft audit outputs. These are summarised below:

Figure 4. Recommendations raised and agreed

Rating	Recommendations made	Recommendations agreed	Recommendations being considered
Red	15	6	9
Red / amber	113	18	95
Amber / green	71	26	45
Green	6	4	2
TOTAL	205	54	151

3.2 Performance

As outlined in section 2.1 ('Current Activities'), the priorities and approach of the Internal Audit Team during the quarter were to progress the 2025/26 Plan and to provide management advice and guidance on control design and assurance where there has been an identified need and in cases of process change.

Figure 7 contains the performance indicators and targets for 2025/26, together with the outcomes for 2024/25 for consideration and comment by the Governance and Audit Committee.

At the outset of the year, a proposed target for delivery of the Audit Plan is set at 70% and this has been integrated into audit planning and performance management processes. The target is considered to be stretching and achievable and performance in the year to date whilst below pro rata target, represents a reasonably strong position. (see Section 2.3 – Annual Plan). A number of school audits will commence in Q3 and Q4, and these audit require a smaller number of audit days than many other areas. This will improve the proportion of audits delivered.

As referred to in Section 2.2 – Resources, the audit output of the team has been positive over the quarter, particularly when taking into account staff availability due to sickness, additional leave and training.

A number of audits have been finalised from last financial year, as is shown in figure 2, but attention will be given to the timely conclusion of draft audit reports issued this year. Attention is also being given to delivery of draft reports within four week target of concluding audit fieldwork in the year to date which remains below target.

Governance and Audit Committee Members have taken particular interest in performance against the percentage of audit recommendations implemented within the agreed timescale, which has been below target for a number of years. A target is proposed of 80% for 2025/26, which represents an ongoing expectation of the high delivery of agreed management actions, and an expected improvement of directorate performance from 2024/25. The performance measure has not been achieved in the year to date and is a continued focus of attention in audit relationship management meetings and SMT engagement.

Figure 5. Performance against targets for 2025/26 (to date)

Performance Indicator	2024/25 Outcome	2025/26 Target	Q1 Outcome	Q2 Outcome
The percentage of the Audit Plan completed	57%	70%	16%	30%
The average number of audit productive days per FTE	145	150	28.53	62.35
The average number of finalised audits per FTE	5.47	8	2.68	4.02
The percentage of draft audit outputs delivered within four weeks	84%	90%	79%	81%
The percentage of audit recommendations implemented within the agreed timescale	63%	80%	57%	56%

3.3 Audit Plan Delivery

In addition to monitoring and managing the numbers of audits delivered, audit engagements are allocated in order to ensure that there is a breadth of assurance by the financial year-end, upon which to provide a complete Audit Manager annual opinion.

As outlined in section 2.1 – Current Activities, there have been twenty-six new audit engagements completed in current year to date. The current position for the full Audit Plan 2025/26 is shown in **Appendix B – Audit Plan**.

3.4 Recommendations

A summary of the audit recommendations and progress at the reporting date are provided within **Appendix D**. Full recommendation trackers on the recommendations open, and those completed since the last committee, are available for Governance and Audit Committee Members via a SharePoint site for information and reference.

Figure 6. Revised recommendation implementation dates and status

Directorate / Audit Category	Number of recommendations with revised dates	Actions now implemented	Actions still open
Fundamental	18	13	5
Corporate	49	33	16
External and grants	5	5	0
People and Communities	1	1	0
Adults, Housing and Communities	44	39	5
Children’s Services	32	27	5
Economic Development	76	51	25
Education and Lifelong Learning	47	32	15
Planning Transport and Environment	39	34	5
Resources	50	46	4
Governance and Legal Services	7	7	0
Waste Management	7	3	4
	375	291	84
Schools	275	237	38
TOTAL	650	528	122

NB - It should be noted that the table above represents the position as at 30 September 2025, whereas the recommendation tracker appendices show the detailed position against each recommendation at the closest possible date to each Committee meeting.

4. Conclusion

4.1 Summary

The UK Public Sector GIAS have applied since April 2025. The Audit Management Team is focused on embedding this regime through new audit methodologies, a training and development programme, and updates to the Audit Strategy and Charter considered by Committee in March.

Delivery of the 2025/26 Audit Plan has started well but remains below target at Q2. A number of school audits will commence in Q3 and Q4, and these audit require a smaller number of audit days than many other areas. This will improve the proportion of audits delivered. Audits are allocated on a basis that provides the greatest assurance and value and mitigates any impairment to the annual opinion of the Audit Manager on the Council's control environment for 2025/26.

Audits from the previous year have been finalised, and efforts continue to conclude current draft reports promptly. Emphasis is placed on issuing draft reports within four weeks of fieldwork and reinforcing timely implementation of recommendations through audit relationship meetings and SMT engagement.

Following Committee consideration of the Audit Manager's appointment as a Director of Cardiff Heat Network, an arms-length wholly owned Council Special Purpose Vehicle in March, the Chief Executive will formalise Board changes in the coming weeks. Independence safeguards for this non-audit role, as previously agreed by Committee, will apply.

Report Status (as at 30 September 2025)

Report Status (as at 30 September 2025)

Audit Opinion	Audit Area	High Risk Recommendations		Status (If not Final)
		Proposed	Agreed	
Fundamental / High				
Effective	Purchasing Payments & Processing, In-year Testing cf			Draft
	Payroll and HR processes 2023/24 cf			
Effective with opportunity for improvement	Treasury Management cf			Drafts Issued
	Programmes and Projects cf			
	Technology Risk Management			
	VFM - Invest to Save			
	Corporate Complaints Handling			
	Safeguarding			
	Payroll & HR, In-year Testing 2024/25 cf			
	Income Recovery cf			
Insuff'nt major Impr't needed	Lamby Way Stores cf	1		Draft
	Below Tender Threshold Procurement Controls cf			
Medium				
Effective	Supported Living			
	Allocations, lettings and voids cf			
Effective with opportunity for improvement	Coryton Primary cf			Drafts Issued
	Declarations of Interest cf			
	Fairwater cf			
	Tongwynlais cf			
	Corpus Christi R.C. High School cf			
	Highways Maintenance cf			
	Home Care			
	Statutory Compliance			
	Greenhill School			
	St. Patrick's Primary School			
Gabalfa Primary School				

Audit Opinion	Audit Area	High Risk Recommendations		Status (If not Final)
		Proposed	Agreed	
	Ely and Caerau ICC			
	Disabled Facility Services			
	Music Service	1		
	Bereavement Services			
	School Transport			
	Llysfaen Primary cf			
	Emergency Duty Team cf			
	Residential Care cf			
	Governor Services cf			
	All Saints Primary cf			
	Cardiff High cf			
	Ysgol Hamadryad cf			
	Rumney Primary School cf			
	St Teilo's C.W. High School cf			
	Radyr Comprehensive cf			
	Children's Savings (Pocket Money) cf			
	Llanedeyrn Primary cf			
	Ysgol Gyfun Gymraeg Plasmawr cf			
	Meadowbank School cf			
	Mental Health Day Services			
	Eastern High			
Insufficient with major improvement needed	Building Repairs and Maintenance cf	2		Drafts
	Unregistered Placements cf	1		Issued
	Cardiff Motocross cf	2		
	Llanishen High cf	1		
Unsatisfactory	PRU - Y Deryn Family of Schools	7		Draft
	Ysgol Gyfun Gymraeg Bro Edern	6	6	
Grants / Accounts / External Bodies				
No assurance opinion given	Brindley Road Stores Advisory Review cf	2		Draft
	Castle Canteen Advisory Review cf			

Audit Opinion	Audit Area	High Risk Recommendations		Status (If not Final)
		Proposed	Agreed	
	St. David's Hall Post Closure Review cf			
	Joint Committees - Prosiect Gwyrdd	Statement of Accounts Reviews / Certification / Support		
	Joint Committees - Port Health Authority			
	Joint Committees - Glamorgan Archives			
	Small Body Return - Foster Wales and National Adoption Joint Committee	Certification		
	Innovate Grant			
	Purchasing Payments and Processing - CRSA 2025/2026	Control Risk Self-Assessments (CRSAs)		
	Payroll & HR - CRSA 2025/2026			

Audit Plan 2025/26

Audit Plan 2025/26

Audit Category	Risk	Engagement Type	CIPFA Classification	Audit Plan 2024/25	Audit Plan 2025/26	Assignment	Days	Audit Scope	National Issue	Audit Output Status 30/09/2025	Audit Opinion			
Fundamental Audits - S151 Assurance														
Purchasing Payments and Processing	High	Assurance	Chargeable	50	30	CRSA	5	Purchases and Payments are compliant, authorised, accurate and timely		Final Issued	No Opinion			
						Purchasing Payments and Processing, In-year Testing	0			Draft Issued	Effective			
						In-year Testing	25							
Payroll & HR				50	30	CRSA	5	Recruitment processes are transparent and robust, leave processes are well governed, only bona fide, authorised and accurate payments are made, with effective prevention, detection and recovery of errors		Final Issued	No Opinion			
						Payroll and HR processes 2023/24	0			Final Issued	Effective			
						Payroll & HR, In-year Testing 2024/25	0			Final Issued	Effective with Opportunity for Improvement			
						In-year Testing	25							
Income and Debtors				20	20	Income and Debtors	20	Operation of appropriate arrangements to record, monitor and recover sundry debts.						
Asset Management				20	20	Asset Management	20	Effective recording, monitoring, management and control of physical assets						
Council Tax				20	20	Council Tax	20	Compliance and control, with effective and efficient processes						
Housing Rents				0	10	Housing Rents	10	Effective controls to ensure accurate processing of bona fide claims						
NNDR				0	20	NNDR	20	Business rate collection and control is working effectively and efficiently						
Main Accounting	0	20	Main Accounting	20	The main accounting system and processes are well controlled and operating effectively									
Treasury Management	0	0	Treasury Management	0	Effective treasury management strategy, governance, risk management and monitoring framework	Draft Issued	Effective with Opportunity for Improvement							
HB / LHA/ CTRS				20										
Treasury Management				0										
Total				180	170		170							
Corporate Audit														
Risk Management	High	Assurance	Chargeable	15	15	Technology Risk Management	15	Risk management arrangements are effective and operated consistently		Draft Issued	Effective with Opportunity for Improvement			
Contract Audit				40	40	Below Tender Threshold Procurement Controls	0	Effective contract compliance, control and delivery of objectives	Final Issued	Insufficient with Major Improvement Needed				
				Framework Agreements	20									
				Direct Award Contracts	20									
ICT Audit				30	30	IT Business Continuity	15	Effective governance, risk management and control						
				Network and Communications Management	15									
National Fraud Initiative				Participation	10	10	National Fraud Initiative	10	Data matching counter-fraud exercise					
Value for Money studies				Assurance	30	15	Invest to Save	15	Assurance on value for money in invest to save schemes	Draft Issued	Effective with Opportunity for Improvement			
Stores					20	10	Lamby Way Stores	0	Effective and efficient stores management, and stock / equipment control	Draft Issued	Insufficient with Major Improvement Needed			
					Store - tbc	10								
Education - SOP					20	20	Education - SOP	20	Delivery of objectives, with effective compliance and control					
Corporate Complaints Handling					30	20	Corporate Complaints Handling	20	Assurance on the embedding of the Corporate Council Complaints System	Draft Issued	Effective with Opportunity for Improvement			
Delegation and decision making					20	20	Delegation and Decision Making	20	Effective application of delegated authority and decision making					
Ethics and Values					20	10	Declarations of Interest	0	Effective governance and procedures, consistently applied	Draft Issued	Effective with Opportunity for Improvement			
					Gifts and Hospitality	10								
Health and Safety					20	20	Health and Safety	20	Effective and compliant application of the Council's health and safety framework					
Safeguarding					20	20	Safeguarding	20	Effective safeguarding governance and control processes	Draft Issued	Effective with Opportunity for Improvement			
Pensions and Investments					20	20	Pensions and Investments	20	Effective compliance and control					
Taxation					0	20	Taxation	20	Effective compliance and control.					
Mileage & Subsistence					0	15	Mileage & Subsistence	15	Effective governance, risk management and control					
Fleet Management					0	15	Fleet Management	15	Effective directorate monitoring and control of Council fleet and grey fleet					
Programmes and Projects				20	0	Programmes and Projects	0	Effective, clear and consistent project governance arrangements.	Draft Issued	Effective with Opportunity for Improvement				
Procurement				20										
Governance Arrangements				20										
Total				355	300		300							

Audit Category	Risk	Engagement Type	CIPFA Classification	Audit Plan 2024/25	Audit Plan 2025/26	Assignment	Days	Audit Scope	National Issue	Audit Output Status 30/09/2025	Audit Opinion	
Service Specific Audit				Audit Plan 2024/25	Audit Plan 2025/26	Assignment	Days					
Service / Process Advisory	Medium	Advisory	Chargeable	30	85	Use of AI	20	Consideration of AI policy, training and guidance, risk and benefits management.				
						RPA Testing Approach Advisory - SAP and AP Process	10	Advice on the robotic process automation testing approach for Accounts Payable's automation process in SAP				
						New ERP System	35	Project advice and support				
						Core Offices	20	Consideration of arrangements for compliance, coordination and control in office moves				
Resources	Medium	Assurance		40	25	Income Recovery	0	Delivery of service objectives with effective compliance and control		Final Issued	Effective with Opportunity for Improvement	
						Budgeting and Forecasting cf	15	Assurance on budgeting and forecasting arrangements, supported by Accountancy				
						Ardal Procurement Partnership cf	10	Delivery of service objectives with effective compliance and control				
Governance and Legal Services	Medium	Assurance		30	15	Glamorgan Archives	15	Delivery of service objectives with effective compliance and control				
People and Communities	Medium	Assurance		30	25	Housing Development and Regeneration	0	Delivery of service objectives with effective compliance and control		Final Issued	Effective with Opportunity for Improvement	
						Homelessness - Temporary Accommodation cf	15					
						Welsh Language Standards	15	Compliance with Welsh Language Standards and service objectives				
						National Adoption Service and Foster Wales - Procurement	10	Effective governance, compliance and internal control				
Adults, Housing & Communities	Medium	Assurance		150	90	Allocations, lettings and voids	0	Delivery of service objectives with effective compliance and control		Final Issued	Effective	
						Residential Care	0					
						Emergency Duty Team	0					
						Disabled Facility Service / Grants cf	15					
						Home Care cf.	15					
						Learning Disabilities Day Services cf	15					
						Mental Health Day Services cf.	15					
						Supported Living cf	15					
						Housing Repairs Process	15	Accurate charging to jobs, cost management / assurance, compliance and control				
Children's Services	Medium	Assurance		60	30	Children's Savings (Pocket Money)	0			Final Issued	Effective with Opportunity for Improvement	
						Unregistered Placements	0					
						FOLLOW UP - Falconwood Children's Home	0	Delivery of service objectives with effective compliance and control				
						Special Guardianship cf	15					
						Childcare Placements cf	15					
Economic Development	Medium	Assurance		120	80	Building Repairs and Maintenance	0	Delivery of service objectives with effective compliance and control		Draft Issued	Insufficient with Major Improvement Needed	
						Cardiff Motocross	0					
						Statutory Compliance cf	15	Assurance on statutory compliance systems and controls				
						Materials Recycling Facility cf	15	Delivery of service objectives with effective compliance and control				
						Cardiff International White Water cf	10					
						Allotment Management cf	10					
						Investment Estate	15	Effective property management, governance and control				
						Brindley Road Stores Advisory Review	0	Advisory system based control review				
	Advisory						Castle Canteen Advisory Review	0			Draft Issued	No Opinion
							St. David's Hall Post Closure Review	0	Review of financial control processes and lessons learned			
							Commercial Waste	15	Review management controls - oversight, assurance, efficiency and effectiveness			
Education and Lifelong Learning	Medium	Assurance		190	125	Governor Services	0	Effective compliance and control		Final Issued	Effective with Opportunity for Improvement	
						Coryton Primary	0					
						Fairwater	0					
						Llanedeyrn Primary	0					
						Tongwynlais	0					
						Ysgol Gyfun Gymraeg Plasmawr	0					
						Corpus Christi R.C. High School	0					
						Meadowbank School	0					

Audit Category	Risk	Engagement Type	CIPFA Classification	Audit Plan 2024/25	Audit Plan 2025/26	Assignment	Days	Audit Scope	National Issue	Audit Output Status 30/09/2025	Audit Opinion
						All Saints Primary	0				
						Cardiff High	0				
						Ysgol Hamadryad	0				
						Rumney Primary School	0				
						St Teilo's C.W. High School	0				
						Radyr Comprehensive	0				
						Llanishen High	0				
						Music Service cf	15				
						Schools VAT Assurance cf	15				
						School Deficit Budgets / Financial Management cf	20				
						Greenhill School cf	3				
						Gabalfa Primary School cf	3				
						Ysgol Gyfun Gymraeg Bro Edern cf	3				
						St. Patrick's Primary School cf	4				
						Ely and Caerau ICC	3				
						15 x Primary School CRSA Audits	45				
						Eastern High	4				
						1 x Secondary School CRSA Audits	4				
						PRU - Y Deryn Family of Schools	4				
						School Kitchen Controls - Advisory Audit	15				
Planning, Transportation and Environment	Medium	Assurance		60	40	Highways Maintenance	0	Delivery of service objectives with effective compliance and control			
						Bereavement Services cf	20				
						School Transport cf	20				
Total				710	515		543				
External				Audit Plan 2024/25	Audit Plan 2025/26	Assignment	Days				
External clients	Low	Certification	Chargeable	35	25	Cardiff Further Education Trust Fund 2024/25 - tbc	4	Grant certification / statement of accounts work			
						Foster Wales and National Adoption Joint Committee - small body return	3				
						Joint Committees	6				
						Innovate Grant	2				
						Education Improvement Grant 2024/25 - tbc	15				
Total				35	25		30				
Contingencies				Audit Plan 2024/25	Audit Plan 2025/26	Assignment	Days				
General Audit	TBC	TBC	Chargeable	100	123	General Audit (provision for carried forward audits / other work / recommendation tracking and quality assurance)	90	General Audit (provision for carried forward audits / other work / recommendation tracking)			
Total				100	123		90				
Management				Audit Plan 2024/25	Audit Plan 2025/26	Assignment	Days				
Corporate work – Audit Committee, Audit Wales etc.	Medium	Management	Chargeable	50	50	Corporate Work – Audit Committee, Audit Wales etc.	50	Internal Audit management, planning, guidance and support activities.			
Assurance mapping		Management	Chargeable	20	20	Assurance Mapping	20				
CRSA development		Management	Chargeable	20	10	CRSA Development	10				
Process development		Management	Chargeable	15	15	Process Development	15				
Work for Audit Manager		Management	Chargeable	50	30	Work for Audit Manager	30				
Planning, monitoring & reporting		Management	Chargeable	53	50	Planning, Monitoring & Reporting	50				
Review of financial rules etc.		Management	Chargeable	40	40	Review of Financial Rules etc.	40				
General advice and guidance		Management	Chargeable	20	20	General Advice & Guidance	20				
Total				268	235		235				
Total chargeable days				1,648	1,368		1,368				

Executive Summary

Ysgol Bro Edern

Background

1. An Internal Audit review has been undertaken of Ysgol Bro Edern which is a mixed, Welsh-medium secondary school and, in the January 2025 PLASC exercise, had 801 pupils on roll (years 7 to 11), with an additional 134 pupils in the sixth form. There were 14 governors at the school (including the Headteacher) at the time of the audit.
2. The audit followed the school's completion of a Control Risk Self-Assessment (CRSA). This exercise involved all schools and is carried out every circa four years to provide a base-level of school self-assurance on matters of good governance, risk management and internal control which is supplemented by assurance work by the audit team. The Headteacher returned the CRSA document for the school, with a self-assessed score of "Effective", with the two control improvements noted, relating to the management of the school's private fund. No supporting documents were provided at the time the CRSA was returned to Internal Audit.
3. The school was subject to Estyn inspection in March 2025. The opinion of Estyn at that time was that special measures are required in relation to the school and progress to address the five recommendations raised by Estyn will be monitored at regular intervals (usually four to six months).
4. Ysgol Bro Edern manages its own bank account, and the auditor was advised that there had been a number of changes to the finance staff in recent years. The Headteacher informed the auditor during the audit they are due to leave the school at the end of the 2024/2025 academic year; the current headteacher at another school in Cardiff (Ysgol Glantaf) will join Ysgol Bro Edern as an Executive Headteacher, with a Head of School (also currently at Ysgol Glantaf) joining in the new academic year as part of a two-year collaboration between the two schools to focus on teaching, learning, improving governance and raising standards.
5. At the time of the audit visits, the school was managing a deficit budget, and it was projected that the school would need to apply to the Council to set a deficit budget for 2025/2026. The outturn position at the end of 2024/2025 was a deficit of £28,963 (as per the cumulative expense analysis, which included reserves). An application for permission to have a deficit budget of approx. £820,800 was submitted in June 2025. Review of the chart of accounts on SIMS/FMS showed budgeted expenditure in 2025/2026 of £7.234m, with estimated school-generated income of £691,000 and money from the Council of £5.722m.

6. The objective of the audit was to provide assurance on the system of internal control using a checklist approach, along with testing of transactions for income, expenditure and assets. The checklist included questions in the following areas:
- (a) Governance
 - (b) Financial controls and procedures
 - (c) Financial reporting
 - (d) Income
 - (e) Expenditure
 - (f) Health and safety
 - (g) Asset management
 - (h) IT
 - (i) Payroll and HR
 - (j) Taxation.

Main Conclusions

7. A draft audit opinion of **Unsatisfactory** has been allocated. The audit has identified control issues in a number of key areas, including budget management, the private fund and core areas of governance and financial administration. It is essential that there is a concerted effort by both senior management and members of the full Governing Body to improve internal control in the school. Consideration should be given by the Corporate Director Resources and Director of Education to the removal of the school's ability to manage its own bank accounts, with this action to be taken as soon as practicably possible and no later than 31st March 2026.
8. The auditor has been advised that some income is held in the school's private fund. At the end of 2024/2025, the school had invoices due to be paid in the sum of £380,000 with monies due to Council of approx. £180,000. Lettings require a number of areas for immediate improvement, as the records held did not show whether all income due for hire of the school had been invoiced and received. The auditor was not provided with a copy of an approved Charging and Remissions policy at the school and the school could not demonstrate whether the rates being charged were correct and agreed by governors.
9. Business support has not been at full capacity in the school, which had an impact on financial controls and segregation of duties, and six recommendations agreed during the last audit (finalised in March 2022) remain unactioned, which has exposed the school to risk as internal controls have not been properly maintained or improved. These related to the following, and four are re-raised as part of this audit.
- (i) The development of a gifts and hospitality policy.
 - (ii) The development of an authority list.
 - (iii) The development of a register to record income received.
 - (iv) The development of a Pupil Reward policy and procedure.
 - (v) The management committee and accounts for the school's private fund; and
 - (vi) The school's charging and remissions policy.
10. The school were not able to locate many of the key documents required during the audit, including supporting documents such as Financial Regulations, which would show the levels of authority delegated by the Governing Body, and authority list which would show the segregation of duties. Governing Body minutes for meetings in 2023/2024 and 2024/2025 did not show evidence of

discussion on statutory policies/documents that the school should have in place. One officer was being paid for a number of roles in the school. The utilisation of staff within the school should be reviewed by the Governing Body to ensure that members of staff are being appropriately and in compliance with the Working Time Regulations.

11. Other areas for improvement include:

- (a) Private fund – some income due to the school budget was being held within the private fund and needed to be transferred to the correct bank account as soon as possible.
- (b) Training - not all staff dealing with financial matters had completed relevant training on VAT and procurement matters.
- (c) Asset management - the school's asset register was in the process of being updated and no checks on assets could, therefore, be carried out during the audit.
- (d) Taxation - the documents held for mileage claims did not meet Council or HMRC requirements. Although the value of VAT incorrectly claimed in this case was low, managers must check claims thoroughly to ensure that HMRC requirements are fully met and that adjustments to the Council's VAT submission are not required.

Recommendations For Action

12. The draft audit report contained twenty recommendations (six red, eleven red/amber, two amber/green and one green), all of which have been agreed. The audit report has been finalised accordingly.

Latest Position

13. Meetings have been held with the Director of Education and the incoming school management for this academic year. A course of action has been agreed to address the necessary improvements. Internal Audit will monitor the internal control environment through the recommendation tracker and regular discussions with management. A follow up audit will be undertaken in line with the audit protocol.

Recommendations Summary - ('Red' and 'Red / Amber' open recommendations)

Directorate / Area	No. of Audits	No. of Red Recs	No. of Red/ Amber Recs	'open recommendations' - by audit assurance rating					'open recommendation' by status				
				No. of Recs Effective	No. of Recs Effective with Opportunity for Improvement	No. of Recs Insufficient with major improvement needed	No. of Recs Unsatisfactory	No. of Recs N/A	No. of Recs with Amended Action Date	No. of Recs where action date has passed	Current target date not yet due		
Adults Social Services, Communities & Housing	3		4		3	1				3	0	4	
Children's Services	3	1	8		8	1				2	9	0	6 - overdue actions, where an update is required 3 - overdue actions, where evidence requested in order to close action
Corporate Governance	6	2	8		3	7				9	8	2	8 - overdue actions, where an update is required
Economic Development	11	5	28		7	14		12		20	22	11	2 - overdue actions, where evidence requested in order to close action 20 - overdue actions, where an update is required 12 - N/A - relates to Advisory Audits
Education & Lifelong Learning	4	3	23		4	4		18		10	17	9	1 - overdue action, where an update is under review 11 - overdue actions, where evidence requested in order to close action 5 - overdue actions, where an update is required 18 - N/A - relates to Advisory Audits
Education & Lifelong Learning - Schools	20	8	68	1	48	10	17			18	67	9	7 - overdue actions, where update/evidence is under review 53 - overdue actions, where an update is required 7 - overdue actions, where evidence requested in order to close action
External and Grants													
Fundamental (Resources)													
People and Communities (Development and Regeneration)													
Planning, Transport & Environment	4		14		14					3	3	11	2 - overdue actions, where an update is required 1 - overdue action, where evidence requested in order to close action
Resources	3		4		2	2				1	4	0	4 - overdue actions, where an update is required
TOTALS	54	19	157	1	89	39	17	30		66	130	46	

Mae'r ddogfen hon ar gael yn Gymraeg, ac mewn ieithoedd a fformatau eraill ar gais
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