



**Internal Audit Report
2015-2016**

Personnel and Recruitment

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1 Introduction

- 1.1 A complete personnel and recruitment service is provided 'in-house' by the Human Resource (HR) team. During 2015-16 they provided this service for over 800 members of staff throughout the Council.
- 1.2 The last internal audit review of Personnel and Recruitment (HR) took place in 2005-06. Subsequently a review was planned in 2014-15, however, this was deferred because of service reviews taking place at the time.
- 1.3 Following consultation during the HR service review not all FTE posts in the proposed restructure were fully occupied. This resulted in a reduction of approximately 3 days per week in capacity. However, this was felt to be sustainable in the short term pending the expected transfer of Westgate Leisure.

2 Scope

- 2.1 The scope of this internal audit review is risk based and focuses on area's identified as part of the operational risk assessment, these were to ensure that there is:
 - Adequate approval and funding of posts
 - Pre-employment verification checks
 - Satisfactory monitoring arrangements and
 - Current procedure notes available to all council staff

3 Findings

- 3.1 The staff handbook is set up electronically on the intranet and is split into various sections. Updates take place when policies, legislation and practice changes occur. Internal Audit reviewed some recent changes, such as the procedure for absence notification and sickness certification. Although staff were reminded via the intranet that all absences should be recorded electronically on the Trent system, the staff handbook still referred to '*All absences of half a day or more must be recorded on a sickness self-certification form and passed to your manager for certification*'.

There appears to be some confusion as to whether both documents; one manually and the other electronically, are required. Therefore some clarity is needed, so that the staff handbook is consistent with current practises.

Internal Audit were informed that policies are reviewed regularly and that only the Westgate LC should not be using the online system to record sickness, although this will no longer be applicable from 1 May 2016. Internal Audit found that other services were still using both methods to record sickness.

It is recognised that to review the entire staff handbook in one go, is a huge task but a staged approach would ensure that all sections are accurate and reflect the current policies and procedures are in place. HR has agreed that a review would be carried out annually.

3.2 Since 2012, all training records are held on the Trent system. It is the responsibility of HR and/or Health & Safety (HS) to maintain all corporate training records on Trent by HR or HS and it is the responsibility of the employee and manager to maintain all other training records. Although the 'training and development policy' states that: *"The line manager for the staff member attending any technical or professional short courses or CPD events must up-date his or her training record on the computerised system, Trent "People Manager". All corporately organised training provided by Personnel, Health & Safety or the ICT section is up-dated on the system centrally"*. A general review of the current training records held on Trent, revealed that this is not always the case and managers/employees are not always keeping this information up to date.

3.3 Internal audit were informed that there are no 'internal' procedures as such for the recruitment of staff, although they do have an induction programme for new personnel staff and they have also recently added a guide for managers on the intranet under 'my job'. However, personnel do rely heavily on the completion of checklists. Internal audit have reviewed these checklists separately, see findings at 3.5 below.

Whilst it is appreciated that current personnel officers are both established and experienced, procedure notes are important especially for new members of staff, so that they are aware of their responsibilities and these should be reviewed on a regular basis.

3.4 All posts have a unique post reference number; this is set up initially when funding is approved and is sequential for control monitoring purposes. Any newly created posts have to be agreed by the Senior Leadership Team (SLT). All those sampled, with the exception of one staff position, had post references and therefore approval of funding for a post to be created.

3.5 There are pre-employment checklists that are completed by personnel assistants for all new employees. These should generally be completed prior to the offer of employment and the contract being signed. Part of this checklist is that two references are required. Audit testing showed that 6 out of the 38 checklists examined, had only one reference returned and no follow up action appeared to have been undertaken to obtain the second reference. Although CDC contracts are currently offered on a conditional basis, there is no independent review or 'sign off' by a personnel officer, that the checklist is

complete. This review would ensure that these are completed prior to commencement of employment.

Another check is on verification of qualifications, this was discussed with the HR Manager, to establish in what depth this is carried out. Audit were informed that as long as the original certification is provided and appeared to be authentic ie. is stamped with the appropriate seal etc. then this is sufficient verification. No further checks are then performed at this stage unless subsequent issues or concerns by the line/service manager arise and this could lead to gross misconduct. In this current environment where false documentation is easily available over the internet, it is essential that the council make every effort to try and avoid any fraudulent claims.

In addition audit also found that in some cases more than one checklist is being used, for example there were a number of cases where the leisure centre and depot used and submitted their own internal checklist in addition to the one started by personnel. Although it appreciated that there may be specific requirements especially around health and safety, it was noted that in some cases neither checklist was 100% complete. Since, the initial audit review, HR has reviewed these and is introducing a new procedure that requires the HR Officer to sign off the completed new starter checklist, as recommended.

- 3.6 A sample of the Statement of Particulars and Contract documents were checked to ensure they were returned to Personnel, signed and dated. In one instance neither documents were signed by either party.
- 3.7 Managers are responsible for ensuring that the New Starter Induction Checklist has been completed, including; the DSE assessment and Health and Safety awareness etc. once again nobody monitors that these are completed, although a copy should be sent to Personnel within 2 days of the new employee joining. There is also now an online learning pool which covers; health and safety, equality and diversity awareness etc, this is monitored by both personnel and the health and safety team. These processes are currently being reviewed as part of the development of the learning pool and would highlight any gaps to be covered.

4 Conclusion

- 4.1 Generally, the Human Resource section provides the Council with a good standard of service and support to its staff. However, there are some procedural issues where improvements can be made.
- 4.2 There is an acceptance that the team have been operating under capacity to that proposed in the HR review and have experienced some long term sickness within the team during this period. Following the transfer of Westgate Leisure Centre, the under-capacity issue will be resolved and the team will further downsize to reflect the reduction in support to Westgate Leisure.

5 Recommendations

5.1 There are a number of recommendations made, the main areas are as follows:

- All staff procedures are maintained and regularly updated to reflect current procedures
- Monitoring arrangements are introduced to ensure that checklists for both pre and post employment are completed.
- A reminder to all staff that training and sickness records are to be maintained on Trent and should be monitored.

5.2 An Action Table has been produced, showing details of the recommendations made, see Section 6, Appendix 1. In order to prioritise actions required, a traffic light indicator has been used to identify issues raised as follows:




Red – Significant issues to be addressed

Amber – Important issues to be addressed



Green – Minor or no issues to be addressed

6 Action Plan – Appendix 1

Paragraph Ref	Recommendation	Officer	Priority	Agreed?	Comments	Implementation Date
3.1	The staff handbook is updated to reflect the current procedure for recording absences.	HR Manager	● Important (Amber)	Yes	Completed post discussions with Internal Audit.	Completed
3.2	Some additional procedure notes are produced for managers, such as the recording of training, could be placed under the managers guidance section	HR Manager	● Important (Amber)	Yes	There are very detailed guidance notes on the intranet “people manager” page – pdf document with step by step procedures plus screen shots. Will review this document. Several reminders have been sent to Managers. Can send out reminder to Managers again Intranet front page item & new guidance on this now issued.	Completed

3.3	Internal procedure notes for HR staff are produced covering the process to be adopted for new employees, in particular the importance of the checklist being completed.	HR Manager	 Important (Amber)	Yes	Intranet provides advice and workflow for new starters. This is available to HR staff but will be reviewed, particularly in relation to the importance of checklists being completed.	30 June 2016
3.4	The pre-employment checklist should be completed for each appointment. To ensure this is done, the checklist should be independently checked and dated by a personnel officer.	HR Manager	 Important (Amber)	Yes	Will introduce process for HR officers to sign off completed corporate new starter checklist	Completed
3.5	Two references should be obtained for all staff prior to an offer of employment or a conditional offer is made until both references are received.	HR Manager	 Significant (Red)	Yes	Offers are conditional on 2 satisfactory references and medical clearance and sickness record for 2 years + DBS disclosure clearance if required for the role. The above control will ensure that this is achieved.	On-going

<p>3.5</p>	<p>Personnel should consider further checks to ensure that qualifications are bona fide.</p>	<p>HR Manager</p>	<p>● Important (Red)</p>	<p>Yes</p>	<p>Candidates are required to produce original qualification certificates at interview. However, HR will amend website guidance for applicants to state that random verification on qualifications may be undertaken. Offers of employment will be made conditional upon verification of qualifications where relevant. Such verification to be undertaken by the employing Service Manager</p>	<p>Completed as at 21/04/2016</p>
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<p>3.5</p>	<p>Only one completed checklist is required for each appointment, thus reducing unnecessary duplication.</p>	<p>HR Manager</p>	<p> Minor (Green)</p>	<p>No</p>	<p>Some service areas may continue to need their own service new starter checklists e.g. the Depot and Westgate, these service areas then send to HR for staff record. HR only responsible for the corporate new starter checklist.</p>	<p>Agreed two checklists to be maintained for service operational needs</p>
<p>3.6</p>	<p>Personnel must ensure that all contracts and/or statement of particulars are signed and dated before being scanned onto their personal files.</p>	<p>HR Manager</p>	<p> Important (Amber)</p>	<p>Yes</p>	<p>Whilst it is good practice for all contracts to be signed and dated, legally once a member of staff has commenced the post and received remuneration, this is acceptance of the contract of employment. A reminder has been issued to all HR staff.</p>	<p>Completed</p>

<p>3.7</p>	<p>Although managers are responsible for completing the post-employment checklist. HR so that they can monitor and ensure that all the necessary assessments and courses is completed.</p>	<p>HR Manager</p>	<p>● Important (Amber)</p>	<p>Yes</p>	<p>Managers to be sent reminder to send copy of completed induction checklists to HR for staff records</p>	<p>Completed as at 21/04/2016</p>
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