

Appendix 1 – Audit Opinions

Audits			
<p>Audit: Complaints Follow-Up Audit 2022/2023</p> <p>Introduction: The council has a Complaints policy, where there is a requirement for data in relation to Complaints to be collated and reported, including the capturing of any lessons learnt. Where relevant, the Council will acknowledge faults, explain what went wrong, what will be done to prevent it happening again and if appropriate will provide a remedy in the form of a specific action. All lessons learnt should be considered and implemented by the appropriate service area.</p> <p>As previously reported to the Audit and Governance Committee, and also to the Overview and Scrutiny Committee, the role of Internal Audit is to provide independent assurance that lessons learnt from individual complaints had actually been implemented. A small sample of complaints was therefore reviewed and followed up with individual service areas. From 1 April 2022 to 21 November 2022, there have been a total of 63 formal complaints received, of which 22 were justified and 14 partially justified.</p>			
Risk identified:	Level of Control:	Overall opinion:	Recommendations:
<p>Operational</p> <p>O1: If lessons learnt have not been implemented this contributes to the failure of customer related improvements and customer expectations and fails to potentially mitigate the receipt of future complaints.</p>	<p>Reasonable</p>	<p>We selected a sample of five complaints that had been upheld from the period 1 July 2022 – 23 November 2022 and sought to confirm that lessons learnt had been implemented.</p> <p>In three out of five cases the action was complete, and the lesson learnt implemented. In one case, the action was still outstanding but is partially complete as the arrangements to implement the lesson were postponed due to key staff absence and is rescheduled for January 2023. In one case, there is no evidence to support that the lesson has been learnt or is complete. The responsible officer, who was not in post at the time of the complaint, advised that they were unable to confirm that the complaint had been discussed with their team. Action has since been taken to improve the process for handling complaints.</p> <p>Testing was also undertaken to confirm that complaints had been dealt with in accordance with the council’s Complaints Policy, which requires responses to:</p> <ul style="list-style-type: none"> • Acknowledge the fault. • Provide an apology. • Explain what went wrong. • Advise customer of action taken to prevent it happening again. • Explain how lessons learnt have been implemented. 	<p><u>Recommendation priority:</u> Medium</p> <p><u>Recommendation Details:</u> Consideration could be given to amending the Complaints system to:</p> <ul style="list-style-type: none"> • Prompt staff to meet all five criteria required by the Complaints Policy. • Allow multiple selections to be made in the ‘remedy’ drop down menu. <p>And be supported with refresher training for staff who are responsible for responding to complaints.</p> <p><u>Responsible Officer:</u> Corporate Services Officer</p>

		<p>It was found that in all cases the fault had been acknowledged and an apology given.</p> <p>However, none of the responses provided to customers contained all elements required by the Complaints Policy, as above.</p> <p>We found that only one response adequately addressed 'what went wrong' and just two of the five complaints examined provided an explanation of what action had been taken to prevent the issue happening again.</p> <p>It was also noted that the 'remedy' on the Complaints system gives several options as follows with the ability to select only one:</p> <ul style="list-style-type: none"> • Apology. • Explanation Provided. • Financial Compensation. • Agreed solution with customer. • Review of practice. • Other. <p>This may give the impression that only one should be applied, when in fact an apology and an explanation should be provided.</p> <p>We also consider that there is ambiguity in relation to 'what went wrong'. In one of our samples, the explanation given was that a significant workload in the team led to a response not being provided in a timely manner. This adequately describes what went wrong that led to the delay in providing a timely response.</p> <p>In another sample, the explanation of what went wrong reiterated what happened, i.e., that the customer's address was linked to another Council Tax payer, resulting in the complainant receiving letters addressed to someone who did not live at their address. This does not explain what went wrong to cause this.</p>	<p><u>Implementation Date:</u> August 2023</p>
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Audit: Cemeteries 2022/23

Introduction: The council is responsible for two cemeteries - Tewkesbury Cemetery and Bishops Cleeve Cemetery. The council's website provides details of services and charges and forms to be completed when requesting a service, along with where the forms should be sent. Applications for grave internments or the internment of cremated remains are submitted by Funeral Directors.

Members of the public are permitted to apply to erect or reserve the erection of bronze memorial plaques, granite plaques, benches and bench plaques and memorials.

The Council does not provide a cremation service.

Budgeted income for the cemeteries for the year 1 April 2022 – 31 March 2023 is £64,800 for Tewkesbury with seven burials and 16 internments of ashes carried out or paid for to date, and £52,500 for Bishops Cleeve with 11 burials and 10 internments of ashes carried out or paid for to date. Budgeted expenditure for Tewkesbury cemetery is £13,500 and for Bishops Cleeve £15,500 for the current financial year. This covers grave digging and other works, such as fixing plaques, putting in concrete bases for benches and emptying the septic tank.

Currently, all documentation and maps are paper based although it is noted that the Council Plan 2020-2024 confirms that the Council is seeking to explore the opportunity for an online offering for the cemeteries function.

Risk identified:	Level of Control:	Overall opinion:	Recommendations:
<p>Legislative and Compliance</p> <p>LP1.1 Retention of data does not adhere to the council's Corporate Retention Schedule and therefore the service is in breach of GDPR regulations, leading to the possibility of prosecution/fine.</p> <p>LP2.1 Fees and charges are not reviewed on a regular basis and not approved in line with Council policies.</p>	<p>Reasonable</p>	<p>The Data Retention Schedule prescribes the length of time that records for the cemeteries are to be held, from three years for memorial forms to permanently for the burial register. A recent review by Cemetery staff of record retention and disposal identified difficulty verifying historic applications. This has led to a piece of work being undertaken to review the retention and disposal of records, to be concluded by December 2022.</p> <p>In addition to this, there is a large, corporate piece of work in relation to consider more widely the retention and disposal of records across the Council. This project has visibility via the Information Board, and the Information Governance Officer, who will be involved in this project, will report back regularly to this Board on an agreed action plan.</p> <p>In accordance with the Council's Financial Procedure Rules, proposals for an annual increase in Burial Fees and Other Charges are sent to the S151 Officer (Head of Finance and Assets) who considers and approves this uplift. We have confirmed for the last three years that an increase has been applied.</p>	<p>None required.</p>

<p>LP3.1 Public Health Funerals are being undertaken for people who are deceased when there are next of kin who may be willing to make the arrangements and pay for a funeral.</p>		<p>Where no suitable funeral arrangements have been made, or are being made, for a deceased person who has died in the Borough, the Council has a duty to make necessary arrangements. The Council is entitled to collect any and all sums of money due to or belonging to the deceased and to sell any belongings in order to help offset the cost of the funeral and expenses.</p> <p>The Council's Environmental Health Team is responsible for making arrangements for public health / welfare funerals and in the period 1st October 2021 – 30th September 2022, one such funeral has been undertaken. In that case, the Council is able to recoup costs from Gloucestershire County Council, who are managing the affairs of the deceased spouse</p>	
<p>Operational</p> <p>OP1.1. Income in respect of services is not reconciled to the general ledger on a regular basis leading to errors or omissions not being discovered in a timely manner.</p> <p>OP2.1 Maps held at the cemetery may be out of date, leading to duplication in the allocation of plots and difficulty for the public in locating graves.</p>	<p>Reasonable</p>	<p>All cemetery income is invoiced via the Sundry Debtors system, which interfaces with the general ledger and for which a reconciliation is undertaken regularly. Therefore, it is considered that there is no requirement for a separate reconciliation to be undertaken between cemetery records and the general ledger.</p> <p>We confirmed that there is currently no independent check to confirm that the maps accurately reflect the plots for burials and ashes, memorials, and benches. To provide some assurance that services provided were accurately reflected on the cemetery maps, we obtained scanned copies of the maps for both cemeteries and confirmed that the five most recent transactions were accurately recorded. We were advised that the proposed digitalisation of cemetery maps and other records has been postponed, with a new start date not yet set. This project will provide an opportunity to confirm the accuracy of the maps.</p>	<p><u>Recommendation priority:</u> Medium</p> <p><u>Recommendation Details:</u> Digitalisation of cemetery records should seek to confirm that the records are accurate and complete. This would negate the requirement for paper-based records to be held.</p> <p>To ensure the work is completed promptly, and to assist with the digitalisation project, it is recommended that preparatory work including the review of current records is undertaken in the interim. This might include confirmation that the paper maps accurately reflect the plots and memorials in the cemeteries.</p> <p><u>Response from Client:</u> The Asset Management team are keen to progress digital options within the cemetery service and look forward to being a higher</p>

			<p>priority in 2024 for the Transformation Team. All necessary preparations will be made during 2023 to enable a smooth project deployment in 2024.</p> <p><i>Implementation date:</i> 31 December 2023</p> <p><i>Responsible Officer:</i> Cemetery and Asset Management Support Officer</p>
<p>Economic and Financial</p> <p>EF1.1 Income is not received for all services provided, in a timely manner.</p> <p>EF2.1 Expenditure is incurred without proper authorisation or is not appropriate for the service.</p>	<p>Reasonable</p>	<p>During this audit, we confirmed that for all services provided, a Sundry Debtor invoice was raised. Where possible, fees are taken in advance of the service being provided but there are occasions when funeral directors pay the Council for more than one service in one go, meaning that for some, the burial has already taken place. We selected a sample of 60 transactions from source documents that were initiated in the Cemetery and Asset Management section, 30 from each cemetery and confirmed that income for the services provided was in the correct amount and paid in a timely manner.</p> <p>We also selected a smaller sample of burials and interment of ashes from the cemetery maps and confirmed that the records matched those held by the Cemetery and Asset Management section and that payment had been received for the service provided.</p> <p>Cemetery expenditure is split into two codes:</p> <p>3020 – Materials and Provisions - memorials 4100 – Agency Contracted Services – predominantly grave digging We selected a sample of 20 invoices, 10 from each cemetery and confirmed that in all cases, expenditure was correctly coded.</p> <p>From our review of 20 invoices, we have confirmed that the expenditure was of a type that is associated with a cemetery, mainly grave digging, and memorials, and additionally at Tewkesbury, emptying of septic tank.</p>	<p><i>Recommendation priority:</i> Medium</p> <p><i>Recommendation Details:</i> Consideration should be given to introducing a second officer into the process, for example to undertake the goods receipting process, so that segregation of duties in the ordering and authorisation of purchases is maintained.</p> <p><i>Response from Client:</i> The size, structure and individual roles within the Asset Team do not currently support specific segregation of duties for ordering and paying for goods within the cemeteries service. This is, however, a recognised risk and will be resolved at the earliest opportunity with either additional resources or a re-design of roles.</p> <p><i>Implementation date:</i></p>

<p>EF2.2 Expenditure is incurred without proper authorisation or is not appropriate for the service.</p>		<p>During our testing, we also sought to confirm that expenditure was properly authorised and that there was adequate segregation of duties in operation. Segregation of duties is a key control that mitigates the risk of fraud or error by the involvement of more than one officer in a process, the importance of which is embodied in the Council's Financial Procedure Rules, which states under Financial Governance as follows:</p> <p>Heads of Service should ensure that staff have received appropriate training in relation to these rules and procedures (e.g., understand how to process purchase orders, goods receipts and having segregation of duties where possible).</p> <p>The outcome of our testing confirmed that in 14/20 cases, the same officer who ordered the goods or services was also the officer who authorised the purchase for payment. This does not represent adequate segregation of duties. We are aware that compensating controls in place, such as a spend limit of £2,000 set for the Cemetery and Asset Management Support Officer, that they can only process orders with current suppliers on the system and the Asset Manager is required to authorise any orders on a budget overspend. The Finance team also monitors income and expenditure on a quarterly basis with the Finance team. Whilst these controls may detect an error or anomaly after they have occurred, a stronger control is a preventive control, designed to prevent errors or fraud before they occur, such as appropriate segregation of duties.</p>	<p>Not applicable.</p> <p><u>Responsible Officer:</u> Not applicable.</p>
<p>Technology</p> <p>TE1.1 Paper based records are not held in duplicate and are not held securely to prevent loss due to fire, flood, theft etc</p>	<p>Reasonable</p>	<p>During this audit, we confirmed by review that some records are held in duplicate, for example invoice record books but that others, such as cemetery maps are not. They have, however, been scanned in full as part of this audit.</p> <p>Records are held securely to prevent loss, damage or theft at the Council offices and cemeteries.</p> <p>We noted that the Council Plan 2020 – 2024 refers to exploring the opportunity for an online offering for the cemeteries function, and it was confirmed with the Lead Digital Officer that there are several areas that could potentially be digitalised:</p> <ul style="list-style-type: none"> • Forms that funeral directors complete • Forms that the public complete • Plots to show where a deceased person is buried <p>This would negate the need for paper-based records and ensure that all records were preserved and accessible.</p>	<p><u>Recommendation priority:</u> Medium</p> <p><u>Recommendation Details:</u> See OP2.1.</p>

Audit: Corporate Risk Register 2022/23- National Driver Shortage

Introduction: The Council maintains a corporate risk register that is reviewed regularly by corporate management team and presented to Audit and Governance Committee. In September 2021, a new risk was reported in relation to the national shortage of HGV drivers. This has the potential to impact upon the Council's Waste and Recycling Services, operated by Ubico. In essence the risk was flagged as the supply of agency drivers is a concern as the overall impact of this is that contract costs may increase, and waste rounds may suffer from shortages resulting in service suspensions. The audit will look to gain assurance that the risk is fairly stated within the register, the high-level controls reported are in place and further actions to reduce the risk are progressing.

Risk identified:	Level of Control:	Overall opinion:	Recommendations:
<p>Operational</p> <p>O1: Key controls stated in the corporate risk register in respect of emergency planning are not in place and/ or working effectively.</p>	<p>Reasonable</p>	<p>The Corporate Risk Register states that the risk in relation to National Driver Shortage is twofold:</p> <ul style="list-style-type: none"> • There is a national shortage of HGV drivers. The impact is that across the Ubico contracts they are struggling to recruit and retain RCV drivers. • The supply of agency drivers is a concern. <p>The overall impact of this is that contract costs may increase, and waste rounds may suffer from shortages resulting in service suspensions.</p> <p>During the course of this review, we were advised by the Waste Manager that 'driver shortage' was perhaps the wrong term used in categorising this risk. The issue was that Ubico would book the required number of staff from an agency and would be let down on the day.</p> <p>There are two mitigating controls on the Risk Register:</p> <ul style="list-style-type: none"> • Increase the market supplement for drivers. • Train more loaders to become drivers. <p>We have confirmed that the market supplement for all drivers – approximately 25 - has been increased. Drivers also received a pay award of £1,925, in line with the national position. The supplement was last reviewed when the pay award was being finalised, and ahead of budget setting it was considered still to be required to support the service's retention and recruitment. This will be kept under review by Ubico and the Council. The cost has been included in the 2023/2024 budget.</p> <p>New drivers were not recruited from loaders as a direct result of the supplement, but it helped to make Ubico more attractive as a prospect combined with other factors</p>	<p>None required.</p> <p>The Head of Corporate Services presented the updated Corporate Risk Register to the Management Team in advance of the Audit & Governance meeting of 23rd March 2023 and reported that due to due to the mitigating controls, the risk has reduced and no longer represents a Corporate Risk.</p>

		<p>such as the work being in the day and local, resulting in the retention of drivers. Ubico now consider this a low risk because they are finding it easier to book agency drivers and are being let down a lot less. As a result, due to the success of retaining drivers, it has not been necessary to train loaders.</p> <p>During discussion it was confirmed at the time of this report, there are 2 driver vacancies, whereas before the market supplement there was an average of between 5-7 vacancies.</p> <p>One of the impacts identified as a potential outcome of a driver shortage was that costs could increase. We have confirmed that costs have increased and have been budgeted for by the Council for the forthcoming financial year.</p> <p>We also identified a comment on the Corporate Risk Register, attributed to Ubico that there is no likelihood of strike action across the Ubico partnership. It is considered that strike action is not part of this risk, i.e., driver shortage as at the time that shortages were identified, they were due to the level of pay which failed to attract workers, both permanent and agency. A threat of strike action might be considered as a separate risk and is not within the scope of this review.</p> <p>We also considered the two management action points identified on the register:</p> <ul style="list-style-type: none">• Apply the business continuity plan if services are suspended.• Continue dialogue with Ubico and suggest ideas to improve e.g. offering a golden hand shake / incentive for referrals of drivers from staff etc. <p>Ubico's Business Continuity Plan dated 5 March 2021 was due to be reviewed on 5 March 2022. This was not done, and we are advised that it is currently being updated.</p> <p>We have reviewed this document and are satisfied that it covers the areas that would be expected in such a plan, including the aim of the plan, its objectives and emergency response checklist. It also confirms the proposed arrangements in the event that there is a serious reduction in staff numbers.</p> <p>The Waste Manager confirmed that it has not been necessary for contingency arrangements to have been invoked due to driver shortage. Garden waste collection was suspended in December 2022 in order to catch back up with the other services after the snow and ice, but this was weather related and not due to driver shortage.</p> <p>With regards to continuing dialogue with Ubico, the Waste Manager considers that</p>	
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		<p>this has not been necessary as there was an intention to wait and see how successful the market supplement was, which has led to pressures easing, and the discussion of other options not required or undertaken.</p> <p>There is regular and appropriate oversight of the Council's Corporate Risk Register, at management and corporate level and by Members of the Audit and Governance Committee.</p>	
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Audit: Laptops 2022/23

Introduction: In March 2020, approximately 200 laptops were purchased to enable members of staff to work remotely during the COVID-19 pandemic. The scope of this audit included confirmation that all laptops are recorded by IT, their whereabouts are known, and they were purchased in line with the council's Contract Rules.

Risk identified:	Level of Control:	Overall opinion:	Recommendations:
<p>Operational:</p> <p>O1: Laptops are not adequately recorded or monitored by the IT function leading to potential fraud and loss of assets.</p>	<p>Reasonable</p>	<p>We were able to identify laptops purchased and can provide assurance that these are accurately and fully recorded on the IT Asset List, held by the ICT section.</p> <p>We are satisfied that laptops are tagged by IT upon receipt and are recorded on the IT database, which shows who laptops have been allocated to.</p> <p>By comparing the list of leavers provided by HR and the equivalent list provided by IT we identified that there were some differences. The most significant issue is that managers are not notifying HR that a member of staff is leaving and therefore HR are not able to inform IT. We were advised by IT that they only become aware that a member of staff is leaving when they return the equipment.</p> <p>We have confirmed that this issue relates to contract staff, and not staff employed by the Council. We found that contractors may leave before their contracted end-date and HR are not informed of this by managers.</p> <p>We can provide assurance that all laptops, apart from one which is due to be returned in March, have been returned by staff who have left the Council.</p>	<p><u>Recommendation priority:</u> Low</p> <p><u>Recommendation Details:</u> Management should inform HR when a member of staff are due to leave so that IT can also be notified.</p> <p><u>Response from Client:</u> Agreed. Contract end dates for contractors and agency staff are held in the systems already but this finding relates particularly to when contractors leave before the end of their agreed term. HR and IT are reliant on managers informing them that this is the case. This is a responsibility of all managers. A reminder of this responsibility will be emailed to all</p>

			<p>managers by HR.</p> <p><u>Implementation date:</u> Email reminder by 17 March 2023</p> <p><u>Responsible Officer:</u> HR & OD Manager</p>
<p>Economic and Financial:</p> <p>E1: Controls in relation to purchasing and the disposal of laptops are inadequate leading to a potential risk of fraud and value for money not being achieved.</p>	<p>Reasonable</p>	<p>We have confirmed that due to the need to purchase laptops quickly, to enable employees to work from home during the Covid-19 pandemic, the requirements of the Contract Rules were not followed. This is appropriate under the circumstances and in accordance with the Contract Rules.</p> <p>However, when the Contract Rules are not followed, it is a requirement that a Waiver of the rules should be sought. Under these circumstances, this is permissible because the purchases were urgent.</p> <p>In the case of contracts exceeding £100,000 the waiver should have been agreed by the Executive Committee. We have confirmed that a waiver had not been sought and for the purpose of maintaining transparency, a finding has been raised that the Contract Rules are followed in respect of permitting a waiver of these Rules.</p> <p>We confirmed that the Head of Finance and Asset Management approved the donation of a small number of old or broken laptops to an educational charity, with oversight from the Head of Corporate Services. This is in accordance with the Council's Financial Procedure Rules. The laptops had little or no monetary value and were no longer required by the Council. We were able to identify the model and unique IT Asset list serial number and have confirmed they do not appear on the current list of laptops held.</p> <p>We are satisfied that value for money was considered during the purchase of the laptops. The purchases were made during the early part of the pandemic, when there were shortages of laptops due to the requirement for them globally.</p> <p>Where possible, laptops were purchased using the Crown Commercial Purchasing platform, being a pre-tendered portal in which the Council can 'call off' purchase. This represented an approach that would aim where possible to achieve economy in purchasing, given their purchasing power. It is clear that there were issues with supply, with many organisations, not just local authorities, seeking the same equipment in the same timescales. The laptops that were purchased in 2020 are still</p>	<p><u>Recommendation priority:</u> Medium</p> <p><u>Recommendation Details:</u> In line with Section 6 of the Council's Contract Rules, waiver of these rules should be sought to promote and maintain transparency.</p> <p><u>Response from Client:</u> Agreed.</p> <p><u>Implementation date:</u> 30 April 2023</p> <p><u>Responsible Officer:</u> ICT Manager</p>

		being used three years later with no apparent issues of functionality or performance. The close involvement of the Head of Finance and Asset Management and Head of Corporate Services supports the consideration of value for money.	
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Audit: Timesheet Recording and Administration of Annual Leave 2022/23

Introduction: A new HR self-service system, My HR, was launched on 3 October 2022. My HR currently allows staff and line managers to request and approve annual leave as well as record time management and flexi time. In the future, it will be possible to manage a wider range of tasks through the My HR system including sickness management, self-service changes to employee records, mileage, and expense claims and payslip/P60 issue. My HR is also accessible via mobile devices, allowing more flexibility. My HR provides more accurate and up to date information and gives managers a clearer overview of their teams. It also allows them to approve leave, review flexi time and later, undertake an even wider array of tasks through the system with greater visibility via management dashboards.

Risk identified:	Level of Control:	Overall opinion:	Recommendations:
<p>Legislative:</p> <p>LP1: Retention of data does not adhere to the council's Corporate Retention Schedule and therefore the service is in breach of GDPR regulations, leading to the possibility of prosecution/fine.</p>	<p>Reasonable</p>	<p>We identified that paper-based HR records, created prior to the introduction of Eploy, have not been identified and marked for disposal organisationally. A recommendation was made in the Recruitment (Eploy) Audit 2022/2023 that will address this, with a target date of 31 March 2023. This will include paper based annual leave and flexi leave records.</p> <p>The new My HR system is set up so that when a user is deleted from the system it will trigger the relative annual leave and flexi records to also be deleted. However, electronic flexi and annual leave records, for example Excel spreadsheets, that were created prior to the implementation of My HR are held at departmental level and have not formally been identified for disposal, in line with the Retention Schedule.</p>	<p><u>Recommendation priority:</u> Medium</p> <p><u>Recommendation Details:</u> Managers should be asked to delete any leave / flexi records held electronically or in paper format for leavers as the retention schedule requires that records should be kept for the duration of employment.</p> <p><u>Response from Client:</u> This is a recommendation which requires 2 actions:</p> <p>Action 1: Request managers to delete any locally held leave / flexi records held electronically or in paper format for leavers. HR will make this request. Disposal is the responsibility of managers</p>

			<p>across the council.</p> <p>Action 2: Dispose of paper records held in historic paper file held by HR on site as part of the review and digitisation of employee files. This is a significant task which will be managed by HR.</p> <p><u>Implementation date:</u> Action 1: Email reminder by 17 March 2023 for completion by end of March 2023</p> <p>Action 2: By the end October 2023</p> <p><u>Responsible Officer:</u> HR & OD Manager</p>
<p>LP2: Policies and procedures may not be comprehensive, reviewed regularly and available to all relevant staff, leading to incorrect procedures being followed.</p>	Substantial	<p>Written, documented policies and procedures are not specifically in place for using My HR for recording annual and flexi leave but there are comprehensive training videos available to all users of My HR and training was provided by HR prior to the introduction of My HR. This provided adequate and clear guidance on how to use the new system.</p> <p>Policies to outline and support the operation of annual and flex leave are in place, current and comprehensive.</p>	None required.
<p>Operational:</p> <p>OP1: Staff may not have received adequate training in the use of My</p>	Substantial	<p>All staff who are registered on My HR have access to training videos, which, as confirmed at LP2.1, provide comprehensive and easy to follow guidance.</p> <p>Additionally, drop-in sessions were provided by HR and Business Transformation teams and additional assistance is available when needed.</p>	None required.

<p>HR leading to errors and difficulty in using the system.</p>			
<p>OP2: Access levels may not be appropriate, leading to actions being taken which are outside of an officer's role and responsibilities.</p>	<p>Substantial</p>	<p>We reviewed the access levels for all staff registered on My HR and can confirm that that there are 212 staff who have access to input their flexi and annual leave and within this number, 52 who are also have the ability to authorise their staff leave. The levels set are appropriate.</p>	<p>None required.</p>
<p>OP3: Regular reports are not produced to allow annual leave and flexi time to be monitored to confirm they are operated in line with the Council's policies.</p>	<p>Reasonable</p>	<p>My HR is in its infancy, being functional from 3 October 2022. There are currently a number of reports that can be run on an ad hoc basis, when they are needed by HR.</p> <p>There is scope for further reports to be established once the business transformation team priorities allow for the development of the management and HR dashboards intended for the system.</p> <p>We also confirmed that there is management information available on My HR, which is in the form of a notification rather than a report, for example:</p> <ul style="list-style-type: none"> • To staff to inform them of their annual leave outstanding as their leave year is approaching and at the end of each flexi period. • Where flexi time is in debit by more than the permitted amount. • An email notification to Managers at the end of each period to advise them that their member of staff has accrued more than the policy and the system requires them to speak to the member of staff about how they are going to deal with it. They can then edit down to the agreed amount along with a comment. • Where staff are not taking annual leave. This can be viewed at any time. • Details of staff registered on My HR. • Details of staff who are registered on My HR but who have not input their annual and flexi leave. <p>We are satisfied that there is already information available to managers and staff, both via reports and notifications and that there is scope for further development of reports, once the system has been used for an appropriate time and time is allowed to complete the My HR programme of work.</p>	<p>None required.</p>

<p>Economic and Financial:</p> <p>EF1: There is inadequate separation of duties in the use of My HR to prevent the possibility of fraudulent activity, for example annual leave and flexi time being brought forward from previous system(s) incorrectly or the approval of annual leave or flexi time without management oversight.</p>	<p>Limited</p>	<p>We can provide assurance that the My HR system maintains adequate separation of duties between the requesting of leave by an employee and its authorisation by their manager. We have confirmed at OP2 that access levels are appropriate.</p> <p>To confirm that annual leave and flexi time balances were correctly transferred from manual or electronic records to My HR, we selected the largest annual leave and flexi balances carried over to My HR and checked these back to employee records.</p> <p>Flexi Leave We obtained a sample of 17 employee flexi leave cards and confirmed that in 14 out of the 17 cases, the flexi time on the leave card agreed to the report of flexi carried over on 3 October 2022.</p> <p>In one case, the employee carried over a smaller value than they had accrued as they would be unable to take the large number of hours they had accrued.</p> <p>In two cases the amounts shown on the report differed slightly from the flexi records. We have passed this to the HR and OD Manager for their review but are not concerned as the values were insignificant.</p> <p>Annual Leave We obtained a sample of 16 employee annual leave records to confirm that the value of annual leave carried over to My HR were accurate. The calculation to be used is as follows:</p> <p>(Hours carrying from previous leave year + base entitlement) – (Hours remaining as of 3 October + Days booked on system at time of export)</p> <p>We applied this in all 16 cases but were unable to arrive at the figure carried forward to My HR by the employee and sought assistance from the Digital Developer, by providing annual leave records for five employees and asking if they were able to reconcile these to the values on My HR.</p> <p>The outcome was that in two cases it was necessary for the Digital Developer to amend the records on My HR to reflect the correct figure as the employees' timesheet had been set up incorrectly. It was confirmed that the annual leave carried over was correct once this had been done.</p> <p>It was also confirmed that in one case, annual leave was incorrect, showing a total of</p>	<p><u>Recommendation priority:</u> High</p> <p><u>Recommendation Details:</u> HR should lead in facilitating a full reconciliation between employee annual leave records and the amounts carried over to My HR. This should include a review to ensure that timesheets have been configured correctly in terms of contracted hours.</p> <p><u>Response from Client:</u> This is a recommendation which requires 2 actions:</p> <p>Action 1: Initially we will review the 16 annual leave records obtained by the Auditor and reconcile the balance carried forward to My HR.</p> <p>Action 2: The HR & OD team have also requested records for all staff in order to carry out a reconciliation exercise.</p> <p><u>Implementation date:</u> Action1: 1 March 2023 Action 2: 30 April 2023</p>
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		<p>41 days carried over on the leave record but entered as 48 days on My HR.</p> <p>In relation to the two other cases, both were correct. One was a timing difference, where the leave year had rolled over and the report showing annual leave was run. The fifth example was correct.</p> <p>A control introduced to identify errors in carrying annual and flexi leave to My HR was for managers to check the inputted flex / annual leave against existing records as a one-off exercise. This request was made by HR on 10 October 2022.</p> <p>We sought to confirm that this exercise had been undertaken by all managers, but we were advised that a report is not available to confirm this.</p> <p>The concern that we are raising is whether managers would be able to confirm that annual leave has been correctly carried over to My HR, given the difficulties that we encountered and the assistance we were required to seek from the Digital Developer.</p>	
<p>Technical:</p> <p>TE1: Staff may not be using the My HR system leading to a lack of management oversight and inefficient working practices.</p>	<p>Reasonable</p>	<p>All staff were required to register on My HR and use this system to record their annual and flex leave, from 3 October 2023.</p> <p>We obtained a list of all staff and confirmed that 21 had not registered on My HR. This was discussed with the HR and OD Manager, who confirmed that out of this number, a majority were either on maternity or sick leave and were not yet able to register, did not have access to a computer – for example cleaning or tourist information staff – and only seven were required to register. Feedback on My HR from users is actively sought, with a feedback facility accessible to all users of My HR.</p> <p>In addition, feedback has been provided to the Digital Developer and HR and issues with functionality or other queries addressed.</p> <p>We reviewed the operation of My HR and there are still some issues that are to be expected so relatively shortly after the system has been introduced. One area where there are issues is in relation to the accuracy of information originally set up on My HR in terms of employee contracted hours. We identified a recent example in December 2022 where an employee discovered their contracted hours had been incorrectly set up as working five days per fortnight rather than five days per week. This resulted in the annual leave deduction being reduced by half on their My HR record, giving them an additional three days leave.</p>	<p><u>Recommendation priority:</u> Medium</p> <p><u>Recommendation Details:</u> HR should remind staff of the requirement to register on My HR.</p> <p><u>Response from Client:</u> Agreed.</p> <p><u>Implementation date:</u> 10 February 2023</p>

		<p>This also contributed to the difficulties encountered by us in confirming that annual leave has been correctly carried over to My HR. We have raised a finding at TE1 above.</p> <p>My HR has been configured to reflect the annual and flexi-leave policies, and to take into account the temporary policy – Annual leave and flex in Covid 19, which was introduced to confirm the council’s approach to leave which had accrued in excess of the normal policies due to the demands on resources during the pandemic.</p> <p>As part of managerial monitoring of this policy, it was a requirement for managers to confirm that staff had carried over accrued flexi and annual leave correctly, in accordance with balances on their leave records to My HR and in line with current policies and procedures. This has been covered in detail at EF1.2.</p>	
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Recommendations Rating

Priority:		Definition:
1	High	A fundamental weakness in the system that puts the Authority at risk. This might include non-compliance with legislation or council policy, or may result in major risk of loss or damage to council assets, information or reputation. Requires action as a matter of urgency; to be addressed within a 3-6 month timeframe wherever possible or within an extended time frame as agreed with Internal Audit if the recommendation requires extensive resources or time.
2	Medium	Observations refer mainly to issues that have an important effect on the system of internal control but do not require immediate action. Legislation or policy are unlikely to be breached as a consequence of these issues, although could cause limited loss of assets, information or adverse publicity or embarrassment. Internal audit suggest improvement to system design to minimise risk and/or improve efficiency of service. To be resolved within a 6-9 month timescale.
3	Low	Observations refer to issues that would if corrected, improve internal control in general and ensure good practice, but are not vital to the overall system of internal control. A desirable improvement to the system, to be introduced within a 9-12 month period.

Level of control

Level of control:	Definition:	Guidance:
Substantial	Substantial assurance- A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	No audit recommendations or no more than 3 low priority (3) recommendations.
Reasonable	Reasonable assurance- There is generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	No more than 2 medium priority (2) recommendations, possibly with some low (3) recommendations.
Limited	Limited assurance- Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	Between 1 and 3 high priority (1) and possibly several other priority recommendations OR 3 or more medium (2) recommendations.
No Assurance	No Assurance- Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.	4 or more Priority 1s OR 6 or more medium priority (2) recommendations.