

FINAL INTERNAL AUDIT REPORT

CHIEF EXECUTIVES DEPARTMENT

**FOLLOW UP REVIEW OF AGENCY STAFF
AUDIT FOR 2015- 16**

Issued to: Charles Obazuaye, Director of HR
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Report No.: CX/047/02/2015

INTRODUCTION

1. This report sets out the results of our systems based follow up audit of Agency staff. The audit was carried out in quarter four as part of the programmed work specified in the 2015/16 Internal Audit Plan, agreed by the Director of Finance and Audit Sub-Committee.
2. The controls we expect to see in place are designed to minimise the department's exposure to a range of risks. Weaknesses in controls that have been highlighted will increase the associated risks and should therefore be corrected to assist overall effective operations.

AUDIT SCOPE

4. This follow up review considered the final audit report issued in November 2014 and was restricted to identifying progress made on implementing the previously agreed recommendations.

MANAGEMENT SUMMARY

5. Of the previous 6 agreed recommendations, one has been fully implemented, four are being progressed for completion, one has not been implemented. The recommendations not being implemented relate to:
 - Agency staff being utilised for well over a year.
 - Agency staff being utilised outside of the contract
 - A documented guide for Manager's wanting to use agency staff does not exist
 - Agency staff have left who have not been removed from the corporate IT network and who still have a site access card
 - Agency staff are not required to complete a declaration of interest form

SIGNIFICANT FINDINGS (PRIORITY 1)

6. There are no priority one findings to report.

DETAILED FINDINGS/MANAGEMENT ACTION PLAN

7. Any new findings and are detailed in Appendix B of this report and require management comment. Appendix A provides information on the recommendations that are being followed-up and Appendix C give definitions of the priority categories.

ACKNOWLEDGEMENT

8. We would like to thank all staff contacted during this review for their help and co-operation

No	Recommendation	Management Comment	Target Date	Priority	Responsibility	Follow-up comments	Status
1	Managers should be reminded of the need to consider the costs of employing agency staff over six months against the cost of offering short term contracts and to consider the additional rights staff have.	Agreed although this needs to be set in the wider context of the business case.	By end November 2014	2*	Director (HR)	Managers have been reminded of the need to seek approval for agency workers to be engaged for more than 6 months. (New Procedure for the Recruitment of additional Resources) Managers Guidance on engaging agency workers currently being worked on by the Manager of HR Business Services. Aiming to complete by the end of September Have found that there were 4 workers who are still working here since 2009, two are in hard to fill front line social care roles and 2 being in Direct care where agency workers are used to ensure establishments are sufficiently staffed for all shifts.	Implementation in progress Revised date September 2016.
2	A reminder should be sent to Managers reminding them of the requirement not to utilise agency staff outside of the Agency staff contract.	In the 2 cases identified in one the business case was the requirement for a former employee to provide evidence at court and the other an arrangement which pre-dated the PCT joining LBB which has now ceased. The Agency staff contractor is regularly being challenged and encouraged to work with managers to better understand their recruitment needs in order to minimise the need to use off contract	By end November 2014	2*	Director (HR)	As above, Managers Guidance document is still being worked on.	Implementation in progress Revised date September 2016.

No	Recommendation	Management Comment	Target Date	Priority	Responsibility	Follow-up comments	Status
		arrangements. Therefore recommendation agreed with the proviso that if the Agency staff Contractor cannot supply then there may be a business need to procure workers outside the Agency staff contract but this needs authorisation from HR and the relevant Assistant Director for the service.					
3	A documented procedure for the use of Agency staff should be created and include a requirement for Managers to check Agency staff's Identification when they first present themselves at work.	Agreed and in progress. The requirement for identity to be checked will be included in the reminder to be issued under 1 and 2 above.	31/12/14 subject to capacity and other higher priorities	2*	Director (HR)	Managers Guidance document is currently being worked on by the Manager of HR Business Services. Aiming to complete by the end of December.	Implementation in progress Revised date September 2016.
4	Managers should be reminded of the requirements for them to collect key fobs, close system accounts, return mobile phones and access cards, when agency staff leave the authority.	Agreed – to be incorporated into note as per 1 and 2 above	By end November 2014	2*	Director (HR)	As above, the Managers Guidance has not yet been finalised. Testing of a sample of 15 agency staff who have recently left, found that 3 still had a system account set up, 3 still had a site access card and 1 a remote access key fob.	Implementation in progress Revised date September 2016.
5	The SLA should be amended or a procedure put in place to ensure for posts required a declaration of interest form should be completed for agency staff.	Agreed. The Agency staff contractor has been asked to include this as a job requirement on the Beeline pro forma at the time of placing the order.	By end December 2014 as technical system change	2*	HR Manager (Business Services)	Having viewed the returned declarations of interest in December 2015, this has not been completed. Internal Audit have been informed this is now in place	Complete.

No	Recommendation	Management Comment	Target Date	Priority	Responsibility	Follow-up comments	Status
6	The contractor should ensure they receive and retain copies of relevant agency staff documentation.	This is already a requirement of the contract between The Agency staff contractor and LBB and between the Agency staff contractor and its 2nd tier suppliers. The Agency staff contractor regularly audit their suppliers and report outcomes to LBB with any agreed follow-up action. In the one case identified further evidence has since been provided to audit and the individual (for unrelated reasons) no longer works for the Council.	Ongoing	2*	The Agency staff contractor as required under the contract with LBB and monitored by Head of HR Strategy and Education	<p>Testing of a sample of 5 agency staff being utilized found that for all 5 identification documentation has been provided, along with a NINO, relevant qualifications and references, except for two references not received.</p> <p>However for one member of staff (BE) references were only obtained verbally and not physically received until 9 months after being in post.</p> <p>For another agency worker (SC), she was recruited to a safeguarding post, yet only one reference was received.</p>	Revised date September 2016.

Definition of priority categories.

Priority 1

**Required to address major weaknesses
and should be implemented as soon as
possible**

Priority 2

**Required to address issues which do
not
represent good practice**

Priority 3

**Identification of suggested
areas for improvement**