

Causeway Coast & Glens Borough Council

Internal Audit Report *Review of Use of Agency Staff* *Recommendations*

February 2022



Summary

As part of the 2021-22 Internal Audit plan, we are following up on assignments from 2020-21 which resulted in Limited Assurance. A report summarising the findings of an internal audit of the Use of Agency Staff, which received a limited assurance, was reported to Audit Committee in December 2020.

The findings are reported in the table in the following pages.

Audit has reviewed the recommendations made in the 2020-21 report and found:

- **All 9 recommendations have been addressed**

The detail of the progress in addressing the more recent recommendations (from 2020-21) is included in Appendix 1 – Detailed Audit Testing.

Audit did note from reviewing the reports being prepared by ODHR and provided to Heads of Service and Senior Leadership that while a decrease in the number of agency staff used in 2020 occurred when comparing to the same period in 2019, there was an increase in 2021 agency staff being used.

Audit was advised that the reason is twofold.

- The lower levels of agency staff at the height of COVID (in 2020) resulted in a marked drop in the need for agency staff during 2020/21.
- In 2021/2022, Council lost permanent staff due to retirement, ill health, voluntary exit etc. In the areas where there is still no agreement on the harmonisation of terms and conditions, Council have replaced these with agency workers, rather than with permanent employees.

Audit was also advised that Council have now reached agreement with the trade unions on the harmonisation of terms and conditions in relation to 2 service areas in the Environmental Services Directorate (Operations and Estates). Implementation of this now begins, starting with assimilating 155 permanent employees onto the new terms and conditions. Following that recruitment of permanent staff for the vacancies which are currently populated by agency workers. (This will reduce agency staff numbers somewhere between 40% and 50% depending on the use of seasonal staff).

Conclusion –

Audit testing revealed all recommendations were addressed in a comprehensive manner. ODHR updated policies and agency request forms, maintained regular oversight of the Agency contractor, and introduced more extensive reporting on the ongoing use of agency staff to Heads of Service and Senior Leadership. The SLT and ODHR have reached agreement with trade unions on the harmonisation of terms and conditions in relation to 2 service areas in the Environmental Services Directorate (Operations and Estates). Once this is implemented there will be a significant reduction in the number of agency staff required by Council.

Appendix I: Detailed Audit Testing

Recommendation	Priority Level	Management Response	Updated Position 21-22
<p>HR should review and update the guidelines, and include the updated guidance note from 2019 in the main guidelines document. HR should also enhance the document by clearly stating council's agreed policy on the use of agency staff. The policy and procedure should be agreed by the relevant Council committee and uploaded onto the staff portal. All directors, heads of service and managers should be made aware of the policy and procedure and advised of any updates to the document following regular periodic review.</p>	2	<p>ODHR will review and update the guidelines. A Policy / procedure will be developed for agreement by the relevant Council committee and uploaded onto the staff portal once agreed. In the interim the audit findings will be shared with the ODHR team to start implementation of the issues raised. Head of ODHR Policy drafted by 31 March 2021</p>	<p>Audit found that an updated Policy for Managing the Use of Agency Workers was put in place in January 2021.</p> <p>In addition, a summary guidance document on the revised Policy was issued to line managers in February 2021.</p> <p>Issue addressed</p>
<p>In line with the current (Agency Staff) guidelines quarterly reviews by line managers, should be undertaken of the length of all Agency Staff assignments and the reasons for long term use should be discussed with the relevant director who should actively challenge the numbers of agency staff in long-term posts.</p>	2	<p>HR Business Partners discuss Agency Staff assignments with HoS although this has not been formally documented in the past. This will be formalised going forward, with a quarterly report prepared for SLT review. Head of ODHR Implementation date December 2020</p>	<p>Audit was advised that in line with updated Policy formal reports are now prepared and issued on a quarterly basis to Directors to facilitate their review of length of agency assignments. In addition, Agency Worker Variance reports on hours worked and costs across each service area are issued monthly to the respective Director and his/her Heads of Service. Audit reviewed a sample of such reporting for quarters 1-3 2021-22 and monthly months May-October 2021 and found evidence of reports being prepared, issued and acknowledged as reviewed by the SLT.</p> <p>Issue addressed</p>

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<p>Human Resources should consider updating the request form to include additional information:</p> <ul style="list-style-type: none"> • A statement that re-deployment was considered. • Planned dates for planned permanent recruitment if it is to cover a vacant permanent post. • Required skills and qualifications and/or job description. • In line with HR's new approach – an end date for the assignment. 	3	<p>ODHR will update the request form to include additional information:</p> <ul style="list-style-type: none"> • A statement that re-deployment was considered. • Planned dates for permanent recruitment if it is to cover a vacant permanent post. • In line with HR's new approach – an end date for the assignment. <p>ODHR will ensure the required skills and qualifications (JD & PS) for the position are always attached to the email and retained on file.</p> <p>Head of ODHR Implementation date December 2020</p>	<p>The Agency Request Form was updated, and an additional form was created for the extension of an agency worker's planned period of work. Audit reviewed both forms and found that it is clearly noted that re-deployment has been considered, start and end dates for assignment, and details of planned recruitment if covering a vacant approved post. The request form also states that a job description and personnel specification must be attached.</p> <p>Issue addressed</p>
<p>All relevant staff should be reminded of the importance of fully completing the AW1 Request Form Agency Worker document to request an agency worker, and all Managers, HOS and directors should be reminded to sign the form. In circumstances where a Director is not available to provide approval (e.g. due to being on leave) and the request cannot wait until the Director has returned the Director must be asked to provide retrospective approval upon return to the office. Those completing the request form should be reminded to provide as much detail as possible within the business case section. HR should also ensure that they sign and date the form upon receipt and also sign and date it when it has been processed to the agency or retain this detail on a tracking spreadsheet.</p>	3	<p>ODHR will not accept any forms which have not been signed by the relevant signatories.</p> <p>The business case section should always be completed in full and ODHR will not accept any forms which have not been completed in full.</p> <p>ODHR will ensure to sign and date the form upon receipt and also sign and date the form when it has been processed to the agency.</p> <p>Due to current remote working arrangements an electronic signature or</p>	<p>The updated Policy and guidelines issued to line managers make it clear that OD/HR will not accept any forms submitted without full and complete content such as:</p> <ul style="list-style-type: none"> ▪ Signed by the relevant signatories ▪ Incomplete business case/reason ▪ Assignment details (e.g. duration/end date) <p>(Due to current remote working arrangements an electronic signature or email trail confirming approval from the relevant signatories is acceptable.)</p> <p>Audit testing revealed the updated forms are being used and extension request forms are being used; and ODHR are</p>

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		<p>email trail confirming approval from the relevant signatories is required.</p> <p>These arrangements will be communicated in the forthcoming Policy.</p> <p>Head of ODHR Implementation date December 2020</p>	<p>actively pursuing updated information on reasons for extensions.</p> <p>Issue addressed</p>
<p>Council should ensure that there is clarity around the precise nature of the triangular relationship between Council, the agency and agency staff in relation to responsibility for and management of performance/errors/wrongful acts of agency staff. OD/HR should document the current process for dealing with issues with performance of agency staff and make it available to the HR team and relevant Managers and Heads of Service. Line managers can then refer to the document and be more certain of their actions when they are dealing with such situations.</p>	2	<p>New Council Policy/Procedure to address this issue. Liaise with agency regarding the management of performance/errors/wrongful acts of agency staff, to inform the Policy.</p> <p>Head of ODHR Policy drafted by 31 March 2021</p>	<p>Audit reviewed the updated Policy for Managing the Use of Agency Workers (January 2021) and found the process for managing agency worker performance and conduct/misconduct was clearly stated in section 16 and 17.</p> <p>In addition, a summary guidance document on the revised Policy was issued to line managers in February 2021.</p> <p>Issue addressed</p>
<p>HR should consider undertaking routine spot checks of qualifications and documenting these checks to provide assurance that the agency is using candidates with the necessary qualifications and experience. Alternatively, as the agency is responsible for carrying out all checks and references, they must continue to do so, but must also provide evidence of these to Council managers in a timely manner in advance of an agency staff worker reporting for duty. The relevant hiring manager should ensure they receive and review these documents prior to the candidate starting work.</p>	3	<p>ODHR will carry out routine spot checks on a monthly basis, for a trial period of 6 months subject to review. A sample will be chosen at random (20% of new starts for that month across different service areas and job roles) Pending the results, and assurances following the 6 month period, the trial period may be extended or reduced.</p> <p>January 2021</p>	<p>Audit verified that spot checks on agency staff qualifications were carried out in December 2021</p> <p>Issue addressed</p>

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<p>A formally documented review of the performance of the agency should be carried out at least annually. This should provide documented evidence that any issues, with the agency and the service they provide, which have been identified by Council officers and HR, have been resolved. Any interim meetings to discuss issues arising during the year should be documented and any issues raised should be followed up and noted as resolved. A tracker of issues being raised should be retained by HR noting the issue; the date raised, the date the agency was informed, and the date was resolved. (this should form the basis of any r review of the agency).</p>	3	<ul style="list-style-type: none"> • Quarterly meeting between the Agency, Head of ODHR and any other relevant Director to review any issues. • ODHR to open a tracker spreadsheet to detail all issues (noting the issue; the date raised, the date the agency was informed, and the date was resolved). • All meetings with the Agency to be documented / recorded. • Initial meeting held on 26th November 2020, with Directors, ODHR and Managing Director Staffline (NI). <p>Head of ODHR Initiate quarterly meeting by 31 January 2021 Initiate tracker spreadsheet by 31 January 2021</p>	<p>Audit reviewed the tracker spreadsheet created by ODHR to record ongoing issues with the contracted Agency. It records all appropriate information and evidence discussion and follow-up with the Agency.</p> <p>ODHR and SLT hold quarterly meetings with representative's form the Agency to discuss ongoing matters. Audit reviewed notes of such meetings held in September and December 2021.</p> <p>Issue addressed</p>
<p>Audit acknowledges that in the last 6 months that there has been increased focus on reducing the reliance on Agency Staff by SLT. However, it is recommended that to keep the focus on this matter, Agency staff numbers and costs should be an agenda item at SLT meetings (at least once per month). The monthly HR spreadsheets (or a summary report of these figures) should be discussed at SLT meetings and the various reasons for the long-term use of agency staff should be documented in detail and actions identified to reduce the numbers of agency staff. Progress of the actions to reduce agency staff costs should be monitored, discussed and documented at SLT meetings.</p>	2	<p>Directors are provided with the agency overview and the detail for their respective areas on a monthly basis. SLT will add 'Agency Review' as an agenda item on a monthly basis, to review the monthly information provided by ODHR</p> <ul style="list-style-type: none"> • ODHR to send the monthly overview to the Heads of Service. • Directors will continue to discuss at their meetings with Heads of Service. 	<p>Audit reviewed the last 2 quarterly reports to Directors/Committee which include detail of Agency worker usage and cost and the minutes of Committee meetings were these reports were presented and discussed.</p> <p>Audit also reviewed monthly overviews from ODHR to the following Heads of Service for the period May 2021-October 2021 - Head of Estates and Head of Sports and Well-Being.</p>

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		<ul style="list-style-type: none"> • ODHR will continue to challenge each request and compare against agreed structure. In-house transformation/re-organisation is progressing as approved and this will further reduce the need for and dependency on Agency staff. • ODHR are preparing quarterly reports which will be provided to the Director/Committee and include detail on Agency workers usage and cost. <p>Head of ODHR Policy drafted by 31 January 2021</p>	<p>Audit notes that comparisons report for the same periods in the previous year are also provided by ODHR. Audit reviewed SLT minutes from August 2021 until January 2022 and found regular discussion on the numbers of agency staff and the ongoing actions being taken to reduce usage of agency staff.</p> <p>ODHR provide HoS and SLT with all the information they require to monitor and manage agency staff usage.</p> <p>Issue addressed</p>