
Report to Resources and Audit Committee

Date of Meeting: 4 December 2014

Subject: Internal Audit and Fraud Progress Report

Report by: Internal Audit and Fraud Team Leader

1.0 Purpose

- 1.1. This report provides an update on work completed from the Internal Audit and Fraud Annual Plan 2014/15, which was recommended to full Council for approval by the Resources and Audit Committee on 11 March 2014, in accordance with the Financial Regulations.

2.0 Recommendations

- 2.1. The Committee is asked to note, comment on and challenge the report and progress made on the Internal Audit and Fraud Annual Plan 2014/15.

3.0 Considerations**Progress against 2014/15 Plan**

- 3.1. Progress on completion of the Assurance element of the Annual Plan 2014/15, is summarised in the table below, with more detail being provided in **Appendix A**.

Status of Audits		%
To be Commenced	3	18%
Onsite/On going	5	29%
Draft Report Issued	7	41%
Final Report Issued	2	12%
Total	17	100%

- 3.2. To provide members with more information on progress of the plans we have provided terms of reference for audits that are currently ongoing or are due to start in the near future and have been agreed. These are provided at **Appendix B** and cover the following reviews;

- Social Housing Charter
- Adult Care- Commissioning of Care
- Information Governance
- External Funding Arrangements including ALEOs
- Treasury Management
- Housing Benefit and Council Tax Reduction Scheme

Final Reports- Assurance

3.3. The following report from the 2014/15 plan are provided for:-

- Absence Management (Reasonable Assurance) (**Appendix C**).

Fraud

3.4. The Internal Audit and Fraud Team continues to investigate benefit fraud having received 77 referrals since 1st April 2014 with over 52 investigations commenced up to the end of October. In that time investigations have identified over £62,865 of over payments with 11 sanctions issued.

3.5. All of these cases have proceeded in line with the Clackmannanshire Council Benefit Fraud Sanctions and Penalties Policy and the Corporate Prosecutions Policy.

National Fraud Initiative 2014/15

3.6. The National Fraud Initiative (NFI) is a bi-annual counter-fraud exercise currently undertaken in Scotland as part of statutory audit. The initiative is managed by the Audit Commission and administered in Scotland by Audit Scotland on behalf of councils and other public bodies.

3.7. Work on the data submission phase of the 2014/15 National Fraud Initiative is progressing well. We have confirmed data sets with Audit Scotland and completed the Fair Processing Notification Compliance. At the end of October all data sets had been uploaded with the exception of payroll. This data set is particularly large and complex and requires significant work to prepare. We are keeping Audit Scotland up to date with progress.

Progress of Follow Up

3.8. Within Action Plans from previous Internal Audit Reports, there were 62 recommendations arising from 18 reports which were due for implementation by 31 October 2014. This covers all previous reports where there is at least one recommendation to be implemented. Of these, 10 recommendations have been implemented, 47 are in progress and 5 are no longer applicable. Recommendations are considered no longer applicable if they cover issues that have either been superseded by other events and are therefore dropped or have been carried forward in other reviews.

- 3.9. The progress made by Officers on these recommendations is summarised in **Appendix D** and where not sufficiently implemented, progress to date and revised completion dates have been agreed.

Conclusion

- 3.10. Work on the 2014/15 Internal Audit and Fraud Plan is progressing. Further progress has been made on implementing and addressing recommendations from previous reports.

- 3.11. Members are asked to note the report and progress made.

4.0 Sustainability Implications

- 4.1. There are no sustainability implications.

5.0 Resource Implications

5.1. *Financial Details*

- 5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. No

- 5.3. Finance has been consulted and have agreed the financial implications as set out in the report. Yes

6.0 Exempt Reports

- 6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box)

- | | |
|--|-------------------------------------|
| The area has a positive image and attracts people and businesses | <input type="checkbox"/> |
| Our communities are more cohesive and inclusive | <input type="checkbox"/> |
| People are better skilled, trained and ready for learning and employment | <input type="checkbox"/> |
| Our communities are safer | <input type="checkbox"/> |
| Vulnerable people and families are supported | <input type="checkbox"/> |
| Substance misuse and its effects are reduced | <input type="checkbox"/> |
| Health is improving and health inequalities are reducing | <input type="checkbox"/> |
| The environment is protected and enhanced for all | <input type="checkbox"/> |
| The Council is effective, efficient and recognised for excellence | <input checked="" type="checkbox"/> |

(2) **Council Policies** (Please detail)

Financial Regulations.

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

N/A

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix A - Progress on 2014/15 Internal Audit and Fraud Annual Plan

Appendix B - Terms of Reference

Appendix C - Absence Management

Appendix D - Progress Of Follow Up Of Internal Audit Reports

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
Stephen Coulter	Head of Resources and Governance	Signed: Stephen Coulter
Nikki Bridle	Depute Chief Executive	Signed: Nikki Bridle

Audit	Audit Weeks	Annual Plan	Service	Progress
Governance				
Annual Assurance Report	8	2014-15	Corporate	To Be Commenced
Assurance				
Absence Management	6	2014-15	Corporate and Governance	Draft Report Issued
Health and Safety	6	2014-15	Corporate and Governance	Final Report Issued
Community Planning	5	2014-15	Corporate & Strategy and Customer Services	Ongoing
Social Housing Charter	5	2014-15	Services To Communities- Housing and Community Safety	Ongoing
Housing Allocations Policy	6	2014-15	Services To Communities- Housing and Community Safety	Final Report Issued
Social Work Joint Review	3	2014-15	Social Services	To Be Commenced
Procurement	5	2014-15	Finance and Corporate Services	To Be Commenced
Education Joint Review	3	2014-15	Education	Ongoing
Adult Care- Commissioning of Care	4	2014-15	Social Services	Draft Report Issued
Information Governance	3	2014-15	Corporate	Draft Report Issued
External Funding Arrangements including ALEOs	4	2014-15	Corporate and across selected services	Draft Report Issued
Housing Benefit and Council Tax Reduction Scheme	6	2014-15	Revenues and Payments.	Draft Report Issued
Budget Management and Monitoring	5	2014-15	Corporate & Accountancy	Draft Report Issued
Treasury Management	4	2014-15	Accountancy	Draft Report Issued
General Ledger	6	2014-15	Accountancy	Ongoing

PROGRESS ON APPROVED INTERNAL AUDIT ANNUAL PLAN 2014/15

APPENDIX A

Audit	Audit Weeks	Annual Plan	Service	Progress
Change Management	6	2014-15	Corporate	Ongoing
ICT Asset Management Plan and IT Contract Management.	6	2014-15	Corporate & IT	To Be Commenced
Fraud				
Fraud Risk Assessment / Prevention	6	2014-15	All Services	Ongoing
Fraud Detection	48	2014-15	Internal Audit and Fraud	Ongoing
Review Fraud and Whistleblowing policies	2	2014-15	Corporate	Ongoing
National Fraud Initiative	6	2014-15	All Services submitting data	Ongoing
Data matching	4	2014-15	All Services	Ongoing
Fraud Awareness and Training	5	2014-15	Corporate and all services	Ongoing
Other				
Follow Up	4	2014-15	All Services	Ongoing

**INTERNAL AUDIT TERMS OF REFERENCE****SERVICE:** Services To Communities- Housing and Community Safety**AUDIT AREA:** Social Housing Charter**AUDIT YEAR:** 2014/2015**INTRODUCTION AND SCOPE**

The Scottish Housing Regulator (SHR) monitors and assesses the performance of Clackmannanshire Council as a landlord against the Scottish Social Housing Charter. The Charter contains a total of 16 outcomes and standards that social landlords should aim to achieve. The Scottish Social Housing Charter Revised Technical Guidance for Landlords gives technical guidance on the data that the Council should supply for an Annual Return on the Charter (ARC). The SHR Regulatory Framework requires the Council to send the SHR ARC data by the end of May for performance in the reporting year ending the previous March.

The Head of Housing and Community Safety is required to review and approve the ARC before it is submitted to the SHR.

The scope of this audit is to review the systems in place to support the Council's compliance with the Scottish Social Housing Charter.

RISKS

The following risks could prevent the Council complying with the Scottish Social Housing Charter and have been identified as within scope for this audit;

- Controls in place do not support compliance with the Scottish Housing Regulator's requirements for the Social Housing Charter.
- The data submitted on the Annual Return on the Charter is incorrect and/or cannot be appropriately evidenced.
- Appropriate arrangements are not in place to improve performance in areas reported by the Scottish Housing Regulator as below the Scottish average

AUDIT OBJECTIVE: Our audit work will be designed to evaluate whether appropriate systems are in place and operating effectively to mitigate the risks identified above.

**INTERNAL AUDIT TERMS OF REFERENCE****SERVICE:** Social Services**AUDIT AREA:** Adult Care- Commissioning of Care, Follow Up Review**AUDIT YEAR:** 2014/2015**INTRODUCTION AND SCOPE**

As part of the 2013/14 Annual Internal Audit plan a report was published outlining findings from a review of the Council's systems for Commissioning of Adult Care and Corporate Appointees. Limited assurance only was provided and Social Services management identified a number of actions that would be put in place to address issues. Social Services are projecting significant overspends for 2014/15.

The scope of our audit will be to assess actions put in place by Social Services in response to the original report and to consider how these are operating, which will include involvement of business support, corporate procurement and planning and commissioning social services.

RISKS

The following risks could prevent the achievement of the objectives of commissioning of adult care, or result from the non-achievement of the objectives, and have been identified as within scope for this audit;

- Lack of appropriate systems in place to monitor the needs assessment, commissioning, quality and costs of adult care services.
- Council do not achieve value for money in provision of adult care services.

AUDIT OBJECTIVE: Our audit work will be designed to evaluate whether appropriate systems are in place and operating effectively to mitigate the risks identified above.

**INTERNAL AUDIT TERMS OF REFERENCE****SERVICE:** Corporate**AUDIT AREA:** Information Governance, Follow Up Review**AUDIT YEAR:** 2014/2015**INTRODUCTION AND SCOPE**

As part of the 2013/14 Annual Internal Audit plan a report was published outlining findings from a review of the Council's systems for Information Governance / Document Management. Limited assurance only was provided and management identified a number of actions that would be put in place to address issues.

The scope of our audit will be to assess actions put in place in response to the original report and to consider how these are operating.

RISKS

The following risks could prevent the achievement of the objectives of the fixed asset systems, or result from the non-achievement of the objectives, and have been identified as within scope for this audit;

- Clackmannanshire Council does not meet legislative requirements of the Public Records (Scotland) Act 2011.
- Financial penalty and/or reputational damage caused by poor records management.

AUDIT OBJECTIVE: Our audit work will be designed to evaluate whether appropriate systems are in place and operating effectively to mitigate the risks identified above.



INTERNAL AUDIT TERMS OF REFERENCE

SERVICE: Corporate & Across Selected Services

AUDIT AREA: External Funding Arrangements including ALEOs, Follow Up Review

AUDIT YEAR: 2014/2015

INTRODUCTION AND SCOPE

As part of the 2013/14 Annual Internal Audit plan a report was published outlining findings from a review of the Council's systems of control over external funding arrangements. While reasonable assurance was provided, updated corporate arrangements were in early stages of implementation.

The scope of this targeted follow up audit is to consider the implementation of updated corporate arrangements over external funding.

RISKS

The following risks could prevent the achievement of the objectives of external funding arrangements, or result from the non-achievement of the objectives, and have been identified as within scope for this audit;

- Inconsistent application of new arrangements could lead to gaps and inconsistencies in operational monitoring of external funding.

AUDIT OBJECTIVE: Our audit work will be designed to evaluate whether appropriate systems are in place and operating effectively to mitigate the risks identified above.



INTERNAL AUDIT TERMS OF REFERENCE

SERVICE: Accountancy

AUDIT AREA: Treasury Management

AUDIT YEAR: 2014/2015

INTRODUCTION AND SCOPE

CIPFA defines Treasury Management as: "the management of the organisation's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks."

The Treasury Management operation has two main objectives: to ensure that cash flow is adequately planned, with cash being available when it is needed with surplus monies invested in low risk counterparties providing adequate liquidity; and funding of the Council's capital plans by managing long term cash flow and ensuring that the Council can meet its capital spending obligations

The CIPFA Treasury Management in Public Sector Code of Practice was last updated in 2011 and the recommendations made in the Code provide a basis for all public service organisations to create clear treasury management objectives and to structure and maintain sound treasury management policies and practices.

The scope of our audit will be to review treasury management arrangements within the Council. This will include reviewing whether systems and processes comply with the CIPFA Treasury Management Code of Practice.

RISKS

The following risks could prevent the achievement of the Treasury Management function objectives including CIPFA Treasury Management in Public Services Code of Practice.

- Policies and procedures are unclear resulting in inconsistency when undertaking Treasury Management functions.
- Treasury Management processes are not efficient and effective.
- Inadequate risk management, review and reconciliation of treasury transactions with the potential for fraud and financial loss.
- Treasury Management reporting is inadequate.

AUDIT OBJECTIVE: Our audit work will be designed to evaluate whether appropriate systems are in place and operating effectively to mitigate the risks identified above.

**DRAFT INTERNAL AUDIT TERMS OF REFERENCE****SERVICE:** Revenues and Payments**AUDIT AREA:** HB & Council Tax Reduction Scheme**AUDIT YEAR:** 2014/2015**INTRODUCTION AND SCOPE**

There are two types of Housing Benefit(HB): Rent Allowance and Rent Rebate. Rent Allowance applies when the applicant rents accommodation from a Housing Association or Private Landlord. Rent Rebate applies when the applicant rents accommodation from the Council.

Council Tax Reduction (CTR) was introduced from 1 April 2013 to replace Council Tax Benefit (CTB), which has been abolished by the UK Government as part of its welfare reform programme. Responsibility for assisting those who need help to pay their Council Tax in Scotland sits with the Scottish Government and Scottish Local Authorities.

The Revenues and Payments Section are responsible for the administration of HB and CTR scheme.

The scope of this review is to confirm that the expected key controls of the Housing Benefit and Council Tax Reduction Scheme processing systems are in place and operating effectively.

RISKS

The following risks could prevent the achievement of the objectives of the HB and CTR schemes, or result from the non-achievement of the objectives, and have been identified as within scope for this audit:

- ✧ Policies and procedures are unclear resulting in not consistently applying regulations when assessing HB and CTR claims.
- ✧ HB and CTR systems are not efficient or effective.
- ✧ Inadequate review and reconciliation of HB and CTR applications, system details, payments and ledger.
- ✧ Overpayments not identified and promptly recovered.
- ✧ HB and CTR reporting is inadequate.

AUDIT OBJECTIVE: Our audit work will be designed to evaluate whether appropriate systems are in place and operating effectively to mitigate the risks identified above.

1. INTRODUCTION

1.1 This report details the findings of the Internal Audit review of Absence Management. The review forms part of the Internal Audit and Fraud Plan for 2014/15, which was recommended to full Council for approval by the Resources and Audit Committee on 11 March 2014.

1.2 In March 2012, Clackmannanshire Council approved the Maximising Attendance and Employee Wellbeing Policy. The purpose of the Policy is to promote employee wellbeing and in doing so reduce absence levels. Underlying procedures have been put in place, the purpose of which are to provide a framework for both managers and employees to implement the principles contained within the Policy. The Council's new Employee and Manager Self Service portal, iTrent, is used to record absences including sickness, holiday, flexi leave and other absences.

1.3 Clackmannanshire operates a Flexible Working Hours Scheme, which is commonly referred to as flexi time, which allows flexibility in the working day for an individual and for managers, who are responsible for ensuring consistent service delivery.

2. SCOPE AND OBJECTIVES

2.1 The scope of the audit was to review and evaluate the high level controls around how the Council administers and manages absence management arrangements across the Council. The review focused on the management, monitoring and reporting of sickness absence and operation of the flexible working hours scheme.

2.2 Internal Audit, in conjunction with Human Resources (HR) senior management, identified the key risks relating to the audit. In our opinion there is a reasonable control environment operating in relation to absence management arrangements and the proposed arrangements for their management going forward. We can provide overall **reasonable** assurance that risks are being adequately mitigated.

Key Risk	Assurance Assessment
Lack of corporate compliance with absence management procedures.	Reasonable
Lack of corporate compliance with flexible working hours scheme.	Significant
Reported absence figures are not accurate.	Limited

3. FINDINGS

3.1 We can provide reasonable assurance of corporate compliance with absence management procedures. Since the approval of the Maximising Attendance and Wellbeing Policy in March 2012, 166 Line Managers have been briefed by Human Resources (HR) on the Policy and the underlying Maximising Attendance and Employee Wellbeing Procedures. Further sessions are currently being taking place. The Policy is to be reviewed every two years and will be included in a wider ongoing review of all policies currently being undertaken by HR.

3.2 Following the briefing sessions, line managers were required to hold awareness sessions with their staff where a Maximising Attendance and Employee Wellbeing booklet is discussed. This booklet is a guide to the sickness absence procedures within the Policy and Procedures. Employees are required to sign an acknowledgement slip at the back of the booklet to say that they have read and understood their responsibilities and forward this slip to HR. As at the end of August 2014, HR had received 23% of slips from employees. It was identified during the review that a number of employees have signed the slip but these had not been forwarded to HR. Some slips have been filed in the Service's own personnel files but one service, Soft FM, has mislaid slips signed at the end of an awareness session for a significant number of employees. Testing provided evidence that awareness sessions are being held and we take a degree of assurance from this. Feedback from line managers indicated that they have emphasised in particular that if staff are unable to attend work because of illness they must phone their Line Manager to report the absence.

3.3 We carried out testing across 11 services and all line managers were aware of the procedures including trigger points for Support and Guidance meetings. It was found that good support was being provided to absent employees with referrals to Occupational Health and Physiotherapy where appropriate. The managers expressed agreement that the procedures and HR Support provide assistance in addressing non-attendance. However, some managers expressed concerns that Welcome Back and Support and Guidance meetings can be difficult to fit in with pressures of other work. This was particularly the case where managers have responsibility for a larger number of staff and where service delivery priorities require efforts to be focussed on arranging cover. One service reviewed, Roads, had a backlog of Support and Guidance meetings, which are now being arranged with the assistance from their HR Adviser. Testing identified instances where welcome back meetings were not always being carried out for short-term absence with one business area, Leisure, Janitors and Cleaning, not carrying out any Welcome Back or Support and Guidance meetings. We have received assurance that this service has now started carrying out these meetings.

3.4 Welcome Back and Support and Guidance meetings are a requirement of the Policy and need to be carried out for all absences. These allow line managers to ensure that staff are getting appropriate support and to spot any potential issues at an early stage.

3.5 There are a small number of cases of long term absence where staff were not following policy requirements (e.g. not turning up for occupational health appointments or not keeping in contact with line manager). These instances are few and far between but they create significant issues and frustration for line managers and services. In all instances however we found that policies and procedures are being correctly followed with health related capability reviews being introduced at the appropriate time. The HR Capability Policy is currently being reviewed along with the unions with the intention of speeding up the capability processes.

3.6 We tested a number of absences to consider compliance with requirements of absence recording procedures. We found that there was generally good compliance with procedures however we did find a number of instances of non compliance. We found one instance where a medical line had not been submitted yet trigger point for this had been met and passed. We also identified a small number of other non compliances including;

- absences not being 'ended' on i-Trent leading to incorrect period of absence being recorded
- sickness periods being inappropriately stopped and started again leading to more than one episode being recorded.

- incorrect recording of hospital visits as sickness rather than 'other absence'
- reason for sickness not always being made clear.

3.7 We have discussed these instances with the relevant line manager and the errors identified have been rectified.

3.8 We can provide significant assurance over corporate compliance with the flexible working hours (flexi system) scheme. The flexi system is used by a limited number of services as many services operate fixed hours and shift work.

3.9 There is no single method for recording flexi hours in use in the Council. The most common recording system in use is the one created by Housing Services with this system uploaded onto Connect for use by other Services. This system records the maximum carry forward of 1.5 working days and has clear guidance notes. The sample testing found that flexi sheets for services using the Housing system were all authorised by a Line Manager with all officers adhering to the Council's Flexible Working Hours Scheme. Some officers, particularly the Line Managers themselves, were on occasion building up more than the maximum credit balance but were carrying forward the correct maximum carry forward between periods.

3.10 Officers within one Service tested, Revenues, who do not use the Housing system were regularly carrying forward credit balances above the maximum credit balance. Officers have now been instructed not to build up excessive credits with monitoring of this to be carried out. Testing provided assurance that staff are properly entering their flexi leave onto iTrent and it could be determined that staff are not exceeding the maximum of 13 flexi days in the leave year.

3.11 We can only provide limited assurance that reported absence figures are accurate. Business Objects reporting tool is used to extract information from iTrent to prepare quarterly absence reports for Corporate Management Team (CMT). This report is not reviewed to identify any anomalies where the days lost does not agree to the absence period. Differences were found on the April 2014 to June 2014 report. These differences included two instances where days lost for an employee were significantly over reported (204 days recorded by Business Objects with 54 only actually lost and 200 days recorded with 130 actual) and one where days lost were under reported (1 day recorded with 37 actually lost). The correct absence period is recorded in iTrent but is incorrect on the Business Objects report. In addition, as outlined above it has been identified that absences were not all being properly ended on iTrent with this affecting the reported absence figures.

3.12 HR Advisers issue absence reports to Service Managers each month with the Service Manager expected to cascade the report to their Team Leaders. Line Managers can also access iTrent and run their own reports. It was found that absence for employees with more than one job were being allocated to all the employee's jobs. A number of examples were found of one absence recorded as three or two absences in the iTrent and CMT report. HR are aware of this, which is due to the initial input of each employees working pattern. An officer is currently working on identifying work pattern exceptions with, for example, a relief post to be entered as a 0-hour working pattern.

3.13 The contents of this report have been discussed with relevant officers to confirm factual accuracy. The co-operation and assistance we received during the course of our audit is gratefully acknowledged.

4. RECOMMENDATIONS

4.1 A summary of the recommendations raised from this audit is included in a Management Action Plan. Management comments, the date for implementation and Responsible Officer have been reflected within the Action Plan.

4.2 The Management Action Plan contains the following priority of recommendations.

Priority Assessments	Number
Priority 1	-
Priority 2	2
Priority 3	6
Priority 4	1

MANAGEMENT ACTION PLAN

Ref	Finding	Risk	Priority	Agreed Management Action	Responsible Officer	Target Date
5.1	Maximising Attendance and Wellbeing Policy has not been reviewed since being issued.	Policy is out of date or no longer fit for purpose.	4	HR are in the process of reviewing all their existing policies and a review of this policy will be undertaken.	Senior HR Advisor	31/03/2015
5.2	Acknowledgement slips to record awareness of the Maximising Attendance and Wellbeing Policy are not being completed.	Lack of compliance with policy. Potential to claim lack of knowledge of policy to justify bad practice.	3	Service Managers should ensure that acknowledgement slips are being returned. HR have run a number of Maximising Attendance Briefing sessions, the latest taking place in October 2014. When these are completed, a blanket email will be sent to all employees to raise awareness that the employee should sign the form in the Booklet and returned to HR.	All Service Managers Senior HR Advisor	31/12/2014

ABSENCE MANAGEMENT

APPENDIX C

Ref	Finding	Risk	Priority	Agreed Management Action	Responsible Officer	Target Date
5.3	Welcome back meetings are not always being undertaken.	Staff not receiving appropriate support and/or potential issues not being identified at early opportunity.	3	<p>Welcome Back and, where triggers met, Support and Guidance meetings need to be carried out for all absences (even if only half a day absence).</p> <p>Development of iTrent by HR will allow Managers to record these meetings online. A Back to Work screen will allow a record of the meeting to be held on iTrent. iTrent provides managers access to reports to monitor employees levels of absence and whether triggers are being hit. Once triggers reached Support and Guidance meeting requires to be held. iTrent will prompt managers to indicate whether triggers hit</p>	<p>All Line Managers</p> <p>Senior HR Advisor</p>	<p>31/12/2014</p> <p>31/12/2014</p>
5.4	For one sample tested a Medical Line was not submitted for a two week period of absence.	Reason for absence not being adequately recorded. Also, staff not receiving appropriate support and/or potential issues not being identified at early opportunity.	3	Medical line should be received from relevant member of staff.	Team Leader, Menstrie House	30/11/2014

ABSENCE MANAGEMENT

APPENDIX C

Ref	Finding	Risk	Priority	Agreed Management Action	Responsible Officer	Target Date
5.5	<p>A number of minor non-compliances were identified during testing;</p> <ul style="list-style-type: none"> Absences not being 'ended' on i-Trent leading to incorrect period of absence being recorded sickness periods being inappropriately stopped and started again leading to more than one episode being recorded. incorrect recording of hospital visits as sickness rather than 'other absence' reason for sickness not always being made clear. 	Potential knock on effect to other elements of the process.	3	<p>Specific non-compliances discussed and addressed</p> <p>Absence reports issued to service managers, and subsequently to line managers, should be properly reviewed to identify any errors. HR produce a half pay absence report a month in advance of the employee going onto half pay with a letter sent to the employee and their Line Manager. This has been identifying instances where the absence has not been properly ended.</p> <p>'Other' absence category and Unknown is to be removed with other categories reviewed.</p>	<p>Relevant line managers</p> <p>All Service Managers All Line Managers</p> <p>Senior HR Advisor</p>	<p>Implemented</p> <p>31/12/2014</p> <p>Implemented</p>
5.6	There is no single corporate system for recording flexi time.	Inconsistency in applying flexible working scheme procedures.	3	HR are currently reviewing the flexi policy with the unions as part of ongoing policy development. An option to use the Housing system as a Corporate system.	Senior HR Advisor	31/12/2014
5.7	Flexi balances above maximum are being regularly carried forward.	Not complying with the 2012 Council's Flexible Working Hours Scheme.	3	Officers have now been instructed not to build up excessive credits with monitoring of this to be carried out.	Revenues Team Leader	Implemented
5.8	The Business Objects report to CMT is not reviewed to identify any anomalies where the days lost does not agree to the absence period.	Inappropriate action being taken as issues not being properly identified.	2	<p>Long term absence and absence open/close reports are now being introduced to identify absences that have not been 'closed' properly which is a major contributor to incorrect figures.</p> <p>Reasonableness checks on CMT reports will be introduced to help identify any anomalies.</p>	<p>Senior HR Advisor</p> <p>Senior HR Advisor</p>	<p>Implemented</p> <p>31/12/2014</p>

ABSENCE MANAGEMENT**APPENDIX C**

Ref	Finding	Risk	Priority	Agreed Management Action	Responsible Officer	Target Date
5.9	Absences for employees with more than one job were being allocated to all the employee's jobs.	Absence levels being over stated as double and even treble counting can result.	2	HR are aware of this, which is due to the initial input of each employees working pattern. An officer is currently working on identifying work pattern exceptions with for example a relief post to be entered as a 0-hour working pattern.	Senior HR Advisor	31/12/2014

PROGRESS OF FOLLOW UP OF INTERNAL AUDIT REPORTS

APPENDIX D

Report Title	Priority				Number of Recommendations	Recommendations			
	1	2	3	4		Implemented	In Progress	Not Applicable Now	Implementation on Target? (* New Dates Agreed)
Welfare Reform	-	2	2	-	4	1	3	-	Y*
Payroll and HR	-	-	1	-	1	-	1	-	Y*
Adult Care - Commissioning of Care & and Corporate Appointees	2	2	1	-	5	-	-	5(a)	N/A
Data Protection - Corporate	-	2	-	-	2	-	2	-	Y*
Risk Management Arrangements	-	1	1	-	2	-	2	-	Y*
Non Domestic Rates Income	-	1	-	1	2	-	2	-	Y*
Income Collection & Cash Receipting	-	-	2	-	2	-	2	-	Y*
Purchase Orders to Payment of Suppliers	-	1	1	-	2	-	2	-	Y*
Council Tax	-	1	2	-	3	-	3	-	Y*
Purchase Cards	-	1	-	-	1	-	1	-	Y*
Information Governance	1	8	2	-	11	1	10	-	Y*
Business Continuity Planning and Disaster Recovery	-	1	3		4	-	4	-	Y*
Targeted Follow up Review of Arm's Length External Organisations	-	1	-	-	1	1	-	-	N/A
Savings and Efficiencies - Overtime	-	2	6	-	8	-	8	-	Y*
Corporate & Public Performance Reporting	-	1	1	-	2	-	2	-	Y*
IT Assets Management System			3	1	4	2	2	-	Y*
Funding Applications including European Funds		1	1		2	-	2	-	Y*
Health and Safety	-	2	4	-	6	5	1	-	Y*
TOTAL	3	27	30	2	62	10	47	5	47

(a) - Taken forward as part of the 2014/15 Targeted Follow up Adult Care - Commissioning of Care Review

