

Internal Audit

People Management – Pre-employment Checks

June 2015

Distributed to:

- Chief Operating Officer
- Lead Human Resources Consultant
- Director of Human Resources, CSG
- Human Resources Operations Director, CSG
- Human Resources Programme Manager, CSG
- Human Resources Operations Manager, CSG

	None	Limited	Satisfactory	Substantial
Audit Opinion				

1. Executive Summary

Introduction

As part of the 2014/15 Internal Audit Plan, agreed by the Audit Committee in April 2014, we have undertaken a review of People Management, focussing on pre-employment checks. As agreed with management, the timing of this review was delayed due to changes in HR senior officers within both the Council and CSG and a resultant lack of resource available to support the audit.

Background & Context

The management of the Human Resources (HR) function at the Council is contracted to CSG (Capita).

A number of policies and procedures govern the pre-employment vetting process in operation within the Council. A project is currently underway to review the Council's Safer Recruitment guidance which sets out the checks that are required for all prospective employees. This includes those who will be working with children and adults at risk of harm.

As part of the pre-employment checks, candidates must provide identification documents. The need for a Disclosure and Barring Service (DBS) check, formerly known as a Criminal Records Bureau (CRB) check, is generally identified by the type of role that an employee will undertake.

The HR function within CSG is responsible for the processing of pre-employment checks on Council employees. All relevant documentation should be uploaded onto the CORE HR Management System which was introduced in April 2014.

The Health and Care Professions Council ("HCPC") regulations require social workers employed by the Council to be registered with the HCPC. Registration details should be reviewed annually by individuals to ensure the information recorded is up to date. The Council should assure itself that social workers employed to undertake work on its behalf have appropriate HCPC registration.

Corporate objectives and risks

People Management and pre-employment checks support all of the strategic objectives in the Corporate Plan 2015-20:

The Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

1. Of opportunity, where people can further their quality of life
2. Where people are helped to help themselves, recognising that prevention is better than cure
3. Where responsibility is shared, fairly
4. Where services are delivered efficiently to get value for money for the taxpayer.

Key Findings (informing Audit opinion)

There are three priority 1 and one priority 2 recommendations.

We identified the following issues as part of the audit:

- **Safer Recruitment training and guidance available to staff** - In line with Council procedure, when a new employee is recruited or an existing employee changes role, the requirement for any pre-employment or additional vetting procedures should be identified by the Line Manager from the details in the role description. We confirmed that the current Council guidance available to Line Managers does not contain sufficient detail regarding the current statutory requirements relating to DBS clearances and no ongoing training is provided by Human Resources.

We were informed that the Safer Recruitment procedures are currently being updated and were reviewed by the Workforce Board on 10 June 2015. These include more information on DBS requirements and will be made available to Line Managers when they are finalised. **(Finding one, priority 1)**

- **Monitoring of HCPC registration of social workers** - All social workers employed by the Council are required to be registered with the HCPC. Social workers should renew their registration before the expiry date to ensure continued compliance with their employment conditions.

We confirmed that registration documentation is not required to be provided by social workers to evidence compliance with their employment contract.

Additionally, there is no formal monitoring of the registration status of social workers undertaken by the Council or CSG to independently validate registration status.

Our detailed testing identified one case where a social worker employed by the Council was not listed on the HCPC website. **(Finding two, priority 1)**

- **Accuracy and completeness of vetting information held on Council employees** - The CORE Human Resources management system was introduced in April 2014 and all employee data was transferred from the previous SAP system. We confirmed that a formal data cleanse was not performed before the information was transferred. As a result, management are aware that there are issues with the completeness and accuracy of the data held in CORE, although the extent of the issues has not been quantified.

There is also no formal mechanism in place to capture any change in roles of existing employees using CORE to ensure continued compliance with safeguarding legislation.

An exercise is currently being undertaken by the HR management team to validate all information held in the CORE system. One of the objectives of the exercise is to ensure that all Council employees have the correct clearance for their role. **(Finding three, priority 1)**

- **Annual audit results of pre-employment checks performed by Comensura** - The Council has a contract with Comensura Limited

(“Comensura”) to provide agency staff when the existing resources are unable to meet demand. Comensura are able to use third party recruitment agencies when the skills and expertise of the role cannot be met by the staff on their register. In these cases Comensura are still responsible for meeting the conditions of the contract with the Council and performing the pre-employment checks before staff are assigned.

Comensura are also required to perform an annual audit of the third party agencies used to provide staff to the Council. The audit includes testing that agency staff have the correct DBS clearance specified in the role description.

Management were unable to provide evidence that Comensura had provided the Council with the result of the audit performed in the 2014/15 financial year although we were able to validate that monthly spot checks performed independently by the Council are operating effectively. **(Finding four, priority 2)**

Limitation of scope

Our work was limited to DBS and identification checks and did not include the assessment of an individual’s Right to Work in the UK. We also did not include the pre-employment checks performed for individuals employed to work in Schools.

We did not assess the adequacy of the current Recruitment and Safeguarding policies or the Council’s compliance with relevant Safeguarding legislation.

Area of Scope	Adequacy of Controls	Effectiveness of Controls	Number of Recommendations Raised		
			Priority 1	Priority 2	Priority 3
Employment Vetting			-	-	-
DBS / CRB clearance of current employees			1	-	-
Staff undertaking vetting and risk assessment			1	-	-
Social Care registration			1	-	-
Agency and contractor staff			-	1	-

Acknowledgement	We would like to thank the Human Resources team within the Council and CSG and the Council's Delivery Units for their time and co-operation during the course of the internal audit.
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2.1 Safer Recruitment training and guidance available to staff

P	Detailed finding	Risk	Recommendation
1	<p>In line with current Council procedures, when a new employee is recruited or an existing employee changes role, the requirement for any pre-employment or additional vetting procedures should be identified by the Line Manager from the details in the role description. This includes any DBS clearances.</p> <p>All role descriptions are standardised and issued by Human Resources but it is the responsibility of the Line Manager to notify Human Resources when a clearance is required.</p> <p>We confirmed that the current Council guidance available to Line Managers does not contain sufficient detail regarding current statutory requirements relating to DBS clearances.</p> <p>There is also no training provided to Line Managers to ensure they are aware of safeguarding requirements.</p> <p>We confirmed that the Safer Recruitment procedures currently being updated were reviewed by the Workforce Board on 10 June 2015. They include more information on the specific DBS requirements and the responsibilities of Line Managers in relation to pre-employment checks.</p> <p>The revised procedure document will be made available to all employees and briefing sessions</p>	<p>Line Managers responsible for initiating pre-employment vetting procedures may not have the relevant knowledge to enable them to request the correct checks on all relevant employees. This could result in insufficient checks taking place and thus the Council being non-compliant with safeguarding requirements and employing individuals who are unsuitable for the role.</p>	<p>Recommendation 1</p> <ul style="list-style-type: none"> a) The revised Safer Recruitment guidance should be formalised and made available to all Line Managers within the Council following formal approval by the Workforce Board in August 2015. b) Human Resources should develop training on the new guidance. c) All Line Managers within the Council should be mandated to attend a formal briefing on the new guidance to ensure they fully understand their role and responsibilities.

<p>will be run by Human Resources to ensure all Line Managers are aware of their responsibilities.</p>			
Management Response		Responsible Officer	Deadline
<p>Revised policy and guidelines were submitted to Workforce Board (WFB) 10th June for 30 day consultation. If no further consultation required the policy and guidelines will be approved and released. These will be placed on the intranet with briefing sessions arranged as required – it has been noted that this is a formal recommendation and therefore further discussion will take place with the client to determine requirements.</p> <p>Many of the managers have raised concerns (either through WFB or independently) in relation to the guidance and applying consistent methodology to determining which posts do or do not require checks. With this in mind Capita intend to propose to the client the introduction of a new DBS consistency forum with representation from each DU; the intention being that the forum will debate requirements for posts where there is any uncertainty with the aim to ensure consistent application of requirements against posts across the DU's.</p> <p>WFB also requested that an appendix of posts requiring/not requiring checks was developed, this has been considered since the last WFB but further discussion will be required with the client to establish how this would work in practice.</p> <p>A formal meeting will be set up for discussions between client strategy, client assurance, client safeguarding and Capita to determine the next steps.</p>		<p>Lead Human Resources Consultant</p> <p>Human Resources Operations Director, CSG</p> <p>Human Resources Operational Manager, CSG</p>	<p>a) 31 August 2015</p> <p>b) and c) Initial discussion at the WFB meeting in July 2015, full implementation by 31 August 2015</p>

2.2 Monitoring of HCPC registration of social workers

P	Detailed finding	Risk	Recommendation
1	<p>In line with the terms of conditions of employment, all social workers employed by the Council are required to be HCPC registered. Social workers should renew their registration before the expiry date to ensure continued compliance with their employment conditions.</p>	<p>Insufficient monitoring of HCPC registration of social workers employed by the Council may result in non-compliance with legislative requirements if instances where an unregistered social worker is still operating are not identified and lead to reputational damage if the Council are found to be</p>	<p>Recommendation 2</p> <p>a) Management should complete the risk assessment process for the case where HCPC registration could not be confirmed and ensure that it is appropriate for them to</p>

<p>We confirmed that registration documentation is not required to be provided by social workers to evidence compliance with their employment contract.</p> <p>Additionally, there is no formal monitoring of the registration status of social workers undertaken by the Council or CSG to confirm registration status and therefore compliance with employment conditions. Discussion with management confirmed that this is because the responsibility for checking and monitoring registration has not been clearly assigned to either the Adults and Communities delivery unit or to Human Resources.</p> <p>We selected a sample of 20 social workers employed by the Council at 1 June 2015, testing to ensure that they had a valid registration number of the HCPC website.</p> <p>In one out of 20 cases (5%), the social worker was not listed on the HCPC website. This case has been provided to management and we confirmed with the Director of Human Resources that a full risk assessment is currently being performed to determine whether further action should be taken to gain assurance over the registration status.</p>	<p>employing social workers who do not have the appropriate accreditation.</p>	<p>remain in post.</p> <p>b) The Council should consider whether to introduce a requirement for all social workers to provide evidence of HCPC registration.</p> <p>c) Management should agree a clear procedure for the monitoring of HCPC registration, clarifying the respective responsibilities of Adults & Communities, Family Services and Human Resources.</p> <p>d) The Council should consider how to formally monitor HCPC registration, including the expiry date of all social worker registration. Management should continue to develop the functionality of CORE to support this process. If relevant, reminders should be sent to all social workers when a registration is due to expire.</p> <p>e) The Council should produce an Engagement and Communications Plan to communicate any new monitoring procedures to ensure social workers are aware of their responsibility to provide timely evidence of registration.</p>	
<p>Management Response</p>		<p>Responsible Officer</p>	<p>Deadline</p>
<p>The case identified as being non-compliant will be raised with the DU Director and a risk assessment will be undertaken, with the appropriate decision being made by the DU Director as to whether that employee should have HCPC registration or be supervised (or other alternative action taken) whilst registration is being obtained.</p>		<p>Lead Human Resources Consultant Human Resources Operations Director, CSG</p>	<p>All – 31 July 2015</p>

<p>A review is currently underway for all employees whose role requires HCPC registration and those found to be non-compliant will be addressed as above.</p> <p>A process will be written and submitted to WFB for consultation and approval for the monitoring with guidance notes which will include a requirement for all social workers to provide evidence of HCPC registration. This will be cross referenced with an HCPC website check. Once document is approved it will be placed on the intranet and briefing sessions held as appropriate</p> <p>A decision will need to be made as to where the responsibility rests for monitoring registration going forward. A formal meeting will be set up for discussions between client strategy, client assurance, client safeguarding and Capita to facilitate this discussion. Irrespective of where the responsibility lies CORE is currently being developed to record and provide management information to support this process.</p> <p>Work is already underway to develop CORE to store information relating to both DBS and HCPC. This work is currently in test phase with the aim to transfer data from manual spreadsheets to the system in July 2015.</p> <p>Reminders for Social Workers will be considered alongside the discussion regarding responsibility for monitoring in the meeting described above. Implementation of this process will follow in due course.</p> <p>Engagement and communication for all Social Workers will form part of the plan addressed in the meeting described above. Consideration and approval of this guidance will need to be discussed as well as the communication methodology. Implementation of this process to follow in due course.</p> <p>The meeting described above will be critical in informing what action should be taken by the Council to investigate Social Workers who fail to provide relevant evidence. Outcomes of this discussion will form part of the guidance and engagement for managers and employees alike.</p>	<p>Human Resources Operational Manager, CSG</p>	
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2.3 Accuracy and completeness of vetting information held on Council employees

P	Detailed finding	Risk	Recommendation
1	<p>Since April 2014, the Council has used the CORE Human Resources Management System to store all documentation relating to pre-employment vetting, including details of employee DBS clearances.</p> <p>The CORE system was introduced in April 2014 and all employee data was transferred from the previous SAP system. We confirmed that a formal data cleanse was not performed before the information was transferred. As a result, management are aware that there are issues with the completeness and accuracy of the data held in CORE, although the extent of the issues has not been quantified.</p> <p>Although the requirement for employees to be DBS cleared is included in the role descriptions, there is no formal mechanism in place to capture any change in roles of existing employees within CORE to ensure continued compliance with safeguarding legislation.</p> <p>We confirmed that there is currently an exercise being undertaken by the Human Resource management team to validate all information held in the CORE system. One of the objectives of the exercise is to ensure that all Council employees have the correct clearance for their role.</p> <p>Discussion with management also confirmed</p>	<p>Employee information held in the CORE system may be incomplete or inaccurate resulting in the DBS clearances not being effectively monitored and non-compliance with safeguarding legislation if individuals are employed in roles without the correct clearance.</p> <p>Changes to role and responsibilities which may require additional DBS clearances may not be identified promptly resulting in action not being taken to ensure continued compliance with safeguarding legislation.</p>	<p>Recommendation 3</p> <ul style="list-style-type: none"> a) The Council should complete the review of all information held in the CORE system as soon as possible. b) DBS clearances should be obtained for all roles where gaps are identified in the information held on CORE. c) A formal change in role form should be introduced and all Line Managers should be made aware of their responsibilities in notifying Human Resources when additional clearances are required.

<p>that a formal change of role form is to be introduced as part of the update of the Safer Recruitment procedures. The form will be required to be completed by all Line Managers when the role or responsibilities of an employee change to ensure that any additional clearances which may be required are completed promptly.</p> <p>This will be included in the briefing sessions for Line Managers which will be conducted as part of the roll out of the new procedures. This will take place before September 2015.</p>		
Management Response	Responsible Officer	Deadline
<p>The review of information held in CORE is currently underway. DU's are already undertaking an exercise to review whether a position requires a DBS check or HCPC registration as previously stated. Where there is uncertainty this will be reviewed through the DBS Consistency Forum described above.</p> <p>Data collated is being referenced back to establishment data in CORE and data is currently being prepared to complete test uploads within week commencing 29th June 15. The aim will be to have this recorded against live records in early July.</p> <p>Any gaps in information once data is loaded will either be addressed through the DBS consistency forum or raised with Managers as gaps.</p> <p>The Establishment Control Movers form has already been updated to capture the requirements of the post and the incoming employee. The aim will be for this to trigger the operations team to begin the process for upgrading if required and current certification doesn't already trump the requirements of the post. These updated forms will be embedded via Engagement and Communications channels.</p>	<p>Lead Human Resources Consultant</p> <p>Human Resources Operations Director, CSG</p> <p>Human Resources Operational Manager, CSG</p>	<p>All – 31 July 2015</p>

2.4 Annual audit results of pre-employment checks performed by Comensura

P	Detailed finding	Risk	Recommendation
2	<p>The Council has a contract with Comensura Limited (“Comensura”) to provide agency staff when the existing resources are unable to meet the demand.</p> <p>We confirmed that there is a formal contract between Comensura and the Council which includes specific terms and conditions around the pre-employment vetting procedures required to be undertaken before individuals are formally engaged by the Council: a role description is provided to Comensura which includes the vetting requirements, such as DBS, Comensura are then responsible for finding a suitable individual and completing the relevant vetting. This is completed using other agencies in most cases.</p> <p>Comensura are able to use third party recruitment agencies when the skills and expertise of the role cannot be met by the staff on their register. In these cases Comensura are still responsible for meeting the conditions of the contract with the Council.</p> <p>In line with the terms and conditions of the contract, Comensura are required to perform an annual audit of the third party agencies used to provide staff to the Council. The audit includes testing that agency staff had the correct DBS clearance specified in the role description. The results of the audit should be provided to the</p>	<p>Comensura may not provide the Council with sufficient assurance over the pre-employment checks performed on agency staff resulting in non-compliance with legislative requirements not being identified and resolved promptly and reputational damage to the Council if vulnerable service users are not being appropriately safeguarded.</p>	<p>Recommendation 4</p> <ul style="list-style-type: none"> a) Management should ensure that the results of the annual audit undertaken by Comensura are communicated promptly and shared with Human Resources. b) The Council should review the results of the audit to identify any instances of non-compliance. c) All instances of non-compliance should be discussed with the agency, investigated and resolved. d) Management should consider whether the monthly spot checks provide sufficient monitoring of the compliance of the employment agencies with safeguarding requirements.

<p>Council.</p> <p>Management in HR were unable to provide evidence that Comensura had provided the Council with the result of the audit performed in the 2014/15 financial year.</p> <p>In addition to the annual audit undertaken by Comensura, the Council also perform monthly spot checks on agency staff clearances. This involves selecting a sample of ten agency workers and reviewing their clearance. A risk based approach is applied to the selection of the sample, with focus being placed on Council employees in Adults and Communities and Children’s Services. We reviewed the working papers and documentation of the spot checks performed in October 2014 and January 2015. No exceptions were noted where the employee did not have the appropriate DBS clearance.</p>			
<p>Management Response</p>		<p>Responsible Officer</p>	<p>Deadline</p>
<p>A, B & C - It is noted that annual audit results should be communicated as promptly as possible. Current process is that annual audit results are presented to Procurement. A full review of this audit process will be completed.</p> <p>D - This will be discussed during the meeting described above for DBS and HCPC. The outcome will be fed back into the review above and detailed plans, identifying timelines, developed accordingly.</p>		<p>Human Resources Operations Director, CSG Human Resources Operational Manager, CSG</p>	<p>All – 31 July 2015</p>

<p>Timetable</p>	
<p>Terms of reference</p>	<p>31 March 2015</p>
<p>Fieldwork completed</p>	<p>15 June 2015</p>
<p>Draft report issued</p>	<p>22 June 2015</p>
<p>Management responses received</p>	<p>29 June 2015</p>
<p>Final Report Issued</p>	<p>7 July 2015</p>

Appendix A: Statement of Responsibility

We take responsibility for this report which is prepared on the basis of the limitations set out below:

- The matters raised in this report are only those which came to our attention during the course of our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made.
- Recommendations for improvements should be assessed by you for their full impact before they are implemented.
- The performance of internal audit work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices. We emphasise that the responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity.
- Auditors, in conducting their work, are required to have regards to the possibility of fraud or irregularities. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.
- Internal audit procedures are designed to focus on areas as identified by management as being of greatest risk and significance and as such we rely on management to provide us full access to their accounting records and transactions for the purposes of our audit work and to ensure the authenticity of these documents.
- Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Appendix B: Guide to assurance and priority

The following is a guide to the assurance levels given:

	Substantial Assurance	There is a sound system of internal control designed to achieve the system objectives. The control processes tested are being consistently applied.
	Satisfactory Assurance	While there is a basically sound system of internal control, there are weaknesses, which put some of the client's objectives at risk. There is evidence that the level of non-compliance with some of the control processes may put some of the system objectives at risk.
	Limited Assurance	Weaknesses in the system of internal controls are such as to put the client's objectives at risk. The level of non-compliance puts the system objectives at risk.
	No Assurance	Control processes are generally weak leaving the processes/systems open to significant error or abuse. Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

Priorities assigned to recommendations are based on the following criteria:

High – Fundamental issue where action is considered imperative to ensure that the Council is not exposed to high risks; also covers breaches of legislation and policies and procedures. Action to be effected within 1 to 3 months.

Medium – Significant issue where action is considered necessary to avoid exposure to significant risk. Action to be effected within 3 – 6 months.

Low – Issue that merits attention/where action is considered desirable. Action usually to be effected within 6 months to 1 year.