

Finance and Resources Committee

10.00am, Tuesday 23 January 2018

Internal Audit Quarterly Update Report: Quarter 2 – (1 July – 30 September 2017) - referral from the Governance, Risk and Best Value Committee

Item number	7.8
Report number	
Wards	All

Executive summary

The Governance, Risk and Best Value Committee on 16 January 2018 considered a report which detailed the Internal Audit reviews completed in Quarter 2 and an update on progress with the overall delivery of the 2017/18 Internal Audit plan.

The report has been referred to the Finance and Resources Committee on the recommendation that the Starters and Local Development Plan and Action Programme audit reports be referred to the appropriate Council Executive Committee for information and further scrutiny.

Terms of Referral

Internal Audit Quarterly Update Report: Quarter 2 – (1 July – 30 September 2017)

Terms of referral

- 1.1 On 16 January 2018, the Governance, Risk and Best Value Committee considered the Internal Audit reviews completed in Quarter 2 and an update on progress with the overall delivery of the 2017/18 Internal Audit plan. Additional reviews were to be added to the plan where considered necessary to address any emerging risks and issues identified during the year, subject to formal approval by the relevant Committee.
- 1.2 The report by the Chief Internal Auditor indicated that the Internal Audit plan delivery had been significantly impacted by resourcing challenges within the team and a capacity analysis had been undertaken to assess the ability of the team to deliver the balance of the plan.
- 1.3 The Governance, Risk and Best Value Committee agreed:
 - 1.3.1 To note that Internal Audit issued a total of 6 Internal Audit reports in the 2017/18 plan year with 4 reports being issued in Quarter 2 (1 July to 30 September 2017).
 - 1.3.2 To note the risks associated with the 2 High rated findings raised.
 - 1.3.3 To refer the Starters and Local Development Plan and Action Programme audit reports to the appropriate Council executive committees for information and further scrutiny where appropriate.
 - 1.3.4 To refer the Starters audit report to the EIJB Audit and Risk Committee as this could have a direct impact on the services delivered by the Health and Social Care Partnership.
 - 1.3.5 To note that no reports were referred by the EIJB Audit and Risk Committee to GRBV at their meeting in September 2017.
 - 1.3.6 To note the volume of Internal Audit work in progress as at the end of Quarter 2 (30 September 2017) and the status of progress with the annual audit plan as at 30 November 2017 (refer section 3.2 and Appendix 1, Tables 2 and 3 of the report by the Chief Internal Auditor).

- 1.3.7 To note that following a request for an update at Committee in November 2017, the resourcing challenges currently affecting upon Internal Audit capacity and recognise their potential impact on delivery of the 2017/18 Internal Audit plan as detailed at 3.5 and Appendix 2 of the report by the Chief Internal Auditor.
- 1.3.8 To approve Option 2 in the report as the best approach to deliver the 2017/18 annual Internal Audit plan based on the options outlined at 3.5 of the report. This would involve purchasing additional days from PwC under the current co-source agreement to support delivery of the plan and an Internal Audit annual assurance opinion for 2017/18 based on an appropriate level of coverage of the Council's key risks. In doing so to note that this approach would incur additional, unplanned costs and the Executive Director, Resources had endorsed an additional spend of up to £100k to support this critical work. In approving the proposals set out in Paragraph 3.5 of the report, to agree that the proposed audit on waste services should be considered a priority for early delivery in 2018/19.

For Decision/Action

- 2.1 The Finance and Resources Committee is asked to consider the attached Starters and Local Development Plan and Action Programme audit reports.

Background reading / external references

[Webcast of Governance, Risk and Best Value Committee – 16 January 2017](#)

Laurence Rockey

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Links

Appendices

Appendix 1 – Internal Audit Quarterly Update Report: Quarter 2 (1 July – 30 September 2017 – report by the Chief Internal Auditor

Governance, Risk and Best Value Committee

10.00am, Tuesday 16 January 2018

Internal Audit Quarterly Update Report: Quarter 2 – (1 July – 30 September 2017)

Item number

Report number

Executive/routine

Wards

Council Commitments

Executive summary

This report provides details of the Internal Audit reviews completed in Quarter 2 and an update on progress with the overall delivery of the 2017/18 Internal Audit plan.

As at 30 September, Internal Audit had issued a total of 6 reports (4 were issued in quarter 2) and 14 audits were in progress. The 4 reports issued in quarter 2 incorporated 8 Findings (2 High; 4 Medium; 1 Low and 1 Advisory).

The Starters audit report is recommended for referral to the Edinburgh Integration Joint Board (EIJB) Audit and Risk Committee. No reports were referred by the EIJB Audit and Risk Committee to GRBV at their meeting in September 2017.

Delivery progress as at 30 September left a balance of 37 audits to be completed in the second half of the year, with 15 audits to be delivered in Quarter 4 (for comparison purposes, 13 audits were completed in Quarter 4 2016).

Internal Audit plan delivery has also been significantly impacted by resourcing challenges within the team during this period. A capacity analysis has been undertaken to assess the ability of the team to deliver the balance of the plan, as at 8 January 2018, which is appended to this report.

Internal Audit Quarterly Update Report: Quarter 2 – (1 July – 30 September 2017)

1. Recommendations

- 1.1 Committee is requested to:
 - 1.1.1 Note that Internal Audit issued a total of 6 Internal Audit reports in the 2017/18 plan year with 4 reports being issued in Quarter 2 (1 July to 30 September 2017).
 - 1.1.2 Note the risks associated with the 2 High rated findings raised and consider if further clarification or immediate follow-up is required with responsible officers for specific items.
 - 1.1.3 Refer the Starters and Local Development Plan and Action Programme audit reports to the appropriate Council executive committees for information and further scrutiny where appropriate.
 - 1.1.4 Approve the recommendation to refer the Starters audit report to the EIJB Audit and Risk Committee as this could have a direct impact on the services delivered by the Health and Social Care Partnership.
 - 1.1.5 Note that no reports were referred by the EIJB Audit and Risk Committee to GRBV at their meeting in September 2017.
 - 1.1.6 Note the volume of Internal Audit work in progress as at the end of Quarter 2 (30 September 2017) and the status of progress with the annual audit plan as at 30 November 2017 (refer section 3.2 and Appendix 1, Tables 2 and 3).
 - 1.1.7 Following a request for an update at Committee in November 2017, note the resourcing challenges currently affecting upon Internal Audit capacity and recognise their potential impact on delivery of the 2017/18 Internal Audit plan as detailed at 3.5 and Appendix 2.
 - 1.1.18 Approve option 2 as the best approach to deliver the 2017/18 annual Internal Audit plan based on the options outlined at 3.5 below. This will involve purchasing additional days from PwC under the current co-source agreement to support delivery of the plan and an Internal Audit annual assurance opinion for 2017/18 based on an appropriate level of coverage of the Council's key risks. In doing to, note that this approach will incur additional, unplanned costs and the Executive Director, Resources has endorsed an additional spend of up to £100k to support this critical work.

2. Background

- 2.1 Internal Audit is required to deliver an annual plan of work, which is scoped using a risk-based assessment of Council activities. Additional reviews are added to the plan where considered necessary to address any emerging risks and issues identified during the year, subject to approval from the relevant Committees.
- 2.2 The status of progress against the plan and a summary of findings are presented to the Governance, Risk, and Best Value (GRBV) Committee for consideration on a quarterly basis.

3. Main report

3.1 Internal Audit 2017/18 Plan Progress

As at 30 September 2017 Internal Audit had issued a total of 6 final reports in the 2017/18 plan year, with 4 reports issued in quarter 2. These reports included 2 High; 4 Medium; 1 Low; and 1 Advisory rated recommendations. Further analysis is included at Appendix 1 (Table 1), with details of the High rated findings included at Appendix 2.

The main reason for the low volume of reports issued in the first half of the year reflects the time required to complete the thematic review performed across the Council's 10 care homes in quarters 1 and 2. This involved three team members and required circa 120 audit days.

Detailed outcome reports and management action plans have been issued to individual care homes and the overarching report that outlines the consolidated outcomes and findings was issued to Health and Social Care on 12 October with a request for management responses by 17 November.

Management responses have not yet been received from Health and Social Care. However, the Interim Chief Officer is progressing this with the management team.

3.2 Referrals to and from the Edinburgh Integration Joint Board

The review of Starters completed in quarter 2 could have a direct impact on the services delivered by the Health and Social Care Partnership. This report is therefore being recommended for referral by the Committee to the next meeting of the EIJB Audit and Risk Committee.

No reports were referred by the EIJB Audit and Risk Committee to GRBV at their meeting in September 2017.

3.3 2017/18 Annual Plan Completion

The position at 30 September 2017 left a balance of 37 audits (based on the rebased plan approved by GRBV at their meeting on 28 November) to be completed in the second half of the plan year. Progress with these audits as at 30 November is detailed below:

- 3 draft reports have been issued;

- 7 draft reports are currently being prepared for issue by Internal Audit;
- 6 audits are in progress;
- 21 audits have not yet started. 4 of these 21 audits are planned to be delivered by specialist PwC resources under the terms of the co-source agreement;
- A further 30 days of PwC generalist support is available in Quarter 4 as per the co-source agreement, which should support delivery of circa 2 audits; and
- This leaves a balance of circa 15 audits to be delivered by the Internal Audit team in comparison to 13 audits in Quarter 4 of the 2015/16 plan year. Further analysis on whether this is achievable is presented to the Committee in addition to this paper.

Appendix 1 provides a summary of the audits completed and Findings raised (Table 1); a summary of work in progress at the end of the quarter (Table 2); and the status of progress with the Internal Audit 2017/18 annual plan as at 30th November (Table 3).

3.4 Internal Audit capacity

One of the two Internal Audit Principal Audit Manager roles has been vacant since August 2017. A second recruitment campaign later in the year was successful at filling the role. The successful candidate is expected to join the team in April 2018, subject to the successful completion of pre-employment checks to a standard deemed satisfactory to the Council.

Whilst skilled temporary backfill resource was sourced from mid-August, this contractor left on 15 December to take up a permanent role outside the Council.

The importance of ensuring compliance with HM Revenue and Customs Intermediary Regulations (IR) 35 regulations for off-payroll workers has prevented allocation of ongoing management responsibilities to the temporary contractor (for example, review and oversight of audit work performed by the team and people management responsibilities). This has also impacted delivery of the Internal Audit plan.

No suitable backfill resource has yet been identified from the labour market to cover the ongoing Principal Audit Manager vacancy for the period January to March 2018, therefore there will be a gap.

Additionally, absence due to ill-health within the team since the end of November has further impacted delivery of the plan. This has been exacerbated by some audits taking longer than planned due to the amount of engagement required with service areas, and the time required to support implementation of the new monthly Internal Audit validation process.

Given these challenges and the need to ensure robust assurance for the Council's operations, the Executive Director of Resources has approved an increase in the Internal Audit team's establishment. The addition of 2.0 full-time equivalent Senior Auditor roles, which are being recruited at present, will enable the internal delivery of general audits on a more cost-effective basis by reducing the generalist

resource provided by PwC under the existing co-source arrangements. It is expected that successful candidates will be in place for the start of the new financial year.

Given the resourcing issued detailed, further detail on the options to achieve full delivery of the internal audit plan for 2017/18 are detailed in the following section of the report.

3.5 **2017/18 Internal Audit Plan Delivery**

The resourcing challenges noted at 3.4 above have had a significant adverse impact on delivery of the rebased Internal Audit plan that was presented to and approved by the Committee in November 2017.

Shortfall based on completion of the rebased IA plan approved in November 2017

A further 611 days of Internal Audit activity is required to deliver and complete the plan by 31 March 2018 in comparison to 278 available days (from the Internal Audit team and PwC co-source contract), this leaves a shortfall of 333 days (or 8.5 FTE) to deliver the current plan (refer Appendix 2, Table 1).

Proposals for removal of audits and audit activity

9 audits / Internal Audit activities comprising 185 days have been identified that could be removed from the 2017/18 plan for early inclusion in the 2018/19 plan, if still considered high or medium risk. These include:

- Resources - Finance and Treasury – Travel (20 days)
- Communities and Families - Self Assurance Framework (20 days)
- Place - Waste Services (25 days)
- Place – Fleet Project (20 days)
- Resources – Enterprise Resource Planning (ERP) / Business World Project review (30 days)
- Cycling / Walking Safer Streets Grant (10 days) – there is no longer a requirement for Internal Audit to confirm appropriate disbursement of grant funds.
- Continuous Testing – fraud and key financial controls (20 days)
- Fraud Support – ongoing review of internal fraud cases that can be transferred to the corporate fraud team (10 days)
- Internal Audit - Quality Assurance review (30 days)

Further detail and supporting rationale supporting removal of these audits and activities from the plan is included at Appendix 2, Table 2.

Revised shortfall position and available options

Removal of these audits / activities reduces the shortfall position to 148 days or 3.8 FTE.

Options to address this shortfall include:

1. Approve removal of the audit activities outlined above to support delivery of the 2017/18 plan and remove a further 148 days of audit activity from the remainder of the plan to be delivered in quarter 4. This would enable delivery of the plan to be delivered by the Council's Internal Audit team without additional cost, but would adversely impact provision of the annual Internal Audit assurance opinion over both the Council's and IJB's key risks, and audit services provided to third party arms-length organisations.
2. Approve removal of the audit activities outlined above to support delivery of the 2017/18 plan and draw down additional support from PwC to deliver the remainder of the plan. This additional spend is unplanned and not reflected in the 2017/18 Internal Audit budget. The Executive Director of Resources has committed to fund up to £100k from the Directorate budget to enable this option to be viable.

The option of approving removal of the audit activities outlined above and recruiting external contract resource from the market to support plan delivery has been carefully considered and is not recommended as it is highly unlikely that this can be achieved in sufficient time to support effective plan delivery.

Option 2 is therefore recommended for the Committee's approval.

3.6 Overdue Internal Audit Recommendations

The current status of all overdue recommendations from reports issued prior to this period is discussed in the report 'Internal Audit follow-up arrangements: status report' presented separately to the Committee.

4. Measures of success

- 4.1 Once implemented, the recommendations contained within these reports will strengthen the Council's control framework.

5. Financial impact

- 5.1 If option 2 (as detailed at 3.5) is approved, this will incur an additional unplanned costs of up to £100K that are not reflected in the current Internal Audit budget. Given the critical nature of this work and potential impact on the audit opinion, this additional spend has been approved by the Executive Director of Resources.

6. Risk, policy, compliance and governance impact

- 6.1 If the rebased Internal Audit plan is not fully delivered, there will be insufficient coverage of the Council's High and Medium rated risks, which could impact upon the 2017/18 Internal Audit opinion.

7. Equalities impact

- 7.1 No full ERIA is required.

8. Sustainability impact

- 8.1 None.

9. Consultation and engagement

- 9.1 None.

10. Background reading/external references

- 10.1 None.

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11. Appendices

Appendix 1: Table 1: Summary of Internal Audit reports issued and findings raised during Quarter 2 2017/18 (1 July 2017 – 30 September 2017)

Table 2: Summary of work in progress as at 30 September 2017

Appendix 2: Capacity to complete the 2017/18 Internal Audit plan as at 8 January 2018

Appendix 3: Summary of High Risk Findings and Management Actions for 1 July 2017 – 31 October 2017.

Appendix 1

Table 1: Summary of Internal Audit reports issued and findings raised during Quarter 2 2017/18 (1 July 2017 – 30 September 2017)

Internal Audit reports				
Title of Review	High Risk Findings	Medium Risk Findings	Low risk Findings	Advisory Comment
Transfer of Management of Development Funding (MIS1702)	-	-	-	-
# Starters (RES1704)	2	1	-	-
Treasury Controls Design Review (RES1703)	-	2	-	1
Local Development Plan and Action Programme (PL1705)	2	1	1	-
<i>Total</i>	4	4	1	1
No Audit reports have been referred to the Governance, Risk and Best Value Committee by the Edinburgh Integration Joint Board Audit and Risk Committee.				
# These reports are recommended for referral to the Edinburgh Integration Joint Board as they may have either a direct or indirect impact on the services delivered by the Edinburgh Health and Social Care Partnership.				

Table 2: Summary of work in progress as at 30 September 2017

Internal Audit reports		
<u>Title of Review</u>	<u>Start Date</u>	<u>Estimated Completion Date</u>
Ross Bandstand Project Assurance Review (PR1701)	June	Final report issued October 2017
Lothian Pension Fund – Information Governance (RES1705)	July	Final report issued October 2017
Edinburgh Alcohol and Drug Partnership – Contract Management (HSC1715)	June	Final report issued November 2017
Customer Transformation Project Assurance Review	July	Draft report issued – will be finalised by end January.
Lothian Pension Fund Business Continuity / Disaster Recovery	August	Final report issued December 2017.
Asset Management Strategy (RES1712)	September	Final report issued November 2017

Care Homes (HSC1701)	March – September	Thematic draft report was issued 12th October. Management responses have not yet been received from Health and Social Care. The Health and Social Care Interim Chief Officer is progressing this with the management team.
Benefits Realisation	September	Draft report being prepared
CCTV	September	Draft report being prepared
Project Assurance Review – St James	September	Draft report being prepared
Project Assurance Review – Zero Waste	September	Draft report being prepared
Lothian Pension Fund – Payroll Outsourcing	September	Draft report being prepared
Foster Care	September	Fieldwork
Records Management – St Katherines	September	Fieldwork

Table 3: Plan Status Summary as at 30 November 2017

Audits to be completed by 31 March (per rebased plan approved by GRBV)	37
Draft reports issued	3
Draft reports in preparation	7
Audits in progress (fieldwork)	6
Audits to be started	21
Planned audits to be delivered by PwC Specialists	4
Balance of audits to be delivered by CEC IA team by 31st March Note that 30 days general PwC resource is available for in Q4 as part of the co source arrangements (at no extra cost) which should be able to support delivery of circa 1.5 - 2 audits.	17
Audits delivered in Q4 2015/16 (for comparison)	13

1. Starters (RES1704)

	Critical	High	Medium	Low
Total number of findings	-	2	1	-

Background

Statistics provided showed that between April 2016 and January 2017 there were 1596 new employees joining the Council. This included employees beginning casual, fixed term, permanent, supply and temporary contracts. Communities and Families employed the largest number at 900, with Place and Health and Social Care employing 219 and 215 respectively.

The Council aims to give all these new employees an understanding of how their work fits into the Council's work in the city, and the information and support they need to start in their new role. The Council also has a responsibility to ensure that new employees are familiar with core policies and procedures and have the tools and training they need to carry out their work successfully and safely.

This induction is expected to be concluded within 7 weeks of the employee starting in their post.

This review was included in the 2017/18 internal audit plan as a result the weaknesses identified from our review of the leaver's process in 2016/17. Fieldwork for this review highlighted areas of concern in the starter's process, specifically with regards to inventory control over the issue of ICT equipment to employees.

Scope

The scope of this review was to assess the design and operating effectiveness of the Council's controls relating to 'on boarding' and induction processes for new employees.

Summary of High Risk Findings

1. Record Management – On Boarding Files and Employment Contracts

Finding

Manual 'on boarding' files are maintained in Waverley Court for all new starts until, a new employee account is created on the iTrent system; two payroll periods have passed; and an employment contract is generated. These manual on boarding files include sensitive personal data about prospective employees.

The current contract preparation process involves automated creation of contracts via a 'mail merge' process. Source data for the mail merge is a spreadsheet that is extracted from the iTrent system in Excel format and used as the basis of the mail merge

Review of the record management processes supporting on boarding and contract generation established that:

1. Nine of our requested sample of 46 manual 'on boarding' files could not be immediately located. It was noted that a further 3 files were located between completion of our testing and the time of writing this report. The missing 6 files is attributable to the fact that the record management and retention process for manual on boarding files is dated, incomplete and not consistently applied.
2. Review of a sample of 25 on boarding files identified 16 archived files that had been sent to Iron Mountain containing sensitive personal data such as bank details; PVG applications; criminal conviction questionnaires; and equal opportunities questionnaires. These documents should have been removed and destroyed prior to archiving, in line with the agreed process within the team and standard best practice.
3. There are no reconciliation controls in place between manual on boarding files and data recorded on the spreadsheet used as the basis for the 'mail merge' to ensure that the full population of contracts is produced; and
4. The newly introduced 'mail merge' process results in an inability to automatically upload employment contracts on employee iTrent accounts, or to generate manual / electronic copies of the contracts for retention. Evidence is not retained to confirm that all new starts have received their employment contract within 8 weeks of their start date.

Business Implication

- Breach of Data Protection legislative requirements and non compliance with the Council's Records Management Policy
- Breach of employment law requirement to issue full terms and conditions within 8 weeks of employee starting.
- Regulatory fines and penalties for breach of legislation.

Recommendations

1. Record management processes should be defined and implemented to ensure that manual files are managed, retained and archived in line with Data Protection legislation and the Council's Records Management Policy. This should include requirements for secure storage; recording of the location and transfer of all manual files and a process supporting either electronic or manual retention of employment contracts.
2. There is no mandatory requirement to destroy sensitive personal information prior to archiving however this approach, supported by retention of a completed checklist was confirmed as good practice by the Information Governance team. An investigation should be performed to establish the full population of missing files and ensure that they are located and either securely stored or archived.
3. A reconciliation should be performed to confirm that the 'mail merge' spreadsheet includes data from the full population of on boarding files to ensure that no contracts are missed.

Agreed Management Actions

	<u>Target Date</u>	<u>Status</u>
1. Change in the storage procedure initiated with secure, central storage and indexed records, detailing location and where appropriate details of transfer of manual files to other 3rd parties (internally and Iron Mountain).	31/07/17	Closed
2. A retrospective Compliance Project commences on 10/7/17 for 8 weeks to check all 18,500 personal files. Remedial action to be taken to identify any missing files and ensure securely filed in future.	31/07/17	Closed

3. Guidance from the home office recommends retention of some sensitive personal data which evidence right to work etc. This data will be required moving forward to evidence Council compliance with "Right to Work" legislation. Appropriate document retention will be agreed with Information Governance	29/09/17	Closed
4. The 'mail merge' process for issuing contracts now includes a reconciliation of on boarding files to contracts issued. This is recorded and signed off for each cycle by TL.	30/06/17	Closed

Status of actions due will be validated by Internal Audit as part of the follow-up review process.

2. Completeness and Accuracy of 'On Boarding' and Payroll Data

Finding

Whilst responsibilities for completion of new employee 'on boarding' process and contract generation is segregated between different sections within the team, there are no established technology controls to prevent a single officer from completing the end to end on boarding process, including creation of iTrent and payroll employee accounts.

Additionally, existing payroll exception reports will not identify variances in salaries between 'on boarding' documentation and salary details recorded on iTrent. There is a reliance on manual independent checks performed by Team Leaders to confirm that only authorised new start salary details have been completely and accurately recorded on the payroll system.

Customer Service Advisors review all files to ensure all required documents have been provided prior to making a formal offer of employment and 'on boarding' can be concluded. No additional independent sample testing is performed between 'on boarding' files and iTrent records to confirm that correct details have been entered either before or after the payroll run.

Review of manual 'on boarding' files for Council employees recruited between April 2016 and January 2017 demonstrated that the on-boarding process is not consistently and accurately performed. 100% of the 25 'on boarding' files sample failed due one or more of the following errors being identified:

1. One file did not include a mandatory vacancy e form. Recruitment and 'on boarding' had progressed with no evidence of formal confirmation of a vacancy from the authorised vacancy manager.
2. Three files contained unauthorised Nominated Candidate forms which should be signed as evidence of line manager approval to recruit the preferred candidate.
3. Four files contained checklists that had not been signed by the CSA or supervising officer to confirm that all necessary 'on boarding' documentation had been received.
4. For one employee there were differences in employment start date details between their Itrent system account and those noted on the file checklist, which could result in inaccurate calculation of initial salary.
5. Five files failed to state the Salary Scale point or banding for the post
6. One file showed a difference between the salary banding and Itrent, and
7. One file indicated that a 'Salary Placement' form was required but was not present

Business Implication

- Addition of fictitious employees to the iTrent and payroll systems would not be identified.
- New employees receive incorrect salary payments.
- Weaknesses in references or missing right to work documents are not identified and addressed during the on boarding process.
- Customer Service Advisors training requirements and are not identified and resolved.

Recommendations

The 'On Boarding' process should be reviewed and updated to ensure it is performed consistently, accurately and robustly. Consideration should be given to ensuring the revised process includes the following controls;

1. Appropriate segregation of duties in relation to systems access rights.
2. Regular additional independent review of on boarding files prior to offer of employment to ensure that all mandatory forms are present and completed in full.
3. Independent check to ensure that iTrent and payroll accounts have been established accurately in accordance with information provided during the 'On boarding' process, including authorised Salary Placement Forms where a candidate is placed on a scale point higher than the base of the grade.

Agreed Management Actions

The on boarding process will be updated:

1. System cannot be configured to restrict access to specific elements of the end to end task. This will be built into the new Business World system configuration. To ensure appropriate interim controls, a manual check will be undertaken by Senior Transactions Administrators (these staff will have iTrent systems update access removed) to ensure tasks are undertaken by appropriate/restricted officers, supported by the necessary paperwork
2. Files content will be reviewed by Senior Transaction Administrators to ensure accuracy and consistency. A full process of checks and procedures will be documented and signed off at Team Leader level for each transaction cycle.
3. Newly created compliance team will undertake independent sample checks with recruiting managers to ensure new starts are known and correct
4. An independent check to reconcile on boarded files to payroll new starts reports for each payroll cycle will be carried out and jointly countersigned by the Team Leaders in Payroll and Recruitment. Authorised salary placement forms will be part of the check.

Target Date

31/08/17

Status

Closed

31/07/17

Closed

29/09/17

Closed

30/06/17

Closed

Status of actions due will be validated by Internal Audit as part of the follow-up review process.