

Executive Summary for The Cheltenham Development Task Force	
Assurance	High
<p><b>Overview &amp; Key Findings</b></p> <p>The Council had instituted a Civic Pride initiative “to rejuvenate and enhance the town of Cheltenham”. In October 2008 full Council formally approved in principle the establishment of an Advisory Board as the method for converting the Civic Pride aspirations into reality. In December 2009 it was reported to Cabinet and Council that an independent chair had been appointed to the Board, and that the Advisory Board cannot formally agree, it can only recommend. The inaugural meeting of the Board (as Civic Pride Advisory Board) took place on 28th January 2010. The 2015-2017 Task Force Business Plan states that “The Cheltenham Development Task Force came into existence on 4th January 2010”.</p> <p>In general terms the Task Force’s processes and procedures are sound. Nevertheless times of change do bring risk. The Task Force is now facing two certain and one possible change:</p> <ul style="list-style-type: none"> <li>• the current Independent Chair is stepping back from his role for the immediate future,</li> <li>• CBC’s Chief Executive retired at the end of the 2015/2016 financial year,</li> <li>• there are Council elections in May 2016 which may affect Member representation on the Board.</li> </ul> <p>These can create gaps in the governance structure and process, in the specific areas of:</p> <ul style="list-style-type: none"> <li>• Independent Chairing of the Board</li> <li>• Officer attendance at Board</li> <li>• Member attendance at Board</li> <li>• Line management of the Task Force MD</li> <li>• Chairing of the Risk and Accountability Group</li> </ul> <p>It is therefore pleasing to see that that the Council is addressing these issues, as follows:</p> <ul style="list-style-type: none"> <li>• Seeking a new Board Independent Chair</li> <li>• The MD for Place and Economic Development is to attend the Board in place of the Chief Executive</li> <li>• New arrangements for the line management of the Task Force MD have been clearly defined to us, as have the roles of the Independent Chair, the MD for Place and Economic Development, and the Head of Paid Service in this process.</li> <li>• The Director of Corporate Resources is to chair the Risk and Accountability Group, in place of the Chief Executive</li> </ul> <p>The Task Force’s governance documentation, the “<i>Proposed Memorandum of Understanding between partners</i>”, and the “<i>Advisory Board Operating Protocol</i>” are out of date and in need of review and updating, particularly recognising current roles, responsibilities, aims and objectives regarding the Taskforce.</p>	

## **Executive Summary for 2015/16 GO Shared Service HR: Job Evaluation**

**Assurance**

**Not applicable**

### **Introduction**

This is a review of Job Evaluation (JE) scheme in each of the three authorities: Cheltenham Borough Council (CBC), Cotswold District Council (CDC) and West Oxfordshire District Council (WODC). The review was requested by the GO Shared Services Head of HR in order to inform the 2020 programme.

Our principal objective was to establish the extent of commonality of approach in JE and to sample test to ensure processes are in accordance with policy. In order to achieve this we:

- Reviewed Job Evaluation processes
- Tested the Job Evaluation processes on a sample basis to verify that the pay grade of the post corresponded to that set when the Job Evaluation (JE) exercise was undertaken

The detail contained in this Executive Summary is specific to CBC only.

### **Background**

The national Single Status Agreement was aimed at re-organising pay and rewards in Local Government, enabling councils to ensure that all staff receive equal pay for work of equal value. The Agreement required each Local Authority to undertake an extensive JE programme. JE is defined by ACAS as 'a method of determining on a systematic basis the relative importance of a number of different jobs'. There are a number of different models in use in Local Government. The National Joint Council (NJC scheme) is used at CBC.

### **Summary and Conclusion**

We selected 5 posts from Agresso to verify that the pay grade of the post corresponded to that set when the JE exercise was undertaken. The results of our testing are shown below:

- For one post we were provided with the whole JE form showing scores for the post, officers involved in the JE, and the name of the Union officer.
- For three posts we were provided with excerpts from the master database spreadsheet which showed JE scores and pay grades set in each case. We were informed that although the roles were evaluated, there were no outcome sheets for each individual role, as they were done in batches and results recorded on the master database spreadsheet.
- For the final post in our sample we were not provided with a completed JE form. However, we were provided with a copy of a letter to the post holder from the relevant Director (line manager) showing JE scores and the pay grade set. We were also informed by the GOSS HR Manager (West) that she moderated the JE exercise for this particular post.

In each case we were able to verify that the pay grade set for each post as a result of the JE exercise corresponded to that currently being paid as per Agresso.

### **Management Response**

CBC has a robust process in place following the 2008 Single status exercise.

## Executive Summary for Staff Absence

### Assurance

Not applicable

### Overview and Key Findings

This is a review of staff leave in each of the three Authorities: Cotswold District Council (CDC), Cheltenham Borough Council (CBC), and West Oxfordshire District Council (WODC). The review was requested by the GO Shared Services Head of HR in order to inform the 2020 programme.

### Background

Our principal objective was to establish the extent of commonality of approach in staff leave across the three Authorities, and in particular comparison of rules and regulations as regards each type of leave (principally as per Staff Handbooks). A number of inconsistencies and omissions are evident.

### Testing of Annual Leave

We conducted a limited amount of testing, as follows:

Tracing annual leave per flexitime records to actual annual leave recorded in Agresso, and reviewing annual leave records as per Agresso, to verify that:

- Annual Leave entitlement as shown in Agresso corresponded with Length of Service
- Leave taken annually does not exceed the Annual Leave entitlement (as per b/f and c/c regulations)
- Annual Leave taken is being recorded in Agresso

Our general findings were as follows:

- All Annual Leave entitlements as shown in Agresso corresponded with Length of Service, also as per Agresso
- Annual Leave taken is being recorded in Agresso

### Conclusion/Recommendations

Our comparison of Policies revealed a number of inconsistencies and omissions across the three Authorities.

A number of findings also arose from our testing work; as a result of these we would recommend that managers and officers are reminded of the need to:

- Identify Annual Leave clearly on flexitime sheets
- Always record Annual Leave in Agresso
- Ensure Annual Leave dates are the same in Agresso as on flexitime sheets
- Managers to reconcile Annual Leave and Flexi records to Agresso to ensure the accuracy of leave entitlements to aid year end accounting processes.

### Management Response

HR & Payroll (East) periodically send out communications (through Team Brief, email and intranet) to remind managers of their responsibilities with regard to updating ABW. The team will send out an up to date reminder to managers to ensure they follow guidance in respect of completing timesheets and ABW so that they both correspond correctly to each other.

## Executive Summary for 2015/16 GO Shared Service HR: Staff Allowances

**Assurance**

**Not Applicable**

### Overview and Key Findings

This is a review of allowances paid to staff in each of the three Authorities: Cotswold District Council (CDC), Cheltenham Borough Council (CBC), and West Oxfordshire District Council (WODC). The review was requested by the GO Shared Services Head of HR in order to inform the 2020 programme.

Our principal objective was to establish the extent of commonality of approach in paying allowances to staff across the three Authorities, and in particular comparison of:

- Types of allowance payable and paid by each Authority
- Rules and regulations for each allowance (particularly as per Staff Handbooks)
- Rates payable per allowance, and actually paid
- Different rates paid for the same Allowance across Authorities

### Background

At CBC, the policies / guidance are available on the intranet. A Payroll Analysis Code report was produced from the ABW system which identified all the different allowances which can be used within the system. Analysis was then undertaken to determine the codes used across the three authorities.

Testing was undertaken for 2015/16 period 4 (July 2015) for frequently used Allowances. For less frequently used allowances we have extended the testing period to include 2014/15 and on occasion additional years which are identified accordingly.

### Conclusion

A number of inconsistencies and omissions are evident. A summary of the main points is given below:

- There are various car mileage rates in use across the Authorities
- There are a number of Allowances being paid which are not specifically mentioned in Staff Handbooks or on Authorities' Intranets
- Certain Allowances are paid in some Authorities but not in others.
- Different rates paid for the same Allowance across Authorities.
- Inconsistencies in the amounts paid within the same Authority

### Management Response

Employee allowances are different in each GO Partner Council. There are different arrangements for GOSS staff expenses due to an agreement when a restructure took place in 2012. Eg. Disturbance Allowance arrangements.

See guidance for claiming mileage for authority completing work for (not always employer mileage rate). Mileage rates (terms and conditions) are different across GO Partners and there are a number of different rates for shared workers/lease car holders/payments.

Accommodations, parking and food allowances have always been paid based on NJC/Green Book allowances.

There may be some inconsistencies across all three GO Partner authorities as they are all separate employers currently working under different terms and conditions.

Moving forward in the 2020 Partnership work has begun by HR on aligning policies and procedures across partners. This will enable managers and staff to apply policies consistently and more efficiently, reducing the risk or error of applying wrong/inconsistent policies.

## **Executive Summary for: Risk Management – Training for Service Managers**

**Assurance**

**Satisfactory**

### **Background**

This audit was carried out as part of the risk based audit programme planned for 2015/16 as approved by the Audit Committee in March 2015.

Risk Management is a key operational process within the Council. Effective risk management can help to ensure that appropriate decisions are made and that they are made in view of risk and opportunities. The focus of audit testing this year was on Service / Project Managers implementation of the process for identifying and mitigating risks within service areas and to consider the training available for undertaking risk management activities.

### **Overview and Key Findings**

Our work has been completed by carrying out desk top reviews, developing a management questionnaire, review of entries within the risk registers and discussions with key officers.

We can confirm that the Corporate Risk Management Policy, which aims to set out the Council's approach to, and the management of risk, has been updated annually since 2011 with the latest update drafted for April 2016.

Our discussions and testing confirmed that officers were aware of their responsibilities relating to risk management and there was evidence to support actions undertaken as per the requirements of the Corporate Risk Management Policy. We did identify some inconsistencies in the use of risk registers, but on the whole processes were sound.

We can confirm risk management training is easily accessible via the Council's online Learning Gateway system and a tutor led workshop was last delivered in October 2014.

We have identified 2 areas where we consider processes could be improved, these are:

- Encourage all officers involved in risk management activity to utilise the Council's online training portal "The Learning Gateway" to ensure they are up to date with current practice.
- Introduce standard documentation to ensure a consistent approach to risk management activity.

We also noted that given the increase in partnership working, the awareness of project risks (managed by non CBC officers) which directly have an impact on the Council's ability to deliver its services, may not always be reported to the Council. We would recommend that the Council ensures it gains sufficient assurances from third parties / partnerships that risks relating to the non-delivery of services are being effectively managed.

Based on the work undertaken we can confirm that sound processes are operating over risk management training. We have made recommendations that if addressed will improve the control environment. Therefore, we can offer a 'satisfactory' level of assurance.

### **Management Response**

The Director of Resources and Projects discussed the report's findings and recommendations with the Corporate Governance, Risk and Compliance officer and agreed that:

- All of the recommendations will be actioned
- That in addition to the report's recommendations additional action will be taken to promote the Risk Awareness training module amongst all relevant employees and elected members
- The lead commissioners and Client officers have been reminded that any project that has a direct significant risk impact on CBC should be brought to the attention of the Senior Leadership team as per the agreed policy and partnership agreements.

<b>Executive Summary for: 2015/16 Payroll Audit – Transactional Testing</b>	
<b>Assurance</b>	<b>N/A</b>

**Background**

A 2015/16 payroll audit was undertaken which covered the controls operated by GOSS and transactional testing across the client authorities. The operation of the controls has been reported to GOSS who should report back to the Council via the COG (Client Officer Group). This memo is the result of the client testing that falls outside the GOSS area of control.

**Overview and Key Findings**

A sample of starter, leaver and variation forms was selected for testing. We can confirm that employee data shown on the ABW system accurately reflects the information that was submitted on the appropriate forms by Service Managers.

A sample of mileage and expense claims were selected for testing, to ensure that claims were paid in accordance with guidance in the Staff Handbook. Our testing found occasions of non-compliance. Where travel expenses are processed via Self-Serve, the system requires the officer to enter 'yes' and the date to confirm that they accept the terms of the travel policy. Our testing has shown that officers are not adhering to the requirements of the Travel & Subsistence Policy.

We also reviewed claims covering overtime, standby, casual holiday and shift allowances. We can confirm that all payments were made in accordance with relevant policies and were accurately processed by GOSS.

**Recommendations**

Mileage and Expenses claims - the Council should remind officers about the terms and conditions of the Travel and Subsistence Policy to ensure that claims are completed properly so that appropriate payments are made. Those claims that do not comply with the requirements of the policy should be rejected by Service Managers.

**Conclusion**

Transactional testing has found areas of non-compliance with policy and guidelines. GOSS is responsible for processing appropriately authorised claims/payments. It is the Service Managers' responsibility to ensure that claims are accurate and comply with policy/procedure. The above recommendations if addressed will help to strengthen the overall control environment.

## **Executive Summary for Ubico Client Function Review**

### **Assurance**

**Satisfactory**

### **Introduction**

This review on Ubico Client Function arrangements is in accordance with the 2015/16 Audit Plan as approved by Audit Committee in April 2015. The objectives of this audit were to review progress of the recommendations from a previous audit undertaken in 2013/14 and to review the activity and relationship between the Council's client monitoring function and the services provided by the Joint Waste Partnership (JWP).

### **Background**

This review was initially requested by the Head of Paid Services after the Director of Commissioning retired in the autumn of 2014. Initial concerns relating to the relationship with the JWP (Joint Waste Partnership) have been resolved and therefore the scope of this review has been amended to just reviewing the recommendations from the 2013/14 review. The management responses relate to status as at September 2015, the memo has been delayed due to the availability of evidence to support the responses.

### **Audit Findings**

The Environmental Services Partnership Board, comprising of Ubico, the JWT, CBC member (Clean & Green Environment), CBC Strategic Client Officer and CBC Service Heads meet on a quarterly basis. At the time of audit field work, meetings had taken place on 13<sup>th</sup> Feb, 10<sup>th</sup> Aug and 16<sup>th</sup> Nov 2015. We can confirm that performance was discussed in the August and November meetings and actions agreed.

Management have decided not to test the accuracy of performance data due to resource requirements outweighing the risk impact of incorrect data. We can confirm that fortnightly meetings held with the Ubico operational leads as well as the meetings discussed above ensure that officers are made aware and are involved with performance matters.

We can confirm that performance indicators have been reviewed. There are now indicators relating to Health & Safety, Environmental Maintenance, Customer Services, Fleet Management, HR and Sustainability as well as the original Waste & Recycling indicators.

We can confirm that performance information and complaints are discussed formally at the quarterly Environmental Partnership Board meetings. There was also evidence to support discussions at the fortnightly operational meetings.

### **Other Observations**

We have undertaken a Stock Control Review at Ubico and have made recommendations to improve the control environment. One of the concerns was that the CBC officer raising purchase orders for stock replenishment was not always advised when goods had been delivered and therefore delays were encountered in paying for the goods. It would be in the Council's interest to ensure that Ubico send notification of all deliveries so that goods can be promptly receipted on the ABW system, to enable a more efficient payment process.

### **Conclusion and Assurance Opinion**

Based on the work completed and our review of supporting evidence we can confirm that sound client monitoring activities are being undertaken. Recommendations from the 2013/14 review have been addressed. Therefore, we can conclude that the assurance opinion offered is of a satisfactory level.