



# ABERDEEN CITY COUNCIL

## Internal Audit Report Recruitment & Selection

**Issued to:**

Richard Ellis, Director of Corporate Governance  
Gayle Gorman, Director of Education and Children's Services  
Ewan Sutherland, Head of HR and Customer Service  
Euan Couperwhite, Head of Policy, Performance and Resources  
Steven Whyte, Head of Finance  
Mike Lawson, HR Manager  
Anne MacDonald, Audit Scotland

## **EXECUTIVE SUMMARY**

In the period January to July 2015 the Council advertised 831 Council jobs through TalentLink. This resulted in 6,855 applicants registering over 14,300 applications.

In order to ensure that the risks of failing to comply with legislative requirements when recruiting new employees, it is important that robust procedures are in place and that these are complied with. The objective of this audit was to consider whether all Services are complying with procedures relating to recruitment and document retention, and that recruitment is being undertaken in the most efficient manner.

In order to do this, Internal Audit reviewed the Council's procedures and tested a total of 47 recruitment exercises. In addition, 10 secondments, 10 teacher incentive payments, and 10 higher duty payments were reviewed. This identified a number of variations from established procedures and recommendations have been made, as detailed in the body of this report, to either improve compliance or review the procedures in place. Management's responses to these recommendations have generally been positive with action planned to take effect up to the end of March 2016 to address the issues raised. Where recommendations have not been agreed, management's responses are considered by Internal Audit to be proportionate.

One area of particular concern relates to Education allowing staff to commence in post before completion of all pre-employment checks. Although a risk assessment is undertaken, this does not comply with corporate policy and could, in certain circumstances, result in additional costs to the Council and issues with its insurance premiums / excesses. It has been recommended that the Service be required to comply with policy on these matters. However, the Service accepts the risk, as identified in the report, of continuing current practice, stating that this helps address the issues of curriculum delivery resulting from the unacceptably high number of teacher vacancies in Aberdeen.

# **1. INTRODUCTION**

- 1.1 To assist Services in complying with the Council's Recruitment and Selection procedures, the recruitment process is managed using the COSLA hosted national recruitment portal and vacancy management system TalentLink. When a post is created on TalentLink, a unique portal ID is generated by the system. Details pertaining to the job and the applicants, short leets, interview times, and email correspondence are held within the system.
- 1.2 From January to July 2015 there were 831 Council jobs advertised through TalentLink. This resulted in 6,855 applicants registering over 14,300 applications. A more detailed breakdown can be viewed in Appendix 2.
- 1.3 The objective of this audit was to consider whether all Services are complying with procedures relating to recruitment and document retention, and that recruitment is being undertaken in the most efficient manner.
- 1.4 The factual accuracy of this report and action to be taken with regard to the recommendations made have been agreed with Mike Lawson, Human Resources Manager, and Euan Couperwhite, Head of Policy, Performance and Resources in Education and Children's Services.

## 2. FINDINGS AND RECOMMENDATIONS

### 2.1 Written Procedures

- 2.1.1 There is a current Service Agreement Recruiting and Resourcing which details the roles and responsibilities of Services and the Recruitment Team in the recruitment process.
- 2.1.2 The agreement is supported by guidance notes related to the recruitment and selection process. The main document is Managing Recruitment and Selection which provides the step by step guidance from identifying a vacancy through to filling the post.
- 2.1.3 The Managing Recruitment and Selection document is dated June 2010 and states “These guidelines need to be continually reviewed and updated to take account of legal requirements and developments in what is widely regarded as being best recruitment and selection practice.” The document also references a number of statutory acts and regulations that govern the process, which are no longer current. This would indicate that the document has not been updated since 2010. Procedures should be reviewed regularly to ensure accuracy and compliance with statutory obligations.

#### **Recommendation**

The Service should review and, where applicable, update information in the Managing Recruitment and Selection document, and should consider how often and by whom this document is reviewed in the future.

#### **Service Response / Action**

Agreed. The review is underway with the aim of ensuring that recruitment and selection guidance is tailored to customer needs and can more easily be updated and developed when necessary.

#### **Implementation Date**

March 2016

#### **Responsible Officer**

HR Team Leader  
(Keith Tennant)

#### **Grading**

Important within audited area

- 2.1.4 It was noted that a number of the Service’s guidance documents are not dated, do not have any form of version control, and do not contain details of the author. There is also a lack of consistency in the description of the documents, with some being referred to as a protocol, procedure or guidance, whilst others have no designation. To allow staff to be confident that documents are current, and to be able to contact someone with any queries, the documents should be annotated to provide this information. In order to ensure clarity, a consistent approach should be adopted in the naming of documents.

#### **Recommendation**

Documents being published for use should be dated with an author’s name or post, and the next proposed review date.

The Service should ensure consistency when classifying documents as policies, procedures, protocols.

#### **Service Response / Action**

Agreed. For version control, HR already now states a review date and version number on policies and procedures and although the document to which this recommendation refers is guidance rather than policy it is nonetheless good practice to apply the same standard to management guidance notes for the reasons stated above. The updated version of, and any future updates to, our recruitment and selection guidance will follow this standard. This will extend to including the author’s name and post as

recommended.

<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leader (Keith Tennant)	Important within audited area

2.1.5 Accessible, comprehensive and up to date written procedures can reduce the risk of errors and inconsistency. They are beneficial for the training of current and new employees and provide management with assurance of correct and consistent practices being followed, especially in the event of an experienced employee being absent or leaving.

2.1.6 At present, there is no procedure manual for recruitment team staff, although they do receive on the job training from others within the team. This has resulted in variations in working practices, as found in the file naming conventions and paperwork completion such as the recruitment checklist. Whilst there is no suggestion that this has impacted on the provision of the recruitment provision, it could lead to inefficient practices or mistakes being made.

**Recommendation**

A staff procedure manual should be created and issued to staff.

An agreed document, filing and naming convention should be agreed and followed.

**Service Response / Action**

Agreed. A new Development Team has been created within the HR Service Centre. Part of their remit will be to develop guides/flowcharts for each of the transactional teams to support staff development and improve customer service.

<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leader (Tracy Runcie)	Important within audited area

2.1.7 Due to restrictions on storage space, personal files and supporting documentation are generally held electronically in PDF format as one electronic document with no indexing of individual documents. The recruitment paperwork is also scanned and filed in folders held on the HR part of corporate servers. The lack of a mandatory or fixed structure has meant that files, folders and documents vary within the recruitment team. Documents can be duplicated and in some cases the folder structure or naming convention makes it difficult to determine if all the documents are present without opening each of them to check. Whilst it is recognised that a new system would have financial implications, the Council does have document management system capability, and it may be that this could be adopted at a lower cost. However, should the current procedure be retained, it is important that it is formalised and applied consistently.

**Recommendation**

The Service should formalise and ensure consistency in the current system, and consider whether a document management system would provide benefits.

**Service Response / Action**

Agreed. Initial discussions took place with ICT several months ago around storage of records and we will ask for an update on any recommendations in this respect. In the meantime, will look to create a protocol which allows (as far as possible) consistency in the current system. This may not always be achieved given the variety of different sources of information and systems/versions sent from (e.g. preferred candidates and managers).

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
March 2016	HR Team Leader/ICT (Tracy Runcie)	Important within audited area

## 2.2 New Posts

2.2.1 When wishing to change their staffing complement, Services should comply with “Approval Process – Changes to Establishment” (October 2014) procedure. A written business case must be prepared and then agreed with both Finance and HR before a vacancy can be advertised. This process should also be followed where a temporary position is to be made permanent or where the total FTE is to be increased. Between January and July 2015, two teaching and seventeen local government additional posts were created and advertised.

2.2.2 A review of the process followed for the teaching posts and seven of the local government (LG) posts found that business cases were present for the LG posts but not for the teaching posts. Both HR and Education advised that staffing in schools is part of the DSM scheme which allows schools the flexibility to determine the teaching and management posts appropriate to their establishment. This arrangement for educational establishments is, however, not reflected in the approval process.

### Recommendation

The Service should ensure that the Approved Process – Changes to Establishment accurately reflects the approval process for all Services.

### Service Response / Action

Agreed. The above procedure will be updated accordingly to reflect actual practice.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
March 2016	HR Team Leader (Karen Templeton)	Important within audited area

2.2.3 The business cases that support the creation of a new post are held by the Service’s HR Business Partners, rather than centrally in a single location. To allow for greater visibility of the business cases to all HR staff involved in the recruitment process these should be filed in one area.

### Recommendation

The business cases should be filed electronically within the Recruitment electronic filing system.

### Service Response / Action

Agreed. However, not all business cases result in a recruitment process being carried out e.g. changes to establishments or job titles which affect existing staff or structure. All business cases have involvement from Business Partner Team’s and they should forward those which have staffing implications to the HR Service Centre. Where these impact on appointments, a copy should be saved to the personal file of the appointed person/s.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
March 2016	Business Partners / HR Team Leader (Tracy Runcie)	Important within audited area

## 2.3 Compliance With Procedures

- 2.3.1 In the period January to July 2015, 294 local government (LG) and 73 teaching staff were appointed by the Council. Compliance with Managing Recruitment and Selection guidance was considered for a sample of 30 LG and 17 teaching new starts. Whilst, in general, the recruitment and selection process is working well there are some areas that could, even if only happening occasionally, lead to legislative repercussions or reputational risk. The following paragraphs provide detail of these and recommendations to address them.
- 2.3.2 The post criteria are reflected in a job profile, which replaced previously used job descriptions and person specifications. This document mirrors the Council's organisational behaviours and includes measurable minimum requirements for the job. For teaching posts, Education are still using the old format of job description and person specification. Within the person specification there are 19 essential criteria, of which only 2 are clear and easily measured. If the new job profile is a corporate format then this should include teaching staff to ensure consistency throughout the organisation. The minimum requirements should also be easily measurable to ensure that it can be fully demonstrated within the application or interview process.

### **Recommendation**

Education should use the corporate job profile template for teaching posts.

### **Service Response / Action**

Agreed. Recruiting managers must ensure that they use the correct recruitment documentation and up-to-date formats. HR Business Partner for Education & Children's Services will reinforce this requirement to the E&CS senior management team.

### **Implementation Date**

March 2016

### **Responsible Officer**

HR Business Partner  
for E&CS (Kirsten Foley)

### **Grading**

Important within audited area

- 2.3.3 TalentLink is used to manage and record each step of the recruitment process, and allows for the automatic notification of successful and unsuccessful candidates. If a candidate is unsuccessful at any stage of the recruitment process, a reason for rejection can be recorded on TalentLink. A selection of rejected candidates within the sample of vacancies reviewed, did not have a reason reflected on the system. Whilst not mandatory within the system, to ensure consistency of information given to candidates when requesting further information, and to minimise the risk of challenge, reasons should be recorded.

### **Recommendation**

The Service should ensure that reasons for rejection are recorded on TalentLink.

### **Service Response / Action**

Agreed. Recruiting Manager should update on system and this requirement will be reinforced to recruiting managers. While the HR Service Centre receives very few queries from candidates, any such request for feedback is passed to the Recruiting Manager to deal with which they are able to do by referring to their candidate assessment records.

### **Implementation Date**

March 2016

### **Responsible Officer**

HR Team Leader  
(Tracy Runcie)

### **Grading**

Significant within audited area

- 2.3.4 Within the sample reviewed was an agency member of staff working within the Council who was appointed to a permanent position. The recruitment process was not followed and no proof of identity, right to work in the UK or qualifications obtained, nor were any references sought. As the recognised employer it is incumbent on the Council to ensure that it has all the necessary information and confirmations prior to appointing someone to post. This may also be reflected in the appointment of other agency staff.

**Recommendation**

The Service should ensure that this employee provides the relevant information for retention on the personal file.

The Service should review the appointment of other agency staff and confirm that the required documentation is held or arrange for it to be obtained.

The Service should ensure that appointing Services are aware that all appointments to vacant positions follow the agreed process.

**Service Response / Action**

Agreed. The case mentioned above refers to an appointment made in Communities Housing & Infrastructure who have an approved business case which allows for the conversion of agency workers to staff for certain categories of work. In all cases whilst we may not advertise as a vacancy, we would expect to have all of the post offer documentation in place. This requirement will be reinforced to relevant recruiting managers.

**Implementation Date**

March 2016

**Responsible Officer**

Business Partners / HR  
Team Leader  
(Tracy Runcie)

**Grading**

Significant within audited area

- 2.3.5 The job profile of one of the posts reviewed required that applicants hold a minimum of a degree qualification. The candidate appointed to the post did not meet this criteria, and should have been rejected prior to the interview stage. The Service, when contacted, stated they had not focused on this element when recruiting. As part of the recruitment process the Service is required to review and where necessary amend the job profile prior to advert, therefore the requirement for a degree should have been removed prior to advertising thereby ensuring a more equitable recruiting process. Minimum requirements should always be considered as part of the applicant assessment process, and Services should seek advice from HR when wishing to appoint someone who doesn't meet the criteria.

- 2.3.6 A job evaluation is undertaken prior to the creation of a post to determine the salary scale appropriate to the qualifications and tasks required of the role. In this case, HR has confirmed that removal of the degree qualification did not impact on the salary grade of the post.

**Recommendation**

Services should be reminded to review and amend, where appropriate, job profiles prior to advertising a vacant post.

**Service Response / Action**

Agreed. This is a standard question on the Recruiting Advertising Form (RAF) which seeks confirmation from the Recruiting Manager that the job profile has not changed since last advertised. This should be easier to manage/control when the RAF is on YourHR (the Council's online HR portal) so managers have to complete each step of the process before a job can be submitted for advertising. HR will also include this



requirement when refreshing the online recruitment and selection course as it relates to the steps **before** advertising and when uploading recruitment flowcharts on the intranet. In the meantime, the requirement to review the job profile and job requirements prior to advertising will be reinforced to Recruiting Managers.

**Implementation Date**

March 2016

**Responsible Officer**

Business Partners / HR  
Team Leaders / YourHR  
(Tracy Runcie / Dorothy Morrison)

**Grading**

Significant within audited area

**Recommendation**

Services should be reminded that only applicants that meet the minimum criteria should be interviewed, and if minimum criteria are to be bypassed advice and approval should be sought from HR.

**Service Response / Action**

Agreed. The importance of this will be reinforced to Recruiting Managers. HR will also include this requirement when refreshing the online recruitment and selection course as it relates to shortlisting.

**Implementation Date**

March 2016

**Responsible Officer**

Business Partners / HR  
Team Leader  
(Tracy Runcie / Dorothy Morrison)

**Grading**

Significant within audited area

2.3.7 The UK government requires that employers obtain and retain a copy of documents that prove an employee's identity and eligibility to work in the UK. Failure to comply can result in civil penalties. The Council's procedures set out the documents that will satisfy the minimum requirements to satisfy both these requirements.

2.3.8 Of the new appointments reviewed, proof of right to work in the UK had been obtained when required, however sufficient proof of identity was not obtained in two instances. Whilst it is the interviewers' responsibility to obtain and copy the documents, the lack of adequate documents should have been identified by HR when completing the recruitment check list.

**Recommendation**

Services should be reminded to refer to the acceptable document list for proving a candidates identify.

**Service Response / Action**

Agreed. The HR Service Centre will update documentation to make this clear to Recruiting Managers.

**Implementation Date**

March 2016

**Responsible Officer**

HR Team Leader  
(Tracy Runcie)

**Grading**

Significant within audited area

**Recommendation**

The Service should ensure that staff completing the recruitment checklist understand what is required of them.

**Service Response / Action**

Agreed. The HR Service Centre will update documentation to make this clear to

Recruiting Managers. In addition, once the appointments process has been added to YourHR, there will be required fields to complete which will prevent parts being missed out inadvertently.

<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leader / YourHR (Tracy Runcie)	Significant within audited area

- 2.3.9 With the exception of the instances in para 2.3.8 the remainder of the sample tested had the required level of proof copied and filed in the HR folders. However, per Border Agency guidelines it is also a requirement that those taking the copies “*check that the documents are genuine, that the person presenting them is the prospective employee, the rightful holder and allowed to do the type of work on offer*”. By doing these checks the Council will have an excuse against liability for a civil penalty.
- 2.3.10 To aid this checking process the Border Agency has published a Right to Work Checklist which provides a step by step guide on what to check and to show that those checks have been carried out. It also records the date the documentary evidence checks have been carried out, which is also a requirement.
- 2.3.11 Currently all documents returned by the interviewing service should be accompanied by a signed interview return slip, on which the interviewing manager indicates the required documents that are being passed to HR. However, this slip does not provide documented assurance that the required checks have actually been carried out. It is noted that in some other local authorities the covering form often has a declaration, to the effect that the proof of identification and right to work, have been confirmed as relating to the candidate who attended the interview.

<b><u>Recommendation</u></b>		
The Service should introduce a process whereby the interviewing Service certify that the documents provided relate to the actual candidate interviewed in accordance with the Border Agency right to work checklist..		
<b><u>Service Response / Action</u></b>		
Agreed. The HR Service Centre will update documentation to make this clear to Recruiting Managers and include a ‘sign off’ section.		
<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leader (Tracy Runcie)	Significant within audited area

- 2.3.12 Interview panel members are required to complete an assessment form for each candidate interviewed. This is the documentary evidence of the interview and subsequent decision making process. A review of assessment forms for the sample selected found a variation in completeness and quality of information. To protect staff in the event of a complaint being made, it is important that the information reflected in the assessment form is robust and would stand scrutiny from an independent review.

<b><u>Recommendation</u></b>		
The Service should provide guidance on completion of candidate assessment forms.		
<b><u>Service Response / Action</u></b>		
Agreed. The assessment form included in the recruitment and selection guidance is only an example form to cover all levels/types of Council roles. It is not mandatory to complete this version and indeed recruiters use a variety of different assessment forms for recording candidate performance and suitability. These are usually tailored		

to the type of role being recruited to. While it is not our intention to introduce a standard assessment form for all posts, we will reinforce within the revised recruitment guidance the need for recruiters to record adequate information on their interview assessment forms for future reference and include advice about how to use such forms. HR will also include this requirement when refreshing the online recruitment and selection course as it relates to interviewing

<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leaders (Keith Tennant / Dorothy Morrison)	Important within audited area

- 2.3.13 Salary placement guidance indicates that new staff should be placed on the first point of the salary scale for the post unless consultation has been had with HR to place on a higher point. There were five instances in the sample tested where new staff were placed on a higher scale point but there was no evidence that HR had been consulted.

**Recommendation**

The Service should ensure that Salary Placement guidance is complied with.

The Service should retain reasons for higher placement on an employee's personal file.

**Service Response / Action**

Agreed in part. The guidance will need to be updated to reflect current practice, which is to give Recruiting Managers discretion about the salary placing they wish to offer new recruits without the need to refer to HR if they wish to offer beyond the first scale point. Recruiters need this flexibility in order to compete for and recruit the best candidates and we need to be able to speed up the process where possible. With this discretion, they do not need to justify salary offers above the first scale point and therefore there would be no need to retain reasons for salary offers in employee files as that would only create an additional and an unnecessary step to an already bureaucratic process.

<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leaders (Karen Templeton)	Significant within audited area

- 2.3.14 Whilst there is an element of discretion with salary placement of local government staff, GTC registered staff have a nationally agreed salary placement process. This is based on length of qualifying service after full GTC registration. HR should use an assessment form to record the qualifying service which may have been achieved within another authority or different country, however for the 17 teaching new starts that were reviewed no salary assessment forms were held within the employees personal file, although all had been placed on a point commensurate with length of service. Whilst no errors were found, the form is there to ensure that a consistent and correct process is followed and that staff are always placed on the correct salary point.

**Recommendation**

The salary assessment form should be completed and retained within the employee's personal file.

**Service Response / Action**

Agreed. Assessments are undertaken, these will be filed in the employee's personal file. The HR Service Centre's Recruitment Team will undertake this going forward.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
March 2016	Team Leaders (Tracy Runcie)	Important within audited area

## 2.4 Chief Officials

- 2.4.1 The recruitment and selection of Chief Officials is not covered in the Managing Recruitment and Selection procedure and the Service is currently drafting a set of procedures to cover this. The main differences in the process are: the use of an external agency to advertise, and an assessment centre evaluation prior to interviews. The interview panel composition is decided by an Appointments Committee and is made up of Councillors who make the decisions supported by non-voting HR staff along with subject experts.
- 2.4.2 Within the period reviewed during the course of the audit, there were two appointments to chief official posts. All relevant paperwork was present for both appointments although as highlighted in paragraph 2.2.3, above, this is not held centrally.
- 2.4.3 Candidate assessment forms had been completed by the panel and scores, percentages and gradings were recorded on some of the forms. There was, however, no legend to indicate whether each question was identically weighted, or whether application forms formed part of the assessment. There was no overall assessment summarising the decisions of the panel to evidence the final decision.

### Recommendation

The Service should consider including a template within the proposed Chief Official recruitment procedures to summarise and consolidate the scores recorded on each candidate assessment sheet.

### Service Response / Action

Elected Member Appointment Panels are already given a standard interview assessment form to help them assess candidates. This allows them to assess how candidates perform when delivering their opening presentation and also how they answer each of the questions they ask each candidate. Example 'answers' are provided to assist Panel members. The Panel arrive at their selection decisions through open discussion and after hearing feedback from how candidates performed at the Assessment Centre. The Panel are not required to score candidates in order to rank them, hence the reason why this facility does not exist within the evaluation form. There are no plans to introduce a scoring system so therefore it is not intended to take this recommendation forward.

All relevant paperwork is either held by Legal or HR so it can be easily located if required. Going forward, to provide clarity about the precise location of recruitment paperwork for Chief Officer appointments, HR will retain the paperwork.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
N/A	N/A	Important within audited area

## 2.5 PVG

- 2.5.1 The Council's "Protecting Vulnerable Groups Scheme and Police Act Disclosure Protocol" document details its obligations and guidance for compliance with legislation. It includes a flowchart showing the process to be followed in the recruitment and selection assessment, where a PVG has been identified as a requirement for the post.

- 2.5.2 It is recognised as good working practice for a current certificate to be obtained prior to the preferred candidate taking up post, however the guidance from the Education and Children’s Service allows for line managers to undertake a risk assessment and where appropriate allow for the employee to commence before the certificate is obtained. The protocol covers the requirement for a risk assessment where a received PVG is not clear. However, neither this protocol, the Managing Recruitment Selection, or the Policy and Guidance on the Recruitment of Ex-Offenders makes any mention on the process for risk assessments for PVG required posts to allow a new start to take up post before the certificate has been received. Due to the very nature of the posts requiring a PVG to be carried out it is essential that all procedures that are being allowed should be fully documented to ensure that staff within the recruitment and selection process are fully aware of their responsibilities.

**Recommendation**

The Council’s agreed procedures regarding staff taking up a PVG assessed post prior to the certificate having been received should be fully documented and made available to those undertaking recruitment and selection.

**Service Response / Action**

Agreed. All appropriate recruitment documentation relating to PVGs should be held on file for reference purposes. This requirement will be reinforced to Recruiting Managers who are responsible and accountable for the recruitment decisions they take and for ensuring they provide a safe working environment for the people for whom they have a duty of care.

**Implementation Date**

March 2016

**Responsible Officers**

Recruiting Managers / HR  
Team Leader (Tracy  
Runcie)

**Grading**

Significant within audited area

- 2.5.3 During the review of Education appointments it was identified that risk assessments were being undertaken to determine whether or not staff could take up a post prior to completion of all pre-employment checks. The Service has advised that no appointment can be made to a teaching post without a GTCS registration being in place, and that approval through the PVG process is mandatory before GTCS registration is granted. The Service advised that newly qualified and, therefore newly GTCS registered, teachers, as well as teachers who have been PVG checked by a previous employer, may be employed to work in a school before a PVG check relating to their employment with Aberdeen City Council is obtained, provided a risk assessment is completed and measures such as team teaching are put in place to ensure that staff are not left to work alone with children until a satisfactory PVG record obtained.
- 2.5.4 The Senior Insurance Officer was contacted to ensure that this practice did not invalidate the terms and conditions of the Council’s Public Liability Insurance Policy or Fidelity Guarantee. On seeking advice from the Council’s insurance providers, the Senior Insurance Officer advised that whilst the insurer wouldn’t withdraw cover in situations where the complete recruitment checks (eg up to date PVGs) hadn’t been done, in the event of a claim there would be no defensibility and very high legal costs. For an insurer, claims defensibility is paramount as it will restrict the amount payable under their insurance policies – the insurance premium the Council pays is a direct reflection of the assessment of the risk that the Council poses to the insurer.
- 2.5.5 Any actions by an employee for which full employment checks had not been carried out which resulted in an injury to a member of the public or pupil or any monies being misappropriated would be added to the Council’s claims experience, and would result in an increased premium in the following year as a result of the poor risk management.

Any excess under the policy would be payable directly by the Service (estimated for 2016/17 to be £50,000 per claim).

- 2.5.6 The Senior Insurance Officer has, as a result of the above, recommended that this practice is stopped with immediate effect to prevent the Council being exposed to potential large losses / claims and reputational damage.
- 2.5.7 The current guidelines require a list of checks to be undertaken prior to appointment to a post, and as such all Services should adhere to these guidelines. Should these not be considered fit for purpose these should be revised and agreed through the correct Corporate process.

**Recommendation**

The Education Service should be instructed to comply with Managing Recruitment and Selection Guidelines and ensure that all checks are undertaken prior to a new member of staff taking up an appointment.

The Service should provide updated guidance to schools to reflect the risk management practices which are in place to ensure that teaching staff are employed under controlled circumstances.

**Service Response / Action**

The Service accepts the identified risk of continuing current practice, as this helps address the issues of curriculum delivery resulting from the unacceptably high number of teacher vacancies in Aberdeen.

The Service will provide specific guidance to schools to reflect the risk management practices put in place to ensure that teachers are employed under controlled circumstances during the period of difficulty in recruiting to teaching posts.

**Implementation Date**

March 2016

**Responsible Officers**

Head of Policy,  
Performance and  
Resources Education and  
Children's Services  
(Euan Couperwhite)

**Grading**

Major at a Corporate Level.

- 2.5.8 Disclosure Scotland requires that all responsible bodies maintain a policy on the secure handling, use, storage, retention and destruction of disclosure information. The Council has a policy based on the model template issued by Disclosure Scotland; this document is in addition to the protocol.
- 2.5.9 The protocol states that the Council "*do not keep Disclosure information on an individual's personal file. It is kept securely, in lockable, non-portable storage containers*" whilst the Policy states that the Council "*do not keep disclosure information on an individual's personal file other than the top portion only, and any conviction or vetting information is destroyed (shredded).*" Currently the top portion is scanned and held electronically within the employee's personal file. As there is a spreadsheet maintained with the salient information from the certificate, which is in accordance with the Disclosure Scotland legislation, there appears no valid reason for retaining any part of the paper certificate. There is also a risk that as part of the scanning process the whole document is copied and retained on file.

**Recommendation**

The Service should ensure that the protocol is in accordance with the policy.

**Service Response / Action**

Agreed. Reminder to be issued to HR Service Centre team to check if previous PVG is provided as ID (e.g. address), also when we are processing them that vetting information is removed. Services also to be advised not to retain copies of such documents on site where they have been provided at interview – scan, send to HRSC and shred.

**Implementation Date**

March 2016

**Responsible Officer**

HR Team Leader  
(Tracy Runcie)

**Grading**

Significant within audited area

**Recommendation**

The Service should review policy with regard to keeping any part of the certificate.

**Service Response / Action**

This is our agreed process and will continue to retain on file. The Care Inspectorate undertook an audit recently and were looking for these on file to ensure that we had been the interested party named on certificate. This is important to evidence that we would be notified of any conviction or consideration for barring.

**Implementation Date**

N/A

**Responsible Officer**

N/A

**Grading**

Significant within audited area

2.5.10

It was also noted that some schools and Services are also keeping copies of a candidates PVG certificates received as part of any previous employment. Disclosure Scotland do not differentiate between current or previous certificates within their model retention policy and it is Internal Audit's opinion that the policy covers any certificate, unless clarification has been received by HR from Disclosure Scotland. Services have stated that the older certificates are being held, not as proof of disclosure, but as part of the identity checks. However, a PVG Certificate is not an approved form of identity under Home Office legislation.

**Recommendation**

Unless the Service can provide a valid reason for retaining any disclosure certificates that has been verified with Disclosure Scotland then all should be destroyed in accordance with the model policy.

Services should be reminded that they should not retain any copies of certificates and should destroy them in a secure manner.

**Service Response / Action**

Agreed. Services to be advised not to retain copies of such documents on site where they have been provided at interview – scan, send to HRSC and shred.

**Implementation Date**

March 2016

**Responsible Officer**

HR Team Leader  
(Tracy Runcie)

**Grading**

Significant within audited area

## 2.6 Recruitment Panels

- 2.6.1 The composition of recruitment panels for LG and teaching appointments is specified in the Managing and Recruitment Selection document. Whilst the local government requirement is a minimum of two staff, one of which should have line management responsibility for the post, the recruitment panel for a teaching post varies according to the grade of the post.
- 2.6.2 Along with the composition of the panel, the document states that “As a purely interim measure therefore, Services must ensure that at least one of the selection panel has been appropriately trained and one of those persons must be the chair,” the document is dated June 2010 and does not state what the interim period is.

### **Recommendation**

The Service should review and, where appropriate, update the Managing and Recruitment Selection document.

### **Service Response / Action**

Agreed. A review of the recruitment and selection guidance is already underway to ensure it reflects existing and of course best practice, and allow some degree of flexibility where appropriate. Recruitment is a daily activity and due to the large number of people involved in the process it is not feasible nor practicable to require all members of selections panels to be fully trained before they interview, otherwise it would cause significant delays to a recruitment process which we need to make faster where possible. Having said that, it remains critical that **at least one** of the selection panel are fully trained to oversee the process and ensure that it is carried out fairly and properly in accordance with the Council’s procedures and guidelines. Until such time as those yet to be trained have undergone training they must familiarise themselves with the Council’s guidelines, in particular their legal and equality duty. The revised guidance will include this requirement.

### **Implementation Date**

March 2016

### **Responsible Officer**

HR Team Leader  
(Keith Tennant)

### **Grading**

Important within audited area

- 2.6.3 In all but the recruitment of primary school teachers, the recruitment panels for the appointments reviewed during the course of the audit were as per the guidance. In the appointment of primary school teachers, the recruitment panel should be composed of the Head Teacher of the school and two Management Team members (from another school if necessary). Eight primary school appointments were not composed of the correct panel. In all cases the Head Teacher and one Management Team member conducted the interview. Panel compositions for teaching posts are not covered under SNCT guidelines but have been devolved to LNCT. The LNCT website does not have a local agreement on panel members.

### **Recommendation**

The Service should consider whether to enforce the panel composition for primary school teachers or amend it to reflect current practice.

### **Service Response / Action**

Agreed. The HR Business Partner for the education service will confirm the position with senior management which we expect will be to update the recruitment guidance to reflect existing practice. In future all interview panels will consist of two staff members.



<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leader / HR Business Partner (Keith Tennant / Kirsten Foley)	Important within audited area

- 2.6.4 Of the 45 appointments reviewed (excluding Chief Officials), the panel members on 9 interviews are not currently recorded on the training database as having completed Recruitment and Selection training. Some staff when contacted indicated that they had attended training in the past but this does not appear to be reflected in the database. As this is the only record of who has attended training, it cannot be fully confirmed whether it is the database that is incomplete or that staff have not been trained.

<b><u>Recommendation</u></b>		
The Service should ensure that all staff undertaking interviews are aware of the training requirement.		
<b><u>Service Response / Action</u></b>		
Agreed. The requirement for all recruiting managers to undergo recruitment and selection training will be reinforced during the induction (onboarding) stage which is currently under significant review. Regarding training records, we will look at how we can utilise YourHR (our online HR portal) to improve recording.		
<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leader / YourHR (Dorothy Morrison)	Significant within audited area

## 2.7 Secondments

- 2.7.1 Where short term vacancies arise the Service may wish to offer up the opportunity as a secondment, allowing a member of staff to fill the vacancy but still retain their ability to return to their substantive post at the end of the vacancy. The Council has a Secondment Procedure (revised June 2015) which details the required process that should be followed in such instances. It requires that the Council's recruitment process be followed for filling the post although it is possible to restrict the pool of employees who can apply. Such positions can be placed on TalentLink or advertised on the Zone. As at 10 August 2015, there were 54 staff in seconded posts per the HR system: 4 to external bodies, 8 teachers and 42 Local Government posts.
- 2.7.2 To check compliance with the Secondment Procedures a sample of 10 local government and 8 teaching posts was reviewed. Six of the sample had been managed through TalentLink, which has an audit trail of the advertising and recruitment process. The remaining 12 had been advertised through The Zone or by internal emails to relevant staff. The supporting documentation varied between post resulting, in some instances, in an incomplete audit trail of the process.

<b><u>Recommendation</u></b>
TalentLink should be used to manage all secondment recruitments.
<b><u>Service Response / Action</u></b>
This is not feasible due to the design of the online national recruitment portal. Whilst Talentlink should be used to advertise secondment opportunities available to all Council employees, the system does not have the capacity to advertise secondment opportunities where application pools are restricted. As identified above, it is possible to ring fence secondment opportunities to certain pools of staff where it is appropriate to do so (e.g. where the skills and qualification requirements are contained within a

specific service or team; for staff development/succession planning; to achieve a smooth transition and where speed is of the essence). In such cases, other methods of advertising the opportunity and inviting applications or expressions of interest are put in place. Once noted interests in the opportunity are gathered, a competitive selection process is expected. Services will be reminded of the need to retain records of secondment appointments.

<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Business Partners (Kirsten Foley)	Significant within audited area

- 2.7.3 The Secondment Procedures do not indicate any rules regarding the pay grade that a member of staff taking on a secondment should be placed on. However, it does require that the normal recruitment process is followed. The Managing Recruitment & Selection procedures and the Guidance on Salary Placement state that new employees should be placed on the first point of the post's pay grade. Any decision to offer a higher rate should first seek advice from HR. Of the 18 tested only 3 had been placed above the first point, but no indication was present that this placing had been discussed with HR. If Services do not seek advice from HR there could be instances of inequity between services and staff.

**Recommendation**  
Where a secondment is to be placed above the first point of the new grade then it should be authorised by HR.

**Service Response / Action**

Agreed in part. The guidance will be updated to reflect current practice, which is to give managers discretion about the salary placing within the higher grade they wish to offer when appointing secondees. This discretion is necessary in order to offer a salary which is commensurate with the higher duties and level of responsibility. For example, the difference between the max of one grade and the first point of the next grade can be minimal. Under this discretion, managers are not required to refer to HR if they wish to offer beyond the first scale point.

<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leaders (Karen Templeton)	Significant within audited area

- 2.7.4 As part of the secondment process a secondment agreement should be prepared and signed off by the employee, and their current and new line manager. This document provides details of the position, salary, length of secondment and the obligations on both sides. It also provides assurance regarding the employee's right for returning to their substantive post. Three teaching posts and one HR post secondment did not have this information held on the employee's personal file.

- 2.7.5 Whilst Teaching secondments are governed by SNCT guidelines, and not by the Council's secondment procedures, there is still a requirement to complete the responsible authority's paperwork. When the Service was contacted regarding the three staff who had no agreement they confirmed that paperwork should be in place and arranged for this to be completed and passed to HR. The Acting Service Manager also confirmed that the Service had issued instructions at the beginning of August 2015 to all line managers reminding them as to the paperwork required in such circumstances.

- 2.7.6 HR advised that they did not consider the appointment as a secondment rather it was a member of staff filling a higher duty vacant post for a fixed period of time elsewhere in

the Service. It was also stated that the post had been advertised by email internally and the person would return to their substantive post at the end of the work.

**Recommendation**

HR should ensure that the secondment process is adhered to.

**Service Response / Action**

This was an unusual arrangement that is not covered by the secondment agreement, although there are obvious similarities which explains why it may appear that the required secondment arrangements had not been followed. An existing G13 position post has been converted to a G14 position **within the same team** for a fixed term period to take the lead on a significant corporate project. At the end of the fixed term, the post will revert to a G13 post. This opportunity was restricted to the team. So, although the person appointed has technically been seconded to take this lead role, it is in effect an extension of her substantive role, albeit with additional responsibilities, and it would not have been appropriate to put the usual secondment arrangements in place (e.g. the “parent” and “host” manager who need to agree the terms of the secondment is in effect the same person),

**Implementation Date**

N/A

**Responsible Officer**

N/A

**Grading**

Significant within audited area

**2.8 Higher Duty Payments**

- 2.8.1 The Guidance on Higher Graded Duties Payments provides details on the procedures that should be followed when making such payments. It states that the payment should be used as a short term measure to deal with issues including long term sickness absence, temporary additional duties and continued service delivery during a recruitment process. The timescale for such payments should not exceed six months, unless an extension is approved by the Head of HR&OD. The opportunity should be circulated to all relevant employees and that any payment is based on the first point of the higher graded post.
- 2.8.2 The HR system (PSE) does not hold information regarding the position that the higher graded payment relates to. This information is recorded on the authorisation form that is submitted through the Head of HR&OD. This form also shows the new grade at which the employee will be paid for undertaking the duties.
- 2.8.3 As at 12 August 2015, there were 68 members of staff in receipt of higher duty payments. Of these, 30 were set up to last beyond the 6 month limit, with 9 due to last over 12 months. It was also found that 12 had been placed at a higher scale point that point one of the higher grade.
- 2.8.4 While the forms provide reasons as to why the higher duty payment is required, they do not provide reasons why the 6 month normal maximum is being exceeded and why a recruitment process, or secondment process is not being followed. It also does not provide a reason for the employee being placed above the first point of the higher grade. If, as the guidance states, *“the higher graded duty arrangement should NOT be used as a substitute for normal recruitment procedures to fill a post”*, and *“the payment is based on the first point of the higher graded post”* the reasons for either of these being exceeded should be detailed on the form.

**Recommendation**

All higher duty authorisation forms should include a section which allows for an explanation as to why the six month period is exceeded or placement above the first point on the scale to allow for HR to assess the validity of the request.

**Service Response / Action**

Partially agreed. This would also apply to Temporary Responsibility P's (for Teachers). Looking at a YourHR Development for this which would prompt further information and/or restrict period or flag up when being extended. When extending a higher duty arrangement, we expect managers to explain the reasons under the section entitled '**Justification for Recommendation**'. To ensure managers use this section to justify extensions beyond 6 months we will change the title to 'Justification for Recommendation or Extension Beyond 6 months' (or words to that effect). Please refer to response at 2.7.3 regarding salary placings for secondments

**Implementation Date**

March 2016

**Responsible Officer**

HR Team Leader /  
YourHR (Tracy Runcie)

**Grading**

Significant within audited area

- 2.8.5 Sample checking of the personal files of 15 of the staff receiving payments found that 3 did not have a higher duty form on file, although a letter had been issued to the employee notifying them of their entitlement to the payment. The lack of an authorisation form removes the internal control that all such payments are being paid legitimately.

**Recommendation**

The Service should ensure that an authorised form is present to support all payments made, and it is filed in the personal file.

**Service Response / Action**

Agreed. There is sometimes a time lag in this being added to the file. The HR Service Centre generate the letter and pass Higher Graded Duties form to the payroll team for processing. They may undertake calculations on the form and at month end information is scanned to file.

**Implementation Date**

Implemented

**Responsible Officer**

N/A

**Grading**

Significant within audited area

- 2.8.6 The guidance also requires that "details of higher graded duties should be circulated to relevant employees" to allow them to register their interest. Where more than one employee registers an interest then the line manager should either interview then appoint, allocate the duties on a percentage split, or on a rota basis. For the sample tested, no paperwork was being held with the authorisation form to demonstrate this procedure had been followed, and Services, although stating they had followed the process, could not easily support the decisions with any documentation. To provide a full audit trail of the process and ensure that staff are all being treated equitably, the paperwork and emails relating to the process should be submitted with the authorisation form and filed in the personal file.

**Recommendation**

The paperwork relating to the offering and filing of the higher duty post should be submitted with the authorisation form and filed in the personal file.

**Service Response / Action**

Agreed. While this is a service based decision, HR will remind services to retain records for a prescribed period where a higher graded duties payment has been awarded following a competitive selection process. The Higher Graded Duties Authorisation Form could be used to evidence the process used to select the recipient of the higher duty payment so HR will look at redesigning the form accordingly. It is also expected the higher duty payments process will become fully automated as part of developing YourHR for automating such HR processes. .

<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Team Leader / YourHR (Tracy Runcie)	Significant within audited area

## 2.9 Teacher Incentive Payments

2.9.1 In an attempt to increase the number of teachers applying and taking up posts, and to retain them once they have started, the Council agreed in 2013 to introduce a Recruitment and Retention Incentive payment for Teachers. A protocol was issued detailing the principles and provisions of the scheme. As at 31 July 2015, the following number of payments had been made under the scheme:

LOCATION	13/14	14/15	15/16	Total
ACADEMY	3	4	0	7
PRIMARY	12	20	1	33
TOTAL	15	24	1	40

2.9.2 As the protocol states “the purpose of the scheme is to attract additional teachers to the city” it would be appropriate that each advert highlight the fact that an incentive payment is available in order to encourage applicants. Testing of 10 payments made between January 2014 and April 2015 found that 4 had not been advertised, and that the incentive payment had only been offered after a preferred candidate had been chosen. The only way to possibly attract more applications would be to advertise the payment to attract those applicants. This principal would also hold true for the newly introduced Key Worker Housing scheme.

### **Recommendation**

Education should ensure that any incentive scheme should be highlighted within the request for a job to be advertised.

### **Service Response / Action**

Agreed. The incentive scheme only applies in restricted circumstances. It is only payable where there have been a number of unsuccessful attempts to fill teaching posts, or where the preferred candidate will only accept the offer if the incentive payment is to apply. Routinely advertising the incentive scheme within adverts for teaching posts could therefore be misleading and raise false candidate expectations.

The availability of the scheme will usually be included in the advert if it is known in advance that it will apply, but it would be inappropriate to advertise the scheme in bulk adverts for multiple schools. Nonetheless, the relevant HR Business Partner will discuss this further with Service to explore ways of promoting the scheme in teaching adverts without guarantees (alongside Key Worker Housing) as a means of improving our pool of job applicants.

<b><u>Implementation Date</u></b>	<b><u>Responsible Officer</u></b>	<b><u>Grading</u></b>
March 2016	HR Business Partner (Kirsten Foley)	Significant within audited area

- 2.9.3 The Council's Scheme of Delegation (updated February 2015) states, under Head of Education Services, "13) To offer recruitment and retention incentive payments for hard to fill teaching posts." A sample of 10 of the payments made was tested to ensure that they had been appropriately authorised. Five of the payments had been authorised by the Director, two by an acting Head of Service, and three did not have the authorising form present in the employee's personal file.
- 2.9.4 The protocol sets out five principals under which an incentive payment should be offered. However, the authorisation form does not indicate under which of the principles the payment is actually being offered. To show that payments are only been made where one of these principals has been met, it should be recorded on the authorisation form.

**Recommendation**

An authorisation form detailing the reason for the incentive payment should be submitted in all cases and filed in the personal file.

**Service Response / Action**

Agreed. The relevant HR Business Partner to discuss further with Service to look at method of approval/evidence for file in relation to incentive payment.

**Implementation Date**

March 2016

**Responsible Officer**

HR Business Partner  
(Kirsten Foley)

**Grading**

Important within audited area

**AUDITORS:** D Hughes  
M Beattie  
G Flood

## Appendix 1 – Grading of Recommendations

GRADE	DEFINITION
<b>Major at a Corporate Level</b>	The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss, or loss of reputation, to the Council.
<b>Major at a Service Level</b>	<p>The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss to the Service/area audited.</p> <p>Financial Regulations have been consistently breached</p>
<b>Significant within audited area</b>	<p>Addressing this issue will enhance internal controls.</p> <p>An element of control is missing or only partial in nature.</p> <p>The existence of the weakness identified has an impact on a system's adequacy and effectiveness.</p> <p>Financial Regulations have been breached.</p>
<b>Important within audited area</b>	Although the element of internal control is satisfactory, a control weakness was identified, the existence of the weakness, taken independently or with other findings does not impair the overall system of internal control.

## Appendix 2 TalentLink Statistics from 1 January - 12 August 2015

Organisation Name Level 2	Total Adverts	Open	Closed	Closed / Filled	Unfilled	Withdrawn	Cancelled	Applicants	Jobs with No Apps
Education Culture and Sport	452	147	60	158	78	7	2	5,545	50
Enterprise Planning and Infrastructure	82	46	4	32				1,791	1
Officer of Chief Executive	9	3	1	5				258	3
Corporate Governance	78	20	3	50	5			2,554	2
Social Care and Wellbeing	80	37	3	29	7	1	3	1,394	2
Housing and Environment	130	68	5	57				2,818	4
	<b>831</b>	<b>321</b>	<b>76</b>	<b>331</b>	<b>90</b>	<b>8</b>	<b>5</b>	<b>14,360</b>	<b>62</b>

### POSITION TYPE

	Total Of Job Number	Casual /Relief	Full Time	Job Share	Part Time	Term Time Full Time	Term Time Part Time
Education Culture and Sport	452	17	90		55	231	59
Enterprise Planning and Infrastructure	82	2	55		17	2	6
Officer of Chief Executive	9		8		1		
Corporate Governance	78		61		17		
Social Care and Wellbeing	80		66		14		
Housing and Environment	130		123	1	6		
	<b>831</b>	<b>19</b>	<b>403</b>	<b>1</b>	<b>110</b>	<b>233</b>	<b>65</b>



## CONTRACT TYPE

	Total Of Job Number	Permanent	Casual/Relief	Fixed Term	Permanent & Temporary	Permanent & Temporary & Casual	Summer Student	Supply
Education Culture and Sport	452	356	16	78	1			1
Enterprise Planning and Infrastructure	82	65	2	9	4	1	1	
Officer of Chief Executive	9	8		1				
Corporate Governance	78	48		28	1			
Social Care and Wellbeing	80	56		16	8			
Housing and Environment	130	107		21	1			
	<b>831</b>	<b>640</b>	<b>18</b>	<b>153</b>	<b>15</b>	<b>1</b>	<b>1</b>	<b>1</b>