



Regularity audit of recruitment administration

Committee Audit and Standards

Date of meeting 26 November 2021

Date of report 2 November 2021

Report by Acting Chief Executive

1. Object of report

To advise the committee on the findings of a regularity audit of recruitment administration. This engagement was included in the annual Internal Audit plan 2021/2022.

2. Background

The Human Resources (HR) function is concerned with the provision of human resources to carry out the functions of the organisation, and in doing so to meet the organisation's aims and objectives. This includes responsibility for overseeing recruitment and vetting arrangements.

Legislation applies to the recruitment and selection activity of all employees, irrespective of temporary, fixed term or permanent duration and applies to internal and external appointments. SPT has policies, processes and procedures in place to meet statutory requirements.

HR utilise digital products to manage recruitment administration. A designated systems administrator within HR is assigned to these products.

The objective of this engagement was to assess and evaluate employee recruitment and vetting administration arrangements.

This engagement tested elements of the internal controls and mitigation against SPT22: Governance arrangements and SPT 27: Loss of employees as identified in the Corporate Risk register.

3. Outline of findings

Engagement testing (September 2021) found that a vacancy freeze during 2020/2021 and the start of the current financial year, reduced the number of recruitments as only essential posts were filled during this time. In recent months, there has been an upturn in recruitment activity.

Engagement end-to-end testing on a sample of recruitments found that HR processes and procedures were satisfactory. Internal processes are supplemented with external service provision for the recruitment and vetting of specialised posts.

Engagement testing identified a requirement to review the Disclosure Information policy.

Engagement testing also identified a requirement to review user access arrangements to digital products used in recruitment administration.

There are areas for improvement and these areas have been addressed by three recommendations. HR management have agreed to implement these recommendations, which are currently being actioned.

4. Conclusions

The Audit and Assurance team has undertaken a regularity audit of recruitment administration. Three recommendations have been agreed from this engagement.

Key controls exist and are applied consistently and effectively in the majority of areas tested in this engagement.

Reasonable assurance can be taken from the internal controls in place.

5. Committee action

The committee is asked to note the contents of this report and agree that the Audit and Assurance Manager submits a follow-up report on the implementation of the recommendations to a meeting in approximately six months.

6. Consequences

Policy consequences	<i>None.</i>
Legal consequences	<i>None.</i>
Financial consequences	<i>None.</i>
Personnel consequences	<i>None.</i>
Equalities consequences	<i>None.</i>
Risk consequences	<i>As detailed in the report.</i>

Name Neil Wylie

Name Valerie Davidson

Title Director of Finance

Title Acting Chief Executive

For further information, please contact Iain McNicol, Audit and Assurance Manager, on 0141 333 3195.

Reasonable assurance

Agreed action plan: Regularity audit of recruitment administration

No.	Recommendation	Priority	Action Proposed	Lead Officer(s)	Due date
1	<p><u>Disclosure Information policy</u></p> <p>Senior Management should consider reviewing the internal ownership of the Disclosure Information Policy.</p> <p>Thereafter the policy should be reviewed, refreshed and communicated to relevant staff.</p>	Medium	Corporate arrangements and internal ownership will be reviewed.	Head of HR / Director of Finance	January 2022
2	<p><u>Access controls</u></p> <p>The Chris²¹ HR systems administrator should:</p> <ul style="list-style-type: none"> • remove HR users editing rights to payroll salary module; • tailor visibility of menu items; • review access arrangements to enhance security. 	Medium	Access and system privileges will be reviewed.	Head of HR / Senior HR & Systems Advisor	January 2022
3	<p><u>Records Management</u></p> <p>HR staff should be reminded of the requirements to save supporting documentation in the employees e-files.</p>	Medium	Arrangements will be reiterated to HR staff.	Head of HR	Implemented

High: A fundamental control that should be addressed as soon as possible;

Medium: An important control that should be addressed within three months;

Low: An issue which is not fundamental but should be addressed within six months to improve the overall control environment.