

OFFICER DECISION RECORD

For staff restructures, please also complete an RA1 form to update the HR Portal. This is attached at Annex 2.

Decision Ref. No:

FCS 208 (previous number)

Box 1

DIRECTORATE: Finance & Corporate **DATE:** 18th December 2017

Services

Contact Name: Peter Jackson

Tel. No.: 01302 862938

Subject Matter: Interim Internal Audit Support

Box 2

DECISION TAKEN:

To appoint an interim resource for Internal Audit through the Council's agency contract with Reed to help manage delivery of the internal audit plan for 2017/18.

Box 3

REASON FOR THE DECISION:

Internal Audit is currently carrying out a volume of responsive work that is well above anticipated levels. A member of the audit team has also recently left the authority. This leaves a shortfall in resources within the existing team to deliver planned audit work which is required to discharge the team's obligations to provide an effective internal audit service and to support the Council's Chief Financial Officer discharge some of his responsibilities set out under Section 151 of the Local Government Act.

The ideal resource required is a highly experienced Internal Auditor with experience of Audit in Adult Social Care where a lot of planned audit work is needed to be carried out, and is currently un-resourced.

A suitable person is known and has been introduced to Reed Specialist Recruitment Ltd in accordance with prescribed arrangements and is available for an immediate start. The person is anticipated to work for an approximate four month period to deliver the currently intended programme of work. This person was used previously this year with a programme of work completed in September 2017

This support will also be helpful to the Director of Adults Health and Wellbeing in discharging his professional obligations and his internal requirements in managing the service in a controlled and efficient manner. He is aware of shortcomings in internal control arrangements in the directorate, many of which have been reported to the Audit Committee, which this resource will be helpful in mitigating.

Update June 2018 – the assignment was complete by 31st March 2018 and covered a 13 week period of January 2018 to March 2018 inclusive at a slightly higher daily rate of £382.70 due to increased National Insurance costs.

Box 4**OPTIONS CONSIDERED & REASONS FOR RECOMMENDED OPTION:**

Option 1 – Recruit as normal asap.

Option 2 – Use the Councils contract with Reed Specialist Recruitment Ltd Reed

Option 2 is recommended for the following reasons also provided above:

Recruiting to the team will result in a delay in acquiring the additional resource needed and may be unsuccessful due to the availability of the specialist nature and experience required for the person.

A suitable person is known and has been introduced to Reed Specialist Recruitment Ltd in accordance with established procedures and is available for an immediate start upon completion of the required checks.

Box 5**LEGAL IMPLICATIONS:**

S112 of the Local Government Act 1972 allows a local authority to appoint such officers as are necessary for the proper discharge of its functions, on such reasonable terms and conditions as it thinks fit.

When sourcing staff through an agency care must be taken to ensure the Agency Worker Regulations and the Council's Policies relating to Agency workers and Recruitment in general are adhered to including the changes to the off-payroll working in the public sector: reform of the intermediaries legislation (IR35). Doncaster MBC has a policy that regulates the use of Agency workers and care must be taken to ensure this policy as followed as when seeking authority to operate outside the policy this could create a precedent and financial liability.

There is a legal obligation to consider best value and therefore it is recommended that there be regular reviews of the decision to use agency staff to ensure this obligation is being met. A contract detailing the terms of the assignment should be in place before commencement.

Reed were appointed as the Councils supplier of temporary staff following a procurement process which was compliant with both EU Procurement Regulations and Contract Procedure Rules.

It is important that sight is not lost of the Council's recruitment and retention and vacancy management policies which should be followed.

**Name: Helen Wilson Signature: H.Wilson Date: 08/01/18
Signature of Assistant Director of Legal and Democratic Services (or
representative))**

Box 6**FINANCIAL IMPLICATIONS:**

The cost of the temporary appointment for the work required under the Agency Contract will be £9,200. (i.e. 25 days x £368 per day).

This will create an additional pressure to Internal Audit's budget. As at Q3, Internal Audit's overspend is anticipated to be £20k for 17/18 (including this additional £9k spend on agency costs).

The service is to carry out a restructure next year to address budget pressures.

Name: Luise Robinson Signature: By email Date: 11/01/2018
Signature of Assistant Director of Finance & Performance
(or representative)

Box 7**HUMAN RESOURCE IMPLICATIONS:**

This role has been filled through a known candidate to the service. The candidate has been signed to Reed to ensure the hire falls within a recognised procurement route.

There are 3 potential options for sourcing additional resource:

1. In line with the council's Recruitment and Selection Policy and Procedure to appoint a fixed term employee;
2. Seeking an agency worker using the council's managed service provider;
3. Following procurement procedures to appoint an **organisation** to undertake the work.

Failure to correctly use one of these routes could lead to legal challenge and/or other consequences (e.g. HMRC penalties for not paying tax/NI at source when required).

If the intention is to appoint a fixed term employee, you should develop a job description and have it evaluated to determine the appropriate grade prior to commencing the recruitment process. You will also need to create a job on the HR portal prior to starting the recruitment process.

If seeking to appoint an agency worker, you must follow the Hiring and Managing Agency Worker policy and use the council's managed service provider, Reed Specialist Recruitment Ltd to source appropriate candidates (as per contract effective from 10/09/16). There must also be either a vacant post or an approved ODR (for project work) in place to support the use of an agency worker.

Intermediaries' legislation (commonly referred to as IR35) applies to both new and existing workers / roles. The legislation determines that for those roles identified as in scope for IR35 the responsibility to ensure appropriate deductions of tax and NI at source from the worker's personal service company (PSC) is with the organisation paying the worker / PSC (Reed). It is clients (council's) responsibility to determine

whether the role being undertaken will fall inside or outside IR35 and that the provider Reed adheres to the legislation.

It is envisaged that the role of Internal Auditor will fall outside IR35 following completion of the IR35 [employment status tool](#) by the Service.

The pay rate agreed with the service is within the benchmark at £340 per day resulting in an approximate charge to the service of £368 per day.

Name: Sarah McGauley Signature: by email Date: 02/01/2018
Signature of Assistant Director of Human Resources and Communications (or representative)e)

Box 8
PROCUREMENT IMPLICATIONS:

There are no direct procurement implications. The council's agency contract is being used to secure the resources required.


If the Contract with Reed cannot meet the Councils requirements then a formal tender process will need to be followed in line with the Councils Contract Procedure Rules and associated IR35 legislation

Name: Holly Wilson Signature: by email Date: 25/01/17
Signature of Assistant Director of Finance & Performance
(or representative)

Box 9
ICT IMPLICATIONS:

As with any new starters, a support call would need to be raised via i-Serve for any new ICT equipment/non-standard software needed and for the necessary user account to be created together with access permissions to relevant systems, where applicable. Requests for new ICT equipment will be considered in line with the principles of the WorkSmart strategy and 'Maximising ICT'.

The relevant manager should also ensure any new starters have completed the relevant system training and reviewed and accepted all appropriate ICT and acceptable usage policies. In addition, it will be necessary for the agency worker to sign the relevant confidentiality agreement included in the Agency Workers Induction Statement/ Checklist, available via the Intranet.

Name: Peter Ward (Governance & Support Manager)
Signature:  Date: 09/01/18

Signature of Assistant Director of Customers, Digital & ICT (or representative)

Box 10

ASSET IMPLICATIONS:

There are no asset implications

Name: P. Jackson Signature: P. Jackson
(Report author)

Date: 18/12/17

Box 11

RISK IMPLICATIONS:

There is currently a risk that Internal Audit will fail to meet a statutory responsibility to deliver sufficient planned work to give an opinion at the end of the year on the Council's risk, control and governance arrangements.

By appointing a temporary agency worker now, the service can claw back the current deficit in delivery.

Box 12

EQUALITY IMPLICATIONS:

The Council's recruitment policy pays due regard to protected characteristics.

Name: P. Jackson Signature: P. Jackson
(Report author)

Date: 18/12/17

Box 13

CONSULTATION

There has been consultation with HR and Procurement in progressing these proposals.

Box 14

INFORMATION NOT FOR PUBLICATION:

This information is not exempt from publication and should be published in line with the normal publishing arrangements.

Name: Nicola Frost-Wilson Signature: by email Date: 09/01/18
Signature of FOI Lead Officer for service area where ODR originates

Box 15

Signed:



Date: 15 June 2018

Steve Mawson, Chief Finance Officer & Assistant Director Finance

Signed: _____

Date: _____

Additional Signature of Chief Financial Officer or nominated representative for Capital decisions.

Signed: _____

Date: _____

Signature of Mayor or relevant Cabinet Member consulted on the above decision (if required).

- This decision can be implemented immediately unless it relates to a Capital Scheme that requires the approval of Cabinet. All Cabinet decisions are subject to call in.
- A record of this decision should be kept by the relevant Director's PA for accountability and published on the Council's website.
- A copy of this decision should be sent to the originating Directorate's FOI Lead Officer to consider 'information not for publication' prior to being published on the Council's website.
- A PDF copy of the signed decision record should be e-mailed to the LA Democratic Services mailbox