

Board of Management Audit and Assurance Committee

Date of Meeting	Wednesday 16 September 2020
Paper No.	AAC1-J
Agenda Item	5.3.4
Subject of Paper	Internal Audit Report – Staff Recruitment & Retention
FOISA Status	Disclosable
Primary Contact	Henderson Loggie
Date of production	September 2020
Action	For Discussion and Decision

Recommendations

The Committee is asked to consider and discuss the report and the management responses to the internal audit recommendations.

1. Purpose of report

The purpose of this review is to provide management and the Audit and Assurance Committee with assurance on key controls relating to the curriculum and financial plans in place for City of Glasgow College and their alignment with the regional plan for Glasgow and the college student number targets.

2. Context and Discussion

This internal audit of Staff Recruitment and Retention provides an outline of the objectives, scope, findings and graded recommendations as appropriate, together with management responses. This constitutes an action plan for improvement.

The Report includes a number of audit findings which are assessed and graded to denote the overall level of assurance that can be taken from the Report. The gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

3. Impact and implications

Refer to internal audit report.

City of Glasgow College

Staff Recruitment, Retention and Development

Internal Audit Report No: 2020/08

Draft issued: 9 September 2020

Final issued: 14 September 2020

LEVEL OF ASSURANCE

Satisfactory

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Level of Assurance

In addition to the grading of individual recommendations in the action plan, audit findings are assessed and graded on an overall basis to denote the level of assurance that can be taken from the report. Risk and materiality levels are considered in the assessment and grading process as well as the general quality of the procedures in place.

Gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

Action Grades

Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit and Assurance Committee.
Priority 2	Issue subjecting the organisation to significant risk and which should be addressed by management.
Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.



Management Summary

Overall Level of Assurance

Satisfactory	System meets control objectives with some weaknesses present.
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Risk Assessment

This review focused on the controls in place to mitigate the following risks on the City of Glasgow College ('the College') Risk Register:

- Failure to attract, engage, and retain suitable staff (risk rating: low); and
- Failure to manage performance (risk rating: low).

Background

As part of the Internal Audit programme at City of Glasgow College for 2019/20 we carried out a review of the adequacy and effectiveness of its policies and procedures for recruitment, retention and staff development to ensure their skills and expertise are able to meet their strategic objectives.

The Audit Needs Assessment, completed in March 2017, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Board of Management and to the Principal that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Staff Recruitment, Retention and Development

Scope, Objectives and Overall Findings

The audit considered the adequacy and effectiveness of policies and procedures for staff recruitment and selection and the processes in place that ensure effective workforce planning contributes to the retention and engagement of staff, and arrangements for succession planning.

The objective of our audit was to obtain reasonable assurance that systems are sufficient to ensure that:

- There are appropriate formal policies and procedures relating to recruitment and selection which meet legal requirements, including those regarding equality and diversity, and these are being followed in practice; and
- Effective Workforce planning is in place to manage the current workforce and future demands and ensure it supports the College's strategic aims and objectives including:
 - Adequate assessment of current and expected future staffing needs over the short to medium term is aligned to funding availability;
 - Assess if areas of significant staff turnover exist;
 - Is there identification of difficult to recruit posts;
 - Has the root cause for these issues been established;
 - Is there the development of plans to mitigate these identified issues including:
 - Non pay benefits
 - Training and personal development for staff (including professional training and qualifications)
 - Clear career progression
 - Effective work life balance and family friendly approach;
 - Personal wellbeing and support for staff
 - Is there regular review and updating of the workforce plan;
 - Is there effective measurement of the success of workforce planning in place; and
 - Are there effective reporting and governance of workforce planning in place.

The table below notes the objectives for this review and records the results:

Objective	Findings				Actions already underway
	1	2	3		
The specific objectives of this audit were to obtain reasonable assurance that:					
1. There are appropriate formal policies and procedures relating to recruitment and selection which meet legal requirements, including those regarding equality and diversity, and these are being followed in practice	Satisfactory	0	0	1	
2. Effective Workforce planning is in place to manage the current work force and future demands and ensure it supports the Colleges' s strategic aims.	Satisfactory	0	0	0	✓
Overall Level of Assurance	Satisfactory	0	0	1	
		System meets control objectives with some weaknesses present.			

Staff Recruitment, Retention and Development

Audit Approach

The College's policies and procedures were reviewed, and the Human Resources Director and Head of Human Resources and other relevant managers and staff were interviewed. Walk through and detailed compliance testing was carried out to consider the overall efficiency and effectiveness of the procedures and the extent to which risks are being identified and managed regarding the above objectives.

Summary of Main Findings

Strengths

- We reviewed the College's Recruitment and Selection Policy and procedures and found that these covered the roles and responsibilities around recruitment and contained detailed guidelines on the College's processes and that these were aligned with the College's Equality and Diversity Policy and the Equality Act 2010;
- the College has robust authorisation processes in place for the creation of new posts and for new starts;
- Our sample testing confirmed that Recruitment and Selection procedures are being followed in practice;
- The College's People and Culture Strategy outlines the College's aims and objectives relating to workforce planning and aligns to the Strategic Plan; and
- The College has recently reviewed and revamped the Personal Development Review process, following research around the effectiveness of the previous process from a staff member perspective.

Weakness

- Neither the Recruitment and Selection Policy or the associated Procedures have been updated in line with the planned review timetable.

Acknowledgements

We would like to take this opportunity to thank the staff at City of Glasgow College who helped us during the course of our audit.

Main Findings and Action Plan

Objective 1: There are appropriate formal policies and procedures relating to recruitment and selection which meet legal requirements, including those regarding equality and diversity, and these are being followed in practice

We reviewed the College's Recruitment and Selection Policy and procedures and found that these covered the roles and responsibilities around recruitment and contained detailed guidelines on the College's processes. These were aligned with the College's Equality and Diversity Policy and the Equality Act 2010.

Observation	Risk	Recommendation	Management Response
We noted that the current College's Recruitment and Selection Policy was approved in 2014 and was due to be reviewed in 2017. We also noted that the College's Recruitment and Selection procedures have not been reviewed since 2011 and the Recruitment Authorisation Procedure has not been reviewed since 2014.	Policies and procedures are out of date and do not reflect current working practice	R1 Review the Recruitment and Selection Policy and associated Procedures to ensure that these are up to date and reflect current working practice	<p>Workforce planning is active within the college - tools such as student recruitment and timetabling systems (which shows staff utilisation) are what managers use to plan. What the college want to do is create something more collaborative, and sophisticated to make this more holistic and meaningful, one where there is one system that captures it all. Following feedback from our Deans/Directors - the level of complexity of capturing this on a spreadsheet needs reviewed. This is currently being reviewed at ELT to establish if the current direction of travel, utilising existing technology will deliver the intended results</p> <p>To be actioned by: Human Resources Director</p> <p>No later than: 31 January 2021</p>
			<p style="text-align: center;">Grade</p> <p style="text-align: center;">3</p>

Staff Recruitment, Retention and Development

Objective 1: There are appropriate formal policies and procedures relating to recruitment and selection which meet legal requirements, including those regarding equality and diversity, and these are being followed in practice (Continued)

We tested a sample of five new starts at the College since August 2019 and reviewed their personnel files to ensure the Recruitment and Selection Policy and Procedures had been followed in practice. We noted that no “Recruitment Authorisation form” was on file for one of the five new starts selected. However, we obtained evidence to confirm that this had been in place but not retained within the employee’s file due to an oversight. Therefore, no specific recommendation has been raised regarding this point. It was clear from review of the Recruitment Authorisation procedure; our discussions with staff; and the results of our other testing, that the College has robust authorisation processes in place for the creation of new posts and for new starts.

Our evaluation of the above policies and procedures, as well as the results from our discussions and detailed testing, demonstrates that the College’s recruitment process appears to be efficient, effective, adheres to legal requirements regarding equality and diversity and is being followed in practice.

Staff Recruitment, Retention and Development

Objective 2: Effective Workforce planning is in place to manage the current work force and future demands and ensure it supports the Colleges' s strategic aims including

- Adequate assessment of current and expected future staffing needs over the short to medium term is aligned to funding availability;
- Assess if areas of significant staff turnover exist;
- Is there identification of difficult to recruit posts;
- Has the root cause for these issues been established;
- Is there the development of plans to mitigate these identified issues including;
 - Non pay benefits
 - Training and personal development for staff (including professional training and qualifications)
 - Clear career progression
 - Effective work life balance and family friendly approach;
 - Personal wellbeing and support for staff
- Is there regular review and updating of the workforce plan;
- Is there effective measurement of the success of workforce planning in place; and
- Are there effective reporting and governance of workforce planning in place.

The College's People and Culture Strategy outlines the College's aims and objectives relating to workforce planning and aligns to the Strategic Plan. We noted during that this strategy was last updated in 2017 and that work was already underway to review and update the strategy during our audit fieldwork.

There is not currently a formal Workforce Plan in place for the whole College. However, this has been recognised by senior management and work is underway to create a formal workforce plan for the College. This work will follow on from the update of the College's People and Culture Strategy. Workforce planning is in operation within Faculties/Departments and these plans are utilised by managers to inform their forward planning but workforce planning has previously been undertaken within individual departments, rather than collaboratively across the College.

Work has commenced to implement a more collaborative approach and a template has been developed as part of a Workforce Planning Framework which will be developed in three distinct stages for application across the whole College. This is intended to allow implementation of the new workforce planning process during academic year 2020/21, with HR and Finance working in partnership and providing guidance throughout the process

Staff Recruitment, Retention and Development

Objective 2: Effective Workforce planning is in place to manage the current work force and future demands and ensure it supports the Colleges' s strategic aims (Continued)

The new framework for workforce planning is made up of three stages as follows:

Stage 1 - The 'as is'

- A template has been developed to capture all the required data to build the College's workforce plans
- Data is extracted from iTrent and includes qualifications. This only includes permanent staff or fixed term staff with fixed hours (not bank staff)

Stage 2 - The 'to be'

- Deans, Directors and ADs have meetings with HR & Finance to forensically review the data
- The 'to be' template is populated with what is needed for next year - only slotting in the staff that can deliver the need
- If staff don't fit into the required skills, this will be recorded as a surplus in final analysis

Stage 3 - The gap analysis & surplus staff

- This framework will capture any surplus staff & gaps in staff required
- Meaningful discussion on upskilling / reskilling
- A fresh bank staff list will also be available to address gaps
- Decisions on recruitment, redeployment and career choices will be required

Data on staff turnover and difficult to recruit posts is monitored by HR through reports produced from the iTrent system. KPIs are in place to allow monitoring of staff turnover and we noted that staff turnover at the College is relatively low, with most turnover relating to the end of fixed term contracts or bank contracts. The College has deployed various strategies in place to minimise staff turnover and to fill difficult to recruit posts such as the Cycle to Work scheme; an employee counselling service; and the introduction of flexible working policies. Staff surveys are published on the College staff dashboard and the results of these are evaluated to take on board and evaluate staff feedback received

The College has recently reviewed and revamped the Personal Development Review process, following research around the effectiveness of the previous process from a staff member perspective. There has been a comprehensive redesign of the process to move the emphasis towards a self-managed development model which is focussed on ongoing feedback. This revised process will be delivered through "Development Conversations" between staff and managers which will replace the more formal staff development plans. Training and personal development opportunities will be identified through this process and this will ensure clear the identification of opportunities for skills development and career progression.

Aberdeen

45 Queen's Road
Aberdeen
AB15 4ZN

T: 01224 322100

Dundee

The Vision Building
20 Greenmarket
Dundee
DD1 4QB

T: 01382 200055

Edinburgh

Ground Floor
11-15 Thistle Street
Edinburgh
EH2 1DF

T: 0131 226 0200

Glasgow

100 West George Street
Glasgow
G2 1PP

T: 0141 471 9870

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hlca.co.uk | info@hlca.co.uk