



# Internal Audit Final Report

## Progress Report on Criminal Records Bureau Checks Audit

**Directorate:** Resources  
**Date:** 7<sup>th</sup> July 2009

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## **1. Introduction**

- 1.1 An audit relating to Criminal Records Bureau checks was carried out in 2008 and was graded as Limited Assurance. The purpose of this report is to record the progress that has been made by the department in relation to the recommendations made at that time.
- 1.2 During the original audit the functions of the section were documented, key controls were identified and testing undertaken. These have only been updated where there have been changes to the system / section since that time.
- 1.3 The audit findings recorded in this report are based on discussions with staff, observations, and the results of sample testing. As a result, each recommendation previously made has been classified as follows:
  - A. Implemented
  - B. Not Implemented
  - C. Superseded

## **2. Objectives of the Review**

- 2.1 The main objectives of the audit were to:
  - Verify that the recommended controls have been put in place and that controls are operating effectively.
  - Establish if there have been any significant changes to the system since the last audit.
  - Verify that where recommendations have been superseded due to changes in the system that the new control is operating effectively.

## **3. Audit Opinion**

- 3.1 The progress relating to eight significant and seven merits attention recommendations was followed up during this review. It is noted that only 50% of the significant recommendations made in the initial audit have been implemented. Audit would always encourage management to focus attention and resources on significant recommendations over the merits attention recommendations. Of the 50% of significant recommendations that remain unimplemented, it is acknowledged that some steps have been taken to implement some of these recommendations. The incomplete recommendations have been updated where necessary and restated in this report.

- 3.2 One particular recommendation causing concern is the lack of a strategy / priority action plan to address the backlog of work. It is appreciated that work is ongoing to reduce the back log of unchecked employees / employees where details of the checks were unknown, and that this is being carried out at the same time as ensuring the day to day checks for new starters etc are being processed. However, our concern is that there is no strategic direction or formal risk based approach to the back log and heavy reliance is placed on the knowledge of the CRB team of which areas of the Authority to target next. This concern is compounded by the fact that the team do not have one line manager. For the day to day functions, they are managed by an Admin Officer within the Resources Team, for higher level strategic functions, namely the implementation of ISA, the team are guided by a Transformation and Development Officer.
- 3.3 It is clear that further work needs to be done to ensure the section can fully meet the needs of the Council, in reducing the outstanding back log of unchecked employees, / employees with no data, and ensuring that re-checks and new starter checks can be processed in a timely manner with the highest risk areas targeted as a priority. It is difficult to envisage how, with current resources, an impact can be made on the backlog that is not to the detriment of new starter checks.
- 3.4 From the audit work carried out it is clear that progress has been made on implementing a number of the recommendations. We are satisfied that, with the exception of Newly Qualified Teachers, adequate checks are carried on all new starters. However, we still have concerns that there are still significant weaknesses in the system of control. We propose to re-visit this area again later in the year. Therefore, as it stands our opinion is that the systems still provides limited assurance to the Council that there is evidence that all relevant staff have been CRB checked.
- 3.5 More details relating to the outstanding recommendations can be seen in section 4 of the report.

### **Acknowledgement**

A number of staff gave us their time and co-operation during the course of this review. We would like to record our thanks to all of the individuals concerned.

#### 4. Findings and Recommendations

Ref	Original Recommendation	Categorisation	Follow Up Findings	Status at time of follow up	New Recommendation	Categorisation
4.1.1	Management should issue the CRB Procedural Guidelines in their final format in order to make the Policy complete and achieve greater compliance with the CRB Code of Practice.	Significant	The policy and its appendices, dated May 2009, are now available on the intranet.  Also on the CRB section pages are Procedural Guidelines, managers' guidelines for completing the forms, disclosure interview standard form and risk assessment guidelines, which provide very comprehensive CRB guidance.	Implemented	None	N/A

Ref	Original Recommendation	Categorisation	Follow Up Findings	Status at time of follow up	New Recommendation	Categorisation
4.1.2	<p>Management should implement a strategy / action plan to ensure the CRB Team meets the future needs of forthcoming legislation and the needs of Directorates including re-checks.</p>	Significant	<p>It was explained that a strategy document had been drafted to prepare for the ISA legislation coming in October 2009. However as the ISA start date is now incremental from October 2009 onwards, the strategy needs to be reworked.</p> <p>It was advised that the CRB team have not put together a strategy or action plan to tackle the back log of CRB checks whilst at the same time keeping up to date with new checks from new starters and expiring CRBs.</p> <p>A forecast of work to be done and the associated costs for the next three years has been produced for accountancy purposes. This gives a clear picture of the size of the back log and the need for prioritisation to ensure those with the greatest need / risk are completed first. We are concerned that this forecast it is not being used in the development of an action plan.</p> <p>It was also noted that CRB checks processed for other organisations can take priority over BCBC's own backlog, which may not be the best use of resources.</p>	Not Implemented	<p>A strategy / action plan should be drawn up and implemented to prioritise the day to day work of the CRB team ensuring the backlog of outstanding checks .is reduced whilst at the same time ensuring new checks / re-checks are completed in a timely manner. In developing the action plan, priorities should be identified e.g. where there are legislative requirements or higher risks and to ensure Directorate needs are met.</p>	Significant
4.1.3	<p>Positive disclosure interviews should have standardised initial questioning to ensure consistency</p>	Significant	<p>HR Officers are now undertaking positive disclosure interviews. A standard proforma is used, a copy of which can be found on the CRB intranet site. The proforma includes a list of standard questions to be asked in all interviews.</p>	Implemented	None	N/A
					<p>It should be considered whether the CRB team has the capacity to process CRB checks for other organisations. Where such additional work is undertaken, this should be factored into any strategy / action plan the section produces to ensure the risk to the Council in terms of failing to meet its own CRB requirements is minimised as far as possible.</p>	Merits Attention

Ref	Original Recommendation	Categorisation	Follow Up Findings	Status at time of follow up	New Recommendation	Categorisation
4.1.4	<p>a) Systems should be introduced within the CRB team to inform managers when checks have been completed and an employee is allowed to commence work.</p> <p>b) All managers should be reminded of the requirement instructed by CMB to not allow an employee to commence in post prior to pre employment checks being carried out. In the unlikely event that there is a need to deviate from this requirement the recruiting officer will require authorisation from the Head of Human Resources.</p>	Significant	<p>A sample of 12 new starters from January 2009 onwards, was taken from Trent, 7 being non-teaching staff and 5 teaching staff.</p> <p>The practice of employees not commencing work in directorates (i.e. non-schools) without a CRB appears to be working.</p> <p>However, our testing highlighted that in schools 3 of the 5 new starters commenced work prior to a CRB check being completed. A risk assessment had not been completed in one case.</p> <p>The schools contacted as part of this audit and through our other audit work have commented that the method of informing them that CRB clearance has been obtained is haphazard. Some receive emails, some telephone calls; some have to contact HR themselves and some receive a copy of the individual's offer of employment which states that satisfactory checks have been carried out, i.e. it is not explicit that CRB clearance has been obtained. Similar findings have materialised in respect of a recent audit review of Children's and Adult's care establishments.</p> <p>There is currently no system in place to inform managers the outcome of re-checks. This is due to structures not being up to date in Trent, therefore the CRB team can not easily identify who a person's manager is in order to inform them. Work is ongoing on the structures and access should be available in the imminent future.</p>	Partially Implemented	<p>The procedures currently in place for reporting to line managers / schools when a CRB check has been completed for new starters needs to be standardised (e.g. written advice in all cases, not telephone calls). The wording should explicitly refer to CRB checks.</p> <p>The system of emailing managers once re-checks have been carried out should be introduced as soon as possible once structures have been completed in Trent. Managers should be encouraged to keep a record of the re-check date to ensure that future re-checks do not lapse.</p>	Merits Attention

Ref	Original Recommendation	Categorisation	Follow Up Findings	Status at time of follow up	New Recommendation	Categorisation
4.1.5	Management should ensure that staff who require a three yearly CRB recheck as part of a legislative requirement should receive priority	Significant	<p>As in recommendation 4.1.2, a priority action plan has not been implemented. To determine where re-checks are needed, reports have to be run periodically from Trent, which, following extraction of the necessary data can be worked through. The CRB team are currently working from a report produced in October 2008.</p> <p>When a report is produced, the team attempts to prioritise firstly people for whom they have no record of any CRB check, then people who require a check as a legislative requirement.</p> <p>It was discussed that the CRB team currently send out a lot of forms for re-checks which are never returned. This is very time consuming and there are not any additional resources to chase forms. The team hope to move towards placing more responsibility on managers for ensuring these forms are returned.</p>	Not Implemented	See recommendation 4.1.2 above.	N/A



Ref	Original Recommendation	Categorisation	Follow Up Findings	Status at time of follow up	New Recommendation	Categorisation
4.1.6	<p>Management should ensure there are no supply teachers working without CRB checks in place and that school staff have a completed CRB application accompanied by a signed pro-forma before employment begins (this should include a review of previous applications).</p>	<p>Significant</p>	<p>It was advised that awareness sessions have been carried out with primary schools to clarify this issue and highlight the importance of CRB checks prior to starting. More sessions are planned in the near future.</p> <p>A current list of all supply teachers, with details of their CRB checks, was requested from the CRB team as part of the audit. It was advised that, on reviewing this list produced for Audit, a number of Supply Teacher NQTs were identified as not being CRB checked. Further investigation revealed that these teachers had been CRB checked on registration with the GTCW but not on starting with BCBC. The practice of allowing this was set out in Recruitment &amp; Selection Guidelines (for schools) produced in September 2008 by HR in conjunction with the HR schools user group. There had been no consultation with the CRB team, and this guidance is contrary to that set out in the BCBC CRB policy, which states that all new starters must also be checked by BCBC, even if they already have an in-date CRB from another organisation, as CRB checks are not portable.</p> <p>The CRB team intend to rectify this problem by going back to the User Group to discuss the contradiction, and attempt to have the Recruitment Guidance amended.</p>	<p>Not Implemented</p>	<p>The Schools Recruitment &amp; Selection guidelines should be amended to reflect the BCBC CRB policy of re-checking all new starters (including NQTs working as supply teachers) even where a current CRB is in place from another organisation.</p>	<p>Significant</p>

Ref	Original Recommendation	Categorisation	Follow Up Findings	Status at time of follow up	New Recommendation	Categorisation
4.1.7	The CRB team manager should contact BCBC IT to discuss a data migration solution for the previous CRB database.	Significant	It was confirmed that data (where it existed) from previous directorate systems has now been transferred to Trent. Work is now in progress to ensure all required data is on Trent rather than just on the CRB database, as management reports are produced from Trent.	Implemented	None	N/A
4.1.8	The CRB team should ensure documentation is securely stored as required by the CRB Code of Practice.	Significant	All files are now stored in a locked room in a locked filing cabinet. Only the CRB team and The Transformation & Development Manager have access, although these are left unlocked during the working day.	Implemented	None	N/A
4.1.9	Management should review the arrangement with Trinity sitting service to formalise CRB provision and ensure compliance with BCBC CRB Policy	Merits Attention	<p>The Transformation &amp; Development Manager advised he did meet with Legal to begin putting together a legal agreement, for cases when BCBC process checks for other organisations as part of our umbrella status.</p> <p>The Manager advised they are not currently taking on new work in this area due to the lack of a legal agreement (but are still processing applications for organisations previously worked with).</p> <p>As mentioned above in Recommendation 4.1.2, the CRB team is struggling to cope with the checks required for BCBC's own employees, so it does not make sense to continue processing checks for external organisations, regardless of the potential additional income which could be received.</p>	Not Implemented	It should be ensured that a legal agreement is put in place to cover the Council's work as an Umbrella Organisation for processing CRB checks for other organisations.	Merits Attention

Ref	Original Recommendation	Categorisation	Follow Up Findings	Status at time of follow up	New Recommendation	Categorisation
4.1.10	Management should ensure that supply teachers who have a three month break in service are identified and rechecked.	Merits Attention	The Transformation & Development Manager advised they have not sought further advice from the Legal department as they are confident they have understood this legislation correctly and Internal Audit have misinterpreted the wording.	Not previously agreed by Management	It is felt that the Legal department should still be contacted to clarify the confusion regarding the need to re-check after a three month break in service. Should Legal advice not be sought, the CRB team must acknowledge that it accepts this risk.	Merits Attention
4.1.11	Management should set target times for processing applications that meet the demands of the service. Monitoring should take place to ensure the achievement of the target set.	Merits Attention	The CRB team provide turnaround data to The Transformation & Development Manager, and it is presented in team meetings which are run by line manager Donna Brace. An example of a recent team meeting report was provided as evidence that this process is taking place. Data is provided for inclusion in QBRs.	Implemented	None	N/A
4.1.12	Management establish a CRB cost / performance monitoring program.	Merits Attention	It was advised that approximately 6 months ago work begin to establish a realistic CRB budget. The team are also trying to predict the additional costs when the ISA comes in. A meeting has been held with Accountancy, who advised there is currently only a £40k budget. Figures have been calculated which indicate a realistic budget be closer to, if not above, £150k. Accountancy requested information to support this and as part of this work the forecasting and costing document was produced.  Accountancy also felt schools should be recharged for CRB checks, but this is currently not done. Further meetings are planned shortly to progress these issues.	Partially Implemented	The work with Accountancy to establish a realistic CRB budget should be progressed and concluded.	Merits Attention

Ref	Original Recommendation	Categorisation	Follow Up Findings	Status at time of follow up	New Recommendation	Categorisation
4.1.13	<p>Management should consider the supervisor reviewing a sample of the work of the CRB team for accuracy and consistency.</p> <p>A quality control system should be introduced to ensure documentation is controlled and where necessary reviewed.</p>	Merits Attention	Work is not currently reviewed to test for accuracy and consistency.	Not Implemented	Management should consider the supervisor reviewing a sample of the work of the CRB team for accuracy and consistency.	Merits Attention
4.1.14	Management should ensure that the definitive job list is reconciled against members of staff who currently do not have CRB checks who may have been overlooked initially.	Merits Attention	<p>The Transformation &amp; Development Manager advised this is something he has been tasked with completing. Markers need to be added to Trent to easily identify all people who require a CRB check. It is currently not possible to run a definitive list of all such posts, and therefore any figures the CRB team produce in terms of number of outstanding checks etc. are never entirely accurate.</p> <p>Comments seen on team meeting reports suggest this work is not seen as a priority, despite the lack of such information currently creating significant work for the CRB team terms of editing reports to give clearer information.</p>	Not Implemented	Work should be progressed in ensuring a definitive list of all posts requiring CRB checks is available, and that this information is then transferred to Trent to enable accurate management reports to be produced efficiently.	Merits Attention
4.1.15	The CRB team should ensure there are no orphan files left with Adult/Children's services post CRB centralisation.	Merits Attention	It was confirmed that this still needs to be done, once they have clarified what files are left.	Not Implemented	The CRB team should ensure there are no orphan files left with Adult/Children's services post CRB centralisation.	Merits Attention

## 5. Management Action Plan

Rec. No.	Recommendation	Categorisation	Para. No.	Agreed	Management Comments	Officer Responsible	Date to be implemented
1.	A strategy / action plan should be implemented to prioritise the day to day work of the CRB team, ensuring the backlog of outstanding checks is reduced whilst at the same time ensuring new checks / re-checks are completed in a timely manner. In developing the action plan, priorities should be identified e.g. where there are legislative requirements and to ensure Directorate needs are met.	Significant	4.1.2	Yes	<p>A strategy document has been drafted to prepare for ISA implementation in October 2009. The ISA start date is now incremental from October 2009 onwards and when full details of the implementation are available, the strategy will be reviewed.</p> <p>A forecast of work to be completed and the associated costs for the next three years has been produced. This gives a clear picture of the size of the task and the need for prioritisation of checks to ensure the staff that work with our most vulnerable adults are completed first. This forecast will be translated into an action plan. This forecast was produced for accountability and budget purposes and may have a dual use in producing a priority listing of work to be done. Additionally, a Business Process Re Engineering project is ongoing to review current processes and procedures.</p>	Paul Williams	30.9.09
2	The Schools Recruitment & Selection guidelines should be amended to reflect the BCBC CRB policy of re-checking all new starters (including NQTs working as supply teachers) even where a current CRB is in place from another organisation.	Significant	4.1.6	Yes	<p>All teachers new to BCBC should be CRB checked regardless of their GTCW status. Recently developed Recruitment and Selection guidelines developed for schools will be further reviewed to reflect this.</p>	Paul Williams	31.7.09

Rec. No.	Recommendation	Categorisation	Para. No.	Agreed	Management Comments	Officer Responsible	Date to be implemented
3.	It should be considered whether the CRB team has the capacity to process CRB checks for other organisations. Where such additional work is undertaken, this should be factored into any strategy / action plan the section produces to ensure the risk to the Council in terms of failing to meet its own CRB requirements is minimised as far as possible.	Merits Attention	4.1.2	Yes	Umbrella Activity in the Human Resources CRB Team has been suspended for the foreseeable future as management recognise that the team has other priorities	Paul Williams	30.9.09
4.	The procedures currently in place for reporting to line managers / schools when a CRB check has been completed for new starters needs to be standardised (e.g. written advice in all cases, not telephone calls). The wording should explicitly refer to CRB checks.	Merits Attention	4.1.4	Yes	Systems advising managers of the outcome of CRB Disclosure Checks are already in existence. These systems are being "tightened up" and streamlined.	Paul Williams	30.9.09
5.	The system of emailing managers once re-checks have been carried out should be introduced as soon as possible once structures have been completed in Trent. Managers should be encouraged to keep a record of the re-check date to ensure that future re-checks do not lapse.	Merits Attention	4.1.4	Yes	The Human Resources Service unit is currently developing closer working links with Business Managers to this end.	Paul Williams	30.9.09
6.	It should be ensured that a legal agreement is put in place to cover the Council's work as an Umbrella Organisation for processing CRB checks for other organisations.	Merits Attention	4.1.9		Please refer to recommendation 3.		
7.	It is felt that the Legal department should still be contacted to clarify the confusion regarding the need to re-check after a three month break in service. Should Legal advice not be sought, the CRB team must acknowledge that it accepts this risk.	Merits Attention	4.1.10	Yes	A further consultation with the Legal Department will be sought and this issue clarified.	Paul Williams	31.8.09

<b>Rec. No.</b>	<b>Recommendation</b>	<b>Categorisation</b>	<b>Para. No.</b>	<b>Agreed</b>	<b>Management Comments</b>	<b>Officer Responsible</b>	<b>Date to be implemented</b>
8.	The work with Accountancy to establish a realistic CRB budget should be progressed and concluded.	Merits Attention	4.1.12	Yes	Work with the accountancy team is ongoing.		
9.	Management should consider the supervisor reviewing a sample of the work of the CRB team for accuracy and consistency.	Merits Attention	4.1.13	Yes	This is done on a fortnightly basis at meetings of the CRB team and the Supervisor. These are led by the line manager and a newly designated supervisor is also present.		
10.	Work should be progressed in ensuring a definitive list of all posts requiring CRB checks is available, and that this information is then transferred to Trent to enable accurate management reports to be produced efficiently.	Merits Attention	4.1.14	Yes	This is nearing completion.		
11.	The CRB team should ensure there are no orphan files left with Adult/Children's services post CRB centralisation.	Merits Attention	4.1.15	Yes	This is being addressed and any such files remaining will be removed and integrated into the existing filing systems at Civic Offices.	Paul Williams	30.09.09

## **Explanation of Categorisations for Audit Reports**

### **Individual Recommendations**

For each control reviewed, where it was established that the control is either not in place or is in place but not being adhered to, a recommendation will be made. Each recommendation will be given a categorisation based upon the severity of the missing control. The categorisations are as follows:

- Fundamental - action that is considered imperative to ensure that the Authority is not exposed to high risks;
- Significant - action that is considered necessary to avoid exposure to significant risks;
- Merits attention - action that is considered desirable and should result in enhanced control or better value for money (VFM).

### **Individual Controls & Overall Report**

The objective of an audit is to evaluate the system with a view to delivering reasonable assurance as to the adequacy of the application of the internal control system. The control system is put in place to ensure that risks to the achievement of the Authority's objectives are managed effectively.

Based upon the recommendations made, the categorisation of them and the areas that they relate to, an overall conclusion as to the level of assurance that can be provided will be given, as below:

#### **1.1. Substantial Assurance**

- Key controls exist and are applied consistently and effectively; and,
- Objectives are being achieved efficiently, effectively and economically (VFM).

#### **1.2. Adequate Assurance**

- Key controls exist but there may be some inconsistency in application;
- Compensating controls operating effectively; and,
- Objectives achieved after a fashion, e.g. VFM could be improved.

(some risk of loss, fraud, impropriety, or damage to reputation)

#### **1.3. Limited Assurance**

- Key controls exist but they are not applied, or significant evidence that they are not applied consistently and effectively; and,
- Objectives are not being met, or are being met without achieving VFM.

(a high risk of loss, fraud, impropriety, or damage to reputation)

#### **1.4. No Assurance.**

- Key controls do not exist; and,
- Objectives are either not met, or are met without achieving VFM.

(a very high risk of loss, fraud, impropriety, or damage to reputation)