

**Progress Report - Management summaries and action plans for reports issued with an Amber/Red assurance opinion**

**Use of Agency Staff for in-house provider services**

## 1 EXECUTIVE SUMMARY

### 1.1 INTRODUCTION

An audit on Use of Agency Staff for In-House Provider Services was undertaken as part of the approved internal audit periodic plan for 2013/14.

At Thurrock, social care support for adults and older people is undertaken by Adults' Provider Services within the Adults, Health & Commissioning Delivery Unit. These services work closely with local health services and play a vital role in the authority as they provide care and support to vulnerable people to enable them to live as independently as possible.

Since December 2011, the Council have used a managed service provider, Comensura, to run the process of supplying temporary agency workers across all of the Council's services. Comensura manage the Council's temporary worker requirement by liaising with the relevant recruitment agencies and provide the temporary agency workers to match the clients' requirements. All Provider Services appear to use agency workers frequently, not only to cover short term absence but to also undertake constant longer term work.

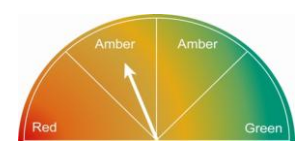
The staffing costs for the last two years including agency and bank staff are as follows:-

<b>Establishment</b>	<b>Agency staff 11-12</b>	<b>Agency staff 12-13</b>	<b>Bank staff 11-12</b>	<b>Bank staff 12-13</b>	<b>Total staff costs 11-12</b>	<b>Total staff costs 12-13</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Kynoch Court & Piggs Corner Café	6,564.61	13,036.57	Nil	Nil	6,564.61	13,036.57
Collins House	134,580.35	73,210.51	2,375.40	50,884.82	1,287,868.47	1,243,228.50
Kynoch Court & Piggs Corner Extra Care	274,077.98	222,208.17	6,502.70	122,690.09	871,496.93	929,504.76
Cromwell Road Day Care	110,939.64	89,335.72	1,861.50	2,442.50	496,398.91	526,294.46
Cromwell Road Carers Centre	942.23	17,489.10	Nil	Nil	50,436.16	89,733.44
Cromwell Road Short Break (Outreach)	22,297.73	50,986.35	Nil	1,454.16	201,950.94	217,011.17
Reablement	1,428.23	32,645.72	Nil	7,563.10	636,304.13	666,493.60
<b>Total</b>	<b>550,830.77</b>	<b>498,912.14</b>	<b>10,739.60</b>	<b>185,034.67</b>	<b>3,551,020.15</b>	<b>3,685,302.50</b>

The audit was designed to assess the controls in place to manage the following objectives and risks:

Objective	The level of Agency Staff used reflects the cover needed and budgets are not overspent.
Risk	<p>Agency staff may be booked when not required by the service.</p> <p>Use of Bank Staff may not be maximised.</p> <p>Comensura may not be used for the supply of all temporary workers.</p> <p>Timesheets may not be signed off each week by the timesheet approver to confirm that the agency worker has done the hours they are claiming for.</p>

## 1.2 CONCLUSION



Taking account of the issues identified, whilst the Council can take some assurance that the controls upon which the organisation relies to manage its risk are suitably designed, consistently applied and effective, action needs to be taken to ensure these risks are managed.

The above conclusions feeding into the overall assurance level are based on the evidence obtained during the review. The key findings from this review are as follows:

### Design of control framework

- The Manager and staff at Collins House have worked hard to ensure they make the best use of existing and bank staff which has led to a reduction in the use of agency staff. As a consequence of these actions, there has been a £44K reduction in staffing costs without any reduction in the quality of service provision.
- All Provider Services procure their temporary staff through the MSTAIR contract with Comensura Ltd. as required by the Council.

### Application of and compliance with control framework

- Agency workers were not always used appropriately i.e. to cover short term absence and to provide additional resources and allow for flexibility on a short-term basis.
- Some staffing budgets were overspent
- An in depth risk assessment had not been undertaken to ascertain whether escorts were always required when picking up clients.
- Staffing levels at Day Centres needed to be monitored.
- Bank staff who had been allowed to work long hours regularly should have their contracts reviewed.
- There is no Officer Register of Interest
- Agency timesheets are automatically approved if staff do not approve them within time limits.

## 1.3 SCOPE OF THE REVIEW

To evaluate the adequacy of risk management and control within the system and the extent to which controls have been applied, with a view to providing an opinion. Control activities are put in place to ensure that risks to the achievement of the organisation's objectives are managed effectively. When planning the audit, the following limitations were agreed:

### Limitations to the scope of the audit:

The scope of the audit will be limited to reviewing processes in place. Conclusions will be based upon sample testing of transactions relevant to the current financial year to date. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

The approach taken for this audit was a Risk-Based Audit.

## 1.4 RECOMMENDATIONS SUMMARY

The following tables highlight the number and categories of recommendations made. The Action Plan at Section 2 details the specific recommendations made as well as agreed management actions to implement them.

### Recommendations made during this audit:

Our recommendations address the design and application of the control framework as follows:

	Priority		
	High	Medium	Low
Design of control framework	0	1	0
Application of control framework	0	5	0
<b>Total</b>	<b>0</b>	<b>6</b>	<b>0</b>

The recommendations address the risks within the scope of the audit as set out below:

Risk	Priority		
	High	Medium	Low
Agency staff may be booked when not required by the service.	0	3	0
Use of Bank Staff may not be maximised.	0	2	0
Comensura may not be used for the supply of all temporary workers.	0	0	0
Timesheets may not be signed off each week by the timesheet approver to confirm that the agency worker has done the hours they are claiming for.	0	1	0
<b>Total</b>	<b>0</b>	<b>6</b>	<b>0</b>

## 1.5 ACKNOWLEDGEMENTS

We would like to thank the following staff for assisting us with this review

Service Manager - Provider Services  
Registered Manager Older People  
Extra Care Manager  
Homecare Reablement Team Manager  
Short Break / Outreach Co-ordinator  
Day Care Facilitator

## ACTION PLAN

The priority of the recommendations made is as follows:

Priority	Description
High	Recommendations are prioritised to reflect our assessment of risk associated with the control weaknesses.
Medium	
Low	
Suggestion	These are not formal recommendations that impact our overall opinion, but used to highlight a suggestion or idea that management may want to consider.

Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
1.2	The Extra Care Manager needs to prepare a business case for the recruitment of more permanent staff to offset the heavy reliance placed on agency workers. This should help to reduce the overspend on staffing.	Medium	Y	We have commissioned a route and branch review of all in house provider services. Initial findings concur with the recommendations of this report and a detailed action plan is being developed. This plan will contain a series of short, medium and long term outcomes. We will ensure that the recommendations within this audit are all placed within the short term activity. A copy of the action plan will be provided to you in due course.	By end of September 2013	AC
1.3	The Short Break / Outreach Co-ordinator needs to review staffing levels and prepare a business case to employ more permanent staff highlighting the increase in the number of service users. Once the correct numbers of staff are appointed, bank staff could be used to cover sickness and annual leave which should result in reduced staffing costs.	Medium	Y	As above	As above	AC

Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
1.5	A detailed review of staffing levels at Day Care Centres should be carried out to ensure staff are being used effectively. The review should include a risk assessment to ascertain whether an escort is needed for each bus run. If escorts are to be used permanently, consideration should be given to offering them permanent contracts and using them to carry out additional duties or provide cover at the centres when they are not carrying out their escort duties.	Medium	Y	As above	As above	AC
2.1	Casual bank staff should only be used to provide short-term cover for sickness, holidays etc. not as a replacement for filling full time posts on a long-term basis. See 1.2, 1.3 and 1.5 above around the need to review staffing levels and employ the correct mix of full and casual bank staff.	Medium	Y	Once business cases are agreed and recruitment completed this will be implemented	By end of December 2013	AC
2.2	Employees must report to the appropriate manager any close personal relationship with another officer in the same section, or area of work, to ensure there is no potential conflict of interest in which they may be involved.	Medium	Y	This will be implemented with immediate effect. However, annual leave will delay as responsible manager is away until end of August	Immediately (Deadline 12 <sup>th</sup> September)	AC
3.1	The time sheets for agency staff should be formally approved by the relevant establishment manager or in their absence, by a delegated staff member of appropriate seniority, within the agreed time limits. The Head of Service should request an explanation from managers when it is brought to their attention that timesheets were auto-approved using the system process. This will help reduce the risk of incorrect payments being made.	Medium	Y	As above	As above	AC