

INTERNAL AUDIT SUMMARY REPORT

SYSTEMS AUDIT – FLEXIBLE WORKING SCHEME

1. INTRODUCTION

- 1.1. This audit was carried out in line with the Internal Audit Plan 2019/20, and in full consultation with operational staff and management.
- 1.2. The scope of the audit was to conduct a review of the internal controls operated across the Authority in respect of the application of the Flexible Working Scheme, including the fulfilment of responsibilities by employees and managers.
- 1.3. The audit was conducted by the Senior Auditor and took the form of a series of detailed tests and checks, together with discussions with operational staff and managers.

2. SUMMARY OF FINDINGS

- 2.1. Ten weaknesses were identified during the audit, three of which were classified as being High Risk, six were classified as Medium Risk, with the remaining weakness being classified as Low Risk. The areas involving the High Risk weaknesses were:
 - A working pattern set within the software system utilised by the Authority included no lunch element, resulting in the system not deducting a lunch break where excess of six hours was regularly worked.
Agreed Action – To be reviewed alongside the flexible working policy in line with agile working review planned after one year.
 - There was one instance identified within the sample where an excessive negative flexi balance had been accrued.
Agreed Action – To be reviewed alongside the flexible working policy in line with agile working review planned after one year. Review role of Super user in supporting quality assurance.
 - Four occasions were identified where thirty minute deductions were incorrectly made from the total hours worked by employees as they had not exceeded the six-hour limit.
Agreed Action – To be reviewed alongside the flexible working policy in line with agile working review planned after one year. Review role of Super user in supporting quality assurance.

3. CONCLUSION

- 3.1. The Audit Report is produced on an exception basis consequently the only points made are where weaknesses have been identified. The samples chosen would not be able to cover every transaction or eventuality; therefore reliance is placed in part on the information and explanations provided by the appropriate officers.
- 3.2. After reviewing all documentation and the current system, it was found that the internal controls operated in respect of the application of the Flexible Working Scheme were generally operating effectively however a large number of control weaknesses have been identified across the sample, indicating that the controls were not being applied consistently and therefore appropriate actions are required.
- 3.3. The Head of Organisational Development agreed to implement actions for seven of the weaknesses identified and determined that the risks of the remaining three weaknesses

were acceptable to the organisation and did not require the implementation of any further controls at this time.

4. INTERNAL CONTROL STANDARD GRADING

- 4.1. In accordance with the standard gradings, the systems examined indicate that the internal controls in respect of the application of the Flexible Working Scheme are generally working effectively. However, a number of weaknesses have been identified that require actions to be implemented. Therefore, the grading is assessed as '**Limited Assurance**'.