

## Responses to questions raised at the Audit and Governance Committee on 7 March 2024

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### ***Question: Members queried system access to Unit4 as highlighted in the external auditors' report in December 2023***

**Response:** The findings referenced in the external auditor's report to Committee in December 2023 stating that 46 accounts relating to officers who had left the Council having a live privileged access to the Unit4 system was in relation to the 2021/22 external audit. Since this finding, the processes for closing access upon termination of employment have been improved and removal of access to Unit4 is now triggered by the completion of the leaver form by the line manager on Unit4.

External Audit have confirmed that they carried out testing of this area during their 2022/23 audit and found no instances of terminated employments retaining privileged system access.

Their 2021/22 findings also noted that an account had been created prior to the request being approved. Again, this process has been improved following the review and no issues were identified during the 2022/23 audit.

The formal management update provided to the external auditors was as follows:

#### **2022/23 progress update from management**

The leavers process for user access management is now established and user accesses are closed in a timely manner as part of the leaver process. There are multiple strands to user access within Unit4 as user permissions are defined by the position the user is linked to. Once the leaver process is completed those users are identified for user access termination but it is the ending of the employment in the position that removes functional access; system access without the functional permissions from the position would not allow a user to transact in Unit4.

Processes are now in place to ensure that accesses are only provided if line management approval is in place but as the access is position based and this process will now be ingrained the act of granting transactional permissions within Unit4 will largely be attained through being employed in an existing position with the associated defined and agreed accesses.

Internal Audit has also carried out work in relation to the use of Unit4 for Starters, Contractual Changes and Leavers during 2023/24. Although there is an established process to be followed when someone resigns from the Council, including a manager's checklist, this work identified examples of delays in managers completing leaver forms thus resulting in delays in the employee being removed from the payroll. Actions have been raised to improve compliance in this area and reduce the risk of overpayments.

Although the scope of the internal audit review focussed on the use of Unit4 for managing starters, contractual changes, and leavers rather than the wider elements of the process, the delays in completing leaver forms highlighted a risk around managers failing to action resignations in a timely manner and the impact of such delays on other areas of operation.

In response to this risk, a further piece of work has commenced in 2024/25 to review compliance with the elements of the leavers process that sit outside of Unit4 to establish the level of assurance that can be provided in this area and identify further improvements to existing processes. This will cover potential delays in notifying ICT that access to systems is

no longer required, cancellation of purchase cards where appropriate and completion of exit interviews.

The outcome of this work will be reported as part of the regular internal audit update reports to Audit & Governance Committee.

**Question: Members asked for information on the numbers of CE schools that buy back services from TSC.**

**Response:** The tables below outline the school/academy numbers buying back services from TSS which identifies a relatively stable picture. We are currently in the process of off-boarding one school to an alternative payroll provider.

23-24	Payroll	HR contractual	Payment & Income
CEC Schools	59	53	55
CEC Academies	11	2	0*

22-23	Payroll	HR contractual	Payment & Income
CEC Schools	59	51	58
CEC Academies	11	3	0*

The actual income received was £389,591.30 and forms part of the Shared Service Income & Expenditure hosted by Cheshire West.

**Question: Members queried the costs of standards complaints**

**Response:** At a meeting of the Audit and Governance committee, a request was made for information regarding the costs of standards complaints.

Figures are available as follows:

- Financial year 2021/22 – total cost of external investigations £66,242.33,
- Financial year 2022/23 – total cost of external investigations £19,684.20.

The figures for the financial year 2023/24 will be included in the Monitoring Officers annual report which you should receive in July.

I understand a request was also made for details as to specific external investigations and the information available is as follows;

- Costs for Sandbach in total - £23,417.80,
- Costs for Handforth in total - £90,695.32.

In addition to the external investigation costs, there are 3 Deputy Monitoring Officers (DMO's) appointed by the Monitoring Officer as well as two Independent Person (IP's).

The DMO's, alongside a legal officer support, have a regular 1 hour meeting per week and complaints received are allocated for consideration. This involved additional work on each matter allocated, including reviewing the complaints and responses to requests for information, drafting decisions, attending Independent Assessment Meeting's with IP's. This equates to approximately 4 hours per week for each DMO. This is approximately 920 hours a year. As regards the cost/value of this work, as Legal Services has an external charge out rate which for 2022/23 was £231, this would equate to £212,520 for that year alone.

In relation to the cost of IP's time, they are able to claim £75 per hour for meetings up to 4 hours long and anything above that at £150 per hour. The amounts paid to them are published as part of the publication of members allowances at the end of every financial year. For 22/23 the total figures was £750.