

Internal Audit



Staff Records Management

January 2015

Report Assessment



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Introduction

NHS Lothian employs approximately 24,600 staff (20,500 wte), including bank staff and individuals employed in more than one part-time post. NHS Lothian maintains information about its employees on paper-based personal files and its Empower database. These are used to capture key information about staff including training records and details of professional memberships.

Human Resources set up paper files and electronic records as part of the recruitment process and line managers are responsible for maintaining these records during the course of employment. Instruction on staff records management is provided to managers through the Guidance on the Maintenance of Personal Files (Guidance). Staff records are also required to comply with the Data Protection Policy and the Record management Policy which include the provisions of the Data Protection Act 1998.

As part of a national programme, Empower is due to be replaced by the new national HR system, eESS during 2015.

Scope

We reviewed arrangements in place for the management of NHS Lothian's Staff Records.

The control objectives for this audit, along with our assessment of the controls in place to meet each objective, are set out in the Summary of Findings.

Acknowledgements

We would like to thank all staff consulted during this review, for their assistance and cooperation.

Executive Summary

Conclusion

The controls NHS Lothian has in place to manage staff records are adequate and operating effectively. However, this review has identified a number of opportunities for improving processes and practices which will benefit future staff records management activities.

Summary of Findings

The table below summarises our assessment of the adequacy and effectiveness of the controls in place to meet each of the objectives agreed for this audit. Definitions of the ratings applied to each action are set out in Appendix 1.

No.	Control Objective	Control objective assessment	Number of actions by action rating			
			Critical	Significant	Important	Minor
1	Staff Records are accurate and complete.	Amber		2	1	
2	Clear processes are in place for raising, amending and deleting data.	Green				
3	Staff records are held securely.	Green			1	

Control Objective Ratings

Action Ratings	Definition
Red	Fundamental absence or failure of controls requiring immediate attention. (60 points and above)
Amber	Control objective not achieved - controls in place are inadequate or ineffective (21 – 59 points)
Green	Control objective achieved – no major weaknesses in controls but may be scope for improvement (20 points or less)

Main Findings

We noted a number of areas of good practice during the review. NHS Lothian's staff records management processes are documented in detail in the Guidance on the Maintenance of Personal Files. This provides a robust procedural framework for the management of paper-copy personal files. All staff members considered during the review had both a paper based personal file and an Empower record containing fundamental information relating to their employment with NHS Lothian.

NHS Lothian has a formal process in place for managing changes to employee data. Change forms are completed by employees and line managers and are provided to HR Systems to ensure changes are reflected in staff records. Personal files and Empower records are destroyed, updated, deleted or suspended to reflect cessations in employment in accordance with the Retention and Destruction of Records Procedure and other relevant policies.

Hard copy personal files are stored securely and access to the documentation is restricted to line managers and other approved members of staff.

We identified two significant and two important risk areas for improvement during the review.

- The Guidance on the maintenance of staff records should be reissued via Team Brief so that managers are made aware of key messages. Specific reference should be made to the File Transfer process in the announcement and line managers should use the NHS Lothian Personnel File Form when transferring files between departments.
- Data currently held in Empower has already been transferred to the eESS database which will go live in 2015. Before the eESS database is introduced during late 2015 a review of registration records should be completed. Reports should be issued to line managers showing members of staff with incomplete or expired registration information along with a request to update the database.

A follow-up review of Staff Registration records should then be completed by HR Systems to ensure information on eESS is up to date. HR Systems should run exception reporting on a quarterly basis to ensure continued maintenance of the database.

- The checklist in the NHS Lothian Guidance on the Maintenance of Personal Files should be updated to reflect the additional sections included on the HR Online checklists.
- Filing arrangements for Access Request Forms should be reviewed to ensure records are readily available and demonstrate that access rights were formally approved and are appropriate.

Details of these findings are set out in the Management Action Plan.

Management Action Plan

Control objective 1: Staff Records are accurate and complete	
1.1: Personal file checklists	Important
<p><u>Observation and risk</u></p> <p>The NHS Lothian Guidance on the Maintenance of Personal Files (the guidance) states that line managers are responsible for maintaining complete and up to date personal files for the employees they manage. The guidance includes a checklist informing managers what should be included on an employee's personal file.</p> <p>We found that the checklist is available as an attachment to the guidance, and in two locations on the NHS Lothian HR Online function. We found the HR Online checklist contained sections requiring managers to confirm payroll details and Healthcare Support Worker Code of Conduct declarations have been filed. However, these sections were not included in the checklist attached to the guidance.</p> <p>There is a risk key documents will be omitted from an employee's personal file if different versions of the checklist are in circulation.</p>	
<p><u>Recommendation</u></p> <p>The checklist in the NHS Lothian Guidance on the Maintenance of Personal Files should be updated to reflect the additional sections included on the HR Online checklists.</p> <p>The guidance should then be reissued in accordance with NHS Lothian's Procedure and Guidance on the Development, Approval and Communication of NHS Lothian Policies and Procedures.</p>	
<p><u>Management Response</u></p> <p>Agree that the documentation held on HR On Line needs to be consistent in terms of the checklists and also the NHS Lothian Records Management Policy and that this should be reissued to the service when updated.</p> <p><u>Management Action</u></p> <p>The Guidance on the Maintenance of Personal Files will be reviewed and amended as appropriate and uploaded onto HR On Line.</p>	
Responsibility: Associate Director of HR	Target date: 31 March 2015

1.2: Confirmation of completeness of employee personal files	Significant
<p><u>Observation and risk</u></p> <p>We tested a sample of 23 personal files across nine business areas to compare the content of personal files with the guidelines. We found that two of the sites included in the sample were not using the checklists included in the guidance (or HR Online) and were using local checklists or filing systems to manage data in the personal files. In addition, six files did not have a probation form, one did not have the employee's application form, one did not have details of professional registrations, and one did not have redeployment forms.</p> <p>Although employee records are also maintained in Empower there is a risk that important employee information will not be captured or that NHS Lothian will not be able to demonstrate an employee's suitability or eligibility to work for the organisation if documentation included in the guidelines is not recorded on personal files.</p> <p>We also reviewed the process for transferring personal files between departments for 9 employees who had transferred from one business unit to another. We found that none of the departments tested in the sample used the Transfer of NHS Lothian Personnel File Form included in the guidance.</p> <p>Although we found evidence that e-mails between line managers were used to request and document the transfer of personal files from one department to another, the Transfer Form in the guidance is considered best practice and there is a risk that files will not be transferred, will be misplaced or will not be transferred in a timely fashion if these are not used.</p>	
<p><u>Recommendation</u></p> <p>In accordance with NHS Lothian's Procedure and Guidance on the Development, Approval and Communication of NHS Lothian Policies and Procedures, an announcement about the reissue of the revised guidance should be made in the Team Brief so that managers are made aware of key messages,</p> <p>Specific reference should be made to the File Transfer process when the announcement about the guidelines is made in the Team Brief. Line managers should use the NHS Lothian Personnel File Form when transferring personal files between departments.</p>	
<p><u>Management Response</u></p> <p>Agree that once the revised Guidance on the Maintenance of Personal Files is agreed this should be placed on HR On Line and the re-launch of the policy highlighted in the Team Brief. Content for the article to include information about the transfer of personnel files between departments and the Personnel File Form for transfer will also be placed on HR On Line.</p> <p>As with all other policies, the revised guidance will be placed on HR On Line and the addition of the revised policy highlighted in the covering page.</p>	

Management Action

Following the revision of the Guidance on the Maintenance of Personal Files, by end of March 2015, a message will then be placed in Team Brief to highlight the existence of the revised policy. This is due to be circulated to the service on 6 April 2015. The article in Team Brief will make specific reference to the transfer of files and the use of the Personnel File Form.

Responsibility: Associate Director of HR

Target date: 6 April 2015

1.3: Record keeping for professional registrations

Significant

Observation and Risk

NHS Lothian's Verification of Registration Policy and Procedures requires line managers to maintain a record of professional registrations for all staff. This information should be recorded in Empower which is NHS Lothian's HR Management Information System. Hard copy documentation should also be kept in personal files.

We tested a sample of 20 staff members with professional registrations to determine whether relevant documentation had been filed on the Empower database and/or personal files. We identified the following issues:

- Six staff members with no registration information on their personal file, though records were located on Empower.
- Two staff members with expired registration details on their personal file.
- Six staff members with no registration information in Empower, though registration records were located on personal files.

We also reviewed records of professional registrations in the Empower database. We found 76 staff members did not have Nursing and Midwifery Council registration numbers, 1,542 staff members had a lapsed Nursing and Midwifery Council registration expiry dates and 260 staff members had lapsed General Medical Council or General Dental Council registration expiry dates.

We noted that Staff Bank maintains a separate record of professional registrations using a bespoke database and paper records and does not use Empower as its main information source. We were unable to determine whether the 1,878 staff members identified as exceptions through the testing described above had current registration details on the Staff Bank database. However, as there are over 4,000 employees on the Staff Bank it is possible this information is captured in the Staff Bank records.

There is a risk professional registrations will not be kept up to date or that NHS Lothian will not be able to demonstrate that employee registrations are current if comprehensive, up to date records are not maintained in Empower.

Recommendation

Data currently held in Empower has already been transferred to the eESS database which will go live in 2015. Once the new database has been introduced a review of registration records should be completed. Reports should be issued to line managers showing members of staff with incomplete or expired registration information along with a request to update the database. A follow-up review of Staff Registration records should then be completed by HR Systems to ensure information on eESS is up to date. HR Systems should run exception reporting on a quarterly basis to ensure continued maintenance of the database.

The eESS database should be used as NHS Lothian's principal staff record and should be updated in conjunction with other records such as personal files and the Staff Bank database. Processes in the Staff Bank should be updated to ensure registration and other information in eESS is complete and accurate.

Specific reference should also be made to the record keeping requirements for professional registrations when an announcement about the guidelines is made in the Team Brief.

Management Response

Agree that there should be one system for the recording of registrations details and that this should be the HR system. It is proposed therefore that this recommendation is taken forward once eESS is implemented in NHS Lothian.

Management Action

At the appropriate time, managers will be advised that details on registration must be updated in eESS and the HR Systems Team will run reports to monitor compliance with this and address areas of non compliance. Discussions will also be held with the Staff Bank about using eESS to record the registration information for bank only staff rather than using a separate data base.

Responsibility: Associate Director of HR

Target date: 31 December 2015*

* Target date dependent on the new national HR System being implemented by that date.

Control Objective 2: Clear processes are in place for raising, amending and deleting employee data.

We found no significant issues in relation to this control objective.

We reviewed a sample of 6 amendments to employee records and found that an appropriate, approved Employee Change Form was on file for each. Change forms are completed by the employee and line manager and are provided to HR Systems and Payroll to ensure changes are reflected in staff records.

We reviewed a sample of 23 employee records for members of staff who had ceased employment with NHS Lothian. We found the Empower database had been updated and personal files had been marked as closed to reflect cessations for all employees in the sample.

Control Objective 3: Staff records are held securely	
3.1 Record of Empower e-Manager access request forms	Important
<p><u>Issue</u></p> <p>Empower e-Manager provides line managers with the ability to change, update and view information about their staff in the Empower database. Access rights to the e-Manager system can only be granted if an employee provides a completed and approved Access Request Form to HR Systems. Any changes to access rights can only be processed when a completed User Access/Management Group Changes Form is submitted to HR Systems.</p> <p>We tested a sample of 20 staff members with e-Manager access to confirm that an approved Access Request Form was held on file and that access rights had been provided in line with the application. We were unable to locate forms for 12 of the staff members in the sample meaning there is no evidence to demonstrate whether the control is operating effectively.</p> <p>We also found that access rights had not been provided in line with the application for one staff member.</p> <p>There is a risk that NHS Lothian will not be able to demonstrate that requests were approved or that access rights are appropriate if copies of the Access Request Form are not retained.</p>	
<p><u>Recommendation</u></p> <p>Current filing arrangements for Access Request Forms should be reviewed to ensure records are readily available and demonstrate that access rights were formally approved and are appropriate.</p>	
<p><u>Management Response</u></p> <p>These records are held by the HR Systems Team and can be accessed if required. These are currently held in date order which does make accessing a particular staff record more difficult unless the date of access is known. Following the move to the eESS system we will review how these forms are held and make any appropriate changes to the filing of these documents at that time.</p> <p><u>Management Action</u></p> <p>Review the filing arrangements for the Access Request Forms following the implementation of eESS so that they are readily accessible within the HR Systems Team</p>	
Responsibility: Head of HR Systems	Target date: 31 December 2015*

* Target date dependent on the new national HR System being implemented by that date.

Appendix 1 - Definition of Ratings

Management action ratings

Action Ratings	Definition
Critical	The issue has a material effect upon the wider organisation – 60 points
Significant	The issue is material for the subject under review – 20 points
Important	The issue is relevant for the subject under review – 10 points
Minor	This issue is a housekeeping point for the subject under review – 5 points

Control objective ratings

Action Ratings	Definition
Red	Fundamental absence or failure of controls requiring immediate attention. (60 points and above)
Amber	Control objective not achieved - controls in place are inadequate or ineffective (21 – 59 points)
Green	Control objective achieved – no major weaknesses in controls but may be scope for improvement (20 points or less)