Kilkenny County Council

Internal Audit Report on Kilkenny County Council Employees – Joiners, Movers & Leavers

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Report Distribution

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Introduction

Kilkenny County Council's Human Resources (HR) Department deals with all aspects of the Council's Human Resources including: Workforce Planning, Recruitment and Selection, Payroll, Superannuation, Employee Training/Development and Human Resource Strategy.

Kilkenny County Council employ 625 staff (596 whole-time equivalent). In 2023, 169 employees joined the organisation with 76 employees moving and 129 employees leaving either by way of retirement or resignation.

Objective

The objective of this Audit was to review the process surrounding employees joining, moving and leaving Kilkenny County Council. Internal Audit assessed the adequacy of key internal controls in relation to employee movement.

Approach

- ➢ Internal Audit spoke with staff in Human Resources (HR), Finance, Corporate and IT Sections in the Council to gain an overview of the processes involved.
- ➢ All relevant Kilkenny County Council Procedures and Policy documents relating to joiners, movers and leavers were reviewed.
- ➢ A walkthrough of the process for joiners, movers and leavers was undertaken with HR.

- A sample of 26 files for joiners (7), movers (7) and leavers (12) were reviewed.
- The Finance Vodafone payment file for mobile phones/ tablets/handhelds/sims for 34 employees were also checked against the Corporate & IT phone list to ensure that proper controls were in place regarding the transferring or cancelling of accounts as necessary in the event of employees moving or leaving.
- The Garda Vetting Process for employees dealing with Children and vulnerable Adults was reviewed.
- Employee authorisation rights to Kilkenny County Council's Bank Account were reviewed.
- The return of Kilkenny County Council Equipment/ID cards was examined.

Scope & Limitations of scope

The scope of the audit was limited to 26 sample files of employees who joined, moved or left the organisation from Jan - Sept 2023, of which there was 266 in total. An additional 35 employees Vodafone bills were checked to ensure the adequacy of key internal controls. The advertisement of posts and the interview process within Kilkenny County Council was not examined in this audit.

Audit Risk

- Financial loss to Kilkenny County Council
- Possibility of Data Breach
- Possible Reputational Damage to Kilkenny County Council
- Lack of formal written HR Policies and Procedures in place
- Inadequate management and tracking of mobile devices
- Kilkenny County Council assets not secured

Co-operation of Management and Staff

Internal Audit received full co-operation from Council Management and staff throughout the course of this review and would like to thank them for their assistance.

Internal Audit Opinion

Internal Audit's findings and recommendations are detailed below. Based on this Audit of the process surrounding employee joiners, movers & leavers within Kilkenny County Council the audit opinion is reasonable. There is sufficient framework of key controls for objectives to be met. Risks are managed but could be stronger. Controls are generally applied but some lapses in the application of controls have been observed. This report was distributed to the Corporate & Finance Directorates and includes their Management Action Plan.

The report was approved by the Management Team on 26th August 2024.

The Audit Committee reviewed the Audit Report at their meeting of 9th September 2024.

Brigid Webster, Internal Auditor

Findings, Recommendations and Management Comments

Findings	Implications	Recommendations	Management Action Plan & Timeframe
1. Policies – HR There is no written policy or procedure in place for the following: ➢ Managing the process of employees joining, moving or leaving the Council ➢ Employee Exit Process ➢ Garda Vetting of new employees and retrospective vetting of existing employees	In the absence of approved policies and procedures Kilkenny County Council is not ensuring consistency and efficiency in the management of employees. Failure to have clear policies results in an absence of defined roles and responsibilities which increases the risk of non-compliance.	I recommend that Kilkenny County Council prepare comprehensive Policies and Procedures for approval by the Director of Services, for the following: ➢ Managing the process of employees joining, moving or leaving the Council ➢ Employee Exit Process ➢ Garda Vetting of new employees and retrospective vetting of existing employees. These policies should define the respective roles and responsibilities of HR, Finance, IT and individual line managers where applicable.	New Policies and Procedures to be in place by end of Q4 2024. Communication and training on same to follow by Q1 2025.

Findings	Implications	Recommendations	Management Action Plan & Timeframe
		Policies should be communicated to all relevant employees. Training should be provided to Managers outlining their required responsibilities as per policies.	
2. HR Employee Files Internal Audit reviewed a sample of 26 employee files: ➢ Joiners - 7 ➢ Movers - 7 ➢ Leavers – 12 The files were found to be in excellent order for audit purpose with all relevant information attached. In all files reviewed employee cards were deactivated. **2a. – Tracking** It is noted that an excel spreadsheet is in use in the HR Section for tracking joiners, movers and leavers. At the time of Audit 13 employees had	The controls on the spreadsheet are weak with no audit trail or username requirement. It has	I would recommend that the HR Section investigate a more robust and secure method of tracking joiners, movers and leavers possibly on the existing	Control has been placed on the excel spreadsheet reducing the number of staff that have access to it to the four relevant

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access to this spreadsheet. There is no tracking of the workflow for changes or additions made to the sheet.	limited reporting and analysis capabilities. Possibility for human error when manually entering and updating information and the potential for loss of data when sharing spreadsheets.	CORE System or other suitable software. In the interim I would recommend that access to the Excel Sheet is limited to relevant employees only. It is my understanding that only 4 employees require access.	employees referenced at present. Work has commenced on researching best practice in this area, particularly in relation to procuring an IT solution such as Core. Core does not offer this functionality however a small number of local authorities are trialing a new IT system which can interact with core to track same. This will be kept under review.
2b. – Employee Exit Policy			
There is no Employee Exit Policy in place. Based on discussions with Management across the various functions, there is a lack of clarity in relation to the section responsible for managing employee departures, i.e. HR Section or individual Line Managers.	Kilkenny County Council is not managing the employee exit process in a planned and consistent way.	In addition to the drafting of an Employee Exit Policy (1 above). I recommend that a comprehensive Employee Exit Checklist is put in place to be completed by the Line Manager with the employee prior to the post being vacated. This completed Employee Exit Checklist should be returned to HR to enable exit files to be closed off in a timely manner.	HR will endeavor to develop this policy and exit checklist by end of Q4.

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		This Employee Exit Checklist should include but not be limited to the following: ➢ Exit Scenario ➢ Employee Card ➢ LVPC & Fuel Cards ➢ Alarm Codes ➢ Keys ➢ Equipment e.g., vehicle, tools etc. ➢ ICT Equipment ➢ Mobile Phone ➢ Permissions/Access to systems termination ➢ Other roles/responsibilities of employee ➢ Email Forwarding	
2c. – Devices HR request the Line Manager to confirm that all devices have been returned/secured when the employee is leaving. In 4 of the 12 files reviewed the files could	Kilkenny County Council is in breach of its Electronic Communications Policy by not	As part of the Exit Policy and the Employee Exit Checklist to be put in place above, Line Managers must ensure and confirm to HR that all	HR will continue to request confirmation that all devices have been returned, this will form part of the Exit Policy and Checklist.

Findings	Implications	Recommendations	*Management Action Plan & Timeframe*
not be closed off by HR due to no response/no follow up from the Line Managers to emails sent from HR. The timeframe applicable to no response/no follow up ranged from 3 to 10 months. An average of 3 emails issued in each case from HR to the Line Manager requesting the information. The devices that were not accounted for included mobile phones and tablets.	ensuring the return of devices when employees are exiting the organisation. There is a risk for loss of data, financial loss and reputational damage.	Kilkenny County Council devices in the possession of employees have been returned and secured. It is imperative that a comprehensive list of all devices issued to employees is maintained and used for reference to retrieve devices if an employee is moving or leaving their positions.	It is the responsibility of IT to maintain a list of all devices issued to employees.
2d. – Exit Interview			
There is no formal procedure or Exit Interview for debriefing employees before they leave the organisation.	In the absence of an Exit Interview process Kilkenny County Council is missing the opportunity to capture the unique knowledge of the leaver. The Exit Interview process is designed to gain a sense for what the	I would recommend that Kilkenny County Council implement an Exit Interview Process. This process should be used to gain insight into the organisation and to help with employee retention. The aim of the Exit Interview would be to gain constructive feedback and allow Kilkenny County Council to use this data to help us achieve our strategic goals.	This will form part of the Exit Policy and Procedure and will be the responsibility of line managers to complete with staff and the results of which will be communicated back to HR for collation.

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	organisation can improve on and why the employee does not remain with the organisation.		
2e. - Handover Process/ Standard Operating Procedures			
There is no consistency in the handover process when employees are moving or leaving. Some vacated posts have no Standard Operating Procedures in place.	Kilkenny County Council is not ensuring consistency and efficiency in its operations in the absence of Standard Operating Procedures.	I recommend as part of the Exit Process that Line Managers are required to ensure Standard Operating Procedures are in place for vacated posts.	Noted this will be included in the Exit process. It is the line manager's responsibility to ensure that a handover and SOP's are in place.
2f. – Employee Induction			
Internal Audit noted that at the time of Audit, Employee Inductions had not taken place for some time.	Kilkenny County Council is missing the opportunity to formally introduce new employees to	I recommend that Kilkenny County Council should ensure that all employees receive an Employee Induction as part of the on-boarding process.	Staff inductions recommenced in Q4 2023 and will continue for all new employees on a 6 monthly basis going forward.

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	their work location and colleagues.		
2g. - Probationary Period There is no written policy covering the management of the probationary period for employees joining the organisation.	Kilkenny County Council is not ensuring consistency in the management of probationary periods in the absence of a written policy.	I would recommend that the process surrounding the probationary period of employees joining the organisation is documented and that Line Managers & employees are made aware of their responsibilities in this regard. This probationary period is essential during which both parties can assess the working relationship and it allows the Employer determine whether the employee is a good fit for the role.	A Procedure will be developed to support line managers in the implementation of the probationary period. The current Dignity at Work training does advise line managers on how to manage probations. Target for probation procedure is Q4 2024.
2h. – Retirement Letters Internal Audit noted inconsistent issuing of	May cause upset amongst employees that are retiring who	I would recommend that Kilkenny County Council adopt a consistent and holistic	HR suggest a change in approach here, retirement letters to issue from the Chief

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retirement thank you letters from some Directorates to employees retiring from Kilkenny County Council.	do not receive a thank you letter following years of service to the Council.	approach to the issuing of employee retirement letters. This will ensure fairness and transparency across the Directorates.	Executive in all cases going forward – for discussion and agreement by Management Team.
3. Corporate Services, IT & Finance – Management of Mobile Devices The management of mobile devices within Kilkenny County Council is inadequate. Internal Audit reviewed the Finance Vodafone payment file for Mobile Phones, Tablets, Handhelds and Sims for 34 employees, as at August 2023. These were checked against the Corporate & IT mobile device lists to ensure that proper controls were in place regarding the transferring or cancelling of accounts as necessary in the event of employees joining, moving or leaving.	Financial Loss to Kilkenny County Council. Potential data breach. Risk of IT Security Breach. Poor communication between Corporate, IT and Finance.	I recommend a full review of the management of Mobile Devices in Kilkenny County Council is undertaken to ensure the robust management of mobile devices. This review should take place in the short term. Management must decide where the responsibility rests for the management of mobile devices, the current management controls are not adequate.	The management of mobile devices will be reviewed before year end. Robust controls/procedures will be implemented to ensure that: a) all devices are recorded and linked to a specific staff member b) devices are only being used for its intended purpose c) devices are cancelled/reused when a staff member leaves/transfers

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See results in **Appendix 1** below. Of the 34 mobile devices checked there were a range of queries with 28 of them, including financial, administrative, loss of devices and unclear ownership. Currently Corporate Services order the devices (excluding tablets). IT has responsibility for setting them up and Finance have responsibility for paying the bills to Vodafone. Kilkenny County Council's Vodafone records show that the Council is currently paying for 928 devices at a monthly cost of approx. €20,000k.	There is no comprehensive list of devices. Kilkenny County Council is not securing or adequately tracking the mobile devices.	Management must ensure that a comprehensive list of all devices is available. Devices must be managed in an efficient manner. Documented procedures for the management of mobile devices across the Corporate/IT and Finance Sections must be put in place as a matter of urgency and conveyed to relevant employees. It is imperative that a comprehensive list of all devices issued to employees is maintained and used for reference to retrieve devices if an employee is moving or leaving their positions.	d) payment is only made for active devices
4. Finance **4a. - Bank Access** Internal Audit noted that access to Kilkenny County Council's bank account was not terminated upon the departure	Kilkenny County Council is not terminating bank	I recommend that Kilkenny County Council put a written procedure in place and ensure that access and permissions to	Agreed. Banking online procedure manual will be amended to ensure periodic checks are in place so that only staff that require access will be

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of ▇ of its employees who held bank access/permissions. ████████████ ████████ ███████████ ██████████ ████████████ ████ Both amendments were completed by Finance on 15th November 2023 when they were contacted by Internal Audit.	access/permissions in a timely manner.	the Council's bank account are terminated immediately when an employee vacates their post in the Finance Section.	allowed. This will also form part of the Exit Process whereby a staff member with access to an online account will be terminated when leaving Finance Department.
4.b - Motor Tax NVDF Access Internal Audit noted that access to the NVDF system in Motor Tax was not terminated upon posts being vacated. Internal Audit contacted Motor Tax and were advised on 13th November 2023 that access was then terminated for the two employees. This was 5 months after the internal move and 4 months after the retirement of the employee.	Kilkenny County Council is not terminating access to its NVDF system in a timely manner when employees vacate their posts.	I recommend that Kilkenny County Council ensure that access and permissions to the Council's systems are terminated immediately when an employee vacates their post. This should form part of the Exit Process above and be confirmed by the Line Manager.	Agreed. A review of all staff with access to the NVDF system has taken place and only required staff now have access. Going forward, as part of the Exit Process for any staff from Motor Tax a form is sent to the Dept to remove access to the system.

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4.c – Safe Codes Internal Audit noted that the code to the safe in Motor Tax was not routinely changed when employees with access move.	Risk of unauthorised access to safes.	Management must ensure that codes to all safes are routinely changed to prevent any unauthorised access.	Code on safe has been changed since last supervisor left. It is now procedure to change the code when a supervisor leaves. Only supervisors and the AO have access to the safe code.

Appendix 1

Sample of 34 Mobile Devices checked. See below 28 devices with queries. There were 6 devices with no findings.

Section	Device	Employee Status	Finance Vodafone Billing List	Corporate List	IT List	Findings	Implication Financial Administrative Possible Data Loss Unclear Ownership
▆▆▆▆	Phone	▆▆	Still listed under name of employee who has left KCC	Listed as Contract cancelled but Vodafone not advised	Listed under name of employee who has left KCC	Vodafone not advised of required cancellation. KCC still paying monthly charge	Financial Administrative
▆▆	Phone	Current employee	Yes	No record	Yes	Phone lost few years back, not reported. KCC paying for phone for approx. 2 years. Cancelled on 12/10/23. Reported to Data Protection Officer for follow up re GDPR	Financial Administrative Possible Data Loss
▆▆	Phone	Current employee	Yes, registered to employee in library	Listed in name of former Water Service employee	No record	Originally assigned to employee from ▆▆▆▆ who lost phone and reported this Feb 2023. Confirmed with ▆▆▆▆ that he is not in possession, he has a different number. Phone not in use cancelled by Finance on 19/10/23	Financial
▆▆	Phone	Current employee	Yes	No record	No record	Employee name on the bill for this number but not in use. Advised by Finance that this number is not active and cancelled on 19/10/23	Financial
▆▆	Tablet	▆▆	Still listed under name of employee who has left KCC	No record	No record	Confirmed with Finance on 06/11/23 that number listed under **** Pumping. No usage Sep 2023. Referred to IT to ascertain if an active Sim	Financial Administrative
▆▆▆	Phone	▆▆	Still listed under name of employee who has left KCC	No record	No record	Paying account for employee who has left KCC. Referred to IT to ascertain if an active Sim	Financial Administrative Unclear Ownership
▆▆▆	Tablet	▆▆	Still listed under name of employee who has left KCC	No record	No record	Paying account for employee who has left KCC. Referred to IT to ascertain if an active Sim	Financial Administrative Unclear Ownership

Section	Device	Employee Status	Finance Vodafone Billing List	Corporate List	IT List	Findings	Implication
██████ ██████ ██	Phone	███ ██	Yes	No record	No record	████ Section confirmed phone lost and not reported. Confirmed no activity. 1800 number reassigned to active phone with ████ Staff Officer then cancelled on 18th Oct 2023. Data Protection Officer advised	Financial Possible Data Loss Administrative
██	Phone	Current	Yes	Still listed under name of employee who has left KCC	Still listed under name of employee who has left KCC	Current ████████ not in possession of this phone and never was. Previous employee registered on Corporate and IT list. Referred to IT to ascertain if an active Sim	Financial Unclear Ownership Administrative
██	Tablet	Current	Yes	No record	No record	Employee confirmed never in possession of tablet. Referred to IT to ascertain if in use and to identify ownership	Financial Unclear Ownership Administrative
██████ ██	Tablet	Current	Listed as ██████ employee	No record	Listed as Castlecomer Office employee	Checked with ████████ employee not in possession of this number. Waiting for IT to identify to ownership	Financial Unclear Ownership Administrative
██	Phone	Current	Yes	No record	No record	Referred to IT to ascertain if in use and to identify ownership	Financial Unclear Ownership Administrative
██	Handheld	██ ████	████████ ████████ ████ ███	████████ ████████ ███	No record	████████████████ ████ reviewed and located the Handheld secured same and renamed to Spare Handheld No. 2 in Oct 2023	Administrative
██	Handheld	██ ████	██████ ████████ ████	████████████ ████████	No record	████████████████ ████ reviewed and located the Handheld secured same and renamed to Spare Handheld No. 1 in Oct 2023	Administrative
██	Phone	██ ████	Still listed under name of employee who has left KCC	Still listed under name of employee who has left KCC	Still listed under name of employee who has left KCC	It was noted that the phone was issued to a replacement employee but no updates on either of the Finance/Corporate or IT List and Vodafone not advised. Line Manager in this case had not followed up on request from HR for the retrieval or re-issue of the phone	Administrative

Section	Device	Employee Status	Finance Vodafone Billing List	Corporate List	IT List	Findings	Implication
▓	Phone	▓▓ ▓▓▓	Still listed under name of employee who has left KCC	Phone listed under replacement name	No record	▓▓▓ advised phone returned to HR/Corporate and issued to replacement. Vodafone not informed to change name	Administrative
▓	Phone	▓▓▓ ▓▓▓	Yes	No record	Yes	Still active employee until ▓▓▓. Not listed on Corporate list	Administrative
▓▓▓▓	Tablet	▓▓ ▓▓▓	Still listed under name of employee who has left KCC	Phone listed under new employee	Phone listed under new employee	Vodafone not advised of name change	Administrative
▓▓▓	Tablet	Current	Yes	No record	Yes	No record on Corporate List as it is a Tablet	Administrative
▓▓▓	Tablet	Current	Yes	No record	Yes	No record on Corporate List as it is a Tablet	Administrative
▓▓▓	Phone	Current	Yes	No record	Yes	No record on Corporate List. Phone in use	Administrative
▓▓▓	Phone	Current	Yes	No record	No record	No record on Corporate list or IT list. Phone in use	Administrative
▓▓▓▓	Phone	Current	Yes, Listed as Out of Hrs/Corp phone	Yes, changed to ▓▓▓ employee	Yes, changed to Library employee	As part of the Audit investigations it was ascertained that this phone had been re-assigned to an employee but Vodafone had not been informed. Finance advised on 19/10/23 to change phone to ▓▓▓ employee and to change job code	Administrative
▓▓▓	Tablet	Current	Yes	No record	Yes	No record on Corporate List as it is a Tablet	Administrative
▓	Tablet	Current	Yes	No record	No record	Not recorded on IT or Corporate List	Administrative
▓▓▓	Phone	Current	Yes	No record	Yes	No record on Corporate List	Administrative
▓▓▓▓	Tablet	Current	Yes	No record	Yes	No record on Corporate List	Administrative
▓▓	Tablet	Current	Yes	No record	Yes	Not recorded on Corporate list as it is a tablet	Administrative