



Internal Audit

FINAL

Dacorum Borough Council

Assurance Review of Customer Services

2021/22

October 2021

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

An organisation's contact centre/ call centre, represents the personality of the organisation. More importantly, good call handling improves relationships, and relationships strengthen businesses.

SCOPE

The audit reviewed the processes operating in relation to the processing, monitoring and reporting of Customer Services call handling.

KEY STRATEGIC FINDINGS

-  The Council has performance targets in place relating to call handling, however, there was no evidence to support the rationale for the targets set nor whether these had been formally approved.
-  Training records identified that not all staff had yet received the requisite training in all of the modules relevant to their role.
-  Errors were noted in the calculation of the cumulative monthly call wait time by the Council's call handling software (Netcall). It was noted that these errors had not impacted on performance reporting, as a result of the Council's own internal monitoring and reporting processes.

GOOD PRACTICE IDENTIFIED

-  The Service is resilient and was able to continue working seamlessly through the pandemic, with performance targets continuing to be achieved.
-  Performance is routinely reported to the Housing and Community Overview and Scrutiny Committee.

ACTION POINTS

Urgent	Important	Routine	Operational
0	1	2	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Delivery	Review of the latest training record identified nine active members of staff who had at least one element of training outstanding. Of these three were new starters. The remaining six, with start dates ranging from September 2018 to November 2020, had between one to five training modules outstanding.	All staff with outstanding training requirements be required to complete these as a priority to ensure their training is up to date and current.	2	<i>Training is an ongoing task and there will always be outstanding training as staff leave and new staff start. Training for a full time CSR in all services can take up to 12 months.</i>	Ongoing	Tracy Lancashire – Team Leader Customer Services
1	Directed	Performance targets are in place for average call wait time (CUS10) and abandoned calls (CUS11), 300 seconds and 20% respectively. The Council was unable to provide evidence to support the rationale for these expected performance levels or were unable to demonstrate how these had been formally considered and approved.	The two performance targets, CSU10 and CSU11, linked to call handling, be formally reviewed and approved.	3	<i>Targets were set based on historical performance measured against demand and resources available at the time. The organisation is undergoing a review of Customer Service delivery, this could form part of this review.</i>	01/04/22	Matt Rawdon/Tracy Lancashire

PRIORITY GRADINGS

1 **URGENT** Fundamental control issue on which action should be taken immediately.

2 **IMPORTANT** Control issue on which action should be taken at the earliest opportunity.

3 **ROUTINE** Control issue on which action should be taken.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Delivery	<p>The performance spreadsheet, which logs daily performance, extracted from the reporting tool, was reviewed. This identified a discrepancy between the cumulative monthly average call wait times calculated internally compared to the cumulative average call wait time calculated by Netcall.</p> <p>Review of the respective data and calculations identified an error in the Netcall calculation. This had not impacted on the accuracy of reporting through the Council's performance management system or reporting to the Housing and Community Overview and Scrutiny Committee.</p>	The calculation error in the Netcall cumulative monthly call waiting time be raised with Netcall and corrected as appropriate.	3	<i>Checked the Sept report and this has now been rectified by Netcall, the problem was resolved with the latest upgrade of the system</i>	n/a	Tracy Lancashire

PRIORITY GRADINGS

1	URGENT	Fundamental control issue on which action should be taken immediately.
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3	ROUTINE	Control issue on which action should be taken.
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Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
There are no operational effectiveness matters to report				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	Partially in place	1	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially in place	2	-

Other Findings



A suite of training materials and procedures are available for Customer Services staff. These are subject to review and update by service leads.



Discussions with the Customer Services Unit Manager, established that there were no specific departmental risks linked to call handling with the targets having been met over the last 12 months. In terms of mitigating any risks to performance the following measures are in place:

- in terms of capacity, performance is reviewed on a daily basis and resources are realigned to address any peaks in demand;
- in terms of inability of call handlers to handle calls, training and supporting procedures are in place; and
- in terms of underlying data integrity, Netcall has received ISO accreditation and this is subject to independent audit.



Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	Partially in place	3	-
FC	Financial Constraint The process operates within the agreed financial budget for the year.	In place	-	-
R	Resilience Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	-

Other Findings



The Customer Services Team Leader is able to view performance in real time and, where appropriate, focus resources accordingly.



Performance against target is routinely reported to the Housing and Community Overview and Scrutiny Committee.



The call handling element of Customer Services forms part of the overall cost centre for the Customer Services Unit. The overall cost centre has reported an underspend of £29k in 2020/21 and is currently showing a £15k underspend at the end of Quarter 1, with a prudent year end forecast of breakeven. The Service is delivering a cost saving following staffing changes as part of this current year forecast.

EXPLANATORY INFORMATION

Appendix A

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

6. The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	10 th June 2021	10 th June 2021
Draft Report:	6 th October 2021	20 th October 2021
Final Report:	25 th October 2021	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Dacorum Borough Council		
Review:	Customer Services		
Type of Review:	Assurance	Audit Lead:	Head of Audit

Outline scope (per Annual Plan):	It is essential that an organisation has a robust and effective Customer service in place. As this service is customer/ client facing and sets the tone of how the organisation operates. Scope: To review processes operating to ensure that calls are promptly and accurately recorded with an appropriate Audit trail. Internal Audit also reviewed the procedures in place in relation to open calls forwarded to 'back office' functions to ensure that calls are appropriately and promptly dealt with.		
Detailed scope will consider:	<p>Directed</p> <p>Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.</p> <p>Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register.</p> <p>Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.</p>	<p>Delivery</p> <p>Performance monitoring: There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.</p> <p>Financial constraint: The process operates with the agreed financial budget for the year.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p>	
Requested additions to scope:	(if required then please provide brief detail)		
Exclusions from scope:			

Planned Start Date:	9th July 2021	Exit Meeting Date:	10 th September 2021	Exit Meeting to be held with:	– Customer Services Team leader
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SELF ASSESSMENT RESPONSE

Matters over the previous 12 months relating to activity to be reviewed	Y/N (if Y then please provide brief details separately)
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	N
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	N
Have there been any significant changes to the process?	N
Are there any particular matters/periods of time you would like the review to consider?	N