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| Agenda Item | 8 |
| Report No | VAL/28/25 |

Internal Audit Report – Staff Development

Report by Strategic Lead (Audit and Risk), Highland Council

Summary

An audit review has been undertaken examining the arrangements for staff development. A copy of the final audit report is attached for consideration by the Board.

1. Internal Audit Reports

- 1.1 Every Internal Audit report issued contains an audit opinion based upon the work performed in respect of the subject under review. There are five audit opinions which can be provided:
- (i) Full Assurance: There is a sound system of control designed to achieve the system objectives and the controls are being consistently applied.
 - (ii) Substantial Assurance: While there is a generally a sound system, there are minor areas of weakness which put some of the system objectives at risk, and/ or there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
 - (iii) Reasonable Assurance: Whilst the system is broadly reliable, areas of weakness have been identified which put some of the system objectives at risk, and/ or there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
 - (iv) Limited Assurance: Weaknesses in the system of controls are such as to put the system objectives at risk, and/ or the level of non-compliance puts the system objectives at risk.
 - (v) No Assurance: Control is generally weak, leaving the system open to significant error or abuse, and/ or significant non-compliance with basic controls leaves the system open to error or abuse.
- 1.2 Since the last update to the Board there has been one audit report issued relating to a review of the maintenance of Staff Development. This report has the audit opinion of “Limited Assurance”. A total of nine recommendations have been made comprising of two high and seven medium priority grades. These have been accepted by management with a number of actions agreed to address these with the final actions due to be completed by 31st August 2026.

Recommendation

The Board is asked to **consider** and **note** the audit report provided.

Designation: Strategic Lead (Audit and Risk)

Date: 26th November 2025

Author: Jason Thurlbeck, Corporate Audit Manager, Highland Council

Internal Audit Final Report

Office of the Assessor and Electoral Registration Officer

Staff Development

| Description | Priority | No. |
|---|----------|-----|
| Major issues that managers need to address as a matter of urgency. | High | 2 |
| Important issues that managers should address and will benefit the Organisation if implemented. | Medium | 7 |
| Minor issues that are not critical, but managers should address. | Low | 0 |

Audit Opinion

The opinion is based upon, and limited to, the work performed in respect of the subject under review. Internal Audit cannot provide total assurance that control weaknesses or irregularities do not exist. It is the opinion that **Limited Assurance** can be given in that weaknesses in the system of controls are such as to put the system objectives at risk, and/ or the level of non-compliance puts the system objectives at risk.

Distribution:

Assessor and Electoral Registration Officer
Depute Assessor and Electoral Registration Officer

Draft Date: 13/11/25

Final Date: 21/11/25

1. Introduction

- 1.1 The core functions of the Office of the Assessor and Electoral Registration Officer (ERO) are the compilation and maintenance of the Valuation Roll and the Council Tax Valuation List and the preparation and publication of the Register of Electors. At the time of the audit, there were a total of 54 permanent staff (50 FTE) and 6 temporary staff.

Staff development is the planned and continuous process of developing the skills, knowledge and competencies of employees. The audit examined current staff development practices for both permanent and temporary members of staff. This included looking at whether all new members of staff received an induction and what processes were in place to ensure that all staff completed the required mandatory training. The audit also looked at how staff training needs were identified and how this process fed into the development of training plans at an employee and organisational level.

The audit also considered the way in which risks relating to skills gaps and succession planning were managed to ensure that the Office of the Assessor and ERO would be able to carry out its core functions on an ongoing basis.

2. Main Findings

- 2.1 *Staff development activities align with the Assessor and ERO's core objectives and statutory obligations.*

The core objectives and statutory obligations of The Highland and Western Isles Valuation Joint Board (HWIVJB) were outlined in the Service Plan 2025–2028, along with various training and development activities. However, there was no formal training and development policy or delivery plan to clearly align these activities with the stated objectives and obligations. (see action Plan M1).

- 2.2 *There is a process in place to identify staff training needs and plans are put in place to address these.*

This objective was partially achieved. There was an Employee Review and Development (ERD) Policy in place which stated that

ERD planning meetings should take place annually and should include the identification of staff training needs. However, ERDs had not taken place since 2015. The current ERD process was being reviewed and the target date for the programme to commence was December 2025 (see action plan M2).

Although a structured ERD programme was not in place to formally identify staff training needs, efforts were made to maintain oversight of those needs e.g. electoral staff were given training to keep them updated on changes to relevant legislation and complaints handling training was identified as necessary for staff due to an increase in the number of complaints received. Individual training plans had been produced for electoral clerical staff, but these had not yet been rolled out to all staff (see action plan M2).

- 2.3 *Mandatory training, including inductions for new starts, is completed by staff in a timely manner.*

This objective was partially achieved. Mandatory training requirements had been identified for all staff, and this was in accordance with relevant UK and Scottish legislation. Mandatory training modules could be completed online using the Highland Council's Traineasy Learning Management System. Completion rates were as follows:

| Course Title | Employees | % of Total |
|-------------------------------------|-----------|------------|
| Cybersecurity Awareness | 56 | 95% |
| Display Screen Equipment | 27 | 46% |
| Equality Diversity and Inclusion | 56 | 95% |
| Fire Awareness | 51 | 91% |
| Information Management | 56 | 95% |
| Intro to Health, Safety & Wellbeing | 25 | 42% |
| Run, Hide, Tell | 22 | 37% |

Mandatory training modules were only required to be completed once, with completion dates spread over several years, and no formal consideration had been given to establishing an appropriate refresher period to ensure ongoing compliance and

knowledge retention. The current approach to monitoring mandatory training relied on a manual, spreadsheet-based system and there were discrepancies between the information held on the spreadsheet and Traineasy. Whilst some functionality existed within Traineasy to support monitoring of mandatory training compliance, it was not currently being utilised (see action plan M3). There were issues with Electoral Canvassers not having access to Traineasy and therefore not being able to complete the mandatory training modules. Recommendations had been made regarding these issues as part of audit ASS03/01 Assessors Information Management Arrangements (final report date 12/02/24). The target date for completion of the agreed actions was originally 31/12/24 but had subsequently been revised to 31/12/25.

Although training was referenced in both management and HWIVJB reporting, there was no formal or consistent reporting mechanism in place for mandatory training completion rates. Current discussions were reactive and based on ad hoc updates, limiting senior management and Board members visibility and oversight of compliance with mandatory training requirements (see action plan M4).

All new starts since 01/04/25 (3 employees) had received and fully completed an induction. Feedback was sought from these employees on the adequacy of the induction process and overall, they found it to be a useful process.

2.4 *Risks relating to skills gaps and succession planning are appropriately managed.*

This audit objective was partially achieved. Risks associated with skills gaps and succession planning had been identified within the HWIVJB Risk Register, along with corresponding mitigating actions. The HWIVJB Risk Register was last updated in November 2024 and given the stated annual review cycle, was due for reassessment.

Although risk scoring and mitigation measures were documented, the mitigation/current controls listed did not accurately reflect current conditions in all cases (see action plan H1). For example, while the high dependency on key staff had

been acknowledged and succession planning was listed as a current control on the Risk Register, no formal succession plans were in place (see action plan H2). Similarly, written instructions for key activities were noted as a current control on the Risk Register but these were not available for all critical tasks identified in the HWIVJB Service Plan 2025–2028. (see action plan M5).

A partial skills gap analysis had been carried out, with electoral registration clerical staff completing skills audit questionnaires in October 2023. This resulted in the development of individual training plans which had most recently been reviewed in December 2024. Some skills auditing was also done for central administration staff, while extending the process to all staff remains an outstanding action noted in the Risk Register (see action plan M6).

The development of a workforce plan was noted as an outstanding action in the Risk Register and had not yet been completed. The Assessor intended to undertake a full review of the staffing structure and develop a workforce plan as part of that process. (see action plan M7).

3. **Conclusion**

3.1 The audit found that while staff development activities generally supported statutory obligations, several key areas required improvement. Mandatory training was defined and accessible, but refresher cycles were not in place, and monitoring was inconsistent. Training needs were identified informally, with some progress made in developing training plans, but the absence of a structured ERD programme had meant that there was not a consistent process in place.

Risks related to skills gaps and succession planning were acknowledged in the HWIVJB Risk Register, but mitigation measures were incomplete and as a result, residual risk levels needed to be reviewed. No formal succession plans existed, and written procedures for critical tasks were not comprehensive. A partial skills gap analysis had been undertaken, and a workforce plan was noted as an outstanding action. Overall, while there was evidence of commitment to staff development, the lack of

formal policies, structured processes, and strategic oversight
limited the effectiveness and resilience of current arrangements.

4. Action Plan

| Ref | Priority | Finding | Recommendation | Management Response | Implementation | |
|-----|----------|--|--|---|---------------------------------|-------------|
| | | | | | Responsible Officer | Target Date |
| H1 | High | Although risk scoring and mitigation measures were documented, the mitigation/ current controls listed did not accurately reflect current conditions in all cases. | (i) The HWIVJB should review its Risk Register with particular focus on ensuring residual risk scores accurately reflect current conditions and the actual effectiveness of mitigating actions. (ii) Thereafter, the Risk Register should be reviewed on a quarterly basis rather than annually, to ensure emerging risks are identified and addressed promptly, and that mitigation actions remain current and effective. | (i) Risk Register to be reviewed in relation to residual risk scores and effectiveness of mitigating actions. (ii) Risk Register will be reviewed quarterly. | Depute Assessor & ERO | 16/12/25 |
| | | | | | Depute Assessor & ERO | 16/12/25 |
| H2 | High | While the high dependency on key staff had been acknowledged and succession planning was listed as a current control on the Risk Register, no formal succession plans were in place. | (i) A formal succession planning framework should be developed as part of the forthcoming workforce plan (see M7). This should include identifying key roles with high dependency risks, establishing knowledge transfer protocols, and considering the creation of supporting roles where appropriate. (ii) In addition, management should ensure that knowledge sharing, and role shadowing are embedded into ongoing operations to strengthen organisational | (i) Formal succession planning framework to be developed. (ii) Knowledge sharing and role shadowing to be embedded into ongoing operations. | Assessor/ Depute Assessor & ERO | 17/02/26 |
| | | | | | Assessor/ Depute Assessor & ERO | 17/02/26 |

| Ref | Priority | Finding | Recommendation | Management Response | Implementation | |
|-----|----------|---|--|---|--|---|
| | | | | | Responsible Officer | Target Date |
| | | | resilience and reduce the risk of service disruption or loss of critical expertise. | | | |
| M1 | Medium | There was no formal training and development policy or delivery plan to clearly align training and development activities with the stated objectives and obligations. | <p>(i) A formal training and development policy should be established. This should set out the commitment to staff development, ensures alignment with the core objectives and statutory obligations of the Service Plan 2025–2028, and provides a consistent framework for decision-making and resource allocation.</p> <p>(ii) Following the adoption of the policy there is a need to develop and implement a structured training and development plan that translates the policy into actionable steps and should include measurable outcomes.</p> <p>(iii) A process should be introduced for the regular review and update of both the training and development policy and plan. Reviews should be scheduled at appropriate intervals and formally approved by senior management/HWIVJB to ensure continued relevance,</p> | <p>(i) A formal training and development policy will be produced.</p> <p>(ii) Structured training and development plan to be developed and implemented.</p> <p>(iii) Process to be introduced for regular review and update of training and development policy and plan, and subsequent approval.</p> | <p>Depute Assessor & ERO</p> <p>Depute Assessor & ERO</p> <p>Depute Assessor & ERO</p> | <p>17/02/26</p> <p>30/06/26</p> <p>30/06/26</p> |

| Ref | Priority | Finding | Recommendation | Management Response | Implementation | |
|-----|----------|---|--|---|--|--------------------------|
| | | | | | Responsible Officer | Target Date |
| | | | strategic alignment, and effective delivery of training and delivery outcomes. | | | |
| M2 | Medium | An ERD Policy existed requiring annual reviews to identify training needs, but no ERDs had taken place since 2015. Training plans were developed for electoral clerical staff but had not yet been rolled out to all staff. | (i) A structured ERD process should be reinstated to identify individual training needs with outcomes feeding into a formal training plan which should be reviewed annually. (ii) Individual training needs should be centrally collated and analysed to identify common themes and enable coordinated provision. | (i) Structured ERD process to be reinstated with outcomes feeding into a formal training plan. (ii) Individual training needs to be centrally collated and analysed. | Depute Assessor & ERO Depute Assessor & ERO | 31/12/25 30/04/26 |
| M3 | Medium | The current approach to monitoring mandatory training relied on a manual, spreadsheet-based system. Functionality existed within Traineasy to support monitoring of mandatory training compliance, but it was not currently being utilised. | Functionality of the Traineasy system should be explored with Highland Council's People Development, with the aim of replacing the current manual, spreadsheet-based method for recording and monitoring mandatory training. | Functionality of Traineasy and other systems to be explored with the aim of replacing the current manual method. | Depute Assessor & ERO | 28/02/26 |
| M4 | Medium | Training was referenced in management and HWIVJB reporting, but there was no formal mechanism for reporting mandatory training completion. Current updates were ad hoc, limiting senior management and Board oversight of compliance. | A formal reporting process should be implemented to regularly monitor and report mandatory training completion rates to senior management and Board members. | Formal reporting process via Departmental Report to be implemented. | Assessor/ Depute Assessor & ERO | 17/02/26 |
| M5 | Medium | Written instructions were in place for only some of the key activities identified in the | Written instructions should be developed, reviewed, and | Written instructions to be developed for all Service Plan key activities. | Depute Assessor & ERO | 31/08/26 |

| Ref | Priority | Finding | Recommendation | Management Response | Implementation | |
|-----|----------|--|--|---|-----------------------|-------------|
| | | | | | Responsible Officer | Target Date |
| | | HWIVJB Service Plan 2025-2028. | maintained for all key activities identified in the Service Plan. | | | |
| M6 | Medium | A partial skills gap analysis was conducted, with electoral registration clerical staff completing audits and receiving individual training plans. Some skills auditing was done for central administration staff, but other groups had not yet been assessed. | <p>A strategic, top-down approach to skills gap analysis should be adopted and applied consistently across all staff groups. This should include:</p> <ul style="list-style-type: none"> – Developing a centralised framework for skills gap analysis that maps required skills to strategic goals and service delivery needs. – Ensuring full coverage by extending skills audits to all staff groups, not just selected teams. – Consider aligning the process with the ERD framework to ensure skills data is routinely captured and used to inform both individual training plans and strategic workforce planning. | Centralised framework for skills gap analysis to be developed and skills audits to be extended to all staff groups. Process to be aligned with ERD framework. | Depute Assessor & ERO | 30/06/26 |
| M7 | Medium | The provision of a workforce plan was noted as an outstanding action in the Risk Register and had not yet been developed. | <p>A formal workforce plan should be developed which should be aligned with strategic objectives and operational needs. It should include:</p> <ul style="list-style-type: none"> – An assessment of current workforce capacity and capability (see M6) – Identification of future skills and staffing requirements | Formal workforce plan to be developed and reviewed regularly thereafter/progress reported to HWIVJB. | Assessor | 17/02/26 |

| Ref | Priority | Finding | Recommendation | Management Response | Implementation | |
|-----|----------|---------|---|---------------------|---------------------|-------------|
| | | | | | Responsible Officer | Target Date |
| | | | <ul style="list-style-type: none"> – Succession planning for key roles, and actions to address any identified gaps (see H2). <p>It should be reviewed regularly and progress reported to meetings of the HWIVJB.</p> | | | |