

WAVERLEY BOROUGH COUNCIL

AUDIT COMMITTEE

26 SEPTEMBER 2017

Title:

PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS

[Wards Affected: ALL]

Summary and purpose:

To inform the Audit Committee of Senior Management's progress in implementing the recommendations raised by Internal Audit following a review in their service areas. This report will enable the Committee to consider what action is required in respect of those that are overdue or appear likely to be implemented later than the target date.

How this report relates to the Council's Corporate Priorities:

Internal Audit work contributes to the safeguarding of assets against loss and waste and for identifying other value or money issues.

Financial Implications:

Internal audit work helps management in achieving good value for money and, individual recommendations may have value for money implications.

Legal Implications:

There are no direct legal implications, although good governance is strengthened by attention to the matters raised in audit recommendations.

Introduction

1. This report provides the Audit Committee with the latest position regarding the implementation of Internal Audit recommendations.

Annexe 1 provides the current position on recommendations due for completion at the end of the month of the Audit Committee date.

Annexe 2 details the request for change of implementation due date, relating to Information Security Governance, these were discussed at the July 2017 Audit Committee, however a revised implementation date was not proposed or agreed at that meeting.

2. Recommendations relate to the control environment and hence the overall governance and risk management of the Council and it is important that agreed actions are completed within timeframes agreed with the relevant Head of Service.

Recommendation

It is recommended that the Committee:

1. considers the information contained in Annexe 1 and, following discussion at the Audit Committee meeting, identifies any action it wishes to be taken.
2. agrees an appropriate implementation date for the recommendations listed in Annexe 2, where a request has been made by the Head of Service for a change in the previous implementation date.

Background Papers

There are no background papers (as defined by Section 100D (5) of the Local Government Act 1972) relating to this report.

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Audit Recommendations overdue or due within next month




Generated on: 08 September 2017


Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed

Head of Service Taylor, Robin

Action Code & Description	IA16/22.001 Policies	The Council's Information Management Policy, Record Disposal and Retention Schedule and the Acceptable Use of IT policy were last updated over a year ago. The policies do not cover off the process to be followed in regard to the retention, sharing and disposal of manual or electronic data. The policies also do not cover the procedure to be followed if manual or electronic data is lost or subject to misappropriation.	Exit Meeting Date	02-Jun-2016
			Due Date	03-Jul-2017
Audit Report Code and Description		IA16/22 Information Security Governance		
Agreed Action		<p>The Council will update the Record Disposal and Retention Schedule to ensure it includes the preferred disposal method for all types of data.</p> <p>The Council will ensure that the Information Management policy is updated to include the procedure to be followed if manual data is lost or subject to misappropriation. It should also include Council procedure in regard to manual security measures or physical security re the sharing of all types of information.</p> <p>Both the Acceptable Use of IT policy and the Information Management policy will also be updated to include how data loss/misappropriation is reported to Senior Management.</p> <p>All policy and procedural documentation relating to Information Security Governance will be reviewed and updated where necessary on an annual basis going forward.</p>		
Status		Overdue	Progress	50%
Head of Service	Robin Taylor			
All Notes	<p>The resources required to deliver this recommendation will need to be approved by Committee and sufficient time allowed to enable them to grasp the requirements of the Council and legislative needs before this recommendation can be fully implemented.</p> <p>Therefore a request is made for a revised implementation in Annexe 2.</p>			01-Mar-2017
Action Code & Description	IA16/22.002 Storage of Records re ISO5489	As per the most recent Information Management Policy (Section 10), all records should be stored in accordance with ISO15489. The policy does not go on to state what the requirements of ISO15489 are.	Exit Meeting Date	02-Jun-2016
			Due Date	03-Jul-2017

Audit Report Code and Description		IA16/22 Information Security Governance				
Agreed Action		The Council will detail the requirements of ISO15489 within the Information Management Policy that staff will need to comply with to ensure records are stored appropriately.				
Status		Overdue	Progress	50%	Head of Service	Robin Taylor
All Notes	<p>The resources required to deliver this recommendation will need to be approved by Committee and sufficient time allowed to enable them to grasp the requirements of the Council and legislative needs before this recommendation can be fully implemented.</p> <p>Therefore a request is made for a revised implementation in Annexe 2.</p>					

Action Code & Description	IA16/22.004 Procedure	As per comment from the Borough Solicitor at the time of the audit, a documented procedure is not in place detailing how the Council upholds Information Security Governance responsibilities if staff normally responsible are unavailable. The Council also does not have a published structure chart in place showing the members of staff involved with Information Security Governance and the responsibilities they hold.	Exit Meeting Date	02-Jun-2016
			Due Date	03-Jul-2017

Audit Report Code and Description		IA16/22 Information Security Governance				
Agreed Action		The Council will ensure that the Information Governance Strategy is put into place as soon as possible. It will include the procedure to be followed in relation to upholding Information Security Governance responsibilities if staff members who are normally involved are unavailable. It will also include a structure chart which will detail the staff that are involved with Information Security Governance and the responsibilities they hold. The chart will be disseminated to all staff.				
Status		Overdue	Progress	50%	Head of Service	Robin Taylor
All Notes	<p>The resources required to deliver this recommendation will need to be approved by Committee and sufficient time allowed to enable them to grasp the requirements of the Council and legislative needs before this recommendation can be fully implemented.</p> <p>Therefore a request is made for a revised implementation in Annexe 2.</p>					

Head of Service Vickers, Peter

Action Code & Description	IACM18/01.004 Safeguarding of Data re Escrow	There is no evidence to confirm that an Escrow agreement is in place. Without such an agreement in place there is no assurance that if Midland Itrent were no longer to exist, where Waverley's data would be held and how access could be obtained to that data to enable Waverley BC to continue to pay staff. There are concerns re the security of the payment information which could be jeopardised if we had no knowledge of where that data is held and the possible unauthorised use of that data. The data not only includes grade and payment information but the personal bank account details of staff and members, so unauthorised access to that sensitive data needs to be restricted.	Exit Meeting Date	02-May-2017
			Due Date	29-Sep-2017

Audit Report Code and Description		IACM18/01 Payroll				
Agreed Action		Confirmation needs to be obtained from Midland HR that Escrow agreement or any other recognised independent alternative third party arrangement is in place to safeguards Waverley's payroll data.				

Status		In Progress	Progress	20%	Head of Service	Peter Vickers
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All Notes

SLA includes access to data in case of transfer to alternative provider or WBC terminating contract. WBC in discussions with Midland HR in case of the company ceasing to exist and quotations are pending on the cost to include Escrow in agreement. Cost will be considered against the risk.

08-Sep-2017

ANNEXE 2

Internal Audit Recommendations presented to the Audit Committee for status change of Due Date on Covalent

Report ref/ recommendation ref	Title	Recommendation	Head of Service written justification/ Reason for change in implementation date	Responsible officer
IA16/22.001	Policies	<p>The Council will update the Record Disposal and Retention Schedule to ensure it includes the preferred disposal method for all types of data.</p> <p>The Council will ensure that the Information Management policy is updated to include the procedure to be followed if manual data is lost or subject to misappropriation. It should also include Council procedure in regard to manual security measures or physical security re the sharing of all types of information.</p> <p>Both the Acceptable Use of IT policy and the Information Management policy will also be updated to include how data loss/misappropriation is reported to Senior Management.</p> <p>All policy and procedural documentation relating to Information Security Governance will be reviewed and updated where necessary on an annual basis going forward.</p>	<p>Resources will be acquired to deliver this recommendation however sufficient time will be needed to enable them to grasp the requirements of the Council and legislative needs before this recommendation can be fully implemented.</p> <p>Therefore a request is made for the implementation date to be revised to 01/04/2018.</p>	Head of Policy and Governance – Robin Taylor

Report ref/ recommendation ref	Title	Recommendation	Head of Service written justification/ Reason for change in implementation date	Responsible officer
IA16/22.002	Storage of Records	The Council will detail the requirements of ISO15489 within the Information Management Policy that staff will need to comply with to ensure records are stored appropriately.	<p>Resources will be acquired to deliver this recommendation however sufficient time will be needed to enable them to grasp the requirements of the Council and legislative needs before this recommendation can be fully implemented.</p> <p>Therefore a request is made for the implementation date to be revised to 01/04/2018.</p>	Head of Policy and Governance – Robin Taylor
IA16/22.004	Procedure	The Council will ensure that the Information Governance Strategy is put into place as soon as possible. It will include the procedure to be followed in relation to upholding Information Security Governance responsibilities if staff members who are normally involved are unavailable. It will also include a structure chart which will detail the staff that are involved with Information Security Governance and the responsibilities they hold. The chart will be disseminated to all staff.	<p>Resources will be acquired to deliver this recommendation however sufficient time will be needed to enable them to grasp the requirements of the Council and legislative needs before this recommendation can be fully implemented.</p> <p>Therefore a request is made for the implementation date to be revised to 01/04/2018.</p>	Head of Policy and Governance – Robin Taylor