

ARGYLL & BUTE COUNCIL

Internal Audit Section

INTERNAL AUDIT REPORT

CUSTOMER DEPARTMENT	DEVELOPMENT AND INFRASTRUCTURE SERVICES
AUDIT DESCRIPTION	SYSTEM BASED AUDIT
AUDIT TITLE	REVIEW OF UNIFORM SYSTEM
AUDIT DATE	MARCH 2014

2013/2014



1. AUDIT SCOPE AND OBJECTIVES

This report has been prepared as a result of the Internal Audit review of the Uniform system within Development and Infrastructure Services as part of the 2013/14 Internal Audit programme.

The main objective of the audit is to assess and report on whether:

- Internal Audit Recommendations from the 2012/2013 review have been progressed.
- All staff (both system administrators and users) are aware of Data Protection Policy and Information Security Policies and refresher training is given on a scheduled basis.
- The Uniform system has adequate security and protection regarding password changes, restrictions, new starts and leavers.
- Policies and procedures have been established to ensure relevant information, data and documentation are held securely and are readily accessible by authorised persons.
- There are any other matters arising.

2. RISKS IDENTIFIED

- Procedures and policies are not clearly defined.
- Staff training is not up to date with new policies and procedures.
- System security is inadequate.
- Procedures for informing systems administrators of staff changes are unclear resulting in information not being received in a timely fashion.

3. AUDIT OPINION

The level of assurance given for this report is Substantial.

Level of Assurance	Reason for the level of Assurance given
High	Internal Control, Governance and the Management of Risk are at a high standard with only marginal elements of residual risk, which are either being accepted or dealt with.
Substantial	Internal Control, Governance and the Management of Risk have displayed a mixture of little residual risk, but other elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
Limited	Internal Control, Governance and the Management of Risk are displaying a general trend of unacceptable residual risk and weaknesses must be addressed within a reasonable timescale, with management allocating appropriate resource to the issues.
Very Limited	Internal Control, Governance and the Management of Risk are displaying key weaknesses and extensive residual risk above an acceptable level which must be addressed urgently, with management allocating appropriate resource to the issues.

This framework for internal audit ratings has been developed and agreed with Council management for prioritising internal audit findings according to their relative significance depending on their impact to the process. The individual internal audit findings contained in this report have been discussed and rated with management.

A system of grading audit findings, which have resulted in an action, has been adopted in order that the significance of the findings can be ascertained. Each finding is classified as High, Medium or Low. The definitions of each classification are set out below:-

<p>High - major observations on high level controls and other important internal controls. Significant matters relating to factors critical to the success of the objectives of the system. The weakness may therefore give rise to loss or error;</p>
<p>Medium - observations on less important internal controls, improvements to the efficiency and effectiveness of controls which will assist in meeting the objectives of the system and items which could be significant in the future. The weakness is not necessarily great, but the risk of error would be significantly reduced if it were rectified;</p>
<p>Low - minor recommendations to improve the efficiency and effectiveness of controls, one-off items subsequently corrected. The weakness does not appear to affect the ability of the system to meet its objectives in any significant way.</p>

4. MAIN FINDINGS

The following findings were generated by the audit:

- The Internal Audit recommendations from the 2012/2013 review have been fully progressed and implemented.
- With regard to the Data Protection Policy and Information Security Policy, we are aware that these policies are currently under review; however, at present there is no up to date policies in place. A basic Internet training module on Data Protection is available via e-learning; however there is no formal training/ monitoring of completion regarding this training. A separate report on Data Protection is being compiled by Internal Audit and recommendations will be made as part of that report.
- We reviewed the procedures for Freedom of Information requests and found that the procedures are comprehensive. Supervisors report that the initial implementation of these procedures is progressing but the administrative side of the procedures has not yet been actioned, and there may therefore still be some issues in the procedures which require revision once fully implemented. This should be monitored by management.
- The security protocols within the Uniform system are not currently used. Although initial sign in is secure for logging into the network and the system is held within a terminal server so an additional password is required for access to the server, many users are not required to enter a password when logging into Uniform. Those users who do have a password are not required to change this at regular intervals and there is no lock out facility when users attempt to login incorrectly. System administrators only give access to functions that relate to the users post, so access is restricted to data related to their duties. We sought an opinion regarding this issue from staff within the IT department and they agreed that it would be advisable to activate this function within Uniform in line with how other major Council systems operate.
- There are no formal procedures in place regarding systems administrators receiving notification when users roles change, new users require access and when users leave their post and access should be removed. A procedure should be developed requiring Line Managers to inform systems administrators whenever there are staff changes.

5. Conclusion

This audit has provided a substantial level of assurance. There are two recommendations for improvement identified as part of the audit and these are set out in Appendix 1. There are two medium recommendations set out in Appendix 1 which will be reported to the Audit Committee. Appendix 1 sets out the action management have agreed to take as a result of the recommendations, the persons responsible for the action and the target date for completion of the action. Progress with implementation of actions will be monitored by Internal Audit and reported to management and the Audit Committee.

Thanks are due to the Development and Infrastructure staff, the system administrators and management for their co-operation and assistance during the Audit and the preparation of the report and action plan.

APPENDIX 1 ACTION PLAN

Findings	Risk Impact	Rating	Agreed Action	Responsible person agreed implementation date
1. Procedures for staff changes		High/ Medium or Low		
There are no formal procedures in place regarding systems administrators receiving notification when user's roles and duties change, new users require access and users leave their post so require access removed.	If systems administrators are not informed of staff changes staff that have changed post will still have access to the system. New starts will not have timeous access when required.	Medium	A procedure for informing system administrators of all staff changes should be implemented.	Senior Technical Officer End of FQ4 2014/2015
2. Security Functions		High/ Medium or Low		
The security protocols within the Uniform system are not currently used.	Security is not in line with other council systems.	Medium	A timetable for switching on the Security protocol BS7799 should be discussed with management and this should be enabled.	Senior Technical Officer End of FQ4 2014/2015

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