Appendix A

London Borough of Barnet

Internal Audit

Progress Report 2014-15 – Quarter 1
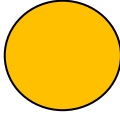
Caroline Glitre, Head of Internal Audit

1. Introduction

The Internal Audit Plan was accepted by the Audit Committee on the 29th April 2014. This report follows the principles previously requested by the Committee, in that all audit reports with limited or no assurance will be summarised into key messages with some detail.

2. Final Reports Issued

This report covers the period from 1st April 2014 to 30th June 2014 and represents an up to date picture of the work in progress to that date. The Internal Audit service has over this period issued 8 reports in accordance with the 2014-15 Internal Audit Plan. The full list of completed audits during this period is included within Appendix B. For those reports with an assurance rating, 2 reports were given 'Limited' and 2 reports given 'Satisfactory'. The summary detail of those reports issued as Limited assurance is included within section 3.

3. Key Findings from Internal Audit Work with Limited assurance

Title	Public Health			
Assurances	No	Limited	Satisfactory	Substantial
Audit Opinion		🟠		
Date of report:	April 2014			
Previous reviews (context)	2012/13 – Public Health – Satisfactory Assurance			
Background	The Public Health team joined Harrow Council on 1st April 2013 from the NHS. In agreement with Barnet Council a joint team was developed to support both councils. The team is employed by Harrow Council with the Director of Public Health being appointed to both Barnet and Harrow councils. The team delivers a range of statutory and discretionary services to both communities and supports the various bodies within the NHS. The public health team continues to work with NHS England and Public Health England at both national and London levels to clarify roles and responsibilities particularly in relation to health protection: immunisations, infection control and emergency planning. The Public Health (PH) Inter-Authority agreement between Barnet and Harrow was signed 28 March 2013 in which the Joint Public Health Service was established between Harrow and Barnet. The terms by which Harrow discharges Barnet's relevant functions for public health services were set out in this inter authority agreement.			

Summary of Findings	We noted the following areas of good practice: • Governance arrangements are outlined within the Inter-Authority Agreement (IAA), including a terms of reference for the joint Public Health governance board. • The Public Health quarterly performance reports are reviewed and scrutinised by the Council's Delivery Board and Strategic Commissioning Board (SCB). • A contract register is retained which outlines the status of all Public Health contracts. We raised two priority 1 and three priority 2 recommendations. Our key findings are as follows: • **Governance and organisational structures** (Priority 1) – We noted a lack of clarity over the expected relationship between the shared Public Health team and Barnet Council's commercial contract management team. There were no representatives of Barnet's commercial team on the Public Health Governance Board to monitor and challenge the performance of the contract. • **Third party contract management** (Priority 1) - Throughout the course of the audit, we experienced significant delays in receiving third party contractual information, as this is currently held by London Borough of Harrow and Barnet does not have this information readily available. Given the delays experienced, we were unable to assess three of the contract management risks that had been identified within the terms of reference, hence we could not provide any assurance over those areas. • **Key Performance Indicators of contractual arrangements with service providers** (Priority 2) - We tested five Public Health contracts and noted that for one contract with a value of £743k, there were no KPIs specified and agreed with the provider. • **Attendance at the joint Public Health governance board meetings** (Priority 2) – We confirmed through review of two sets of governance board meeting minutes that Barnet's Section 151 officer and a Barnet Clinical Commissioning Group (CCG) representative were not in attendance as

	required by the Inter-Authority Agreement.
	• **Performance monitoring of the Public Health Lead Commissioner management agreement** (Priority 2) – The Key Performance Indicators (KPIs) outlined within the Lead Commissioner management agreement are not reported to the Public Health governance board. We reviewed two performance dashboard reports and noted that one was incomplete - a quarterly KPI had not been reported.

Priority 1 recommendations, management responses and agreed action date	**Recommendation 1 - Public Health governance and organisational structure** a) A governance structure chart should be developed that clearly shows the expected interaction between the shared Public Health team and Barnet's commercial contract management team. b) In practice the focus of the Public Health Governance Board should be on (a) whether the Inter-Authority Agreement requirements are being met and (b) whether the Public Health shared service management agreement priorities are progressing adequately. c) The Public Health organisational structure document should be formally reviewed on a periodic basis and include a version control, detailing the document approver and the corresponding dates. d) Both the governance and organisational structure documents should be made easily accessible by Barnet Council staff on the intranet so that roles and responsibilities are clearly communicated. **Management Comment 1** **Governance Structure** The Inter Authority Agreement (IAA) and the Terms of Reference of the Public Health Governance Board are to be reviewed and amended in order to make the PH Governance Board a more robust mechanism for performance and contract monitoring as detailed below. In preparation for this a governance chart has been drafted and once this is confirmed it will be made available to Council staff on the intranet. It is important to recognise the scope of the indicators which are directly managed by officers within the Public Health. The Public Health Outcomes Framework contains approx. 66 indicators, which whilst monitored by the Public Health team, are not necessarily within the direct responsibility of delivery by the Public Health team.

Clarity of responsibility for different aspects associated with the Joint Public Health Strategy (JPHS) will be jointly developed and will address:-

•   Where the responsibility for overseeing the JPHS in respect of ensuring the shared service is working effectively is held

•   Revising the Terms of Reference of the Governance Board It to take account of this new contracting model between Barnet and Harrow.

•   Agreeing the role and contribution of Barnet's Commercial Team to provide sufficient oversight of the contract management and delivery of the IAA.

The responsibility for ensuring that the JPHS is held to account by Members in respect of how the Strategy is delivering will be the remit of the Performance and Contract Management Committee. This Committee has responsibility for:

•   Overseeing how the actual Public Health KPI's and CPI's are being delivered

•   Ensuring that the LBB Public Health priorities, as outlined within the Corporate Plan are considered within the Management Agreement priorities.

•   Ensuring that the Management Agreement priorities and any associated KPI's are being delivered by the JPHS

In preparation the Commercial Team and PH are reviewing the current IAA and will be making recommendations on how this might need to be revised to take account of this.

Organisational Structure

Organisational structure is attached and can be found online at;

http://www.barnet.gov.uk/info/940457/public_health

(Dr Andrew Howe, Lead Commissioner / Claire Symonds, Commercial & Customer Services Director, 1 September 2014)

Recommendation 2 - Public Health governance and organisational structure
The Council's commissioning group should maintain greater oversight and involvement with the contractual arrangements of the joint Public Health service. It should consider where this responsibility fits best within the Council structure.

Management Comment 2

As a joint service, the Public Health team negotiate and manage the related contracts on behalf of Barnet Council. However, it is recognised that this information may, at times, be limited to the service with limited oversight of the wider corporate organisation.

The revised Governance structure outlined within section 2.1 will provide adequate oversight of the performance of the JPHS by the Commercial Services team.

(Dr Andrew Howe, Lead Commissioner / Claire Symonds, Commercial & Customer Services Director, 1 September 2014)

Title	Disabled Blue Badges (Joint Internal Audit & CAFT review)			
Assurances	**No**	**Limited**	**Satisfactory**	**Substantial**
Audit Opinion				

Date of report	June 2014
Previous reviews (context)	N/A

Background

The aim of the Blue Badge scheme is to help disabled people with mobility problems to access goods and services by allowing them to park close to their destination. Since the introduction of face to face identification in January 2012, 10,871 BBs have been issued in Barnet. In 2010 the Department of Transport valued a blue badge at £5,644 per year in London based on frequent use[1]. For the BBs issued in Barnet since January 2012, this equates to an estimated value to badge holders of £61m per year, or £183m for a three year period, the average time between issue and expiry of a blue badge.

The Assisted Travel (AT) team transferred to the Customer Support Group (CSG) on 1st September 2013, this team was then moved to Coventry as part of the Contact Centre moves on 12 May 2014. It is responsible for the administration, application, renewal, cancellation and re-issue of Blue Badges. They also have a part enforcement role to prevent the misuse of blue badges. The national Blue Badge Information System (BBIS) is used for related processing.

In response to customer complaints, from 16 June 2014 a revision to the BB application process is being piloted, whereby the requirement for 'face-to-face' confirmation of applicant details is being removed.

1 'Blue Badge Reform Strategy: Enforcement Evidence Base', DfT, March 2010

Summary of Findings	**Key Findings (informing Audit opinion)** There two priority 1 and four priority 2 recommendations. We noted the following areas of good practice: - Access to Transport for London guidance for referral by officers responsible for Blue Badge delivery - Evidence of arrangements for the training and development of responsible officers. We identified the following significant issues as part of the audit: - A formal Operating Level Agreement (OLA) did not exist detailing responsibilities, agreed performance levels and operational performance indicator targets that Capita should meet in the provision of the Assisted Travel Blue Badge service. OLAs are prepared for monitoring specific services referred to in the related overarching Service Level Agreement (SLA) between Capita and the Council. The SLA states that an OLA will be prepared for each SLA service. Furthermore, responsibility for specific monitoring of the OLA client side was not clear and allocated, although aspects of BB delivery were covered in the strategic monitoring of the customer services SLA. (Priority 1) - Comprehensive pro-active arrangements for identifying Blue Badge misuse and robust communication channels between Parking (NSL) and Assisted Travel to ensure a "joined up" approach to Blue Badge enforcement did not exist for preventing the fraudulent use and misuse of Blue Badges. (Priority 1) We noted the following other issues: - The Council followed aspects of the Transport for London (Tfl) guidance however there were no formally approved documented procedures governing Council Policy and processes for Blue Badge operation for referral by responsible officers. (Priority 2) - Management indicated that a quality assurance framework did not exist to ensure that Blue Badge application/renewal and cancellation processes were compliant with the Council's

approach. Further, we found that documentation and audit trails supporting application decisions and confirming timely processing were not always retained for review and referral to facilitate effective monitoring and ensure consistent and appropriate delivery. (Priority 2)

- Council arrangements were unclear for ensuring awareness of and access to the Blue Badge Service amongst residents without internet access. (Priority 2)
- We reviewed the new process being piloted from 16 June 2014 and we identified two areas for the Council's consideration:
    - The specific risks of application fraud in the absence of the face-to-face confirmation of applicant details. Findings from the anti-fraud review of applications were mapped against the risks identified.
    - The cost of returning documentation and issuing BBs securely to ensure a record of receipt.

Priority 1 recommendations, management responses and agreed action date	**Recommendation 1 – Client-side BB Operational Monitoring Agreement oversight**
	An Operational Monitoring Agreement (OLA) supporting the overarching Customer Services Service Level Agreement (SLA) should be drafted against which agreed service delivery should be monitored. Responsibility for the client-side oversight of the BB OLA should be allocated.
	In addition to the SLA measures of telephony, e-mail response times and customer satisfaction, we would suggest that the OLA include measures which provide evidence of delivery of key processes and the analysis of trends. For example, by month, the number of BB applications, number of BBs issued, number of referrals to CAFT and to and from Parking and the number and percentage of BB applications resolved outside target timeframes.
	Management Comment 1
	The Blue Badge service is monitored as part of customer services and is subject to monthly and quarterly monitoring by the Commercial team and as part of the quarterly performance management cycle. There has also been a great deal of work undertaken in response to customer complaints re the application process. Therefore the risk of sub-optimal service delivery and satisfaction levels is not considered to be high.
	Although the Assisted Travel (AT) team transferred to the Customer Support Group (CSG) on 1st September 2013, this service was then moved to Coventry as part of the Contact Centre moves, with the new team being effective from the 12 May. A draft OLA has already been produced and this will be updated and finalised to include measures which provide evidence of delivery of key processes and the analysis of trends.
	The Client lead will be within the Commercial Team through the Commercial and Customer Services Director
	(Claire Symonds, Commercial & Customer Services Director / Sharon Dawson, Head of Service Delivery & CSG Operations Barnet, 4th July 2014)
	Recommendation 2 – Cancellation, Misuse and Enforcement
	Pro-active arrangements for identifying at the earliest possible stage Blue Badges of holders who are deceased should be developed and implemented by Assisted Travel.
	Arrangements should be implemented:
	- for Assisted Travel (AT) to record whether cancelled Blue Badges have been returned for on-going follow-up and

recording on BBIS, as a minimum, as a reminder to stop future renewal

- to improve communication between Assisted Travel and Parking (Enforcement) by:

- AT notifying Parking of Blue Badges which have been cancelled and not returned, for example, for deceased badge holders or through the badge being reported to AT as lost or stolen, for example for reporting at CEO briefing sessions prior to street enforcement operations each day and

- Parking notifying the AT team of misuse identified by Parking CEOs for invoking AT misuse processes.

At least once a year the Corporate Anti-fraud (CAFT) team should co-ordinate an enforcement operation between CAFT, Parking and Assisted Travel to enforce the proper use of Blue Badges on the street.

Management Comment 2

In recognising that this is a new team in Coventry, a protocol and new process will be written to set out the respective roles and responsibilities of the Assisted Travel Team, Parking Client team, NSL and CAFT to minimise blue badge fraud and misuse.

CAFT confirms it is happy to co-ordinate an annual enforcement operation.

(Claire Symonds, Commercial & Customer Services Director / Sharon Dawson, Head of Service Delivery & CSG Operations Barnet / Clair Green, Assurance Assistant Director / Paul Bragg, Infrastructure and Parking Manager - Street Scene, August 2014)

4. Work in progress and effectiveness review

Appendix C includes a list of all of those audits at the planning, fieldwork, or draft reporting stages. Appendix D includes performance against the Internal Audit effectiveness indicators. We have met all targets within the plan with the exception of one indicator being rated Amber:

1) 15% of the annual plan has been delivered, which is below the target for quarter 1 of 24%. This is due to a combination of factors, including some audits taking longer than anticipated, and the number of follow-up audits being higher than usual in quarter 1. There are several reviews at the fieldwork stage and we are confident that we can get performance back on schedule within quarter 2.

Implementation of internal audit recommendations – the progress of quarter 1 recommendations is included in Appendix D where 91% recommendations are implemented. In the last quarter of 2013/14 100% of recommendations had been implemented within the required timeframe. As such there has been a reduction in the completion of audit recommendations in the timescales originally agreed. It should be noted however that the number of recommendations due for implementation in Q1 was comparatively higher.

5. Liaison with Officers and External Audit

The Internal Audit Service is committed to the managed audit approach. Part of this includes regular liaison with External Audit to ensure that our work can be used by them as part of their financial accounts audit. Quarterly meetings, as a minimum, occur between external and internal audit.

Regular meetings have occurred with senior officers regarding implementing action plans in accordance with the agreed timeframe.

As part of the Internal Governance reviews, Internal Audit officers work closely with Governance colleagues to ensure efficient and effective audits.

Officers within the Assurance Group work closely with CAPITA in line with an agreed protocol that both clarifies and puts in place practical arrangements around the relevant Audit, Fraud and Risk contract clauses. This working protocol supports the 'external assurance' quadrant of our annual plan.

6. Changes to our plan

Since the Internal Audit Plan was approved there have been some changes within the quarter made to the original audit plan agreed in April 2014 in respect of timing and additional audits requested by Delivery Units.

Type	Audit Title	Reasons
Additional	IT Access Controls / SWIFT & Wisdom follow-up	These were added to the follow-up schedule as a result of 'No Assurance' ratings in quarter 4 of 2013-14.
Brought Forward	Commissioning for Outcomes	Brought forward at request of Chief Executive
Deferred	Health & Safety	Deferred to Q2 to accommodate additional audits.

7. Reports and assurance projects for management purposes

There were two assurance projects undertaken by internal audit that are not considered assurance reports (i.e. they do not give an assurance rating) but none the less aid management in assessing the effectiveness of their control environment. Within these reports if a significant issue has been identified as part of that review it has been included within this progress report.

In Q1 2014/15 there were no significant issues noted in the following reviews:

- **Troubled Families – Payment By Results**

- **Adoption Reform Grant**

Both submissions / claims were signed off with no exceptions noted.

Appendix B: 2014-15 work completed during quarter 1 including assurance levels

Audit Opinions on Completed Audits during the period	

	Systems Audits	Assurance
1	Public Health	Limited
2	Capital Programme	Satisfactory
3	Barnet Homes Contract Management Follow-Up	N/A
4	IT Access Controls / SWIFT & Wisdom Follow-Up	N/A
	Joint Internal Audit & CAFT Reviews	
5	Disabled Blue Badges	Limited
	Assurance Projects	
6	Troubled Families payment by results	N/A
7	Adoption Reform Grant	N/A

	School Audits	Assurance
1	Oakleigh School	Satisfactory

Appendix C: Work in progress

The following work is in progress at the time of writing this report:

Work in progress		

	Systems Audits	Status
1	Children's Centres	Fieldwork
2	Permanency Routes	Fieldwork
3	Transformation Q1	Fieldwork
4	Commissioning for Outcomes	Fieldwork
5	Complaints	Planning
6	Data Quality Q1	Planning
	Joint Internal Audit & CAFT Reviews	
7	Your Choice Barnet contract review	Draft Report
8	Transport Contracts	Planning
	School Audits	**Status**
1	St. Agnes	Fieldwork
2	Brookland Junior	Fieldwork

Appendix D: Internal Audit Effectiveness Indicators

Performance Indicator	Annual Target	End of Quarter 1
% of recommendations accepted	98%	100%
% of recommendations implemented	90%	91%
External Audit evaluation of Internal Audit (previous year)	Reliance On IA	Quarter 4 assessment
Average client satisfaction score (above 3)	90%	93%
% of Plan delivered	24%*	15%
% of draft reports completed within 10 days of finishing fieldwork	90%	100%
Periodic reports on progress	Each Audit Committee	Achieved
Preparation of Annual Plan	By April	Quarter 4 assessment
Preparation of Annual Report (previous year)	Prior to A.G.S.	Achieved
Staff with professional qualifications	70%	100%
Staff development days	5 days	Quarter 4 assessment

* 95% of quarter 1 activity

Appendix E: Quarter 1, 2014-15: Priority 1 Recommendations due

Code to ratings:

Shading	Rating	Explanation
🟩	Implemented	The recommendation that had previously been raised as a priority one has been reviewed and was considered implemented.
🟧	Partly Implemented	Aspects of the priority one recommendation had been implemented however not considered implemented in full.
🟥	Not Implemented	There had been no progress made in implementing this priority one recommendation.

1. Barnet Homes Contract Management

Audit Title and Recommendation	Responsible Area	Response from Management (May 2014)	Audit Assessment (June 2014)
Contract Management and Benefits Realisation Framework – Documentation and Change Control The below recommendations should be instigated immediately to enable a much earlier completion date than the current proposed date of April 2015. a) Management should refresh the management agreement to include the points raised within this report by 31st March 2014;	Barnet Homes Contract Management	The original signed 2004 contract is available. The signed copy of the new 2014/15 Delivery Plan from April 2014 is also available. The next phase of the project to develop the longer term Management Agreement which could involve a full options appraisal.	**Implemented** **One Year Delivery Plan (management agreement)** In April 2014 management formally agreed a one year delivery plan for 2014/15, with Barnet Homes. The plan now includes: • The services to be provided by Barnet Homes; • The financial arrangements and processes for payments to Barnet Homes; • The decision making arrangements and monitoring and reporting regimes; • The performance measurement arrangements,

Audit Title and Recommendation	Responsible Area	Response from Management (May 2014)	Audit Assessment (June 2014)
b) The refreshed management agreement should be agreed and signed by both parties; and c) Management should ensure that performance is monitored against the refreshed agreement.			including service level agreements; • The change control process and templates; • The Risk and Issue management processes; and • Details of how compliance with the Council's authority's policies will be managed or monitored **Performance Monitoring** The 2014/15 Delivery Plan is supported by the following monitoring groups: • The Barnet Group Partnership Group (to meet six monthly); • Barnet Homes Strategic Review Group (to meet quarterly); and • Barnet Homes Performance Review Group (to meet monthly). The Delivery Plan includes terms of references for all monitoring groups, which clearly set out their roles, remit and decision making authority. We reviewed the minutes of the 28th May 2014 Barnet Homes Performance Review Group and found that the meeting discussed performance, projects, risks, issues; change requests, finance, customer experience and equalities. **Long Term Management Agreement** The Lead Commissioner is initiating a discussion on the options for the long term agreement with Barnet

Audit Title and Recommendation	Responsible Area	Response from Management (May 2014)	Audit Assessment (June 2014)
			Homes for services from April 2015. This discussion will need to be informed by the views of SCB and members in order that a way forward can be developed. This could be a "refresh" of the current management agreement or a full options appraisal.

Audit Title and Recommendation	Responsible Area	Response from Management (May 2014)	Audit Assessment (June 2014)
Contract Management and Benefits Realisation Framework – Benefits Management a) The planned benefits of the Barnet Homes contract should be clarified and agreed; b) A benefits management process should be introduced to ensure that the realisation of planned benefits is monitored regularly and threats to the achievement of planned benefits escalated appropriately; and c) Management should agree baseline figures, targets and methods of measurement for planned benefits.	Barnet Homes Contract Management	The next phase of the project is to develop the longer term Management Agreement which could include a full Options Appraisal.	**Partly Implemented** Performance indicators for the Barnet Homes contract are included in the 2014/15 Delivery Plan, and include performance targets and agreed methods of measurement. Following any decision to be made as to how to proceed with a long term management agreement, the Commercial team will ensure that any new long term management agreement includes processes to ensure that planned benefits are realised. We recommend that this should include: • A benefits management process, to ensure that the realisation of planned benefits is monitored regularly and that threats to the achievement of planned benefits are escalated appropriately; • Targets for planned benefits; • Baselines for existing levels of the above targets to demonstrate benefits; • Agreed assessment criteria for benefits; • Agreed methods of measurements for benefits; and • Agreed owners responsible for the delivery of planned benefits. Management intend to seek external challenge to any options appraisal process and outline business case produced.

Audit Title and Recommendation	Responsible Area	Response from Management (May 2014)	Audit Assessment (June 2014)
			Revised implementation date: From April 2015
Contract Management and Benefits Realisation Framework – Financial Management The financial management arrangements for the Barnet Homes contract should be clarified, documented and agreed as part of the refreshed management agreement. In particular this should include documenting the process for agreeing variations to the cost of the contract.	Barnet Homes Contract Management	Financial Management and change control arrangements are contained within the 2014/15 Delivery Plan.	**Implemented** The one year delivery plan for 2014/15 includes: • Detailed budgets and sources of funding; • Financial arrangements and processes for payments to Barnet Homes; and • Change control processes and templates. This information will be monitored on a monthly basis via the Barnet Homes Performance Review Group and escalated as required. We were satisfied that meetings of Barnet Homes Performance Review Group discussed change requests and finances.
Contract Management and Benefits Realisation Framework – Issue Management a) An issue management strategy should be introduced to ensure that issues which occur are consistently and effectively recorded, monitored, escalated and resolved in a timely manner; b) Management should create a formal issues log for the Barnet Homes	Barnet Homes Contract Management	The issue management process is contained within the 2014/15 Delivery Plan. A copy of the issues log is attached together with the change control sheets. Notes of the April performance review meeting are attached.	**Implemented** The one year delivery plan for 2014/15 includes a process to follow for Issue management. Issues will be monitored on a monthly basis via the Barnet Homes Performance Review Group and escalated as required. Management have introduced an Issues log, which includes fields to capture the following information: • Description of the issue; • Agreed actions;

Audit Title and Recommendation	Responsible Area	Response from Management (May 2014)	Audit Assessment (June 2014)
contract. As a minimum this should include: • Description of the issue; • Agreed actions; • Owners of agreed actions; and • Target dates for resolution. c) This information should then be regularly monitored and updated.			• Owners of agreed actions; and • Target dates for resolution. A review of the issues log found that it contained all required information. Minutes of Barnet Homes Performance Review Group noted discussion of issues.

2. IT Access Controls

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Original Target date	Audit Assessment (June 2014)
1a. IT Access Controls - Policies & Procedures Council wide policies for user management should be developed, agreed and communicated.	ICT Director (CSG) and Head of Information Management (LBB)	Develop and agree an IT User Access Policy for the council through working with the Security Forum and the Information Management and Technology Working Group. Get the approval of the Customer and Information Management Board for this policy, and implement through the normal communication and training channels.	**Approval 30/6/14** **Implement ation 31/8/14 (i.e. not yet due)**	**Implemented** The 'IT User Access Policy' was approved by the Customer and Information Management Board (CIMB) on 26/6/14. It will shortly be communicated across the Council. This implementation will be verified in quarter 2.

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Original Target date	Audit Assessment (June 2014)
1b. IT Access Controls - Policies & Procedures Clear documentation for gaining access to specific systems should be developed and reviewed regularly	IT Transformation Team Leader (CSG)	Create a single Application Register for the council, which includes (amongst other information) a System Owner for each application, who will be the person responsible for developing, owning and reviewing the system access documentation and procedures for that application. Note that the System Owner may be within Capita or the council depending upon the application.	**First Draft by 30/6/14**	**Implemented** A live version of the application register is now in use. This identifies the responsible individuals for every application across the Council, including who can authorise access. This is a live document that is updated on a constant basis.
2a. IT Access Controls - Ownership & Accountabilities A formal agreement should be developed between Barnet and Capita detailing the responsibility for user management across the Council.	ICT Director (CSG) and Head of Information Management (LBB)	The IT User Access Policy (described in Comment 1 above) will include a definition of the split of responsibilities between the council, Capita and any other third parties for managing user access.	**Approval 30/6/14** **Implementation 31/8/14 (i.e. not yet**	**Implemented** The 'IT User Access Policy', approved by CIMB on 26/6/14, includes a division of responsibilities between the Council, Capita and third parties.

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Original Target date due)	Audit Assessment (June 2014)
2b+c. IT Access Controls - Ownership & Accountabilities For every application within Barnet, there should be a named individual who is responsible for user management. This listing should be maintained centrally and updated when appropriate.	ICT Director (CSG)	The Application Register will document the detailed responsibilities for each application.	**First Draft by 30/6/14**	**Implemented**
3a. IT Access Controls - Access to Council Systems and Data A Council wide formal process to remove all users from all systems should be developed and agreed between the Council and Capita. Barnet should seek assurance that Capita remove staff access in a timely basis.	ICT Director (CSG)	A new 'Starter – Mover – Leaver' process is currently being developed and implemented by the HR Service, which includes notification to the IS Service at each stage. Note that this does not include contractors.	30/6/14	**Implemented** CSG has introduced a new Starter-Mover-Leaver process that went live on 4 July 2014. All changes will be processed by HR keeping Core up to date and the information will then be passed on to inform IS, Facilities Management and Finance of any changes needed.
	ICT Director (CSG) and Head of Information Management (LBB)	Capita and Barnet will work together to determine the most effective way of controlling contractor access to systems, which will then be implemented alongside the employee controls.	**Agree by 30/6/14** **Implement by 30/9/14 (i.e. not yet due)**	**Implemented** HR has introduced a new Starter-Mover-Leaver process that went live on 4 July 2014 which includes controlling the access of contractors.

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Original Target date	Audit Assessment (June 2014)
3b. IT Access Controls - Access to Council Systems and Data Regular user reviews should be undertaken across all systems with follow up actions where relevant to remove users, evidence of these reviews should be retained.	ICT Director (CSG)	The IS Service is implementing internal procedures in line with ISO20000-1 best practice, which include a review and continuous service improvement element to each process. This will be used to validate the success of the new procedures. The outcome of these reviews will be reported to the IM&T Working Group after 6 months and annually thereafter.	30/9/14 (i.e. not yet due)	**Not yet due** **Partly Implemented** Evidence was available demonstrating the drive to improve Council systems over the next few years, including complete user reviews, however complete user reviews for all systems have not been completed.
3c. IT Access Controls - Access to Council Systems and Data An exercise to review all users with access granted prior to 2010 should be undertaken and the appropriateness of their access confirmed.			30/9/14 (i.e. not yet due)	**Not yet due** **Partly Implemented** A full review of users added prior to 2010 has not been completed; however, this has been planned.
3d. IT Access Controls - Access to Council Systems and Data Management should obtain ongoing assurance that polices and processes introduced are being followed in practice, including the retention of authorisation provided for IT access.			30/9/14	**Implemented** The CSG Monthly Report from Capita to IS on services performed for LBB for May was obtained. This states that issues arising with the policies and processes introduced are being continually monitored, demonstrating a commitment to continual assurance over business unit adherence to policies and procedures.

3. SWIFT & Wisdom

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Original Target date	Audit Assessment (June 2014)
1a. Swift and Wisdom - Governance and Oversight Documentation surrounding application administration, including detailed roles and responsibilities for staff members, should be developed and agreed across the business.	Programme Manager, Adults & Communities	Agreed, existing documentation to be updated to address recommendation.	30/6/14	**Implemented** The document titled 'A&C SWIFT Support and Administration v1' has been updated and now includes the roles of both CSG and A&C in the administration of the system.
1b. Swift and Wisdom - Governance and Oversight The escalation process for issues with Swift and Wisdom should be clearly documented. Additionally, a reporting framework between the helpdesk and the business unit managers should be devised to enable management to identify recurring issues.	ICT Director (CSG) and Head of Information Management (LBB)	The escalation process is informal at present; the process will therefore be clearly documented, and the reporting framework developed and confirmed.	30/6/14	**Implemented** For SWIFT specific issues, this has been included in the 'A&C SWIFT Support and Administration v1' document which was viewed and appears reasonable. Additionally, the escalation process document is available to all Council employees on the intranet.
1c. Swift and Wisdom - Governance and Oversight The process for systems procurement, including upgrades to existing systems, should be formalised and communicated to all relevant stakeholders.	Head of Information Management and Programme Manager, Adults & Communities	The process will be formalised and communicated.	30/6/14	**Implemented** The terms and conditions clarifying the responsibility for updating systems have been communicated to Adults and Community Services. As listed in the contract, Capita are in charge of maintaining and servicing systems, however, it is the responsibility of individual delivery units to pay for upgrades to systems.

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Original Target date	Audit Assessment (June 2014)
1d. Swift and Wisdom - Governance and Oversight Barnet/Capita should review where application ownership lies under the outsourced IT arrangement and ensure they reach agreement on responsibilities.	ICT Director (CSG) and Head of Information Management (LBB)	These discussions are already in progress, and will be confirmed and communicated	30/6/14	**Implemented** The Application Register, which is currently in live operation. This details the responsible parties for every application in use across the Council.
2a. Swift and Wisdom - Back-ups Management should ensure that back-up providers are performing back-ups to cover the entire data set supported by SWIFT and should get assurance of the success of these on an on-going basis.	Programme Manager, Adults & Communities and ICT Director (CSG)	Upgrade of SWIFT to new infrastructure and latest software level approved and due by end of June 2014.	30/6/14	**Implemented** The Council have received confirmation from the third party providing back-up services that the complete data set from Swift is covered by backups and this will happen on an ongoing basis.
2b. Swift and Wisdom - Back-ups Backups for Wisdom should be tested.	ICT Director (CSG)	Agree. A project to refresh the WISDOM infrastructure and move to a new data centre will include testing on restore and implement a periodic test. This is due to go live by October 2014	1/11/2014 (i.e. not yet due)	**Not yet due** **Partly Implemented** A plan has been agreed to include the ability to test back-ups as part of the upgrade WISDOM infrastructure. A project plan was reviewed that confirmed this plan.
2c. Swift and Wisdom - Back-ups Roles and responsibilities for data restoration should be defined and documented. This should be communicated to all stakeholders.	ICT Director (CSG)	As part of the Data Centre Move, responsibilities for restoring WISDOM to an agreed Disaster Recovery plan will be implemented formally.	1/11/2014 (i.e. not yet due)	**Not yet due** **Partly Implemented** As stated in response to 2b, a plan has been agreed but this has yet to be documented and communicated.

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Original Target date	Audit Assessment (June 2014)
3a. Swift and Wisdom - User Administration Logical access controls should be consistent between policy and application settings.	ICT Director (CSG)	Northgate have confirmed that the existing Password policy is in place and we have tested against it. We were unable to recreate the issue identified by Internal Audit. It will be included as a regular test in the IT controls policy.	**Resolved**	**Implemented** This was tested at both the user level and the admin access to server level and it was found that the logical access controls were appropriately set.
3b. Swift and Wisdom - User Administration Swift should be updated to enable audit trails of file access and changes to data.	Programme Manager, Adults & Communities and ICT Director (CSG)	We will discuss the standardisation of approach to Swift and Wisdom system/user administration as part of the implementation of the new A&C Adults Social Care system. In the meantime, we will agree and implement system audits for the current system.	**30/6/14**	**Implemented** This is documented as part of the 'Adults and Communities SWIFT Access Policy' document. This is to be further documented as part of the Swift Upgrade documentation (see Recommendation 4c). Systems Audits for all users are administered by Adults & Communities.
3c. Swift and Wisdom - User Administration Access levels and groups for Swift and Wisdom should be formally defined and documented dependant on job role, so that at the point of requesting access staff are easily able to articulate and request the levels required in line with job roles.	ICT Director (CSG)	As part of the roll out of the SWIFT upgrade, available roles will be documented and communicated as part of the Project.	**30/6/14**	**Implemented** As in 3b, this is documented as part of the 'Adults and Communities SWIFT Access Policy' document. The policy has been made available on the intranet. This is to be further documented as part of the Swift Upgrade documentation (see Recommendation 4c).

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Original Target date	Audit Assessment (June 2014)
3d. Swift and Wisdom - User Administration System audits should cover all users of the systems and be fully documented with agreement for ownership between Barnet and Capita.	Programme Manager, Adults & Communities and ICT Director (CSG)	We will discuss the standardisation of approach to Swift and Wisdom system/user administration as part of the implementation of the new A&C Adults Social Care system. In the meantime, we will agree and implement system audits for the current system.	30/6/14	**Implemented** System audits are carried out for both Swift and Wisdom by the Adults and Communities team on a quarterly basis. These are referenced in the administration documents for both systems received from Adults and Community services. The most recent audit was carried out in June 2014 and included a full user review.
4a. Swift and Wisdom - Information Governance Data classification definitions (such as normal, restricted, elevated) should be developed and agreed across the Council. Staff should be trained accordingly.	Head of Information Management	Under the Information Management Strategy, the Council will implement a workstream to implement the Government's Security Classifications Policy (formerly the Protective Marking Scheme). This policy has been substantially changed, and came into force in April 2014. An initial assessment of the requirements of the new Government classification scheme will be undertaken by end of June 2014 with the full programme to conclude by January 2016.	31/1/16 (i.e. not yet due)	**Not yet due** **Not Implemented** An assessment entitled '2014 06 20 Assessment of New Government protective marking scheme' was carried out by the Information Security Officer. This document details that the Council will look to transition to the government classification system in the future. The implementation of any overarching data classification policy for the Council has not been planned for any earlier than 2016.
4b. Swift and Wisdom - Information Governance Access to case information on Wisdom should be restricted according to business need.	Head of Information Management	As part of the Information Management Strategy, we are implementing a project to look at underlying problems with Wisdom and to evaluate its business purpose. We will look at the access controls in Wisdom at this point.	31/7/14 (i.e. not yet due)	**Not yet due** **Not Implemented** The Wisdom 'Get Well' SPIR (Special Project Initiation Request) was reviewed. This project will assess the business needs in relation to Wisdom and will act as a first step towards customising it to restrict information

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				appropriately.
4c. Swift and Wisdom - Information Governance Appropriate SWIFT system upgrades need to be implemented to ensure that staff do not need to resort to removing data from applications to work efficiently	Programme Manager, Adults & Communities and ICT Director (CSG)	A Swift upgrade project is currently in progress which will help to alleviate the system problems that have led to this issue.	30/6/14	**Partly Implemented** The Swift Project plan for the upgrade has been written and Adults have agreed with IS that it is sufficiently detailed to be baselined. The project is due for completion in November 2014. **Revised implementation date** November 2014

4. Records Management – Children's

Audit Title and Recommendation	Responsible Area	Response from Management	Audit Assessment (June 2014)
Records Management **Recommendation 4** <u>Access to Shared folders with personal information</u> Management should undertake periodic reviews of officers who have access to their electronic folders to ensure compliance with Information Governance policies. There should be a review of spread sheets to ensure that those in use are necessary and compliment, rather than hinder, the current records management processes. A policy or procedure governing spread	Education and Skills Director Children's Service	Agreed. Access could be reviewed against records of staff with access which could be provided. Initiatives to increase the use of Tribal as a system for capturing Information centrally are being considered. This should minimise duplication of information and the use of alternate local systems for recording information, facilitate the efficient retrieval of all relevant data and the efficient update of records. The Corporate Commissioning Council will need to be engaged in related decisions on initiatives.	**Implemented** Arrangements to ensure the careful and considered use of spread sheets was implemented and reported to the Audit Committee in October 2013. Management had completed the shared folder access reviews for the Special Education Team (SEN) and Education Psychology Team (EPT) for reporting to the January 2014 Audit Committee. Progress on the full implementation of Tribal was due to be reported to this Audit Committee, July 2014 Audit Committee, in line with the 30 June 2014 implementation deadline. The Education and Skills director took a decision as project sponsor of the Education and Skills Project

Audit Title and Recommendation	Responsible Area	Response from Management	Audit Assessment (June 2014)
sheet security should be developed and communicated to all teams. The policy should refer to following a risk based approach for decisions on how and whether to secure spread sheets and should state the mechanisms for restricting access to or preventing the update of spread sheets in line with identified risks.			Board not to implement full access to Tribal as initially planned. The Education Psychology (EP) Team therefore only have read only access to Tribal as reported to January 2014 Audit Committee.

A formal procedure was communicated to the EP team for notifying the SEN case holder of any inconsistent data in Tribal identified by the EP Team to ensure that all systems hold up to date consistent data. |
| **Records Management**

Recommendation 8

Duplicate data held across teams / inconsistent and inaccurate data for a child held across teams

A record change control process should be implemented which should involve capturing change to records centrally for communication across systems and teams. | Education and Skills Director Children's Service | Agreed. Initiatives to increase the use of Tribal as a system for capturing information centrally are being considered. This should minimise duplication of information and the use of alternate local systems for recording information, facilitate the efficient retrieval of all relevant data and the efficient update of records. The Corporate Commissioning Council will need to be engaged in related decisions on initiatives. | **Implemented**

For reporting to the January 2014 Audit Committee, the initiative to implement read only access in Tribal to key officers had started as agreed.

Officers in the Education Psychology Team and Multi-Agency Safeguarding Hub (MASH) team had been given read only access to child details in Tribal to facilitate the update, where necessary, of related data such as address and contact details.

Progress on the full implementation of Tribal was due to be reported to this Audit Committee, July 2014 Audit Committee in line with the 30 June 2014 implementation deadline.

The Education and Skills director took a decision as project sponsor of the Education and Skills Project Board not to implement full access to Tribal as initially planned. The Education Psychology (EP) Team therefore only have read only access to Tribal as reported to January 2014 Audit Committee. |

Audit Title and Recommendation	Responsible Area	Response from Management	Audit Assessment (June 2014)
			A formal procedure was communicated to the EP team for notifying the SEN case holder of any inconsistent data in Tribal identified by the EP Team to ensure that all systems hold up to date consistent data.

5. Financial Management

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Audit Assessment (June 2014)
Financial Management **Harrow & Barnet Public Law charges for legal services** The Commercial Team HBPL contract manager should communicate the legal services charging basis to budget holders and formalise the process of recharging with Delivery Units. Uncertainty around income from Re and the Barnet Group should be resolved by reference to the contract and without further delay.	Commercial & Customer Services Director	Agreed. The Commercial Team has written to all Delivery Unit leads and provided them with a breakdown of costs to date and projections for year-end for 2013/14. They were also advised of the arrangements for 2014/15 whereby all hours for the Delivery Units (outside of Re and Barnet Homes) are to be paid for centrally through the bulk purchased core hours. All costs of disbursements will be re-charged to the service areas. A face to face meeting was offered, and ongoing monthly reviews. All Delivery Unit leads have agreed the process for 14/15. Liasion with Re Contract Manager to broker a SLA between HBPL and Re is ongoing and will be in place for 1.4.14 The Commercial Team HBPL Contract Manager has also liaised with Barnet Homes to re-charge all appropriate costs for 2013/14, and to broker an agreement with HBPL for Housing HRA legal services for 14/15.	**Implemented** The basis for re-charging legal services has been formalised and communicated to Delivery Units - breakdowns of the 13/14 costs and arrangements for 14/15 were communicated to Delivery Units. A process for the recoupment of income earned by RE and Barnet Group has been developed. The SLA between HBPL and RE was agreed and completed. Arrangements to broker an SLA between HPBL and Barnet Group have commenced and the completion of the SLA is imminent.

6. People Management

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Audit Assessment (June 2014)
People Management **Recruitment of agency staff – approval** Evidence of the approval for the use of agency staff should be retained to demonstrate that agency staff levels are being monitored. Approval should ensure that agency staff are used where appropriate and when a valid business need arises.	CSG Human Resources Director	We are investigating the link between the established posts held on the Council's payroll system and introducing controls that include the use of the establishment number to cross reference all assignments to vacancies (or filled posts) to have greater control. As part of this, authorisation limits will be prescribed within policy as to the length of assignments and cost. CSG have provided an additional resource to manage the Comensura activities and implement new controls. New-style management information reports for Delivery Units will monitor agency usage and trends.	**Implemented** Comensura, the system for raising recruitment orders for agency workers, configuration has been updated to ensure that any agency order is matched to an establishment post number. Monthly reporting will be introduced to facilitate the matching of agency orders raised in Comensura to the post number in the CoreHR establishment. Comensura has also been updated with workflows that require approval of all Comensura orders at a Head of Service level or at a Director level if £15k or over.
People Management **Recruitment of agency staff – Disclosure and Barring Service (DBS) checks** In all instances line managers should confirm that DBS checks have been undertaken prior to agency staff commencing work at the Council. Request access to Comensura's internal audit reports on a periodic basis for review by management to provide assurance that pre-employment checks are being completed in a timely manner. Monthly sample checks of agency staff	CSG Human Resources Director	Comensura is a managing agent and not the supplying agency. However, new regulations from the Disclosure and Barring Service (DBS) allows portability of status (through the Update Status) lists that the Council should identify and ask individuals provided through agencies to bring with them to provide assurance. The HR team has a number of short term priorities that need to be covered such as Payroll switch to the new system which will prevent the above approach being implemented until June 2014. Therefore, a short term mitigating control in the highest risk areas of Children's and	**Implemented** A monthly process has been implemented by CSG for spot checking whether agency workers recruited for that month are DBS compliant.

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Audit Assessment (June 2014)
employed in high-risk roles should be selected and evidence obtained to confirm that the appropriate DBS clearance has been obtained prior to commencing work.		Adult's Services will be introduced to address the safeguarding concern that the current situation represents - at the transfer of the system to CoreHR, an audit and compliance report will be taken off the new system and verified to provide an assurance as to compliance for DBS checks and validity.	

7. Business Continuity

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Audit Assessment (June 2014)
Business Continuity **Recommendation 1** <u>Strategy</u> A business continuity strategy should be developed as soon as is practicable and approved by senior officers and Members. The strategy should be reviewed annually at a minimum, to confirm that it reflects best practice and organisational structure. The business continuity strategy should specifically address accommodation. The risks and costs of the strategy should be set out clearly for Members, so that they can decide on the Council's risk appetite with regards to business continuity.	Head of Information Management	As part of the business continuity project we have now started, a business continuity strategy will be created, and review mechanisms put in place as part of this.	**Implemented** The Business Continuity Strategy to mitigate the risk of disruption to the Council's critical services was drafted and approved by Senior Management. The Strategy provided for the on-going review of Corporate and Delivery Unit Business Continuity Plans.
Business Continuity	Head of	As part of the business continuity project	**Implemented**

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Audit Assessment (June 2014)
Recommendation 2 Central maintenance of BC Plans All Delivery Unit business continuity plans must be held centrally, so that they can be accessed readily during a business continuity event. Delivery Units should ensure that they supply updated business continuity plans & contact lists every six months or more frequently if needed.	Information Management Delivery Unit business continuity champions	we have now started, we will ensure that a process is put in place for holding DU business continuity plans centrally. Delivery Unit business continuity champions agree that they will supply updated business continuity plans & contact lists every six months or more frequently if needed.	The Strategy provided for maintaining Delivery Unit Business Continuity Plans centrally. Some were already held centrally while the remainder would be retained as part of the 6 monthly reviews undertaken in terms of the strategy to ensure that information on functions, contacts and telephone information are kept up to date.
Business Continuity **Recommendation 3** Testing of BC Plans Business continuity plans should be peer-challenged and tested regularly by discussion, table-top and live exercises. Testing should be led by the corporate business continuity lead, and Delivery Units should send an appropriate representative to ensure that all plans would work together in the event of an incident.	Head of Information Management Delivery Unit business continuity champions	As part of the business continuity project we have now started, we would put in place a process for challenging and testing BC plans. Delivery Unit business continuity champions agree to send an appropriate representative for challenging and testing BC plans.	**Implemented** The Business Continuity Strategy provided for the testing of Business Continuity Plans. The testing of BC plans is a stated deliverable, due September 2014, of the next phase, phase 3, of the project established for developing and implementing business continuity arrangements in the Council.
Business Continuity **Recommendation 4**	Head of Information Management	As part of the business continuity project we have now started, we will ensure that a record is kept of previous incidents and their lessons learned.	**Implemented** The Business Continuity Strategy provided for learning lessons from future related training and

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Audit Assessment (June 2014)
Lessons learned There should be a record of previous incidents so that lessons can be captured and used to inform the Council's business continuity arrangements.			exercises.

8. Parking Contract

Audit Title and Recommendation	Responsible Area	Response from Management (June 2014)	Audit Assessment (June 2014)
Parking Contract **Recommendation 1** <u>Benefits Realisation</u> Management should ensure that processes are put in place to effectively monitor and regularly review the realisation of financial and non-financial benefits. This should include: • A review of the current targets for planned benefits to re-assess their validity; • Identifying baselines (where possible) for existing levels to demonstrate delivery of benefits; • Agreeing where the realisation of planned benefits will be monitored and issues escalated; • Defining the roles and responsibilities of	Infrastructure and Parking Manager	Street Scene will review each of the 13 benefits and make appropriate changes to ensure that these are meaningful, measurable and deliverable. Once a revised Benefits Realisation Plan is in place, resource requirements can be assessed and resources put in place and allocated appropriate responsibility for on-going monitoring and reporting.	**Implemented** The Benefits Realisation Plan with both financial and non-financial benefits was reviewed by senior management to ensure that expected benefits were meaningful and measurable. The updated plan defined baselines for benefits, where possible, targets and mechanisms for measuring the delivery of benefits and clarified roles and responsibilities for their delivery. Reporting of progress periodically to the Street Scene Senior Management is planned.

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those involved; and Refreshing the information contained within the Benefits Realisation Plan to monitor and report on the realisation of planned benefits.			
Parking Contract Recommendation 2 Issues Management a) An issue management strategy should be introduced to ensure that issues which occur are consistently and effectively recorded, monitored, escalated and resolved in a timely manner; and b) Management should create a formal issues log for the Parking contract. As a minimum this should include: • Description of the issue; • Potential impact of the issue; • Agreed actions; • Owners of agreed actions; • Target dates for resolution. c) This information should then be regularly monitored and updated.	Infrastructure and Parking Manager	Street Scene accept that this is an important aspect of good contract management and the recommendation is accurate and confirms our view of what actions need to be implemented to improve the management of the contract and as such this will be implemented as recommended.	**Implemented** An issues management strategy has been implemented. NSL contract issues are documented in a fit for purpose contract issues log for on-going review and update, as a minimum on a monthly basis at the monthly contract meetings between Council and NSL where discussion is included as a standard agenda item.