ABERDEEN CITY COUNCIL

COMMITTEE	Audit and Risk Committee
DATE	20 November 2014
OWNER OF PAPER	David Brown, Chief Internal Auditor
TITLE OF REPORT	Implementation of recommendations relating to Internal Audit, External Audit and other investigations for 1 August 2014 to 30 September.

1. PURPOSE OF REPORT

To update Audit and Risk Committee Members on the progress on implementing Internal Audit, External Audit and other investigations recommendations included within reports previously approved by the Audit and Risk Committee. This report focuses on:

- Internal Audit, External Audit and other investigations recommendations due for implementation prior to 30 September 2014

2. RECOMMENDATION(S)

Members are asked to consider this report and request actions or explanations as appropriate.

3. FINANCIAL IMPLICATIONS

There are no financial implications other than those associated with the implementation of the recommendations which will be undertaken and financed by the Services.

4. OTHER IMPLICATIONS

This report does not have any direct links with the following: legal, resource, personnel, property, equipment, sustainability and environmental, health and safety and/or policy implications and other risks.

5. BACKGROUND/MAIN ISSUES

See Appendix A for summary of overdue internal audit recommendations and explanations for progress and revised timescale for implementation.

See Appendix B for a summary of overdue external audit and other investigations recommendations and explanations for progress and revised timescale for implementation

6. IMPACT

Corporate – Internal Audit supports the Local Outcome, set in both the Single Outcome Agreement and the Interim Business Plan, that "Our public services are high quality, continually improving, efficient and responsive to local people's needs."

Public – None

7. BACKGROUND PAPERS

None.

8. REPORT AUTHOR DETAILS

David Brown
Chief Internal Auditor – Aberdeen City Council
david.brown@uk.pwc.com
07725 704549

1. Summary Findings - recommendations from Internal Audit

1.01 The table below summarises the internal audit reports where recommendations were due for implementation prior to 30 September 2014.

1.02 The total due at 30 September 2014 includes those recommendations that were open as of our last report at 31 July 2014 and those due to be implemented in the period between the 1 August 2014 and 30 September 2014.

1.03 The 'open' recommendations are all those recommendations with an original target implementation date prior to 30 September 2014. This includes those recommendations where a revised target date for implementation has been communicated to Committee. Please refer to Appendix A for a detailed listing of all open recommendations.

Title	Date Issued	Total Due at 30 Sept	Closed	Open
Lone Workers Review	Mar-13	4	0	4
Homeless Targets	Jan-13	3	3	0
Self-Directed Support Arrangements	Sep-14	1	1	0
Arm's Length Organisations	Apr-13	3	0	3
Fraud Governance Arrangements	Sep-13	2	2	0
Contract management arrangements within Social Care & Wellbeing	Jan-14	1	0	1
Corporate Travel System	Oct-13	3	1	2
Key Invoicing Controls within the Building Services Department	Jul-13	4	3	1
Fleet Management	Feb-14	1	0	1
Following the Public Pound Arrangements	Jan-14	4	4	0
Aberdeen Western Peripheral Route	May-14	1	0	1
IT Third Party Management	Apr-14	1	1	0
Roads Reinstatement by Utility Companies	May-14	3	1	2
Sourcing and Management of Agency Staff	Jun-14	3	0	3
Car Parking and Bus Lane Enforcement	Sep-14	3	2	2
Complaints Handling	Sep-14	2	2	0
Flooding and Coastal Risk Management	Sep-14	3	3	0
IT Security (Network and Perimeter)	Sep-14	1	0	1
Private Sector Housing	Jun-14	1	1	0
Total		**44**	**24**	**20**
Percentage of Total			**55%**	**45%**

1.04 On request from the Audit and Risk Committee Chair, an analysis of revised target dates has been performed:

Revised Target Dates	Number of Open Recommendations
Between 2-6 months after original due date	7
Between 7-12 months after original due date	6
Between 13-17 months after original due date	6

*please note, this analysis does not include the one recommendation which is marked as "on-going"

2. Summary Findings - recommendations from External Audit and other investigations

2.01 The table below summarises the recommendations relating to External Audit and other investigations which were due for implementation at the time of compiling this report:

- UK Information Commissioner's Office (ICO) Audit of the Council's Data Protection Arrangements (published in June 2013); and
- Audit Scotland Interim Report 2013/14 (published June 2014).

2.02 An update relating to the recommendations of the Regulation of Investigatory Powers (Scotland) Act 2000 (RIPSA) report (which was presented at the Audit and Risk Committee in September 2014) will be included within the next follow up report presented in February 2015. The associated Action Plan is included within Audit Scotland's "Annual Report on the 2013/14 Audit" which is presented at this meeting.

2.03 Please refer to Appendix B for a detailed listing of all open recommendations.

Title	Date Issued	Total Due	Closed	Open
UK Information Commissioner's Office (ICO) Audit of the Council's Data Protection Arrangements	Jun-13	18	2	16
Audit Scotland Interim Report 2013/14	Jun-14	8	5	3
Total		**26**	**7**	**19**
Percentage of Total			**27%**	**73%**

.

Appendix A

Status of outstanding internal audit recommendations

Detailed commentary – open recommendations

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
1	Arm's Length Organisations	Apr-13	**Risk Rating: Medium** Establishing terms and conditions is an important means of influencing ALEOs to ensure the needs of the Council are met. Accordingly, there is a need to monitor the position and take appropriate action as required to ensure contractual obligations are met. The Council will revisit the contractual arrangements with each ALEO and ensure they reflect the key requirements of the Councils own "Following the Public Pound" document. Any arrangement will clearly define criteria for the council withholding its funding, or for terminating its relationship with the ALEO.	Corporate Accounting Manager 30-Sep-13	The funding agreements for each of the ALEO's have been reviewed and gaps have been identified that require to be revised to comply with the Council's Following the Public Pound code of practice. Further consideration of the funding agreements has meant that all are not yet revised, for example Sport Aberdeen's agreement will be undertaken once ASV's is complete - ASV's expected to be finalised by the end of December 2014. **Revised Target Date:** 31-Dec-14

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
2	Arm's Length Organisations	Apr-13	**Risk Rating: High** The Council will put in place reporting arrangements whereby the scrutiny of each ALEOS performance is in the context of its financial performance, service performance, achievement of objectives, risk and contract compliance. A standardised reporting arrangement will be followed for all ALEOs to ensure the following key areas are captured: • Financial Performance and Going Concern; • Performance against KPIs; • Contractual Performance; and • Consideration of management of individual ALEO corporate risks. Representation at a senior level from each ALEO will be formally requested to attend Audit and Risk Committee (at least annually) to discuss ALEO performance, risk management arrangements the future strategies of their organisations and how the ALEO contributes to the achievement of its own strategic objectives and single outcome agreement and this requirement will be built into any SLA between the council and the ALEO.	Corporate Accounting Manager 30-Sep-13	At the last meeting of the Council there was performance reporting in relation to Bon Accord Care. Since then a review of the governance arrangements of Bon Accord Care has been undertaken and will be reported to the Shareholder Scrutiny Group on 20 November and regular reports will follow each cycle. Reporting on the arrangements across the other organisations will be completed for the next meeting of Audit and Risk Committee. **Revised Target Date:** 28-Feb-15

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
3	Arm's Length Organisation	Apr-13	**Risk Rating: Medium** 1. Management will ensure that any Funding and Service Provision Agreement outlines the requirement that individual ALEOs must have risk management processes in place to identify, assess and mitigate risks. 2. A risk management framework, established by the individual ALEOs, will be reviewed by the Council to confirm its adequacy, with regular reporting on the status and management of individual ALEO high rated corporate risks reported to Council. 3. In addition, the Council will maintain its own risk register that identifies, assesses and manages its key risks relating to its funding of individual ALEOs and the services they provide.	Director of Corporate Governance 31-Dec-13	1. This will be confirmed as part of the reviews identified under item 2 above; 2. A risk management framework has been established; and 3. The Council does maintain its own risk register and once the assessment and findings have been collated by the Governance Hubs then it is expected that specific risks for the Council will be included where appropriate. **Revised Target Date:** 31-Dec-14

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
4	Aberdeen Western Peripheral Route	May-14	**Risk Rating: Low** ACC should identify any bespoke risks arising from the project for inclusion in its corporate and directorate risk registers.	AWPR Managing Agent Ongoing	There has been no change and nothing specific to report since the last update to Committee and the audit was carried out in May 2014. The project is still going through its procurement phase and for this reason I am limited in what I am able to share at this moment in time. From a budget perspective, the Council's funding contribution for the delivery of the project is agreed. Throughout the procurement, key project specific risks are being shared with the Council's representative (Head of Service, Dr Margaret Bochel, Planning & Sustainable Development) who sits on both the Project Review Group and Project Board, along with the Chief Executive at the Project Board. The project is moving towards a financial close (award of contract) anticipated later this calendar year. At that time or soon after, I shall have access to the project's construction programme as planned by the Preferred Bidder. Following the formal award of contract, I would then propose reviewing the project's construction programme to determine what bespoke project risks exist that would merit inclusion within the Council's Corporate and Directorate risk registers. **Revised Target Date:** Ongoing

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
5	Corporate Travel System	Oct-13	**Risk Rating: Medium** The Corporate Travel Section should ensure that: • Travel Application Forms are authorised by a claimant's line manager prior to payment, with the documented guidance notes amended to expressly state that forms should be signed by staff of a higher grade than the claimant, or in the case of directors another director. • Where overnight spend limits are exceeded, authorisation is obtained from the respective traveller's line manager and evidenced on file along with justification. • Management should consider automating the Travel Application Form completion and approval process to reduce the level of manual error. This could involve delegated authorities whereby notifications are sent to the appropriate personnel to authorise TAFs that have been submitted.	Service Accounting 30-Apr-14	The first two points were completed in May 2014. The automation of the travel application process is under development in consultation with HR. Estimated implementation date March 2015. **Revised Target Date:** 31-Mar-15
6	Corporate Travel System	Oct-13	**Risk Rating: Low** Management of the Corporate Governance Service should, in conjunction with the Central Procurement Unit, consider establishing contracts for items of travel expenditure to secure best value pricing.	Service Accounting 30-Apr-14	Continued progress is being made. A Scotland wide focus group met regarding a framework agreement for travel partners. Finance and procurement are continuing to work jointly on this action. There is still an estimated target date of March 2015. **Revised Target Date:** 31-Mar-15

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
7	Fleet Management	Feb-14	**Risk Rating: Low** Licence information should be input directly into Tranman and set-up to be regularly checked with DVLA. This will provide give greater comfort that infractions will be highlighted early and allow FM to monitor that driver qualifications are suitable for their role.	Fleet Manager 30-Jun-14	Discussions are ongoing with Central Procurement, and a joint procurement has been discussed with Aberdeenshire Council, to purchase a service providing DVLA data. **Revised Target Date:** 28-Feb-2015
8	Lone Workers Review	Mar-13	**Risk Rating: Medium** Procedures should be put in place to ensure that lone workers whose visits extend after the end of the working day can report when they have completed their work, and that action is taken if they fail to do so. For example, management may consider it appropriate for staff to report to team leaders, to nominated colleagues on a rota basis, or to the Out of Hours service.	Social Care & Wellbeing Senior Management Team 31-Sep-13	This element is covered within the Lone Working Policy for SC&W, which has been approved by the SC&W Senior Management Team. The policy will be presented to the December Education and Children's Services Committee. **Revised Target Date:** 02-Dec-14
9	Lone Workers Review	Mar-13	**Risk Rating: Medium** Staff should only visit a client alone if they can confirm on CareFirst that there is no such warning marker, or if professionals will be present from other services. A process should be put in place to allow CareFirst to be checked when not in an ACC office, for example by contacting the team leader, and to ensure warning markers are checked prior to system maintenance commencing overnight.	Team Manager (Performance Management) 31-Sep-13	This element is covered within the Lone Working Policy for SC&W, which has been approved by the SC&W Senior Management Team. The policy will be presented to the December Education and Children's Services Committee. **Revised Target Date:** 02-Dec-14
10	Lone Workers Review	Mar-13	**Risk Rating: Medium** A framework should be created to allow a risk assessment of what equipment is required for each team within SC&W in relation to lone working and this framework should be used consistently across the service. A minimum level of equipment should be identified for all lone workers, which may include panic alarms.	Social Care & Wellbeing Senior Management Team 31-Sep-13	This element is covered within the Lone Working Policy for SC&W, which has been approved by the SC&W Senior Management Team. The policy will be presented to the December Education and Children's Services Committee. **Revised Target Date:** 02-Dec-14

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
11	Lone Workers Review	Mar-13	**Risk Rating: Medium** SC&W management should agree policies and procedures for assessing whether situations are suitable for lone working and for managing the risks involved. These should then be made available to the relevant staff members. There should be a standard template for teams to assess and record the risks relating to lone working to aid consistency.	Social Care & Wellbeing Senior Management Team 31-Sep-13	This element is covered within the Lone Working Policy for SC&W, which has been approved by the SC&W Senior Management Team. The policy will be presented to the December Education and Children's Services Committee. **Revised Target Date:** 02-Dec-14
12	Key Invoicing Controls within the Building Services Department	Jul-13	**Risk Rating: High** The importance of returning goods received notes will be re-communicated to staff. Management will also review the process used by Tradesmen and Surveyors to ensure that this action is fully completed. Management will develop a report (or utilise a current report e.g. negative stock report, if deemed appropriate) to allow missing goods received notes to be monitored. Building Services will take management action if staff are repeatedly not returning goods received notes.	Contract Manager 31-Jan-14	The importance of returning goods received notes has been be re-communicated to staff. Management have reviewed the process used by Tradesmen and Surveyors to ensure that this action is fully completed. A business case has been written to establish an Assistant Contract Manager who will take on the responsibility of reviewing the negative stock report and the management action for not returning goods received notes. Update 3/11/14 Building Services are currently recruiting an Assistant Contract Manager who will take on the responsibility of reviewing the negative stock report and the management action for not returning goods received notes. **Revised Target Date:** 31 January 2015

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
13	Roads Reinstatement by Utility Companies	May-14	**Risk Rating: Medium** 1. Management should implement a process whereby inspections are formally scheduled throughout the year and progress is monitored by the Team Leader. 2. Management should perform a cost benefit analysis for Aberdeen City Council to understand if increasing the number of inspections would result in improvements in the whole life of the asset.	Team Leader, Street Occupations 1. 31-May-14 2. 30-Sep-14	The first recommendation has been actioned. The staff has been apprised of the report findings and accordingly, with the additional inspector now in place for the full financial year, the category A samples that have caused target problems are being given more focus. (Note the inspections for this category had averaged 39% more inspections than was required, however, the nature of this inspection relies on the Utility being on site within a window of up to three days thus the site inspection might not find an active presence and hence the statistics suggest fewer inspections when in fact more were carried out but are not recognised in the system as an inspection and are recorded as aborted, thus the efforts of the inspector show a distorted shortfall on the target figures). A more focussed effort is in place with the emphasis on category 'A' inspections and the targets are now being achieved. Contact can be made with the noted source on the Symology system for more accurate dates of the Utility activity; however this does remove the surprise spot inspections that might otherwise find defects in the signing and guarding of the works. The current results are reported to the Team Leader on a monthly basis to allow closer monitoring of the inspections. The second recommendation from the finding is still to be evaluated and is under discussion. **Revised Target Date:** 31 March 2015

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
14	Roads Reinstatement by Utility Companies	May-14	**Risk Rating: Low** The Roadwork's Coordination Unit should work alongside Finance to develop a process whereby Fixed Penalty Notices (FPNs) can be monitored and tracked for bad debt purposes.	Team Leader, Street Occupations 30-Sep-14	We are starting to print out the current list of FPN's and compare this with those paid through the finance ledger, this is a manual process for which we are looking for an electronic solution currently the finance and the Symology systems do not speak to one another. Unfortunately there is currently no easy solution to this. **Revised Target Date:** 31 March 2015

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
15	Contract Management Arrangements within Social Care & Wellbeing	Jan-14	**Risk Rating: High** Contracts should be in place for all services procured. Where a service has not been tendered, a clear rationale and support for this decision should be retained as evidence, and be complete and easily accessible. Where a Committee approves a contract extension, this should always be followed up with the agreement and formalisation of a contract. Where a contract expires, that is yet to be tendered or the contract extension in place a clear protocol should be in place, which considers how the service manages any risks to the Council, including an approvals process, whilst continuing to provide the service.	Social Care & Wellbeing Service Manager 31-Jan-14	The Contract Register for Social Care and Wellbeing has been reviewed and updated although this is an ongoing task. Services where contracts are required have been prioritised in terms of contract value and risk to continuing service delivery. The resulting work plan for 2014/15 was approved at the June Committee. Regular updates on progress against this will be monitored on an ongoing basis within the team through normal management arrangements and will be reported to SCWB SMT. The latest progress report indicates that 42 contracts have been put in place since April 2014 as well as the framework for Learning Disabilities being awarded. Work is progressing in another 16 areas which should see contracts in place by 31st December 2014. The second phase of the restructure was approved at Council on 20th August 2014 and the SCWB Commissioning and Contracts team has now transferred to the remit of the Head of Commercial and Procurement Services. The team will adopt the already well-established protocols within the Procurement Team for ensuring that there is an ongoing rolling programme for contract renewal. **Revised Target Date:** 31-Dec-2014

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
16	Sourcing and Management of Agency Staff	Jun-14	**Risk Rating: High** Approval process: • Management will remind all administrative staff involved in sourcing agency staff to only do so once an appropriately authorised request form has been received, in line with Council procedures. • Hiring Managers will be reminded to only source staff through the proper channels, with direct contract with agencies not being allowed. • The current procedure will require more rationale to be given for an extension to a position which has been filled by an agency worker for 24 weeks. The Hiring Manager will be required to present a business case to justify that this is indeed a temporary vacancy and not one which is able to be filled through other means. The business case presented will be approved by the Head of Service or Service Director before being processed. Agency workers employed past 24 weeks: • The Council's legal service will perform an assessment over agency posts that have passed 24 weeks (including those that agency companies have provided who are self-employed) to determine whether in 'substance over form' these employees could be viewed by a Court as being permanent employees.	Heads of Service Head of Legal and Democratic Services 31-Jul-14	No further update since last Committee. The approval process has been reiterated to the H&E administrative team and H&E hiring managers and the appropriate authorised request form has been circulated. This was done through an email on the 7 July 2014. An update to the procedures will be implemented to require more rationale to be given for an extension to a position that has been filled by an agency worker for 24 weeks. **Revised Target Date:** 31-Dec-14

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
17	Sourcing and Management of Agency Staff	Jun-14	**Risk Rating: Medium** Management will ensure that more detailed planning is given to assess the agency staff that will be required under bulk orders, providing more accurate details on volume of hire or expected spend when placing requests. These requests will then follow the same process as detailed in Recommendations 3.01. As with individual agency staff, for bulk order workers, detailed records will be kept detailing information including name, job type, skill set and place of work.	Hiring Managers 31-Jul-14	No further update since last Committee. The process for requesting bulk orders has now been changed so that every four weeks the appropriate Head of Service receives the estimated cost for the bulk order before they approve it. Detailed records of bulk order workers were already being kept, and will continue to be kept, in H&E. This action will be closed on completion of the actions for Recommendation 3.01. **Revised Target Date:** 31-Dec-14

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
18	Sourcing and Management of Agency Staff	Jun-14	**Risk Rating: Medium** The job profiles for all 16 categories of trade staff will be reviewed with the output being one standard set of criteria which is expected of the worker, regardless of employment status. The updated job profiles for all categories of staff provided under the trade workers framework will be communicated to the agencies. Procurement will ensure that any further updates are communicated with the agencies providing such employees.	Operations Manager Building Services HR Partner 31-Jul-14	No further update since last Committee. The current framework for use of Craftworker agency staff was tendered around 4 years ago and at that point in time a profile was created for each trade. The profiles for each trade haven't been updated since the current contract was tendered. To change the profiles for the existing contract would require the written agreement of the parties to the framework agreement. The framework for use of Craftworker agency staff is currently being retendered and the City Council are part of a group of approximately eight Councils working collaboratively on the framework. Whilst the City Council can feed into the profiles to be created as part of the collaborative framework, there is no guarantee that the other Councils will collectively agree to use the Aberdeen City Council job profiles for the collaborative framework. If this is the case, the City Council could decide to withdraw from the collaborative tendering process and to tender independently. There may be opportunity to change the profiles being used under the current contract but more time would need to be allowed for this to enable discussion between the parties to the framework agreement to take place. **Revised Target Date:** 31-Dec-14

Item No.	Report Title	Report Issued Date	Recommendation and Risk Rating of Finding	Responsible Officer and Action Due Date	Responsible Officer Update
19	Car Parking and Bus Lane Enforcement	Sep-14	**Risk Rating: High** Audits of cash recorded by the machine and counted by G4S should be performed to identify possible incidents of fraud. Discrepancies should be monitored and followed up as required.	Income Management Team, Revenue and Benefits 30-Sep-14	Action plan has been put in place with input from four service areas which is designed to fully address the recommendations. **Revised Target Date: 31 March 2015**
20	IT Security (Network and Perimeter)	Sep-14	**Risk Rating: Medium** • All critical Council IT systems will be included in vulnerability scans on a quarterly basis. • Critical systems will be identified through a risk assessment that will consider those risks of most significance to the Council, for example legal and regulatory risks and financial risks.	ICT Manager 30-Sep-14	We have added a column to our applications catalogue to identify business critical systems. We have marked those previously identified as critical and added others identified as critical through review and discussion. However, the formal risk assessments have not yet been completed. The quarterly scanning is in progress, but, at this stage, we cannot evidence a time table to show that all those critical systems are scheduled for vulnerability scanning. Therefore we would say this action is still in progress with a revised target date of end of November to complete the evidence of this action. **Revised Target Date:** 30-Nov-14

Appendix B

Status of outstanding recommendations relating to External Audit and other investigations

Recommendation	Agreed action, date and owner	Update	Lead Officer
UK Information Commissioner's Office (ICO) Audit of the Council's Data Protection Arrangements			
A16. ACC should formalise an on-going DP targeted work plan, underpinned by a DP governance strategy, which is then periodically reviewed thereafter.	ACC accept this recommendation and will develop a targeted work plan which will be underpinned by the Information Management Strategy and Action Plan. The work plan will be reviewed in line with the Strategy at a bi-annual basis but will be monitored by the Steering Group referred to at A9above. OWNER: SIRO supported by appropriate officers TIMESCALE: within 6 months of Audit report being published.	The preparation of the Corporate Business Classification Plan and Record Retention Schedule is on-going and, as per the February 2014 update, is expected to be completed within 12 months of the audit report being published, namely by July 2014. The Plan and Schedule will be subject to Committee approval thereafter. Progress on completing this action has been impacted upon by logistical changes across the organisation as a result of the Aberdeen City Council Smarter Working programme which seeks to rationalise the office accommodation space being utilised. As detailed in A9 above, the remit of the IMGAG has now been confirmed and will be responsible for information management strategy, including DP governance.	Fiona Smith
A19. ACC should consider implementing internal compliance checks, for example in the form of self-assessments, to support overall DP compliance or areas where specific risk(s) may have been identified. Furthermore, compliance feedback should be collated and reviewed periodically in order to provide corporate oversight.	ACC accept this recommendation. A checklist which is already in operation regarding clear desk practices will be reviewed and rolled out across all directorates to ensure compliance is effectively being monitored systematically and reported on. OWNER: SIRO supported by appropriate officers. TIMESCALE: checklist to be developed within 2 months of Audit report being published.	As previously reported, implementation of this recommendation is overdue. The expected roll out of a clear desk policy checklist has not yet been possible as the draft checklist requires to be adapted to take account of revised working arrangements as part of the Smarter Working Programme. The IMGAG have agreed that the requirement for self-assessment and compliance monitoring in respect of DP compliance be included in the Information Management Strategy and be required by Committee in order to demonstrate the significance of this to all staff. Thereafter it is intended to include details of compliance and compliance monitoring within training for staff again to underline the significance of adherence as part of information management. In future, compliance checking will be tied into reporting considered by the IMGAG and reported to CMT on an exception basis. Officers have included work to map the internal controls across the Council within the 2014/15 Internal Audit Plan. It is anticipated that this will lead to a corporate approach to self-checks to support compliance with key policies and procedures and will include information management compliance.	Fiona Smith Martin Murchie (re Internal Control Mapping)

A20. Salient areas of DP compliance should be routinely monitored and measured against corporate key performance indicators, such as subject access request volume, subject access request compliance and mandatory training completion. Performance against these KPIs should be escalated to the appropriate forum for corporate oversight.	ACC accept this recommendation and shall align DP compliance with existing quarterly Information Compliance reporting (which includes complaint and FOI key performance indicators) will be reported to the SIRO, who will then determine what information should be further reported to CMT on an exception basis. OWNER: SIRO supported by appropriate officers. TIMESCALE: first KPIs to be reported in line with timescales for second quarter, thereafter KPIs will be reported quarterly thereafter to the SIRO.	As previously reported, implementation of this recommendation is overdue. The expected roll out of a clear desk policy checklist has not yet been possible as the draft checklist requires to be adapted to take account of revised working arrangements as part of the Smarter Working Programme. The IMGAG have agreed that the requirement for self-assessment and compliance monitoring in respect of DP compliance be included in the Information Management Strategy and be required by Committee in order to demonstrate the significance of this to all staff. Thereafter it is intended to include details of compliance and compliance monitoring within training for staff again to underline the significance of adherence as part of information management. In future, compliance checking will be tied into reporting considered by the IMGAG and reported to CMT on an exception basis.	Fiona Smith
A23. A corporately controlled method of tracking SAR requests should be implemented to standardise data capture and facilitate simple compliance monitoring (plus KPI performance monitoring – see A20. Furthermore, the management of SAR compliance should be overseen by an appropriate service team, for the sake of consistency.	ACC accept this recommendation and as per A20 and A21 above will develop a monitoring regime which ensures the management of SARs is overseen by the appropriate officer(s). OWNER: SIRO supported by appropriate officers. TIMESCALE: within 6 months of Audit report being published.	Recording of SAR responses is on-going and a future meeting of the IMGAG will be invited to consider KPI performance monitoring.	Fiona Smith

B10. Introduce formal KPI's, overseen by CMT, to formally measure mandatory DP training completion.	ACC accept this recommendation and shall ensure that formal KPI's are devised and reported in accordance with A20 above. OWNER: SIRO supported by appropriate officers TIMESCALE: First report due second and quarterly thereafter.	As detailed in the February 2014 update, details of the number of employees who complete "For Your Eyes Only" the data protection principles mandatory training course are included in monthly training reports sent to each Directorate and to CMT. Customised reports, on individual staff or groups of staff, can also be requested at any time. In future (see B11 below) it is anticipated that completion of mandatory training by employees will be monitored through Performance Review & Development reporting so that it is easier to monitor and report on.	Dorothy Morrison / Fiona Smith
B11. Reporting improvements should be implemented concerning training completion compliance monitoring, in order to simplify the identification of staff who have not undertaken mandatory training within an acceptable period.	ACC accept this recommendation and shall be exploring alternatives to ensure that it can easily identify those staff that have not undertaken training and improve reporting on a corporate basis. OWNER: SIRO with assistance from the Head of Human Resources and Organisational Development. TIMESCALE: within 6 months of the publication of the Audit report.	Work is currently underway to scope out including compliance monitoring as part of the Performance Review & Development function (PR&D) on YourHR (the Council's online HR portal). It is envisaged that a tool will be development by the YourHR team that will allow managers to see at a glance via YourHR who has completed the training in their teams / services. Immediate line manager oversight will enable close, local monitoring and early intervention to ensure that training is undertaken timeously. This function could also capture any refresher training etc in the same way. This function can also be used to prepare reports at section, service and corporate level. Implementation of this recommendation is behind schedule owing to the current work levels of the YourHR team. It is planned that the reporting function will be completed within 12 months of the publication of the Audit report.	Dorothy Morrison / Fiona Smith
B14. Measures should be implemented to provide all appropriate ACC staff with DP related refresher training, including information security and records management standards, on a regular periodic basis. Current best practice would suggest that an annual cycle would be appropriate. It is also advisable to mandate the completion of any such refresher training and to	ACC accept this recommendation. Refresher training will be mandated by CMT as is DP training. Refresher training will be developed later in 2013 and will be delivered in accordance with the DP Training Programme. The training will focus on information security, records management and practical compliance. OWNER: SIRO with assistance from the Head of Human Resources and Organisational Development. TIMESCALE: by November/ December	Implementation of this recommendation has been further delayed due to the work required to establish the IMGAG and other work commitments within the Organisational Development team. Officers from Organisational Development will, with assistance from the IMGAG will develop appropriate arrangements for Data Protection refresher training by 31st October 2014. Plans for refresher DP training for Elected Members are also currently being considered and will be rolled out in the autumn of 2014. Following this, CMT will be invited to consider whether such refresher training should be mandatory for all staff and, if so, the frequency that each employee will be expected to complete the refresher training.	Dorothy Morrison / Fiona Smith

corporately monitor both completion and compliance achievement.	2013- CMT approval. Roll out commencing Jan 2014.		
B15. Ensure a dedicated SAR handling course, written at a suitably detailed level, is devised and rolled out to appropriate ACC staff as planned. Training completion (and compliance achievement) should be tracked and monitored corporately.	ACC accept this recommendation and recognise the need to develop a specialised SAR handling course which will be available to IMLOs and service managers within each Directorate. Attendance at the training will be reported back to the SIRO via KPI reporting. OWNER: SIRO with assistance from the Head of Human Resources and Organisational Development. TIMESCALE: within 3 months of Audit report being published.	The dedicated Subject Access Training course has been rolled out to 3rd tier managers in all services with the exception of one. Plans to facilitate arrangements for covering 3rd Tier Managers in that service are presently being made.	Fiona Smith
B16. Consider the appropriateness of whether staff who are responsible for the corporate oversight of DP compliance, and potentially information assets in future, should undertake dedicated training.	ACC note this recommendation and will consider what training is available and assess the need and appropriateness of same. OWNER: SIRO TIMESCALE: Training will be undertaken within 12 months of the date the Audit report is published.	As a consequence of organisational restructuring, it is now considered necessary to facilitate a comprehensive, dedicated, mandatory training session for all ECMT members in respect of information management and information security. In respect of the IMGAG, members will undertake a self-assessment process regarding training requirements in late Autumn 2014 with any identified training needs planned thereafter. The timescale for completion of this action is therefore extended to within 18 months of the publication of the Audit report.	Dorothy Morrison / Fiona Smith
C4. ACC should adopt a protective marking scheme so as to provide clear benchmark guidance for appropriate security standards to apply to any data being processed. This would be consistent with	ACC will undertake an options appraisal to assess whether it will adopt a Protective Marking Scheme. OWNER: SIRO TIMESCALE: within 8 months of the	As detailed in the February 2014 update, progress on implementing this recommendation has been delayed due to the wider issues in respect of the government marking scheme. IMGAG has decided to trial the ACC version of the new Government Classification Scheme (GCS) within SC&W and officers will report back to IMGAG on progress. However, the Joint Inspection of Children's Services has delayed the introduction into SC&W, it will start next month.	Steve Skidmore

SOCITM and HMG / Scottish Government guidance.	Audit report being published.		
C16. Protective markings should be applied to data and follow to 'end of life' including occasions of further processing by applications such as Business Objects.	ACC accept this recommendation and defers to its response at C4. ACC will investigate how it might achieve the "follow" function in relation to the processing of that data. OWNER: SIRO TIMESCALE: within 8 months of the Audit report being published.	See update to C4.	Steve Skidmore
C17. ACC should adopt an asset ownership policy based on information assets rather than IT system or application. Owners should be responsible for assessing security standards to apply (including protective marking) and be responsible for whole life to destruction.	ACC accept this recommendation. Indeed, this recommendation accords with ACC's current Enterprise Architecture principles and work is currently on-going to develop ACC's data architecture layer which will include the recommended information. OWNER: SIRO TIMESCALE: December 2013	Through Enterprise Architecture, named officers have been identified as 'owners' for all major IT systems. A guidance note for all 'owners' in respect of their responsibilities for the data, including whole life destruction, is currently being drafted and will form the basis of a policy which will be prepared by September 2014, within the broader context of the Information Management Strategy.	Paul Fleming / David McDowell
C21. ACC should adopt an integrated IS incident reporting process covering both ICT and paper assets so as to provide a common approach for staff to follow. In addition, ACC should adopt procedures to allow for the reporting of all IS incidents outside of normal office hours such as loss of ID badges.	ACC accept this recommendation and will take steps to consider how best to amalgamate the reporting process. OWNER: SIRO TIMESCALE: within 6 months of the Audit report being published.	A draft procedure in respect of an integrated IS reporting process covering both ICT and paper assets has been considered by CGSMT and will be submitted to CMT for final approval. Once approved the procedure will form part of the ACC Managers Handbook. In respect of the reporting of all IS incidents outside of working hours, the Council requires to give further consideration to how this can be delivered having regard to the level of risk posed and resource requirements to achieve it. This will be done by the end of 2014 also.	Steve Skidmore
C28. Access controls should be restricted by default to normal	ACC accepts this recommendation. ACC will review restricting access controls to	Across the Council, the following arrangements now apply or are in the process of being implemented:	Mike Duncan / Simon Williams

office hours when on-site security is available. Exceptions should then be made for staff required to work regularly outside of normal office hours.	normal staff hours; however past experience would suggest that due to the nature of the services undertaken by the building's occupiers, a large minority will then require access outside these hours (after discussion with their managers). Furthermore with the development of New Ways of Working such an approach may, in the passage of time, not be practical. OWNER: General Manager – Asset Manager & Facilities Manager TIMESCALE: Within 6 months of the Audit report being published.	1. All new starts are issued with access on a default setting of 7am – 8pm Monday – Friday. Any exceptions to the default are considered on a case by case basis. 2. All Directors and Heads of Service have 24/7 access to all corporate office buildings. 3. All services have been requested to advise of staff who, as part of their job role, require access out with the default hours. 4. All existing staff not advised by the service will have their access set to the default setting on a phased programme which is subject to the availability of the Security Co-ordinator Services feedback needs further review as many requested access which seemed excessive so the reduction not implemented as yet. Issuing of new badges to match new structure may delay the implementation of above even further. 5. Non routine access will be treated as an ad hoc request and will require a minimum of 48 hours' notice in order to change access settings.	
C31. As it was reported that ACC operate a 24hr CCTV facility CCTV cameras should be linked to this for real time observation. CCTV cameras should also be upgraded to a common standard of high resolution to ensure effectiveness and faulty cameras replaced.	ACC partially accept this recommendation. ACC shall review the specification of the existing CCTV cameras, costs involved in potentially upgrading and thereafter linking to the central CCTV Control. At present no budget has been identified. A complete review of costs involved against the actual risk requires to be undertaken. OWNER: Facilities Manager TIMESCALE: Review of Requirement – 6 months IMPLEMENTATION: Subject to outcome of review	As previously updated, the Housing & Environment Service have undertaken a survey of all CCTV, as such the timescale previously intimated within the audit response has been met. The detailed assessment of individual CCTV cameras has been completed. It is now being considered if all systems and images can be sent back to one central location or require to remain as stand-alone systems. It is proposed that a lead officer from Communities, Housing and Infrastructure directorate is identified to take this project forward.	Simon Williams

C37. MFDs should be the standard default printer setting for all staff use and ACC should prioritise this planned change. The PIN system of user selected codes offers poor security and should be replaced by an ID proximity card authorisation system to comply with industry standard good practice.	ACC partially accept this recommendation. A) Proximity cards are being considered in connection with a new procurement exercise for multi-function devices once the current contract ceases in December 2014. B) In the interim, the Council will re-issue guidance to staff about how to set printing preferences to secure print and printer default settings will be reviewed OWNER: Facilities Manager/ Head of Procurement, IT Manager TIMESCALE: A) December 2014. B) within 4 months of Audit report being published.	A. A: As per previous update, on-going consideration is being given to the use of proximity cards in connection with the new procurement exercise for multi-function devices once the current contract ceases in December 2014. B. Regular reminders on the use of secure printing are distributed via the Zone and through e-mail cascade from Directorate Business Managers.	Sandra Massey
Audit Scotland Interim Report (2013/14)			
Although a central register of fraud or suspected fraud cases, whistleblowing cases or breaches of the Bribery Act framework has been established, the Audit and Risk Committee has not yet received a report summarising activity. Risk: Overall numbers of cases and the impact on internal controls are not considered from an overall governance perspective.	This will be added to the Matters under Investigation report as necessary and reported at least annually. TIMESCALE: 30 September 2014	Procedures are not yet in place to ensure matters are reported to the Monitoring Officer and as a result, the register is not up to date. This is being addressed through updated to the Fraud and Corruption Strategy. The first submission to the Audit and Risk Committee is expected in February 2015. Revised Target: February 2015	Jane MacEachran

There was no follow up by the Policy and Performance Section to ensure that the council's policy and procedures in relation to the Bribery Act have been properly implemented. Risk: The council may not be fully complying with its approved framework	Completed risk assessments obtained for Corporate Governance. Other services are being worked on.	A request was sent to services on 14 August to obtain risk assessments. To date all are received apart from Housing and Environment and The Chief Executive Office. Reminders were sent in October and November. Revised Target: December 2014	Jane MacEachran
In line with the Employee Code of Conduct, staff are responsible for declaring gifts or hospitality received. There may be merit in reviewing declaration processes within services including staff reminder systems. Risk: There may a reputational risk to the council if records are incomplete	Individual reminders given to Directors at 1-2-1 discussions. This will be highlighted as part of the launch of the new suite of policy documents (Refer Action 3).	Individual reminders have been given to Directors at 1-2-2 discussions. A reminder will be sent to all other staff in conjunction with the launch of the new Fraud and Corruption Policy. The Policy is due for approval by Audit and Risk Committee in November 2014 and therefore it is expected that it will be communicated to staff in December 2014. Revised Target: December 2014	Jane MacEachran