

**WELLAND INTERNAL AUDIT CONSORTIUM
Rutland County Council**

APPENDIX A

AUDIT & RISK COMMITTEE

UPDATE ON AUDIT REPORTS GIVING LIMITED ASSURANCE

WELLAND INTERNAL AUDIT CONSORTIUM

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ICT PROJECTS – PROJECT METHODOLOGY

EXECUTIVE SUMMARY

1. INTERNAL AUDIT OPINION

The key risks associated with ICT project methodology are inappropriate or unnecessary acquisitions of IT equipment, projects not delivered on time or to budget, and projects do not deliver required outcomes. The audit found that there is a clear and well publicised ICT Security Policy in place which states that all hardware and software must be purchased by the ICT team. However, although the audit did not identify any inappropriate purchases, the ICT Security Policy is not being consistently enforced and breaches have occurred. The audit also found that guidance on managing capital projects exists and there is some evidence that Project Initiation Documents are used. However, the Council does not have a consistently embedded project management framework in place for all projects. Examples were noted of projects which have been delayed or not completed due to a failure to consult or involve the ICT team at an appropriate stage. It is, therefore, the Auditor's Opinion that the design and operation of controls provides **Limited Assurance**. The audit was carried out in line with the scope set out in the approved Audit Planning Record. Appendices 1 and 2 summarise the controls identified during the audit and testing performed during the course of the audit.

The Opinion is based upon testing of the design of controls to manage the 3 risks about which the Client sought assurance and testing to confirm the

Internal Audit Assurance Opinion	Direction of Travel				
Limited Assurance	Not Applicable				
Risk	Design	Comply	Recommendations		
			H	M	L
Risk 1. Inappropriate or unnecessary acquisitions of IT equipment	Limited Assurance	Limited Assurance	0	1	0
Risk 2. Projects are not delivered on time or to budget	Limited Assurance	Limited Assurance	1	0	0
Risk 3. Projects do not deliver required outcomes	Limited Assurance	Limited Assurance	0	1	0
Total Number of Recommendations			1	2	0

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extent of compliance with those controls as summarised below

2. ISSUES REQUIRING MANAGEMENT ATTENTION

- The ICT Security Policy is not being consistently enforced and breaches have occurred. The policy states that all hardware and software must be purchased by the ICT team; however there are examples of teams purchasing untested hardware or software themselves. Failure to address this issue would lead to further purchases of inappropriate, untested or unsupported hardware and software.
- Whilst some guidance for managing capital projects exists, and some evidence of use of a Project Initiation Document was found, the Council does not have a consistently embedded project management framework in place for all projects. Examples were also noted of projects which have been delayed or not completed due to a failure to consult or involve the ICT team at an appropriate stage.

ACTION PLAN

Risk 1: Inappropriate or unnecessary acquisitions of IT equipment							
Rec No.	ISSUE	RECOMMENDATION	Management Comments	Category	Officer Responsible	Due date	WP Ref
01.01.01	The ICT Security Policy states that all hardware and software must be purchased by the ICT team. However the audit found examples of teams purchasing untested hardware or software themselves.	Director of Resources considers the control capabilities of Agresso to prevent purchase of hardware or software without the authorisation of the ICT Team. Control may also be improved through training of budget holders, and reminder of the rules within the ICT Security Policy regarding purchase of such goods.	Action Agreed	M	Director of Resources	30/11/14	01.01.01

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Risk 2: Projects are not delivered on time or to budget							
Rec No.	ISSUE	RECOMMENDATION	Management Comments	Category	Officer Responsible	Due date	WP Ref
01.02.01 02.01.01 03.01.01	Whilst some guidance for managing capital projects exists, and some evidence of use of a Project Initiation Document was found, the Council does not have a consistently embedded project management framework in place for all projects. Examples were also noted of projects which have been delayed or not completed due to a failure to consult or involve the ICT team at an appropriate stage.	Director of Resources considers communicating the availability of the Project Initiation Document to engender a corporate approach to managing projects that is not onerous, but includes consideration of who should be consulted or involved in projects. Consider notifying ICT of all projects and expected outcomes so that ICT implications can be considered, even if project teams do not immediately think there are implications for infrastructure or ongoing support.	Action Agreed	H	Director of Resources	30/09/14	02.01.01
Risk 3: Projects do not deliver required outcomes							
Rec No.	ISSUE	RECOMMENDATION	Management Comments	Category	Officer Responsible	Due date	WP Ref
03.01.01	The ICT Security Policy states that all hardware and software must be purchased by the ICT team. However the audit found examples of teams purchasing untested hardware or software themselves.	Director of Resources ensures that: <ul style="list-style-type: none"> • More articles on ICT Security are included in the One Council newsletter. • A Learning Pool IT Security assessment is introduced and completed by employees. • Consideration is given to the sanctions that could be placed on officers who breach the Policy by purchasing hardware or software without the knowledge or consent of the ICT department. 	Action Agreed	M	Director of Resources	30/11/14	03.01.01

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SAFE DRIVING AT WORK 2014-15

EXECUTIVE SUMMARY

1. INTERNAL AUDIT OPINION

The key risk associated with Safe Driving at Work is failure to comply with statutory health and safety requirements. The Council's safe driving at work control framework is currently in development and is not sufficient to demonstrate full compliance with health and safety legislation. Health and Safety law applies to work activities on the road in the same way as it applies to other work activities and the Council must manage the risks to drivers as part of its health and safety arrangements. Whilst driving for work, the vehicle used would be considered as part of the employee's work environment and, as such, the Council has a duty of care to ensure that it is fit for purpose. If suitable controls are not exercised to deliver this duty of care, the Council is at risk, in the event of a serious incident involving an employee driving at work, of prosecution, including for corporate manslaughter in the case of a fatality.

In order to exercise this duty of care, the Council must ensure that all employees driving for work purposes use vehicles that are suitably insured, the driver has a valid license and risk assessments should be recorded.

During testing limited evidence was provided that driver and vehicle documentation is currently being examined; this means that officers may be undertaking work related journeys without a valid driving licence, in an employee owned vehicle which is not roadworthy, or without appropriate insurance cover being in place. It is, therefore, the Auditor's Opinion that the design and operation of controls provides **Limited Assurance**. The audit was carried out in line with the scope set out in the approved Audit Planning Record. Appendices 1 and 2 summarise the controls identified during the audit and testing performed during the course of the audit.

The Opinion is based upon testing of the design of controls to manage the one risk about which the Client sought assurance and testing to confirm the extent of compliance with those controls as summarised below.

Internal Audit Assurance Opinion	Direction of Travel				
Limited Assurance	Not Applicable				
Risk	Design	Comply	Recommendations		
			H	M	L
Risk 1. Failure to comply with statutory health and safety requirements	Limited Assurance	Limited Assurance	3	1	1

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Total Number of Recommendations			3	1	1
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2. ISSUES REQUIRING MANAGEMENT ATTENTION

- There are a number of procedures and guidelines in place which cover various elements of driving and riding at work although a number are not readily accessible by employees. The Council does not have a specific corporate policy statement which coherently sets out its approach towards ensuring the safe driving and riding of employees whilst at work, and which links together all of the various guidelines, procedures and terms and conditions. This issue has been acknowledged, and was highlighted to the Auditor by the Director for Places (Planning, Environment and Transport). The Auditor has provided management with an example safe driving policy template. A recommendation has been made which addresses this issue.
- The Council does not currently have adequate controls in place to ensure that employees who drive at work are legally entitled to drive, are insured for business purposes and have a roadworthy vehicle. If an employee is killed, or kills someone else, whilst driving for work, and there is evidence that serious management failures resulted in a 'gross breach of a relevant duty of care', the Council could be at risk of prosecution under the Corporate Manslaughter and Corporate Homicide Act 2007. A draft Travel & Subsistence Policy has been developed which, if approved, would require such checks to be carried out. A recommendation has been made which addresses this issue.
- Testing demonstrated that operational risk assessments are not being consistently carried out for employees driving at work. The Council has a duty of care to take reasonable steps to ensure the safety of its employees. Health and safety law applies to work activities on the road in the same way as it applies to other work activities. Management of the risks to drivers should be an integral part of the Council's health and safety arrangements.

3. AREAS WHERE CONTROLS WORKED AS DESIGNED

- There are robust controls in place to ensure that WeCars and the Pool Car are properly maintained, with regular roadworthiness checks being carried out.

4. LIMITATIONS TO THE SCOPE OF THE AUDIT

The work carried out relates solely to the risk highlighted above. Testing did not cover any other aspects of corporate health and safety compliance.

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ACTION PLAN

Risk 1: Failure to comply with statutory health and safety requirements							
Rec No.	ISSUE	RECOMMENDATION	Management Comments	Category	Officer Responsible	Due date	WP Ref
1	There are a number of procedures and guidelines in place which cover various elements of driving and riding at work although a number are not readily accessible by employees. The Council does not have a specific corporate policy statement which coherently sets out its approach towards ensuring the safe driving and riding of employees whilst at work, and which links together all of the various guidelines, procedures and terms & conditions. This issue has been acknowledged, and was highlighted to the auditor by the Director for Places (Planning, Environment and Transport). The auditor has provided management with an example safe driving policy template.	<p>Director for Places (Development and Economy) develops, obtains approval of, and cascades, a corporate policy which sets out how the Council will mitigate the risks associated with employees driving and riding whilst at work.</p> <p>Director for Places (Development and Economy) also ensures that all guidelines, procedures and terms & conditions related to safe driving at work are reviewed, updated in line with the new policy, approved and cascaded to all relevant staff.</p>	Agreed	H	Director of Places (Development and Economy)	30 th Nov 2014	01.01.01
2	The Council does not currently have adequate controls in place to ensure that employees who drive at work are legally entitled to drive, are insured for business purposes and have a roadworthy vehicle. If an employee is killed, or kills someone else, whilst driving for work, and there is evidence that serious management failures resulted in a 'gross breach of a relevant duty of care', the Council could be at risk of prosecution under the Corporate Manslaughter and Corporate Homicide Act 2007. A draft Travel & Subsistence Policy	Director for Places (Environment Planning & Transport) ensures that driver and vehicle documentation is examined, and records retained, prior to authorisation being granted for new employees to drive their own vehicles whilst at work. For current employees the same checks should be carried out as soon as possible, and at least annually thereafter.	Agreed	H	Director of Places (Environment Planning & Transport)	30 th Dec 2014	01.02.01

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Risk 1: Failure to comply with statutory health and safety requirements							
Rec No.	ISSUE	RECOMMENDATION	Management Comments	Category	Officer Responsible	Due date	WP Ref
	has been developed which, if approved, would require such checks to be carried out.						
3	Testing demonstrated that operational risk assessments are not being consistently carried out for employees driving at work. The Council has a duty of care to take reasonable steps to ensure the safety of its employees. Health and safety law applies to work activities on the road in the same way as it applies to other work activities. Management of the risks to drivers should be an integral part of the Council's health and safety arrangements.	Director for Places (Development and Economy) ensures that a driver operational risk assessment template is designed and cascaded to all line managers for completion with delivery of remedial actions being monitored. The risk assessments could be used to inform management decisions on which officers should be included in the initial tranche of enhanced driver training.	Agreed	H	Director of Places (Development and Economy)	30 th Dec 2014	01.05.01
4	Responsibility for ensuring safe driving at work is currently shared across departments. Policy and procedural development and compliance is not coordinated. This increases the risk of control activities either being duplicated, inconsistent, or not being applied at all.	Director for Places (Planning, Environment and Transport) ensures that one team is assigned overall responsibility for oversight and compliance with Safe Driving at Work Policy and Procedures.	Agreed	M	Director of Places (Environment Planning & Transport)	30 th Sep 2014	01.01.01
5	A management briefing paper in March 2013 outlined options for provision of enhanced driver training for employees but this work was not completed and no decisions have yet been taken. The Auditor's opinion is that provision of enhanced driver training would be 'nice to have' rather than necessary to demonstrate compliance with Health & Safety legislation. However, provision of targeted training could help to prevent serious accidents or deaths. The	Director for Places (Environment Planning & Transport) considers the need and if necessary presents options to SMT for targeted enhanced driver training, taking into account the results of operational risk assessments and any known accident or driver conviction information. It is also recommended that the Director for Places (Planning, Environment and Transport) considers introducing a low cost safe driving awareness course on the new	Agreed	L	Director of Places (Environment Planning & Transport)	30 th Nov 2014	01.07.01

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Risk 1: Failure to comply with statutory health and safety requirements							
Rec No.	ISSUE	RECOMMENDATION	Management Comments	Category	Officer Responsible	Due date	WP Ref
	introduction of the Council's new Learning Pool Learning Management System also provides an opportunity to examine alternative, lower cost means of providing online safe driving awareness training to a wider pool of employees.	Learning Management System which would target a wider pool of employees.					