



## Regulatory and Other Committee

### Open Report on behalf of David O'Connor, Executive Director Performance and Governance

Report to:	<b>Audit Committee</b>
Date:	<b>23 September 2013</b>
Subject:	<b>ICT Audits 2012 update</b>

#### Summary:

During 2012 five IT audits were undertaken and a number of significant issues were identified. These issues were reported to the January Audit Committee and this report provides an update. Two further IT audits have been undertaken during 2013 and these are described in the report.

#### Recommendation(s):

The Committee is asked to note the progress being made to address the issues highlighted in the IT audits described in this report.

## 1 Background

During 2012 five internal audits of ICT were undertaken; these were IT Service Management, SAP Security and Licencing, Software Licence Management, IT Asset Management and Electronic Data Management. These audits all resulted in an outcome of limited assurance and included a number of concerns about the activities undertaken on behalf of the County Council by Mouchel.

The findings of these audits have been reviewed in detail with Mouchel management and corrective action has been undertaken as a matter of urgency where possible and otherwise planned to an agreed timetable.

The findings also included some activities that the Council needed to address and these have also been undertaken or planned as appropriate.

During 2013 two further IT audits have been undertaken;

1. Mobile Computing and Remote Access which resulted in an outcome of substantial assurance, and

2. Disaster Recovery which is still being written up but is expected to result in an outcome of limited assurance due to the Council only having a single data centre.

## 2 IT Service Management Audit

The results of this audit were reported to the Audit Committee in September 2012 and January 2013.

	Key Issue	Action	January 2013 Position	September 2013 Position
1.	The Council needs an IT Strategy	IMT Strategy agreed by The Executive – September 2012	Complete	N/A
2.	Performance measures in current Mouchel contract no longer fit for purpose	New performance measures to be agreed through NGP	Due to be in place from April 2013. Until then performance monitoring is undertaken on a regular basis against both existing contractual and agreed non-contractual SLAs	Partially Complete.  Provisional new SLAs for the monitoring of the ICT service have been measured in parallel to current measures for three months.  Amendments are currently being agreed and are anticipated to be implemented from October onwards.
3.	Lack of availability of charging information to enable contract and budget management	Mouchel and LCC carried out a joint project to review costs in the current contract	Complete	N/A

### 3 SAP Security and Licence Audit

This audit was reported to the Audit Committee in January 2012.

	<b>Key Issue</b>	<b>Action</b>	<b>January 2013 Position</b>	<b>September 2013 Position</b>
1.	Some users were found to have inappropriate security levels	Security levels for these users have been appropriately modified on new controls put in place	Complete	N/A
2.	There is not a clear formal process for reviewing and changing user access	Process agreed and implemented between LCC and Mouchel	Due to complete by 31 January 2013	Partially Complete.  However, LCC need to sign off the proposed list of LCC access authorisers provided by Mouchel.
3.	Roles and licences are not clearly mapped to SAP agreed licence types	Clarity SAP licence type and map identified roles.	Due to complete by 31 January 2013	Complete.  This has been delivered with new users on each system being updated each month with the licence type.

### 4 Software Licence Management

This audit was reported to the Audit Committee in January 2012.

	<b>Key Issue</b>	<b>Action</b>	<b>January 2013 Position</b>	<b>September 2013 Position</b>
1.	There is a lack of clear responsibility for the management of software licences in the current contract	The agreement between Mouchel and LCC requires a variation to put this in place	The variation is expected to be complete by 31 January 2013	Partially Complete.  It is LCC's responsibility to ensure it meets its licencing legal requirements. The ICT Contract

				<p>Delivery Lead role has this responsibility.</p> <p>Mouchel has provided LCC with a proposal for a software asset management (SAM) service. This proposal is due for sign-off by LCC during September and will ensure Mouchel has responsibility for the management of software licences.</p>
2.	There is no software licence management database recording all software assets and their deployment (current records are dissipated and not kept up to date)	Mouchel will implement and populate a corporate software licence database for the management of software assets	Due to be in place 1 April 2013	<p>Partially Complete.</p> <p>Under the terms of the SAM proposal, Mouchel will implement a “license management dashboard”, a tool capable of managing a license baseline for LCC and giving an accurate position based on the purchased and installed software.</p> <p>The SAM service tools will be in place by mid-October, but it will take several months for the SAM data within the tools to mature.</p>
3.	There is no automated process for	The tools for carrying out this activity is being	Due to complete by 31 March 2013	Partially complete.

	updating software licence usage	deployed as part of the desktop refresh in the NGP programme and is in use although not fully complete		The final stage of the automation will be achieved by linking new requests and role changes to the Configuration Management Database in October.
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## 5 IT Asset Management

This audit was reported to the Audit Committee in January 2012.

	Key Issue	Action	January 2013 Position	September 2013 Position
1.	The Asset Management database was found to be out of date	Mouchel to verify and update the database Mouchel's assurance team to carry out quarterly sample audits of the database	Complete Sample audits will take place quarterly from January 2103 onwards	Complete. The asset information is verified and reconciled on an on-going, monthly basis.
2.	No automated asset tracking was found to be in place	The tools for carrying out this activity are being deployed as part of the NGP programme and are in use although not fully complete	Due to complete by 31 March 2013	Complete. SCCM is being used as the asset tracking tool and now covers all LCC devices that are supported by Mouchel.
3.	Asset disposals are not reported to LCC	A monthly disposal report is to be produced by Mouchel for LCC	The reports will be provide monthly starting January 2013	Complete. Asset Disposal information is now shared with LCC as part of the Monthly Volume Variation report. This information is also held in the asset management tool and is available to LCC

				on request.
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## 6 Electronic Data Management

This audit was reported to the Audit Committee in January 2012.

	Key Issue	Action	January 2013 Position	September 2013 Position
1.	The majority of the Council's backups are stored within the data centre, creating a single point of failure (one set of tapes is stored off site)	Review backup storage facilities to increase offsite storage	Mouchel to complete review by February 2013	Partially Complete. Backup Tapes are held in three separate locations: <ul style="list-style-type: none"> <li>• Firebrigade HQ</li> <li>• Orchard House Data Center in a fireproof safe</li> <li>• Orchard House Data Center in Set-Up room</li> </ul> The relocation of one of the sets of back-up tapes, currently residing in Orchard House, to an appropriately secured location within County Offices will be in place by end of September 2013.
2.	Whilst the success of backups is monitored there is no testing of backups	Mouchel to develop and implement a formal process for testing of restores from backups on a periodic basis	28 February 2013	Complete. Periodic testing has commenced. This is taking place against a defined schedule and results are formally tracked. The schedule is monthly.

## **7 Mobile Computing and Remote Access**

This audit has resulted in substantial assurance with recognition that the Council has a comprehensive set of procedures and guidance in place to manage remote and mobile working but noting that some examples of non-compliance were found. Additional communication to staff has been undertaken to seek to address the non-compliance.

## **8 Disaster Recovery**

The report from this audit has not yet been completed but an outcome of limited assurance is expected due to the reliance on a single data centre.

The Council is currently exploring the possibility of moving its systems and data off site through the Future Delivery of Support Services Programme. Suppliers are being asked to present options for providing dual data centres that would provide greatly improved resilience for the Council without the need to invest in building an additional data centre. The results of this procurement will be presented to the Executive for a decision in March 2014.

## **9 Conclusion**

Progress is being made by LCC with Mouchel in managing the issues raised in the audit reports. The issue of data centre resilience continues to be an issue and it is expected that the new contract for support services will provide a viable solution.

## **10 Consultation**

### **a) Policy Proofing Actions Required**

n/a

## **11 Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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