

| <u>Executive Summary for Data Protection</u> | |
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| Assurance | Satisfactory |
| Audit Objectives and Scope | |
| <p>This review was part of the 2014/15 audit plan agreed by audit committee. The audit was included in the internal audit plan to provide assurance over the systems of control and risk management for Data Protection at Cotswold District Council. This audit focussed on 3 objectives:</p> | |
| <p>i) The adequacy and effectiveness of internal controls operating in respect of Data Protection:</p> <ul style="list-style-type: none"> • The controlled movements and transfer of data. • Security and access to data. • Registering of systems and the maintenance of the registration. | |
| <p>ii) To ensure that the processes are meeting the requirements of internal policy, procedural standards and targets:</p> <ul style="list-style-type: none"> • Policies and procedures in place to support effective management of Data Protection arrangements. • Links to PSN requirements. • Data protection roles including training & induction. Evidence of training and refresher training across all staff • Liability for and ownership of data when it is used by a third party e.g. 'contracted out service'. • Links to records management | |
| <p>iii) To ensure that the processes are meeting external codes of practice, professional good practice and statutory regulations as applicable:</p> <ul style="list-style-type: none"> • Sharing of data. • Data protection links to transparency requirements. • Data request management and performance to local or national requirements. • Data protection reporting processes. | |
| Background | |
| <p>To deliver services effectively, the Council needs to collect, process and hold personal and sensitive data relating to past and prospective employees, suppliers, clients and customers. The Data Protection Act 1998 requires organisations which handle personal data to manage the information securely and responsibly (this includes the destruction of information held safely when no longer required). Data protection covers a vast range of areas across the organisation and therefore the scope of this audit represents areas of risk that have been agreed with management.</p> | |
| Overall Observations and Key Findings | |
| <p>We found strong and robust internal controls in place including policies, procedure, use of usernames, passwords and segregated levels of access. There are however, some areas of weakness and non-compliance with existing controls that if left unmonitored could increase the overall risk profile for the Council. Implementation of the audit recommendations will help to mitigate the stated risks.</p> | |
| <p>The following high priority observations have been made:</p> <ul style="list-style-type: none"> • The open plan layout of the Revenues and Benefits departmental offices presents a potential vulnerability to data and information security breaches. It has been agreed with management for continued efforts to be made to minimise these physical security risks. • There is the potential vulnerability of Council data leaving the organisation without | |

appropriate encryption arrangements in place. It has been agreed with the Council's in-house IT provider for the existing internal controls around email attachments and file uploading to be reviewed and strengthened where necessary.

The following medium priority recommendations have been made:

- The Council should proactively provide staff with specific data protection training with refresher training available at appropriate intervals.
- All service areas should maintain an appropriate data retention schedule linked to their relevant statutory retention responsibilities; Retention schedules must be reviewed at appropriate intervals to ensure they remain current; Data retention schedules should be complied with as part of information security best practice.
- All users of Council computer systems should be reminded of the importance of locking screens when the user is away from their computer (in accordance with the Council's Acceptable Use Policy). The software feature of automatic screen locking after a suitable period of inactivity, should be activated across the Council to all users.
- The confidential waste contract should be reviewed to ensure the current arrangements offer the greatest value for money, taking advantage of potential economies of scale with strategic partners.

Conclusion

We have met our objectives by reviewing the systems of internal control and risk management in place for Data Protection in accordance with the scope agreed by management. We offer a Satisfactory level of assurance, the system of expected control although sound, has elements of weakness thus increasing system objective risks, and, compliance is generally good but there is evidence of non-compliance with some of the controls. Recommendations have been made, that if addressed should help to add value to the controls already in operation.

Management Response to Findings and Recommendations and Action Plan

We have reviewed the Audit Report and agree with the observations and recommendations made. We will ensure the proposed actions are put into place to mitigated and manage the risk exposures identified.

Executive Summary for Flood Works

Assurance

No Assurance

The review on Flood Defence works was undertaken in accordance with the 2015/16 Audit Plan as approved by the Audit and Scrutiny Committee in April 2015. The review was initially requested by the service to provide advice on improvements in order to ensure compliance with procurement rules and regulations.

The objective of this audit was to review flood works expenditure and to ensure that appropriate and effective processes are in place which are applied in accordance with policy.

We issued a "no assurance" opinion at this stage due to the level of non-compliance with contract and financial rules. This risk was recognised by management and progress has already been made with the Procurement Team's support to ensure an appropriate control framework is available for the service, for example, procuring a bespoke framework agreement for specialist flood engineering works.

The audit team will be revisiting the service in six months to conduct a further review. It is anticipated, following discussion with the Head of Service, that significant progress will be made and therefore a higher assurance opinion is expected.

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