Appendix 2d: Other Audits and Grant Claims

Emergency Planning Redesign

Objective

To assess whether the Council has robust arrangements in place for responding to a civil emergency, in line with the requirements of the Civil Contingencies Act 2004 (CCA) and other relevant good practice / updates.

Current status

The purpose of this audit was to inform an exercise already underway to re-engineer emergency planning processes.

The Council already has a lot on intelligence about potential civil emergencies, which is obtained via the Essex Resilience Forum. This is already used to inform contingency planning. These arrangements would be enhanced by:

- producing a Southend emergency planning risk register that includes local risks

- establishing a Resilience Working Group that includes all key functions involved in Emergency Planning and Business Continuity within the Council to facilitate joint working

- producing a rolling Emergency Planning Action Plan that includes:

  - all actions required to be taken arising from Essex Resilience Forum, including mitigating actions on its risk register

  - proactive work such as scheduled tests of the emergency plan, skills training, rest centre reviews and training exercise

- agreeing with Corporate Management team what information they want to receive to provide them with an appropriate level of assurance that emergency planning risks are being properly mitigated and how often it should be provided.

The Council has various plans in place to respond to civil emergencies. A few opportunities to further enhance these are being actioned.

The Council has access to emergency plans which have been produced by the Essex Resilience Forum, which includes all key partners. Once the consolidated risk register has been produced, it may be useful to confirm that any local risks are covered and that the Essex emergency plans don't need to be tailored for local circumstances.

It has been agreed that it would be helpful to adopt more formalised arrangements for testing emergency plans and ensuring key staff receive appropriate training on an on-going basis for both planning and responding to an emergency.

A review of on-call services by officers is in progress to identify any gaps relating to emergency planning. Appropriate will be taken to address any issues identified.

There is some work to do to ensure that the resources required to deal with an emergency response are still sufficient; that they will be able to access relevant emergency planning documents easily; and will be available when required. Some job profiles also need updating to properly reflect the officer's role in emergency planning.

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A multimedia communications strategy will be developed for use in event of a civil emergency, taking into consideration the demographics of the borough's population. A review will also be undertaken of the information on the Council's web site to ensure:

- the civil emergency relation information is fit for purpose

- there is adequate advice and assistance to business and voluntary organisations about business continuity management.

Preparation for the introduction of the General Data Protection Regulations

Objective

To assess whether the General Data Protection Regulations (GDPR) health check action plan is being implemented properly and in a timely manner.

Status as at February 2018

As at February 2018, when this work was completed, the overall conclusion was that the Council was progressing well with this work, in a structured manner.

The Council had taken a proactive approach to GDPR compliance through the:

- introduction of a dedicated programme of work

- appointment of a Project Manager who has significant experience in Data Privacy and Protection

- development of an implementation plan which, when completed, will put the Council in a strong position for compliance with the GDPR legislation.

The programme had made a good start in approaching and meeting the GDPR legislation. It was in the early stages of delivery and the majority of tasks still needed to be completed. However, overall, it was one of the stronger programmes of work seen at this time, in respect of:

- the Project Plan, which was:

  - comprehensive and covered all the main areas expected in depth

  - well documented, kept up to date and showed the key areas will be covered before May, with some capacity for delays

  - unusual in that it showed how much work was expected to be completed in time for GDPR day.

- cohesion of the Project Plan between Project Management team and the Directorates carrying out the work (i.e. it was possible to evidence that they were all working to the same plan).

As at April 2018, officers have informed Internal Audit that the key areas of work that are now being focused on include:

- the Information Asset Register (IAR), as the Council's key reference point as to what systems are hosting personal sensitive data, where those systems are hosted, what specific types of data is on them and who is the data/system owner

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- the deletion capability of systems, to ensure up to date retention schedules and appropriate deletion functionality (which is being picked up through the IAR discussions)

- detailed training of key personnel across the organisation, including Elected Members

- delivery of a robust communication plan that looks to provide generic messaging to all staff that informs and embeds data protection good practice

- demystifying the changes to consent!

Social Care IT Case Management System Children's Implementation Lessons Learnt

Objective

To strengthen the approach adopted to managing delivery of the Liquidlogic Adults System (LAS) project by learning from the implementation of the Liquidlogic Children's System (LCS) and the associated go live experience.

Current status

In August 2016, Internal Audit undertook a health check of the implementation of the Liquidlogic Children's Services (LCS) project. The initial LCS project demonstrated some methodology, through the previous experience of contracted Project Managers. However, a good practice delivery approach, which the entire project could adopt, was not in place. This put a number of project processes at risk. As an aside, Internal Audit had already identified the need for the Council to decide how best to produce a good practice framework to support project management that could be used corporately.

Therefore, the approach taken was to assist the Project Board to make an informed go live decision for Children's Services. This was achieved by agreeing four success factors, which were used to develop a 'Go Live Readiness Assessment Framework':

- by which the project were able to assess themselves

- against which Internal Audit could undertake an independent validation exercise.

When making the final decision to go live, the Chair of the Project Board took into account:

- the final Internal Audit validation of the Council's 'Go Live Readiness Assessment' with the evidence available at that time

- further documented evidence that was provided up to and including the day of the Project Board meeting

- verbal assurances provided by officers and contractors at the Project Board meeting.

In order to strengthen the arrangements for managing the Liquidlogic Adults Services (LAS), action is being taken to:

- develop a detailed project plan which includes all required tasks to deliver the current phase of the project and high level tasks for the next phase

- monitor and update plans at least monthly and report progress against key milestone to the Project Board

- introduce Project Board highlight reports to cover all key project control areas e.g. time, cost, quality, scope changes, risks and issues and benefits

- where possible, fully define and agree planned project benefits supported by baseline information, targets, agreed methods of measurement and assigned owners responsible for realisation

- ensure there is regular review and monitoring of progress against realisation of planned benefits

- ensure that appropriate evidence of all forms of testing is retained to enable a random selection of tests to be audited for completeness

use the go-live readiness framework developed and determine an approach which provides the Project Board with sufficient confidence, backed up by solid evidence, to make informed decisions

- ensure the Project Sponsor and Board are coached, where required and that information is presented in such a way that it is easy for a non-technical person to understand

- ensure that sufficient and appropriately skilled resources are in place and ring fenced to support delivery of the LAS project.

Liquidlogic Adults System, Implementing Lessons Learned from Children's Project Update

Objective

To assess whether the actions agreed in the Children's Implementation Lessons Learnt report above are being actively taken into account in preparing for the Liquidlogic Adults System (LAS) Go Live in May 2018.

Status as at March 2018

Overall good progress had been made in addressing the lessons learnt from the Liquidlogic Children's System (LCS) implementation in preparing for the LAS 'Go-Live'. The majority of Internal Audit's recommendations had been moved forward and, as a result, most of the underpinning project documentation appeared to be in place.

As at 20th March:

- the current Project Plan was fit for purpose and contained all of the areas expected as per project management good practice

- Project Board Highlight Reports were being produced covering most of the expected project management elements. Cost was being reported upon separately. Benefits tracking will be included going forward, once the benefits realisation plan is baselined and approved by the Project Board. Action is required to build 'quality' as the other areas to be included in the Highlight Reports

- the Benefits Realisation Plan needed amending to include quantified targets that will help the benefits owners and governing boards be certain that a benefit had been successfully delivered

- plans on the benefits monitoring process will need to be drafted immediately ahead of go-live, so that any delays or slippages can be identified as soon as possible after go-live

- there was evidence of extensive testing, including comprehensive test scripts and the results of the User Acceptance Testing (UAT). These were performed in accordance with a testing plan which was detailed and in-line with good practice

- the Project Board's agenda was routinely sent out to all attendees ahead of each monthly meeting and covered all the key areas expected

- there is evidence that the Project Management team has been strengthened and is staffed by people with the appropriate skills and experience required.

Social Care Payments to Individuals and Providers, Children's Services

Objective

To provide on-going support and challenge to the control framework being designed into the new Liquid Logic case management system and the ContrOCC finance module, which ensures the accuracy and timeliness of payments due to support children.

Current Status

The challenge and support provided particularly focused on known weaknesses in arrangements identified in previous audits. As the work progressed, its coverage broadened out into other related areas.

Therefore, during this work, advice and support has been given with regard to the design of processes:

- to minimise the risk of 'one off' duplicate payments being made across systems when the system went live

- to ensure ContrOCC system access granted to users responsible for approving payments, was in line with the Council's Scheme of Delegation

- for monitoring approval of payments where system enforced limits were not possible

- for ensuring manual adjustments were are only made when appropriate, and that their use was independently monitored to confirm this

- for ensuring batch interface files between the ContrOCC finance module and the Council's key financial system Agresso had limited risk of manual intervention. In addition, there was timely reconciliations between the systems to confirm the accuracy of payments made

- for authorising payments to new foster carers, and the arrangements for setting up foster carers as new 'new suppliers' within the Agresso and ContrOCC systems

- suspending permanent foster care fees when temporary placements arrangements are operating and monitoring those on-going payments to reduce the risk of overpayments occurring.

The 2018/19 Audit Plan includes a further piece of work to establish whether the business processes, actions and controls agreed have been adopted, are embedded into day to day operating practices and working effectively.

Potential Corporate Project Governance Approach

Objective

To assess whether the Property, Regeneration and Strategic Projects Team (PR&SPT) capital projects, project management approach (the PR&SPT's project management approach) could be effectively utilised as the corporate standard when managing a project.

Current status

A theme arising from this year's audit work is the need for there to be better development and management of projects. Factors contributing to this are that the Council does not currently have any corporate:

- methodology or guidance on how to produce a business case or manage any kind of project

- expertise in this area that is available to support services, who in some instances, may not undertake this type of activity very often.

The only documented approach identified is that used by Property, Regeneration and Strategic Projects team, which is specifically designed for delivering capital projects. This approach would need to be developed further if it was going to form the basis of a corporate approach, to be applied to the development and management of all other types of project.

Therefore, management need to:

- decide what good practice model they want adopted as the corporate approach when producing a business case and managing a project

- allocate responsibility for producing and maintaining the corporate guidance to a named officer

- set a timescale for developing the guidance and rolling it out across the organisation

- develop some mechanism to get assurance from senior management, that the process is being applied by services, to all projects throughout the year.

Whatever good practice project management model is adopted, it should include:

- governance and reporting structures, which provide, clear roles and responsibilities, appropriate oversight and challenge to ensure decisions are taken by the required parties based on complete, accurate and timely information

- risk and issue management processes which ensure project risks and issues are identified and analysed in a timely fashion to allow for mitigation by management to avoid impacting on project aims

- plans that contain all required tasks and activities to complete the project, which are regularly updated or reviewed as well as processes to identify and manage project dependencies and ensure the critical path for delivery is understood

- benefits identification and management controls which allow the project to define and ultimately demonstrate the realisation of intended benefits and justify investment decisions

- controls to ensure project scopes are clearly defined allowing management to effectively budget, resource and plan project activities as well as controls which ensure changes to scope are robustly assessed and do not impact on the projects viability

- stakeholder identification, analysis and engagement controls to minimise resistance and ensure stakeholders understand what is required of them to maximise the projects benefits

- controls which determine and agree the standard of quality required for project outputs and processes to ensure outputs meet the required standard

- financial monitoring controls that ensure project budgets are sufficient to cover all project aims and activities which are tracked throughout the project lifecycle to ensure that the project remains viable

- resource management controls which allow the project to determine and secure the required capacity and capability to deliver project activities

- mechanisms for capturing lessons learnt for the benefit of future projects, to avoid repeating issues or incurring avoidable overspends or delays.

Troubled Families Programme, Payments by Results Scheme Grant

Purpose of funding

To assess compliance with the terms and conditions of the Department for Communities and Local Government's (DCLG) Financial Framework for making Payment by Result (PBR) claims under the Expanded Troubled Families Programme (Phase 2).

Background

The Financial Framework requires that Internal Audit verifies a 10% representative sample of PBR claims before they are made to ensure there is supporting evidence to confirm families:

- met the required criteria to be considered for entry to the expanded Troubled Families Programme

- have achieved either continuous employment or significant and sustained progress as defined by the Council's agreed Outcomes Plan.

Larger sample sizes may be required for smaller claims in order to ensure the audit is meaningful.

Opinion: Unqualified.

Appendix 2d: Other Audits and Grant Claims

Airport Business Park Procurement

Objective

To provide, as required, on-going support and challenge to ensure the Council's arrangements for use of the Local Growth Fund (LGF), can demonstrate compliance with grant conditions detailed in the Service Level Agreement (SLA) with Essex County Council[1]. The grant conditions primarily focus on ensuring:

- expenditure is spent in accordance with all legal requirements
- compliance with government reporting requirements.

Support and Challenge January to March 2018

The focus for the last quarter has been working with Project Board and Corporate Procurement team colleagues together with representatives from the Council's Development Partner Henry Boot Developments (HBDL), to agree practical and proportionate arrangements which, going forward ensures the Council can demonstrate:

- value for money for the procurement decisions made
- compliance with Public Procurement Regulations.

Regular feedback on the work undertaken has been given to the Project Manager and members of the Project Board, as appropriate.

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[1] The LGF is awarded by the South East Local Enterprise Partnership (SE LEP). Essex County Council is the Accountable Body to government for the SELEP's Growth Deal with government.