

ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO	AUDIT AND GOVERNANCE COMMITTEE
DATE	9 FEBRUARY 2016
SUBJECT	INTERNAL AUDIT FOLLOW UP REPORTS
LEAD OFFICER	HEAD OF INTERNAL AUDIT – MIKE HALSTEAD
CONTACT OFFICER	AUDIT MANAGER - SIONED PARRY
<p>Nature and reason for reporting – To present updates on Business Continuity and ICT Disaster Recovery Follow Up Audits to provide assurance of progress on the issues identified and completion of actions being taken.</p>	

1. INTRODUCTION

- 1.1 The UK Internal Audit Standards require Internal Audit to follow up management actions arising from its assignments. The implementation of agreed audit recommendations is the responsibility of management not Internal Audit. Internal Audit's responsibility is to report the status position.
- 1.2 The Audit and Governance Committee (15/03/16) requested that a further update report on Business Continuity and ICT Disaster Recovery Audits be provided later in the year to provide assurance of progress on the issues identified and completion of actions being taken. Details of the Business Continuity and ICT Disaster Recovery Second Follow Up Audits are summarised in **Appendices A** and **B**, respectively.

2. RECOMMENDATION

- 2.1 Members are asked to consider and provide comment on the assurance provided to the Audit and Governance Committee in this report regarding the actions being taken.

BUSINESS CONTINUITY ARRANGEMENTS SECOND FOLLOW UP

1. INTRODUCTION

- 1.1 A review of Business Continuity Management was undertaken in 2015/16, which resulted in a LIMITED ASSURANCE rating.
- 1.2 Follow up work was conducted earlier this year in relation to the progress made in implementing the recommendations made in the original Internal Audit Report. At the time of the last review there were 3 high and 2 medium recommendations outstanding.

The high rated recommendations concerned the need to:

- Finalise the Draft Interim Corporate Business Continuity Plan and circulate to members of the Business Continuity Team and management as appropriate;
 - Maintain a copy of the Corporate Business Continuity Plan in a secure accessible off site location and make available as a web link on an off site hosting server to ensure it can be accessed even if the Council's information systems have been affected;
 - Ensure that the Corporate Business Continuity Plan incorporates building recovery management arrangements.
- 1.3 Medium rated recommendations made related to training requirements to support implementation of the Business Continuity Plan and the need for Services to ensure that business continuity and emergency planning arrangements are up to date and operational, and included within Service Delivery Plans.

2. FINDINGS

- 2.1 The second follow up review identified that 2 high rated recommendations outstanding at the time of the last review have been implemented in full, as follows:
 - The Corporate Business Continuity Plan has been finalised and was approved as a live document by SLT on 03/10/16.
 - The Corporate Business Continuity Plan has been uploaded on Resilience Direct, a secure web-based information-sharing platform that allows documentation to be shared securely amongst nominated individuals and provides instant access to real-time information, facilitating a coordinated response and recovery during emergency situations.
- 2.2 The remaining high rated recommendation, relating to the need for building recovery management arrangements to be included in the Corporate Business Continuity Plan, is assessed as partly implemented. A draft Building Recovery Plan has been developed by Property Services; once the Plan is finalised and approved, it will be circulated as appropriate and a copy deposited on the Resilience Direct platform. As not yet fully implemented, the recommendation has been reiterated.

- 2.3 Medium rated recommendations made related to training requirements to support implementation of the Business Continuity Plan and the need for Services to ensure that business continuity and emergency planning arrangements are up to date and operational, and included within Service Delivery Plans.
- 2.4 The medium rated recommendation relating to training requirements is assessed as fully implemented.
- 2.5 In relation to the remaining medium rated recommendation, services were seen to have developed Service Business Continuity Plans to document business continuity and emergency planning arrangements at service level and identified key staff with responsibility for implementing business continuity arrangements. Not all services however had included business continuity within Service Delivery Plans to ensure that arrangements are maintained and kept under review and accordingly, linked to the associated risk on the Service Risk Register. This part of the recommendation is therefore reiterated.
- 2.6 It is assessed that the Council has demonstrated ‘**Good progress**’ in implementing actions agreed to address the audit recommendations.

Level of Assurance	Definition	Management Intervention
SUBSTANTIAL ASSURANCE	<p>Arrangements for governance, risk management and internal control are good.</p> <p>No significant or material errors were found.</p>	<p>No or only low impact management action is required.</p>

ICT DISASTER RECOVERY SECOND FOLLOW UP

1. INTRODUCTION

- 1.1 A review of the Council's ICT Disaster Recovery arrangements was conducted in 2015/16 which resulted in a MINIMAL ASSURANCE rating.
- 1.2 Follow up work was conducted earlier this year in relation to the progress made in implementing the recommendations made in the original Internal Audit Report. At the time of the last review there were 4 high and 4 medium rated recommendations outstanding.
- 1.3 Since the last report, investment has been made to ensure backup and recovery arrangements for ICT systems and data is robust, resilient and reliable in any event. A state of the art tiered storage system is now in place and software systems, comprising some of the most advanced technologies currently on the market for virtual infrastructure, installed to provide an integrated backup solution. A dedicated infrastructure for storage, including dual active data storage with dedicated UPS, means that high volume capacity and resiliency is now realised to ensure the continuous operation of the Council's business and information systems.
- 1.4 Re-location of the 'duplicate' storage system to the new off-site datacentre has been delayed by design, the focus being on getting the design and fabric right. However, it is envisaged that the re-location will be completed by the year-end.
- 1.5 A proposal has been made by the ICT Business Transformation Manager to set up an IT Governance Arrangements Board that will, as well as making decision making corporate and ensuring that IT resources can be deployed in accordance with the identified priorities for the Council, assist in the process of rendering ICT disaster recovery part of business as usual. Such a forum would ensure that the ICT Service can be fully informed of the Council's main business critical systems and any developments in relation to these, to ensure that ICT can prioritise support for these systems, as well as being informed of other, less prominent systems. Participation in the 'IT Governance Arrangements Board' would ensure the role of services in relation to the recovery of business systems could be developed and would encourage their active involvement in regular testing of the workings of proprietary systems and recovered data to validate successful recovery, demonstrating compliance with, and ownership of, disaster recovery / business continuity plans relating to individual services.

2. FINDINGS

- 2.1 One high rated recommendation related to the need to produce, adopt and implement a comprehensive ICT Disaster Recovery Plan; whilst it is acknowledged that the plan will develop and mature, a plan is in place, and the recommendation therefore assessed as implemented for the purposes of this review.

- 2.2 One other high rated recommendation is deemed to have been implemented in the main part as follows:
- Ad hoc file, folder and system restores have been undertaken as part of user testing of the backup system.
- 2.3 The third high rated recommendation relates to the need for test restore of system and data backups by services to take place in a live, as well as test environment, and to be tested externally, off-site, as well as internally. There remains a need to incorporate this testing into the ICT Disaster Recovery Plan and for scheduled test restore to occur regularly to ensure resiliency and reliability of recovery media.
- 2.4 The remaining high rated recommendation relates to the need for the responsibility for maintenance and monitoring of the environmental control and fire suppression systems within the datacentres to be formally documented; a new recommendation has been made to the effect that responsibility for managing and maintenance of the UPS and air conditioning systems within ICT datacentres (alongside maintenance of power generators and fire suppression systems) is transferred to Property Services to be incorporated into the Building Management System. Business continuity issues will then be addressed via the 'Building Recovery Plan.
- 2.5 It is assessed that the Council has demonstrated '**Reasonable progress**' in implementing actions agreed to address the audit recommendations.

Level of Assurance	Definition	Management Intervention
REASONABLE ASSURANCE	Arrangements for governance, risk management and/or internal control are reasonable.	Management action of moderate to low impact is required.