Governance, Risk and Best Value Committee

2.00pm, Thursday 9 October 2014

Internal Audit Update on Leavers Process

Item number	7.4
Report number	
Executive/routine	
Wards	

Executive summary

The Council's Governance, Risk and Best Value Committee requested additional information over the issues Internal Audit previously identified around delays in the removal of ICT (Information and Communications Technology) and e-mail access rights for Council leavers.

This report presents a summary outcome of the work performed to assess the process for removing leavers from the Council's ICT systems in order to seek assurance that it operates effectively and efficiently.

Internal Audit did not identify any high or critical risk in relation to this review.

Links

Coalition pledges	P30
Council outcomes	CO25
Single Outcome Agreement	SO1, S02, S03, S04

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Report

Internal Audit Update on Leavers Process

Recommendations

1.1 It is recommended that the Committee note the conclusions provided on the design and application of the leavers process within this report.

Background

2.1 In 2013, an ICT audit of Network Access Control was issued and the findings rated as 'high' were subsequently discussed at the April 2014 GRBV Committee meeting. At that time, it was identified that a number of leavers were not appropriately removed from Active Directory, which provides all users with network access. The GRBV Committee requested further assurance that the Council's leavers' process and exit policy was sufficiently strong to prevent leavers accessing Council systems and e-mail.

Main report

3.1 In order to assess the design of the Council's leavers process for payroll staff and application of the policy with regard to removing access to Council systems, the following areas were reviewed:

- Policy, management communication procedures and responsibilities over leavers;
- Process for removal from iTrent (payroll system); and
- Process for removal of access from Active Directory (network).

A summary of the outcome of work performed is provided under each of these headings below.

Policy, management communication procedures and responsibilities over leavers

3.2 Under the current exit policy, it is line managers' responsibility to ensure that the leavers' administration is appropriately processed. Timely removal from the payroll system (iTrent) and the network (Active Directory) are critical steps to ensure that any risk of inappropriate payments or access is mitigated. The initial communication from line management is to both HR and ICT separately. There

is not a single point of contact for the process. As iTrent and Active Directory are not integrated, it is necessary to perform a frequent manual review of leavers against the users on Active Directory. The design of this process relies on line managers discharging their duties consistently and on a timely basis.

3.3   To enhance the design of the policy for leavers' administration recommendations have been made to introduce more robust control and an agreed action plan has been developed with senior management.

Process for removal from iTrent (payroll system)

3.4   Testing was performed to gain assurance against any potential risk of individuals being inappropriately paid from iTrent following departure. Controls were evidenced to be operating effectively, with no exceptions.

3.5   It is Council policy to seek recovery of all overpayments. Testing was carried out to gain assurance that line management consistently notified the HR and Payroll Service Centre of leavers on a timely basis in order to prevent overpayment. Controls were operating effectively, with minor exceptions due to timing being appropriately recovered or pursued.

3.6   Where line manager notification was submitted to the HR and Payroll Service Centre on a timely basis, the process for removing leavers from iTrent was found to be operating as expected.

Process for removal of network access from Active Directory (network)

3.7   Standard approach when auditing system access includes testing controls designed to mitigate the following potential risks:

Risk 1: The risk of inappropriate remote access to IT systems for all users; and

Risk 2: The risk of inappropriate access by leavers after departure.

3.8   Risk 1: Since the 2013 testing was performed, the risks associated with the decommissioning of user accounts have been reduced. Government compliance requirements for the PSN (Public Services Network) code of connection accreditation were introduced in November 2013 which resulted in the Council no longer permitting ICT access (including e-mail) from 'unmanaged devices', such as personal home computers.

This strengthening of ICT security means that individuals are now unable to access the Councils systems unless they:

a) retain possession of Council mobile ICT assets that are managed or enrolled / licensed; and
b) remain operational on Active Directory.

The above represents a significant enhancement of the control environment around remote access levels.

3.9   Risk 2: The process for disabling and removing payroll leavers' application and email access was sample tested and found to be operating as expected. A monitoring control around payroll leavers has recently been introduced, involving reconciliation of Active Directory to a weekly leavers report. Sample testing confirmed that this control was operating as expected, with all accounts having been deleted or disabled with reference to a final end date.

Conclusion

3.10   Whilst the design of the payroll leavers' process could benefit from enhanced efficiency, testing demonstrated that it is operationally effective. An action plan has been agreed with senior management to interrogate this design inefficiency and determine a revised approach that challenges the existing policy and considers best practice. The potential risk of leavers accessing the Council's applications and e-mail has been greatly reduced with the implementation of new policies, procedures and other measures to comply with Public Service Network Code of Connection requirements in November 2013. This represents a significant enhancement of the control environment around remote system access and goes some way to addressing the concerns that created the request for this review.

3.11   There were no Critical or High rated findings as part of this review. Medium and Low rated findings were identified and an agreed management action plan implemented.

3.12   Through our work on the leavers' process, we identified some potential areas of concern in relation to tracking of ICT assets and management of non-payroll staff, such as contractors and agency staff. As a result, we have planned to conduct further work in these areas.

Measures of success

4.1   Effective application of the leavers process to ICT within the City of Edinburgh Council.

Financial impact

5.1   No direct impact.

Risk, policy, compliance and governance impact

6.1   Refer to main report at section 3.

Equalities impact

7.1   No direct impact.

Sustainability impact

8.1   No direct impact.

Consultation and engagement

9.1   None

Background reading/external references

[April 2014 GRBV Committee Papers - Item 8.3 - Internal Audit 2013/14 - Overview of internal audit follow up arrangements and status report as of 28 February 2014 – Reports](#)

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Links

Coalition pledges	P30 - Continue to maintain a sound financial position including long-term financial planning
Council outcomes	CO25 - The Council has efficient and effective services that deliver on objectives
Single Outcome Agreement	SO1 - Edinburgh's Economy Delivers increased investment, jobs and opportunities for all
	SO2 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health
	SO3 - Edinburgh's children and young people enjoy their childhood and fulfil their potential
	SO4 - Edinburgh's communities are safer and have improved physical and social fabric
Appendices	None