



**Internal Audit Report
2015-2016**

IT Security of Assets

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September 2015**

Contents

Audit: IT Security of Assets
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1 Introduction

- 1.1 The council has a significant volume of ICT assets and the ICT Operations service is responsible for the management of all IT assets across the council.
- 1.2 To achieve value for money, and full use from the hardware in use it is important that all ICT assets are tracked and managed appropriately. This is now essential under NWOW (new ways of working), where staff and equipment are no longer stationary and working from home is becoming a routine occurrence.
- 1.3 All IT Inventories are currently now being updated as part of the ICT 'Business As Usual Strategy' (BAU) Transformation Project, so that all ICT assets are held on Track IT, along with requests and history of individual items being ordered, replaced or disposed of.

2 Scope

- 2.1 The scope of the audit was to review the inventory for portable items to ensure that:
 - Policies and Procedures are in place and regularly reviewed
 - Controls are in place for the purchase and disposal of small portable items
 - Purchases are recorded, updated and reviewed
 - Accurate data is provided for Insurance cover purposes
- 2.2 Testing was carried out according to our findings below.

3 Findings

- 3.1 Internal Policies, processes and procedures are important to have in place; thus ensuring staff awareness regarding of their roles and responsibilities. Without up to date policies and procedures in place, staff may not be aware of current working practices and this could result in a lack of control over the security of assets.
- 3.2 The service is responsible for the council's corporate IT Security Policy. Internal Audit was informed by the ICT Operations Manager, that this policy had not been reviewed or updated since 2010, as part of the PSN certification. Audit have since been informed that these have now been updated and are awaiting formal approval by the Head of Service. In future, a more formal annual review will be take place and be recorded, even if no amendments are required.

- 3.3 Further policies being reviewed at the time of audit were; the Email Policy and Information Security Incident Policy and Members Information Security Policy.
- 3.4 No written processes or procedures for; the recording and disposal of equipment were made available when requested. However, since then, audit had been issued with an Equipment Workflow. Unfortunately, this is very basic and does not contain sufficient detail for audit to be able to perform a full walkthrough to confirm the process. It is important that all documents are reviewed on a regular basis and updated accordingly to ensure that they reflect arrangements in accordance with the council's working practices. ICT are aware that the systems and processes in place are not current and regularly reviewed in line with best practice. Internal Audit have been informed that they will be reviewing and implementing policies, procedures and policies using a (BAU) based on an IT Infrastructure Library (ITIL). [A spreadsheet is currently being populated to ensure that all policies and procedures are reviewed, and in line with PSN compliance.](#)
- 3.5 There are various places where the asset information is held. Unfortunately, the master Inventory provided from Track-IT had only limited information at the time it was audited and not one document contained all the relevant asset information. As a result, Internal Audit could not confirm that all purchases made had been recorded for; laptops, mobile phones, VPN's or cameras. Records include a unique identification number against each item, but there was no record of the date of purchase, the cost of the item, or whom the item had been allocated to.
- 3.6 [In addition, the ICT inventories had not been consistently updated for the following: purchases, disposal, resignations, extended leave, re-deployment or termination of staff. Audit testing identified that recorded users of equipment, such as phones and laptops, were no longer employed by the council and/or did not reflect the current whereabouts of an item or who it had been reassigned to. In addition to the TrackIT requests, ICT do receive E forms of starters, changes and leavers, which could be used to populate this combined information, providing all the required information in supplied.](#)
- 3.7 In future TrackIT will be the designated Configuration Management Data Base (CMDB) for asset management. Whilst ICT confirm that the information is accurate for new assets, it may not reflect accurately older assets; these are currently being transferred from existing spreadsheets and databases as part of ICT's action plan. However, the Service will need to test-check TrackIT, sooner rather than later, to ensure that the asset module is fit for purpose can record and report on asset data as required. Training on this module will be essential for all staff using it.
- 3.8 There are three electronic forms Managers complete to notify personnel and ICT that an applicant has been successful, member of staff is transferring to another position or is leaving. The template for these forms need to be reviewed and updated to give a detailed list of all equipment that is required or needs to be transferred or returned.

- 3.9 Employees are required to sign the ICT Security Policy but do not sign any acknowledgement of receipt or the return of IT equipment. Staff within the organisation should be made aware of their responsibilities and security of the equipment on receipt of and at the point of termination of their contract, to ensure equipment is returned and inventories are updated. The template for these forms need to be updated to give a detailed list of all equipment that is required or need to be returned.
- 3.10 It is the ICT services responsibility to inform the council's insurance officer of the value of IT items on an annual basis, so that insurance cover can be provided. Internal audit were informed by the service that the insurance officer should be notified of all items within one month of purchase. We were unable to confirm that for the items selected as a sample were insured, as insurance values are recorded by bulk and not individual items.
- 3.11 Further testing found that purchases to the value of £89,687 were made during period July 2014 to July 2015. However, the Insurance Officer had not been informed of any of these items. As the cost of assets is only required annually and allegedly not used by Finance, there needs to be clarification between ICT and the Insurance Officer as to the requirements going forward and procedures amended to reflect any changes.

4 Conclusion

Whilst it is noted that ICT are currently going through a period of change and the indication is that many of the findings will be addressed. There is general concern that the [inventory remains incomplete and the whereabouts of all assets is not easily identified](#). It is essential that a reconciliation of assets is undertaken, in the short term in order to record their current location and ownership.

5 Recommendations

- 5.1 A number of recommendations have been made and an Action Table has been produced, see Appendix 1. In order to prioritise actions required, a traffic light indicator has been used to identify issues raised as follows:

Red – Significant issues to be addressed

Amber – Important issues to be addressed

Green – Minor or no issues to be addressed

6 Action Plan – Appendix 1

Paragraph Ref	Recommendation	Officer	Priority	Agreed?	Comments	Implementation Date
4.	Although ICT have agreed that there are plans for in place to improve the current system of recording. It is essential for a reconciliation to take place between the current records and equipment held be undertaken as soon as possible.	IT Manager	Significant 	Yes	<p>1. It would be practical to do this once the current NWOW's Laptop Rollout Project is complete and unused desktops are removed from offices. (A dependency of this will also be the big office moves taking place in early 2016.)</p> <p>2. In future ICT will be introducing an annual asset review exercise.</p>	<p>March 2016</p> <p>On-going</p>

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3.3	All processes and procedures for; recording, transfer and disposal of assets is sufficiently detailed up to date to reflect current practises.	IT Manager	Important 	Yes	The ICT BAU Transformation project is in flight and all processes and procedures are currently being reviewed and updated. A spreadsheet is being populated to control this.	March 2016
3.4	A master inventory is to be held on TrackIT, this should include: the cost of the item, date of purchase, unique ID number and who it has been allocated to. The information held should also be current.	IT Manager	Significant 	Yes	The process of updating the Asset Database is on-going. The ICT team are in the process of consolidating all previously held information to assure the information is stored and is accessible in one place -TrackIT.	March 2016

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3.5	All movements of assets should be entered onto the master inventory, so that the life of the asset from purchase to disposal is recorded.	IT Manager	Important 	Yes	Whilst ICT will be diligent in updating TrackIT with any changes they become aware of, it is important to recognise that ICT can only make changes when they have been notified of such changes. It is also worth noting that CDC now work in a flexible environment and there has to be some responsibility taken by the individuals for their equipment, and in notifying ICT of changes or transfers etc. This is covered in the NWOW	Ongoing
3.6	Users of Track IT are given training to understand the systems capabilities so that it can be used as it is intended for the purposes of an Inventory.	IT Manager	Important 	Yes	As part of the ICT BAU Project there are training Workshops arranged to provide assistance in ITIL based procedures and best practise.	December 2015

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3.7	The asset module within TrackIT needs to be tested to ensure that it is able to capture and report all information required of an asset inventory. If not an alternative method will need to be considered as a matter of urgency.	IT Manager	Important 	Yes	IT Manager has agreed that this needs to be completed as soon as possible.	December 2015
3.8	The electronic form for starters/transfers and leavers could be reviewed and updated to record these details.	IT Manager	Important 	Yes	The IT Manager is happy to discuss their requirements of equipment being recorded on the e-forms with Personnel. However, ICT will remain reliant on these forms being completed.	December 2015

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3.9	Staff should be reminded of their responsibilities and sign for equipment on receipt and return to show a record of issued and received.	IT Manager	Important 	Yes	<p>This is completed when the Security Policy is signed and the device is handed over by ICT to the end user and also at IT Essential's workshop and as part of the users general CDC Induction.</p> <p><i>Note: ICT will be happy to assist with the process of collecting the kit from the individuals and updating TrackIT. However this is a wider process that needs to be addressed across the organisation and communicated as such.</i></p>	On-going
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3.10 & 3.11	A process is put in place for the way forward for informing the Insurance Officer of IT purchases to ensure that all ICT assets have sufficient cover of insurance.	IT Manager	Important 	Yes	IT Manager has contacted Insurance Officer to confirm requirements and will assist with applying these once known.	October 2015
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