

REPORT OF: FINANCIAL SERVICES MANAGER

TO: ACCOUNTS & AUDIT COMMITTEE

DATES: 28th SEPTEMBER 2017

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Computer Audit 2017/18

PURPOSE OF REPORT

1. The purpose of this report is to inform the Committee of the arrangements made for the provision of Computer Audit services in the current financial year.

RECOMMENDATIONS

2. The Committee is asked to note the position outlined in this report and the engagement of the Merseyside Internal Audit Agency for the provision of computer audit services in 2017/18.

ISSUE

3. The annual audit plan includes provision for computer audit. Until this financial year, computer audit was undertaken by Furness Audit based in Barrow. As reported to the Committee earlier this year, Furness Audit informed us of their intention to withdraw from the service by the end of March 2017 leaving the Council to make alternative arrangements for the current year.
4. Following an introduction from the East Lancashire CCG, the report author made contact with the Merseyside Internal Audit Agency to discuss the opportunity for the Agency to provide computer audit services to the Council. Several discussions have taken place with the Agency involving the report author and members of the Internal Audit Team and more recently with the Strategic Director.
5. These discussions have recently concluded resulting in the engagement of MIAA for the current financial year with the scope to extend the agreement by mutual consent between the parties (click [here](#) for more information regarding the MIAA).
6. An initial programme of work has been agreed for the current year which will focus on the following three areas:

(a) IT Service Governance

This will consider the arrangements established by the Council, and its interaction and relationship with Liberata, which ensure that a fit-for-purpose service is defined and delivered. The review will, thus, consider the arrangements established by the council, and its interaction and relationship with Liberata, which ensure that a fit-for-purpose service is defined and delivered.

(b) Cyber Security

The Council has recently received cyber related assurances from Liberata. The review will consider the scope of, and commentary within, the report in order to provide an opinion upon the assurances that can be taken from it. Where necessary, MIAA will liaise with Liberata in order to obtain further clarification, detail or evidence to support their opinion.

(c) Asset Management

This review will consider the extent to which the Council effectively manages its IT assets to ensure that they remain fit for purpose, are cost effective, able to exploit current and new technologies and continue to deliver a robust service. The review will consider the processes in place for assessing and adopting hardware platforms and the software licencing models to ensure that these adequately consider alternative technologies and approaches to ensure that maximum benefit is derived from investment. The review will also consider the hardware procurement and ownership models as exercised in conjunction with Liberata in order to ensure that these appropriately support the council.

7. The outputs from this work will be reported to the Committee via the established arrangements for monitoring and progress updates on the work of internal audit. The Council's Internal Audit Manager will be the main contact with the MIAA for the delivery of their work. The Agency will work closely with the Council's internal audit team and through this arrangement we expect the team to benefit from access to the resources, experience and expertise of the Agency which will support the team's own professional learning and development.

IMPLICATIONS

Policy

8. There are no new policy arrangements resulting from this report. It simply outlines a change in external provider for the delivery of computer audit services.

Financial

9. The cost of the arrangement with MIAA will not exceed £10k in the current financial year and this will be contained within existing approved budgets.

Legal

10. There are no new legal implications resulting from this report.

Risk Management

11. The engagement of MIAA will help address a gap in the Council's capability to deliver computer audit services following the withdrawal of Furness Audit.

Health and Safety

12. There are no health and safety implications arising directly from the contents of this report.

Sustainability Implications

13. There are no sustainability implications arising from this report.

Community Safety:

14. There are no community safety issues arising from this report.

Equality and Diversity:

15. There are no equality and diversity implications arising from this report.

APPENDICES

None.

LIST OF BACKGROUND PAPERS

None.