

Division(s): ALL

AUDIT & GOVERNANCE COMMITTEE – 18 NOVEMBER 2015

PROGRESS REPORT ON THE ACTIONS IN THE 2014-15 ANNUAL GOVERNANCE STATEMENT

Report by the Head of Law & Governance

Introduction

1. Audit & Governance Committee approved the Annual Governance Statement (AGS) for 2014/15 in July 2015. The AGS lists six 'Actions' to be carried out in 2015/16. This report is the mid-year progress report on these 'Actions'.

The Progress Report

2. Annex 1 (and the related Annex 2 and 3) sets out the 'Progress Report on each of the six AGS Actions' for 2015/16. Just over half way through the financial year, reasonable progress has been made on all of the six AGS Actions.

Financial and Staff Implications

3. There are none.

Equalities Implications

4. There are none.

RECOMMENDATION

5. **The Audit & Governance Committee is RECOMMENDED to note the progress on the AGS Actions.**

NICHOLAS GRAHAM
Head of Law & Governance

Background papers: The Annual Governance Statement 2013/14, which is at the back of our Annual Statement of Accounts for that year

<https://www.oxfordshire.gov.uk/cms/sites/default/files/folders/documents/aboutyourcouncil/counciltaxandfinance/auditandaccounts/StatementofAccounts2014-15.pdf>

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Annex 1 - Progress Report on the Six AGS Actions

Action	Progress
<p>1. Data Quality (ongoing from 2013/14)</p> <p>For each major or critical database held by the Council, identify what are the necessary, realistic and affordable features that there should be to ensure that an appropriate level of data quality is reached.</p> <p>Check if these features are in place and effective.</p> <p>Then if possible make changes so that any features that are missing or weak are put in place or improved.</p> <p>Then report back on this process. List any remaining changes that need to be implemented and whether, when and how this will be possible.</p>	<p>See Annex 2 for a comprehensive report on this complex issue.</p> <p>Annex 2 presents information about the scale of this problem. For example, the Council has 7,786 Microsoft Access databases, hundreds of thousands of Excel spreadsheets and millions of electronic documents.</p> <p>Annex 2 then sets out a proposed approach to improving our data quality. This will take at least two years. Two detailed plans, for the period up to March 2016 and then for the period beyond March 2016 are set out.</p>
<p>2. Commercial Services Board (ongoing from 2013/14)</p> <p>1. Communicate the role of the Commercial Services Board and ensure that its requirements are fixed in place in the Council.</p> <p>2. Implementation of the Contract Management Framework</p> <p>3. Development of the County Procurement Team including resources to support the ongoing work of the Commercial Services Board and implementation of the contract management framework.</p> <p>4. Tackling instability arising out of the externalization agenda and</p>	<p>1. The role of the CSB and its membership will be reviewed and re-affirmed within the context of wider organisational changes. In the meantime the Board continues to meet and review key commercial indicators and practices and recommend and implement necessary changes.</p> <p>2. Work has focussed on the skills development program and 'passport to practice' accreditation. 91 Contract managers have been engaged in the program and 56 have been awarded accreditation.</p> <p>An options paper and business case for a contract management system has been developed and will be presented to the CSB in November and CCMT before Christmas.</p>

Action	Progress
<p>the effect on SAP governance and control mechanisms</p>	<p>This will provide an important platform for contract managers and council oversight.</p> <ol style="list-style-type: none"> 3. The corporate procurement team has been created though recruitment for all posts is not yet complete. Resource utilisation has been dominated by Hampshire/IBC transition issues. But this is expected to be re-focussed on CSB support/contract management by the end of '15. 4. A range of transition issues have been identified and are being assessed and resolved with close working between OCC and HCC. This work is being co-ordinated by the new DD Finance. <p>Currently, this 'Action' is managed by the Interim Corporate Procurement Manager. However he is leaving at the end of November, but will be replaced by another senior manager/deputy director in Finance.</p>
<p>3. Business Continuity (BC) (ongoing from 2014/15)</p> <ol style="list-style-type: none"> 1. Increase awareness and scrutiny of BC when buying in or outsourcing activity 2. Ensure that flexible and agile working takes account of the need for BC 3. Improve links between Directorates and the BC Steering Group 4. Improve the Priority 1 exercise programme 5. Improve awareness of BC across the organisation 6. Use the good practice guide to improve BC generally 	<p>See Annex 3 for a comprehensive report on this complex issue.</p> <p>Annex 3 comments on all of the seven issues mentioned by this 'Action'. Only one of them is considered to be 'off target' at this mid-year stage – issue 6.</p>

Action	Progress
<p>7. Scrutinise the BC resilience of new projects. Notably the Integrated Business Centre (run by Hampshire) and the Joint Fire Control, to support bedding in for the first year.</p>	
<p>4. Externalisation of Human Resources and Finance Services (ongoing from 2014/15)</p> <p>Setting up, implementing and fixing in place our new operating model includes extensive working with another public body and other work. This work continues as Hampshire take on this role in July 2015.</p>	<p>A separate report on this Audit & Governance Committee agenda covers this issue in detail.</p>
<p>5. Strategic Risk Register</p> <p>The Strategic Risk Register to be refreshed and agreed by CCMT, with a quarterly review, including management assurance on the effectiveness of the mitigation for the Strategic Risks</p>	<p>We have commenced a full review of the Corporate Risk Register, and in November have a risk workshop with CCMT to "identify" and "assess" the corporate risks. Following that exercise the risk register will be produced and mitigation plans developed, owned by CCMT, facilitated by the Business Assurance Team.</p> <p>The risk register will be operational by the end of December 2015, and included as part of the quarterly business management reporting process from January 2016.</p>
<p>6. Supported Transport for Children</p> <p>To ensure full implementation of the children's safeguarding standards framework for the transport service and the provision of assurance that these arrangements are effective.</p>	<p>The Supported Transport Governance Group monitors the delivery of the detailed management action plan, and is reporting into CCMT. In their recent report, approved by CCMT, progress has been made in developing the safeguarding infrastructure of standards, policies, legal framework, procedures, training etc.</p>

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Action	Progress
	<p>Critical actions regarding partnership working, governance and information sharing with the OSCB and District Councils are complete and ongoing work over the next few months will strengthen these arrangements. Significant progress has been made with the management actions and there is clarity about additional work required to improve our Safer Transport system.</p> <p>We have also identified the complexity of the system and its individual parts and as such are clear that the initial deadlines set were inappropriate. For actions still in progress, the agreed target date has been revised to be fully complete by April 2016.</p>

Annex 2 – Data Quality Strategy

Introduction

Following the introduction of the Data Quality Policy late in 2014, staff from the ICT Information Services Team have been working on a variety of initiatives to improve and embed the principles of Data Quality and Information Management into the Council's culture.

As a reminder – we are using the following as our guiding principle of what Data Quality means to us. *Good data quality is data being accurate, up to date, relevant for business use and meeting record retention requirements.*

Over the past 12 months, there have been a number of notable improvements in terms of Data Quality. These include:

1. **Information Asset Registers** - All known databases and data sources have been recorded on an Information Asset Register for each Directorate. This asset register identifies what data the Council has and will now enable us to identify and prioritise our Data Quality improvement work.
2. **Information Asset Owners** - Each Information Asset has an Information Owner (IO) identified in the Directorate Information Asset Registers. One responsibility of an Information Owner is to now act as 'data quality champion' for each of their business systems.
3. **Automated Data Quality Checks** – Some business systems now include automated data checking for some data fields. For example: the new Liquidlogic Adult Social Care System (LAS) checks that a date of birth is in the correct format and not in the future when entered. Where errors are detected, the staff member using the system will not be able to progress until a correction is made. We will be looking to see how further automated checks can be introduced in other business systems where they are not already implemented.
4. **Identifying the scale of the current Data Quality issues** – ICT has now scanned the network and has identified the following number of databases currently stored on the Council's network:

Database Type	Number of Databases
Microsoft Access	7786
Microsoft SQL	1277
Oracle	17
IBM DB2	80
MySQL	82
Total	9242

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In addition we have hundreds of thousands of Excel spreadsheets, millions of electronic documents and the same number of paper documents. At present, there is a significant risk to the Council as a substantial amount of this data is unstructured information which is stored outside of the major business systems (such as Shared Drives or within e-mail).

5. **Making Data Quality a personal responsibility** – Agreement has been given by the Chief HR Officer to include text regarding Data Quality in all Job Descriptions. Our aim is to make data quality a personal responsibility and we will set out what that means in a suitable on-line training course, similar to that of the existing Acceptable Use Policy (AUP) training.
6. **A regular and consistent approach to Data Quality Reporting** – During our work, we have identified that some areas of the organisation already produce data quality reports for their business systems. These are then used to identify and correct any data quality errors found. Our aim is to work with the staff currently undertaking these tasks and set out a consistent approach for the organisation.
7. **The publication of regular headlines on the Intranet** – So far this year, there have been 10 headline articles produced to cover a variety of Information Management topics. Once we have understood and prioritised the information assets that will be subjected to a central 'Data Quality regime' we will create and publish our plans to improve and monitor via this method.

Our Proposed Approach & Improvement Timeline

Our current estimate is that it will take at least 2 years to complete our work and Data Quality will only start to improve as we embed a change of culture across the Council. All members of staff have to be trained to consistently 'Think Quality' and asked to avoid storing data outside of the major corporate systems where it cannot be, found, managed or maintained.

In terms of our improvement timeline, we are currently prioritising our efforts in the following areas –

- The work that we can successfully complete or make good progress on before the end of March 2016.
- The more strategic work that will be delivered between March 2016 and March 2018.

Data Quality Improvement Plan to March 2016

Over the remainder of the Financial Year 2015/16, we will be looking to complete or have made significant progress in the following areas:

1. **Areas for Data Quality Improvement** – Given the scale of the work involved, we will have to categorise and prioritise areas for improvement. We will use a combination of the information gathered from the Information Asset Registers

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along with the business systems priorities (as defined by the Business Continuity Stakeholders Group (BCSG) to set out an approach and publish an appropriate timeline.

2. **Category Action Plan** – For each of the categories identified in point 1, we will devise an appropriate standard, identify areas that require improvement, and then devise a suitable implementation plan with support from the Information Governance Group.
3. **Data Quality on Priority 1 Systems** – As stated earlier in this report, some of the Council's Priority 1 systems already have mechanisms for data quality built in. We will ask for advice from the suppliers of the priority systems to find out what is available and then introduce changes where it is appropriate to do so and with support from the Directorates.
4. **Spot Checks** – Working with our Directorate colleagues, our aim is to introduce a regime of 'spot checks' on a regular basis for all Priority 1 systems using the standard Data Quality Principles as set out in the Data Quality Policy. Once we have collected the data, we will then publish regular reports on our findings.
5. **Communication** – We will continue to produce intranet headlines and articles on Information Management and Data Quality. We will also devise a short online training course that outlines the personal responsibilities to ensure Data Quality and then report on the number of staff that have completed the course.

Data Quality Improvement Plan beyond March 2016

As previously stated, embedding a culture of Data Quality across the organisation is likely to take about 2 years to complete. The Council has a substantial amount of data and with the increasing number of 'commissioned services' keeping the Council's information safe, secure and of good quality is a real challenge.

Therefore, looking at improvements that could be introduced post March 2016, we are currently reviewing and evaluating the following:

1. **Information Asset Identification** - The current known Information Assets are recorded on the Information Asset Registers. Work will be done to continue to identify what information we have, where we get it from, what we do with it, what we need, where are the gaps, who we provide it to, how are we providing it, where we store it.
2. **Duplication Removal** – The Council stores a substantial amount of Data (almost 200Tb). We know that data is duplicated across and in some cases, within systems so we will, where possible remove the duplication of collection and storage as much as possible; this will be done on the basis of the COUNT principle. (Collect Once, Use Numerous Times)

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- 3. Data Quality on Priority 2 & 3 Systems** – Following on from the work on Priority 1 systems, we will look to see what automated Data Quality controls are in place on Priority 2 & 3 systems.
- 4. Digitalisation, Business Applications Rationalisation & Consolidation** - The Council currently operates 284 business applications each with its own data set or data sets. Future Corporate Programmes and Projects will enable us to review, rationalise and consolidate business applications and data which will reduce the management overhead and give us the chance to improve Data Quality. A recent example of this is the new Adult Social Care system. Within that project, the team achieved an automated 98% accuracy in the data that was integrated between the legacy Swift and Abacus systems.
- 5. Business Systems Data Quality Initiative** – For each Business System (starting in priority order) we will create a Data Quality improvement plan. Some systems, such as Frameworki and LAS already benefit from automated data quality checking functions. As we maintain and upgrade the Council's business systems, we will look to see what can be improved at each opportunity.
- 6. Improve Document & Records Management** – The Council has recently invested in a new Document and Records Management System (Microsoft SharePoint). We will look to ensure that all business systems have robust records management processes.
- 7. Good Data Quality Practice** – We will continue our plans to instil good data quality practices across the organisation, but ensure that those practices are managed in a supportive and pragmatic way.
- 8. Communication** – We will create an effective Data Quality Communications Campaign alongside the one we are using to promote Information Management. With a combination of briefings, training, changes to job descriptions and intranet headlines (along with the possibility for specific appraisal objectives) we should be able to report good progress on data quality improvements.

MARTYN WARD
Head of ICT Business Delivery

CAROLINE PARKER
ICT Information Services Manager

Annex 3 – Business Continuity

The recent ICT server problems on Friday 25th September through Wednesday 30th September should be highlighted, both for the good incident response and for the learning to draw upon.

1. Increase awareness and scrutiny of BC when buying in or outsourcing activity:

- This Action will continue to need attention due to the changing shape and function of local government: increasingly placed within a supply chain of customers, service users and public, and of contractors and commissioned services in delivery.
- Work has progressed for example around incorporating BC into procurement training, and aligning BC closely with the risk management approach in contracting and commissioning.
- Resilience around health and social care commissioning remains the headline risk with the changing care market following the Care Act 2012.
- Involvement in a project with the local government think-tank LGiU on care provider failure has provided best practice guidance to be shared in our area.
- Work with Zurich to analyse our care supply chain should also provide better appreciation of continuity risks.
- Major contracts should not be overlooked: a BC exercise has been conducted with Skanska, and we are improving our BC collaboration with our platinum contracts.
- There is work to be done raising the profile of supply chain BC as a critical part of wider organisational resilience.
- This Action is currently on target, but should be expected to remain an Action into the next AGS with new budgetary pressures and commissioning activity.

2. Ensure that flexible and agile working takes account of the need for BC:

- Confidence increases in BC around agile working.
- There are BC benefits from agile working, but it also presents other BC issues itself. These are becoming better understood, however “agile” cannot be an assumed BC solution in every case without robust impact assessment.
- David Stubbington presented to the Business Continuity Steering Group (BCSG) which gave the Group the opportunity to examine agile working and asset utilisation and provide BC perspectives from across the organisation.
- Greg Stacey has attended Senior Leadership Teams across Directorates with BC Reps to provide updates and reinforce BC issues around agile working. Most recently attending Strategy & Infrastructure Leadership Team in Environment & Economy placed BC into the “business planning” mechanism at the initiation of projects and programmes, and there is positive work to progress here.
- This Action is on target.

3. Improve links between Directorates and the BC Steering Group:

- With significant levels of change and reshaping across the organisation, focus must remain to ensure Directorates maintain BC as part of change management. Part of this challenge includes ensuring the value of the BCSG for the business, and ensuring valuable issues reach the BCSG from the business. This has been best demonstrated by the number of real incidents which have activated and tested our BC arrangements and proved the value of the Group.
- Progress has been made by promoting BC at Senior Leadership Teams and by examining realistic business threats, e.g. security, supply chain issues, reputation management, cyber threat, fire risk, malicious attack. All of these have seen real incidents that make them timely considerations.
- BCSG ratified that BC Plans are to be signed off no lower than Tier 3 management which also raises the profile of BC within Directorates.
- Directorate level BC exercises continue, with CEF and SCS yet to complete within 2015/16 to give a full complement; exercises are already distilling down to Service/Team level beneath this.
- There is work to do to improve the Directorate Registers to provide better clarity of BC gaps and enable the BCSG and Directorate management to pick these up and mitigate them.
- This Action is on target.

4. Improve the Priority 1 exercise programme:

- As mentioned above, Directorate level BC exercises continue, with CEF and SCS yet to complete within 2015/16.
- In addition, exercises have been conducted within Directorates, and in November there will be a Communications & Media exercise to examine our continuity arrangements and planning assumptions around a major incident – this exercise has both BC and emergency response angles.
- In October, Skanska undertook a BC exercise with scenarios around two major works schemes, one directly within their works and one supporting a wider emergency incident. And in November, Carillion will also conduct a BC exercise. We will look to engage in this more often as part of contractual arrangements, which will help to scrutinise and satisfy as per Action 1.
- There is a continuing need to move toward cross-service exercises which will help to identify and share vulnerabilities in service delivery that might affect more than one Service or Directorate.
- The E&E Directorate exercise in January 2015 was a good model for this in bringing together key functions across the Directorate, and this model should be repeated across the Organisation.
- A review of the BC Priority Services system is also underway and this will help to identify where testing is most needed and where collaborative cross-service testing can be achieved.
- The greatest exercise, however, has been the significant number of live incidents or neighbouring incidents that have tested our BC arrangements or assumptions. A live incident does count as an exercise and should refresh the

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BC planning lifecycle – this is the case with the ICT major incident in September.

- Equally important is learning from incidents and exercises alike and adjusting BC arrangements accordingly. We recently supported South Oxfordshire & Vale of White Horse DC in producing a very successful learning day about the Crowmarsh fires which provided many lessons for ourselves and resilience delegates drawn from across the UK.
- This Action is on target but with Directorates and P1 Services yet to test in 2015/16.

5. Improve awareness of BC across the organisation:

- Real incidents and disruptions beyond and within OCC have undoubtedly raised awareness of BC across the organisation.
- The key has been to capture improvements from incidents, and “lessons learned” have been useful in raising awareness, e.g. refreshing secondary locations following Crowmarsh fires.
- BC surgeries were held across Council sites during Business Continuity Awareness Week (BCAW).
- BCAW was observed for the first time in OCC in March 2015; it will happen in May 2016 and this better date beyond financial year end should improve the event.
- Reshaping, rationalisation, office moves and new systems and ways of working have all introduced BC challenges, but also raised awareness as teams have identified BC issues in their new arrangements.
- This Action is on target, but should be expected to maintain through to BCAW 2016 and with adoption of new organisational initiatives and programmes.

6. Use the Good Practice Guide (GPG) to improve BC generally:

- Important elements of GPG such as strategy and framework are present, and threat analysis and horizon scanning have been introduced, but other key elements such as Business Impact Assessments are still required.
- BCSG now follows an agenda and an auditing pattern that follows the Six Professional Practices of the GPG: policy & programme; embedding culture; analysis; design; implementation; validation (audit).
- The “lifecycle” approach of the GPG has become better understood with the real incidents experienced kick-starting checks and reviews of BC arrangements.
- This Action is currently off target until the programme to embed GPG initially into Corporate and Directorate level BC planning commences later in 2015/16.

7. Scrutinise the BC resilience of new projects (notably IBC and Joint Fire Control) to support embedding for the first year:

- This Action will continue through 2015/16 following the progress of IBC and Joint Fire Control in particular, but also new projects and applications in OCC.

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- OFRS covered issues through their project team and Operational Support Room, and recently tested secondary measures with their “buddy Control” North Yorkshire FRS.
- IBC issues included first payroll, mis-payments in OFRS, and communication issues around planned and unplanned maintenance and disruptions.
- Work is continuing to examine BC options available to OCC in the event of a major BC issue with IBC and the communications surrounding that.