HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Internal Audit Review
Electronic Document Management

Meeting/Date: Overview & Scrutiny Panel (Economic Well-Being)
3 April 2014

Executive Portfolio: Resources: Councillor J A Gray

Report by: Internal Audit & Risk Manager

Ward(s) affected: All Wards

Executive Summary:

In November 2011, the Panel established a Working Group to review the costs of the District Council's Document Centre with the aim of forming a view on its efficiency and cost effectiveness. The Working Group reported its findings to the Panel in February 2013 who subsequently made 10 recommendations to the March 2013 Cabinet.

One of the recommendations was to investigate the progress of electronic document management (EDM – Information@Work) across the Council. The Internal Audit Service had a similar review included in its 2013/14 audit plan. The Panel therefore decided to await the outcome of the internal audit review before deciding what further work they should undertake.

Internal Audit review:

The Internal Audit review had intended to be conducted as a post implementation review of the EDM project – comparing the original project objectives to identify if they have been delivered, what benefits have been realised and if the project had been delivered within budget. This piece of work was not possible to undertake, as much of the material had been archived or could not be accessed easily due to the fact that EDM project commenced in 2004.

Consequently, the focus of the audit was changed. Whilst 20 service areas use the Information@Work system in one way or another (e.g. scanning, storing or workflow management), the review concentrated on those six services that use the Document Centre for their initial scanning of documents into the EDM system for workflow management purposes:

Licensing   Planning
Housing Benefits   Council Tax
Housing   Environmental Health (testing revealed not used
                                            for workflow)

The internal audit review concluded that the systems in place to manage EDM across these six areas was adequate. Four actions were suggested for improving the

current system, all were accepted. The final version of the internal audit report is attached at Annex A.

Agreed action one (to investigate the volume of scanning completed by four sections who undertake some scanning away from the Document Centre to understand if it is being done in the most effective and efficient way) has been completed by the Document Centre Manager who concluded that there were inefficiencies in the current scanning procedures and that these areas should be further reviewed to realise efficiency savings.

The implementation dates for the remaining three agreed actions have not yet been reached. Agreed action three (reviewing the application of the Information@Work system to ensure that electronic data is stored efficiently, effectively and consistently) requires a substantial piece of work to be undertaken, if the full benefits of Information@Work and its use for documentation retention are to be realised.

Financial implications
There are no financial implications.

Legal implications
There are no legal implications.

Recommendation:

It is recommended that Panel note the internal audit report into EDM and decide what, if any, further review work they wish to undertake into this area.

Background papers
None

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Internal Audit Report

Electronic Document Management (EDM)

Colin Meadowcroft,
Head of Legal and Democratic
Services

October 2013
v.1

HUNTINGDONSHIRE DISTRICT COUNCIL – DRAFT INTERNAL AUDIT REPORT

Summary

This audit reviewed the management of the Electronic Document Management system that has been fully implemented within 6 of the Councils services and is also used for scanning and retaining documents for other services. The review looked at the original project objectives to identify if they have been delivered, what benefits have been realised, licences and the costs involved.

However, after the audit brief was issued, the emphasis concentrated on the use of the Information@Work system (Anite) within the 6 services rather than the review of the original EDM project objectives.

Information@Work is only one part of the Councils EDM systems which also includes MS SharePoint, the NAS 1 server and Express (Electoral role). These systems were not reviewed. The Housing, Planning, Benefits, Council Tax and Licensing sections were chosen as they use the Information@Work system to process documents in a work flow, not just as a storage facility. Environmental and Community Services do not use the Information@Work system for work flow, just for storage.

Prior to the audit commencing the following 'key' risks were identified and agreed with the Head of Legal and Democratic Services.

- The objectives set out in the original EDM project have not been realised
- There may be missed efficiency opportunities from services implementing EDM
- Opportunities from EDM may be missed from lack of funding for the project
- Resources may not be used effectively and efficiently

After undertaking the audit and reviewing the controls that are in place to mitigate the risks the main issues that have emerged are as follows:

- There are apparent inefficiencies in document scanning.
- Licensing remain reliant on paper documents to drive their work flow.
- User expertise is not being fully utilised.
- The document retention policy is not being complied with.
- Scanned documents from the Customer Services centres are sent to PFH for storage.
- Electronic documents are being used by planning, but paper copies still require to be issued to consultees. There is the opportunity for further savings to be made in this area.

Audit Opinion

The audit has consequently identified 4 risk areas (0 'red', 4 'amber'). The report explains those risks, details the suggested action to deal with them and the order of their priority.

Based on the audit work undertaken it is my opinion that the inherent risks are generally well managed although there are some control weaknesses which have been identified

Consequently, if the existing approach is maintained I am able to provide adequate assurance that the system risks are being properly managed.

David Harwood
Internal Audit & Risk Manager

If you wish to discuss any matters contained in the report, please contact Rebecca Maxwell, extension 8117, within my Internal Audit Service.

Audit Findings

	Residual Risk	Agreed Action	By Who	By When
1.	**Medium** It was found during the review that staff within the Housing, Benefits and Local Taxation are undertaking document scan on a regular basis. *Possible inefficient use of resources*	The Housing, Benefits, Local Taxation and Planning Team Managers in conjunction with the Head of Legal and Democratic Services to investigate the volume of scanning completed in their sections to understand if it is the most effective and efficient way.	Colin Meadowcroft, Head of Legal and Democratic Services	30 November 2013
2.	**Medium** During the review it was found that certain Users and sections had a lot of knowledge of the system and the benefits of the system. However this was not consistent throughout the Council. The Corporate ICT Support Officer provides drop in sessions but if Users are not aware of a more efficient way of carrying out a process then they would not know to take advantage of these drop in sessions. The Benefit and Local Taxation sections had numerous procedure notes for the Information@Work system while other sections did not have any. The intranet site that was set up to provide a way of sharing data and information has not been uploaded with this information, so users are not aware of potential aids to assist them.	Each of the 5 services that use Information@Work for workflow management to nominate a user to become a Super User for that section. The Super Users to meet on a regular basis to share knowledge, to be trained in the system to enable them to provide assistance to other users in their section. To promote the system within the council, to share procedures on the Information@Work site. The Corporate ICT support officer to facilitate the super user group, to update and manage the	John Taylor, IMD Development Manager	31 August 2014
	Additional information that explains the risk and action categories is available via this hyperlink or directly from the Audit Manager.			

	Residual Risk	Agreed Action	By Who	By When
	Not maximising the most of the internal knowledge and resource available	Information@Work intranet site so that there is current information shared within the Council		
3.	**Medium** At present electronic documents are stored in various different formats and systems thorough out the Council. Scanning electronic data onto the NAS 1 server can be time consuming and is not the most efficient method of storing data. Documents stored on the NAS 1 drive are also not regulated in their naming which means that searching for documents can be lengthy. *Data is not held consistently which leads to inefficient storage*	To review the application of the Information@Work system to ensure that electronic data is stored efficiently, effectively and consistently. To document, communicate and implement the findings so that the Information@Work system is fully utilised within the Council.	John Taylor, IMD Development Manager	31 December 2014
4.	**Medium** During the review it was noted that new planning applications and plans are printed and posted to the appropriate parish councils, even though they are freely available on the planning portal. *Unnecessary expenditure is being incurred by printing and posting information to parish councils which is freely available in the public domain.*	To identify the scope of the potential savings that could be achieved if parishes were not given printed information and to understand if there are other consequences /limitations to this change.	Andy Moffat, Development Manager	31 March 2014

Additional information that explains the risk and action categories is available via this hyperlink or directly from the Audit Manager.

ISSUES FOR CONSIDERATION

Consideration should be given to:

1   The next upgrade of the Information@Work system includes the facility to remove documents once a date has been reached. This will enable the system to comply with the Councils document retention policy.

2   Documents scanned at Customer Service Centres to be sent to the Document Centre for inclusion in their storage and disposal system.

Additional information that explains the risk and action categories is available via this hyperlink or directly from the Audit Manager.