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Loch Lomond & The Trossachs National Park Authority and Cairngorms National Park Authority

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Internal audit report 2014-15

Records management pre-implementation review

2 March 2015

Contents

This report is for:

Action
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Information

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Introduction and scope

In accordance with the 2014-15 annual internal audit plan for Loch Lomond & The Trossachs National Park Authority ("LLTNPA") and Cairngorms National Park Authority ("CNPA"), as approved by the audit committees, we have performed an internal audit of the records management plans and processes at LLTNPA and CNPA ("the Authorities").

The objective of this audit was to consider the design and compliance with legislation of the Authorities' record management plan. The specific objective, scope and approach, as agreed with management, is detailed in appendix one.

Background

In January 2013, the Public records (Scotland) Act 2011 came into force. This Act requires all Scottish public authorities to submit a records Management Plan ("RMP"), to the Keeper of the Records of Scotland ("the Keeper"), which sets out arrangements for the management of records. The process of scrutinising all the RMPs is likely to take some time and a rolling programme will run until 2017.

The Authorities have followed the guidance supplied by the Keeper in the form of a model plan and have updated relevant policies and procedures. LLTNPA drafted the RMPs in 2014-15 and supporting evidence has been provided to the Keeper for initial review. The Authorities are at different stages of implementation of their relative plans.

LLTNPA recognised there was an urgent organisational driver for improving the records management procedures and used the RMP model to achieve the required improvements. The existing filing structure was out-dated, inconsistent and problematic to use and staff did not consistently adhere to existing records management procedures. This resulted in inconsistent approaches to file and document naming and widespread duplication of records. Going forward LLTNPA proposes to develop a more functional approach to storing records according to business context which will allow greater flexibility, easier access and reduce duplication.

At CNPA a governance and corporate performance manager was recruited to oversee the management of this project. With no existing formal controls or procedures over records management, an entirely new process of records management procedures was introduced and implemented as part of the first phrase of the project. CNPA is aware of the larger impact and importance of the migration of electronic data onto the new system and are currently planning for this process.

We identified no 'critical' or 'high' graded recommendations for either Authority in the course of our work.

LLTNPA:
The records management process was well implemented and we include areas of good practice in the report.

As management moves to the post implementation phase we have discussed areas of focus, as noted in the action plan.

CNPA:
We identified one 'moderate' graded recommendations and two 'low' risk graded recommendations. We identified areas of good practice.

The findings identified during the course of this internal audit are summarised below. A full list of the findings and recommendations are included in this report. Management has accepted the findings and agreed reasonable actions to address the recommendations.

	Authority	Critical	High	Moderate	Low
Number of internal audit findings	LLTNPA	-	-	-	1
	CNPA	-	-	1	2
Number of recommendations accepted by management	LLTNPA	-	-	-	1
	CNPA	-	-	TBC	TBC

The review of records management plan showed that the guidance has been followed and the new structure was implemented effectively at the Authorities. The moderate graded recommendation and areas of added value are summarised below:

Moderate graded recommendation CNPA

■ During testing it was identified that some policies and procedural documents remained in draft format and are not yet approved. It is recommended that this is remedied.

Areas of added value

The focus of this review included compliance with legislation and including the achievement of good practice from the record management processes. The findings noted below explicitly identify areas where value could be added and good practice could be achieved by the Authorities:

■ Timely completion of approval of all policies and keeping to deadlines set (CNPA); and

■ As management moves to the post implementation phase we have discussed areas of focus, as noted in the action plan (LLTNPA).

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We summarise areas of good practice.

Areas of good practice

LLTNPA

- there was good evidence to support all aspects of the records management plan including updated policies and procedures;

- a working group, with members from across the different business units, was set up early in the implementation stage of the new records management system, which enabled them to have responsibility for the proposed structure to ensure it met their business needs;

- clear guidance and training was provided for setting-up the file structure and naming convention for all documents saved on the shared drive;

- restricting ability of folder creation maximises compliance with document structure and reduces inefficient use of storage; and

- risk management was considered from the early stages of the project and appropriate back up controls were in place and back ups were taken before migration to the new shared drive.

CNPA

- the RMP that has been produced appears to be appropriate for the size of the organisation;

- appropriate back-ups controls were in place and taken before any changes were made;

- use of version control was well documented within policy documents;

- restricting ability of folder creation maximises compliance with document structure and reduces inefficient use of storage; and

- implementation of recommendations previously presented by KPMG as part of the project management review.

We outline the main findings from our review at LLTNPA.

Records management plan, policies and procedures

We obtained and reviewed the RMP to verify it was in accordance with the legislative requirements and the 14 elements as set out by the Keeper in the template RMP.

The draft records management plan has been submitted to the Keeper of the Records of Scotland assessment team for review prior to formal submission. Informal comments were provided on the draft RMP to help improve the format of the RMP before formal submission and scrutiny by the Keeper. There were no major issues identified as part of this informal review.

The RMP was presented in line with best practice and was supported with relevant evidence.

We reviewed the RMP and related policies, procedures and guidance. New versions of these were developed as part of the project plan by the project manager and approved in March 2014.   These covered the full implementation of the RMP.   We considered these against our experience of best practice, both across the public sector and record management in general.

The policies and procedures which have been developed and approved include:

- records management policy statement;
- business classification framework;
- retention schedule;
- arrangements for the disposal of hard copy and electronic records;
- archiving and transfer arrangements policy;
- naming convention and version control guidance;
- information security policy;
- statement on data sharing;
- data protection policy and training;
- business continuity and vital records statement; and
- back up schedule.

Review of the policies and procedures at LLTNPA demonstrated that they were in line with best practice and meet any legislative and business requirements.

Preparation for migration of data – back ups and duplicates

Management identified the loss of electronic files during migration as a risk during the project planning stages. To mitigate the risk, guidance was provided to all staff for the migration of files from the G: and S: drives to the new R:drive. The new R:drive was available to all staff from 2 June 2014 and the migration of files was finalised by October 2014. To aide with the migration the IT Manager used software to review the files for the different business units and duplicate files were documented on an excel spreadsheet and the majority of the duplicates were manually deleted by the file owners.

The risk of data loss due to the migration exercise was considered to be low as the drives are backed up on a daily basis and on a weekly and monthly basis to tape which are stored offsite.

The integrity of the data was tested through a health check which was performed by the IT Manager after the data was transferred. Following the migration exercise there were no files left on the old drives and these can no longer be accessed by staff.

We did not identify any issues. The guidance issued to staff was appropriate to facilitate the successful migration of data onto the new shared drive without loss of data integrity and the back up process was appropriate to ensure the risk of data loss was low.

Staff training

All staff receive training on Data Protection at their staff induction. In addition, refresher training is provided every three years. The training is delivered by senior staff and the external legal advisers. The most recent all staff training programme was held in October 2013.

All staff were provided with formal guidance on the migration of documents to the new network drive with built in "dos and don'ts'". The project manager attended team meetings to reinforce the process and give assurance over the security measures to ensure safe migration of the data.

Mandatory training was provided to staff to explain the purpose of the changes to the records management system, the new structure, version controls and how to apply naming conventions. 112 staff have been trained over eight workshops, however there were a small number of staff who missed the training as a result of long term leave. We reviewed the training slides and found they provided appropriate communication to staff and highlighted their responsibility to migrate data and remap to the appropriate files.

Staff received adequate training, however no information has been added to the staff induction packs to ensure that new staff or staff returning to work after a period of absence have information on the new file structure and the policies and procedures. As the Authority moves to the post implementation phase, the induction packs should be updated to include guidance on the new records management system, the slides from the training and the new policies and procedures to ensure the new system is maintained.

Recommendation one
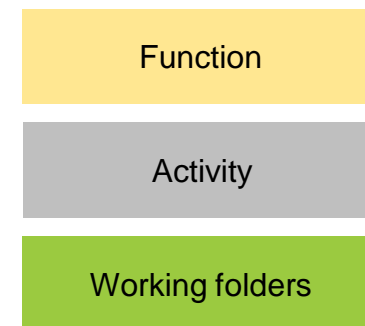
Structure of the records management system

The Authority prepared guidance on developing a file plan, and the file structure on the new drive was set up to provide a functional approach to records management, as recommended by the International Standard on records management (BS15489), focusing on managing the records according to business context.   The new file structure enables greater flexibility, improved intellectual control, easier access to records, reduced duplication and reduced costs of maintaining records. The new records management system was designed to promote freedom of information throughout the organisation and therefore the use of permissions has been limited. Where restricted access are required, for example specific finance or HR folders, permissions can only be set-up by the IT manager.

A working group, with members from across the different business unit was set up in the early stages of this project. We discussed the file structure with members from the working group and it was clear that they had input into the file structure to ensure it met their operational and business needs.

The diagram represents an overview of the new structure. The first level is the folders for the business area or function, the second level is folders for the different activities within the business areas and the third level is working folders. Only the IT manager or IT administrator can set up folders in the first two levels but all staff can set up working folders.

| Function |
| Activity |
| Working folders |

The structure was set-up to meet the operational needs of LLTNPA and the statutory requirements; informal staff feedback confirmed that the majority of staff recognise the benefits of the new records management system and there is obvious improvement in efficiency and effectiveness as a result of less duplication of files and the ease in finding documents. Through our review of the new structure we did not identify areas of improvement.

During the implementation phase the project manager and members of the working group carried out ad hoc checks on the new file management system to verify files are saved inline with guidance. When issues have been noted an email has been sent to the owner of the files. To ensure that checks are continued in the longer term a formal process should be implemented in future to check the file structure, naming of files and integrity of the data.

Recommendation one

As part of the RMP a retention schedule has been agreed, however overall there has still not been any decision as to who has overarching responsibility for this and how often or when checks should be carried out. To ensure files and documents are appropriately disposed of in line with the retention schedule and preventing the number of documents saved on the drive escalating to previous levels, management should, in future, identify named individuals who will be responsible for ensuring the retention schedule is adhered to.

Recommendation one

Record management plan, policies and procedures

We reviewed CNPA's record management plan ("RMP") and related policies, procedures and guidance to ensure it was in accordance with the legislative requirements and the 14 elements as set out by the Keeper in the template RMP. New policies and procedures were developed as part of the project plan by the newly appointed governance and corporate performance manager. These covered the full implementation of the RMP which was planned in three phases, with phase one being complete at the time of our visit. We considered these against our experience of best practice, both across the public sector and record management in general.

The policies and procedures which have been developed and approved include:

■ records management policy statement;

■ business classification framework;

■ retention schedules;

■ risk register for records management project;

■ naming convention guidance;

■ information security policy; and

■ statement on data sharing.

The following policies and procedures were reviewed in draft format which had yet to be approved:

■ data protection policy;

■ records management project plan (phase 2);

■ equality impact assessment;

■ business continuity plan; and

■ archiving and transfer arrangement policy.

CNPA kept strong communication links with LLTNPA when developing their RMP. The governance and corporate performance manager also reviewed guidance released by the Keeper as well as consideration of other authorities RMP that have been published. This was evident from the plan that was produced as an example format was used.

Record management policies and procedures (continued)

CNPA has coordinated with LLTNPA to ensure policies are in line with best practice and meet legislative and business requirements.

However, policies and procedures are not being approved in a timely manner and this presents the risk that there is no approved guidance in place for users to follow. This allows timeline changes to be made to draft formats and gives rise to the risk of no formal monitoring of deadlines. This could result in the policies not undergoing regular review by the records management team and therefore not following the review and assessment requirements of the Act.

All policies and procedural documents should be approved in a timely manner and undergo an rolling programme of review every five years.

Recommendation one

Record Management Plan

This was obtained and reviewed to verify it is in accordance with the legislative requirements and the 14 elements as set out by the Keeper.

This was presented in line with best practice and was supported with relevant evidence. To reduce the risk of non-compliance with the Keeper's requirements, it is recommended that the governance and corporate performance manager's job description is also included within the evidence that is submitted to the Keeper. This will demonstrate the role of record management on a day-to-day basis.

Recommendation two

Project Phases

The approach to implementing CNPA's RMP was divided into three phases:

■ the switching from one Windows server (L: drive) to use the new server (R: drive), this has involved the L: drive becoming read-only and all new records being stored on the R: drive. This involved communication and training with staff on naming conventions and version control in November 2014.

■ The second phase is the migration of electronic data from the L: drive using retention schedules in place alongside justification criteria to migrate, delete or archive records.

■ The final phase will focus on paper files, determining whether to migrate, destroy or archive.

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Staff training

As part of the RMP naming convention and version control guidance was issued to all staff via email with additional one-to-one demonstrations and advice given by the governance and corporate performance manager when the system went live. Conversations with various staff members showed an awareness and understanding of the new record management plan showing that the training had been implemented effectively. Monthly audits have since been carried out by the corporate and governance performance manager with any errors being sent back to the individual responsible.

Preparation for migration of data – back ups and duplicates

A software licence has been purchased by CNPA, 'Dup Scout Pro'; a programme designed to identify duplicate documents. The L: drive was fully backed up to LLTNPA before the first duplicate report was run. The R: drive is backed up each night to LLTNPA's back up drive, which is backed up onto tape on a weekly and monthly basis by the IT manager at LLTNPA and stored offsite. Documents that were identified as duplicates were sent to their owner to determine if only the original was required, could be deleted or if additional short cuts were necessary. The same process will be completed with the R: drive.

There is a risk once all the data has been migrated, newly duplicated documents may not be identified if the report is not run on a regular basis. To maximise efficient use of storage space, timing of running these reports should be formalised and documented to ensure this procedure is continued on a regular basis.

Recommendation three

Structure of the records management system

The document management team was set up in the early stages of this project, with members from across the different business units They agreed the basis of the structure from the business and statutory requirements of each business unit. The plan was distributed across the organisation encouraging any feedback to improve the structure in place.

The drive has a similar structure to that seen at LLTNPA; the business function, broken into activities and then related working folders. There are restrictions in place for the creation of folders, these must be authorised by the corporate and governance performance manager. Where restricted access are required, for example specific finance or HR folders, permissions can only be set-up by the IT manager.   As with LLTNPA, the new file structure enables greater flexibility, improved intellectual control, easier access to records, reduced duplication and reduced costs of maintaining records. Through our review of the new structure we did not identify areas of improvement.

Action plan – LLTNPA

We note the well managed implementation of the records management system. As the project moves to the post implementation phase, we have discussed with management areas of focus, as set out in the action plan.

Findings and risk	Recommendations	Agreed management actions
1 Areas of future focus – post implementation		**Low**
During the review of the implementation of the records management system we identified areas of future focus, and discussed management's plans for implementation.	We acknowledge management's plans for the post implementation phase and recommend:	The Information Officer will: ensure that the induction policies are updated to include guidance on the records management system; establish a process to review compliance with file structures and; ensure that the retention policy is implemented with accountability clearly identified.
For completeness and to facilitate audit committee oversight, we note these areas:	■ induction policies are updated to include guidance on the new records management system;	**Responsible officer**:
■ whilst staff have received training on the new structure, policies and procedures the staff induction packs have not been updated, giving a risk in respect of new staff members knowledge;	■ a formal process is established to ensure file structure compliance checks are performed; and	Laura Baird
■ the ad hoc checks on the new file management system are not yet formalised, giving a risk that in the longer term the structure may not be followed or errors identified; and	■ named individuals should be nominated with a role of checking that the retention policy is followed.	**Implementation date:**
■ there is currently not a decision of who has overarching responsibility for how often or when retention schedule checks should be performed.		31 January 2016

Action plan - CNPA

The action plan summarises specific recommendations, together with related risks and management's responses.

Findings and risk	Recommendations	Agreed management actions
1 Approval of policies and procedures		**Moderate**
A number of policies and procedures related to the RMP are in draft format and have yet to be approved. There is a risk that no relevant policy or procedure will be followed if there is no final approved version available to users. There is also a risk that deadlines are not monitored appropriately as the drafts are updated with new timescales.	It is recommended that management should ensure policy and procedural documents are reviewed and approved in a timely manor and updated on a rolling basis and not left in draft format for longer than six months.	[ ] **Responsible officer:** **Implementation date:**
2 Record Management Plan and evidence		**Low**
The RMP was largely presented in line with best practice and was supported with relevant evidence. However, the RMP does not clearly state the roles undertaken by the corporate performance manager. However, there is a risk of non-compliance with the Keepers requirements if there is no additional evidence to support the records management responsibility element.	It is recommended that the governance and corporate performance manager's job description is also included within the evidence to demonstrate the role of record management on a day to day basis.	[ ] **Responsible officer:** **Implementation date:**

The action plan summaries specific recommendations, together with related risks and management's responses.

Findings and risk	Recommendations	Agreed management actions
3 Efficient use of duplicate software		**Low**
Currently there is software that can be run to check if duplicate records are stored on the system. However, there is no set period for this to be performed. There is a risk that once all the data has been migrated, newly duplicated documents may not be identified if the report is not run on a regular basis.	To maximise efficient use of storage space, timing of running duplicate reports should be formalised and documented to ensure this procedure is continued on a regular basis.	[ ] **Responsible officer**: **Implementation date:**

Appendices

Objective, scope and approach

Objective

The Authorities' record management systems are being upgraded in 2014-15 to update the storage and structure of the previous filing systems. The objective of the audit is to assess the project management arrangements and consider if they are sufficient to mitigate the risk of inappropriate data migration and inefficient transfer processes. The audit will also consider the plans for ensuring that staff are trained to use the system and that robust post-implementation testing is scheduled.

Scope

The review for 2014-15 is in respect of pre-implementation, with a post-implementation review planned for 2015-16. We will:

- review and discuss with management the proposed project plan for the implementation of the new system and the transfer of data;

- consider the robustness of the planned procedures to migrate the data, including back-up procedures and data integrity testing;

- review the proposed structure of the new records management system and consider areas of improvement if relevant;

- assess the plans for training of staff and communication of user testing and remapping responsibilities; and

- consider improvement opportunities by reference to similar projects at other organisations.

Approach

We will adopt the following approach in this review:

- project planning and scoping;

- conduct interviews with staff to gain an understanding of the Authorities' proposed plan for the implementation of the new records management system and the transfer of data;

- identify and agree key risks and processes with management;

- review the adequacy and effectiveness of key processes through sample testing and discussion;

- consider the testing plans and staff communication plans; and

- agree findings and recommendations with management.

Classification of internal audit findings

The following framework for internal audit ratings has been developed and agreed with management for prioritising internal audit findings according to their relative significance depending on their impact to the process.

Rating	Definition	Examples of business impact	Action required
Critical	Issue represents a control weakness, which could cause or is causing severe disruption of the process or severe adverse effect on the ability to achieve process objectives.	■ Potential financial impact of more than 1% of total expenditure. ■ Detrimental impact on operations or functions. ■ Sustained, serious loss in brand value. ■ Going concern of the organisation becomes an issue. ■ Decrease in the public's confidence in the Authority. ■ Serious decline in service/product delivery, value and/or quality recognised by stakeholders and customers. ■ Contractual non-compliance or breach of legislation or regulation with litigation or prosecution and/or penalty. ■ Life threatening.	■ Requires immediate notification to the Authority's audit committee. ■ Requires executive management attention. ■ Requires interim action within 7-10 days, followed by a detailed plan of action to be put in place within 30 days with an expected resolution date and a substantial improvement within 90 days. ■ Separately reported to chairman of the Authority's audit committee and executive summary of report.
High	Issue represents a control weakness, which could have or is having major adverse effect on the ability to achieve process objectives.	■ Potential financial impact of 0.5% to 1% of total expenditure. ■ Major impact on operations or functions. ■ Serious diminution in brand value. ■ Probable decrease in the public's confidence in the Authority. ■ Major decline in service/product delivery, value and/or quality recognised by stakeholders and customers. ■ Contractual non-compliance or breach of legislation or regulation with probable litigation or prosecution and/or penalty. ■ Extensive injuries.	■ Requires prompt management action. ■ Requires executive management attention. ■ Requires a detailed plan of action to be put in place within 60 days with an expected resolution date and a substantial improvement within 3-6 months. ■ Reported in executive summary of report.

DRAFT

Rating	Definition	Examples of business impact	Action required
Moderate	Issue represents a control weakness, which could have or is having significant adverse effect on the ability to achieve process objectives.	■ Potential financial impact of 0.1% to 0.5% of total expenditure. ■ Moderate impact on operations or functions. ■ Brand value will be affected in the short-term. ■ Possible decrease in the public's confidence in the Authority. ■ Moderate decline in service/product delivery, value and/or quality recognised by stakeholders and customers. ■ Contractual non-compliance or breach of legislation or regulation with threat of litigation or prosecution and/or penalty. ■ Medical treatment required.	■ Requires short-term management action. ■ Requires general management attention. ■ Requires a detailed plan of action to be put in place within 90 days with an expected resolution date and a substantial improvement within 6-9 months. ■ Reported in executive summary of report.
Low	Issue represents a minor control weakness, with minimal but reportable impact on the ability to achieve process objectives.	■ Potential financial impact of less than 0.1%*of total expenditure. ■ Minor impact on internal business only. ■ Minor potential impact on brand value. ■ Should not decrease the public's confidence in the Authority. ■ Minimal decline in service/product delivery, value and/or quality recognised by stakeholders and customers. ■ Contractual non-compliance or breach of legislation or regulation with unlikely litigation or prosecution and/or penalty. ■ First aid treatment.	■ Requires management action within a reasonable time period. ■ Requires process manager attention. ■ Timeframe for action is subject to competing priorities and cost/benefit analysis, eg. 9-12 months. ■ Reported in detailed findings in report.

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