Audit and Risk Committee

21 September 2021
Agenda item number 13

Implementation of Internal Audit recommendations – summary of progress

Report by Chief Financial Officer

Summary

This report gives a summary of progress in implementing Internal Audit recommendations arising out of audits carried out during 2018/19, 2019/20 and 2020/21.

Recommendation

To note the report.

Contents

1.   Introduction

1.1.   This report gives an update on implementing the Authority's Internal Audit report recommendations, focusing on outstanding recommendations and timescales to complete outstanding work.

1.2.   Appendices 1 and 2 give details of the audits carried out in 2018/19, 2019/20 and 2020/21, in particular:

- recommendations not yet implemented;

- recommendations implemented since the last meeting; and

- new recommendations since the last meeting.

2. Summary of progress

2.1.   Since the previous report to this committee in July, the final one of the Planning outstanding recommendations has been completed. The outstanding procurement recommendation has been amended. The rest remain as scheduled.

3. Internal Audit Programme 2021/22

3.1.   The first audits from the 2021/22 plan are not scheduled to start until quarter three. This includes key controls, HR and Payroll and Cyber Security. The results of these audits will be reported to this committee in February 2022.

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Date of report: 10 September 2021

Appendix 1 – Summary of actions and responses to Internal Audit 2018/19

Appendix 2 – Summary of actions and responses to Internal Audit 2019/20

Appendix 3 – Summary of actions and responses to Internal Audit 2020/21

Appendix 1 – Summary of actions and responses to Internal Audit 2018/19

Table 1
Branding - April 2019

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
2. Broads Authority branding - strategies, guidelines / procedures The Broads Authority Communications Policy be updated to include the roles and responsibilities for overseeing management of correct branding. This should be included within a separate branding section which the policy does not currently have. This should make the branding area more easily to locate within the policy and helps mitigate the risk that responsibilities for branding are unclear.	Needs Attention	Head of Communications	New communications strategy delayed by COVID comms activity but many elements completed and anticipate strategy will be in place by end Sept 2020 Update: New 'branding' area on intranet developed that incorporates updated and new documents, including: • Communications Team Guide • BA Brand guidelines • BA brand guidelines supplement • BA language style guide • Words commonly used in BA publications • BA signs guide	By 31/10/19 Updated to 31/10/21

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
			• Logos and templates for letterheads, reports and PowerPoint presentations. Instructions for email signatures added Nov 2020. Full strategy overview not yet written due to rescheduled priorities in 2020; due to be completed by October 2021.	
5. Broads Authority branding - use of the Broads Authority logo A review and update of the communications page on the Authority's intranet be undertaken once the national parks' branding strategy and associated documents, including the local broads national park strategy and Broads Authority Communications Policy, are finalised. This should be re-launched with staff including the provision of staff and member training in relation to branding, incorporating the use of both the Broads Authority logo and Broads National Parks logo. The communications intranet page should include the communications team details; branding strategies and communications policy; and the Broads Authority New Signs guide.	Needs Attention	Head of Communications	Agreed. Intranet content to be produced in conjunction with strategy, guidelines and procedures. Awaiting completion of new communication strategy (see recommendation two above) Update: As per recommendation 2 above – all completed except overarching strategy document, now due October 2021.	By 31/10/19 Updated to 31/10/21

Appendix 2 – Summary of actions and responses to Internal Audit 2019/20

Table 2
Procurement – December 2019

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
7. Procurement Procurement training is provided to all relevant members of staff, and Members, where applicable. Up to date procurement training ensures that staff are aware of and are adhering to the correct guidelines, thereby mitigating the risk of non-compliance with CSOs and OJEU requirements	Needs Attention	Chief Financial Officer	Agreed. Update: Delayed originally due to ongoing work on COVID-19 response, the Statement of Accounts and budget preparation for 2021/22. This has been further delayed by this year's audit, 2022/23 budget planning and a number of vacancies within the Finance Team.	By 30/06/20 Updated to 31/12/21

Appendix 3 – Summary of actions and responses to Internal Audit 2020/21

Table 3

Planning – February 2021

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
6. Enforcement Performance indicators be put in place for responding to complaints and investigating enforcement cases. Having a performance measures in place will help in determining the Authority progress against set standards in relation to the management of complaints and enforcement cases.	Needs Attention	Head of Planning	Agreed. Update: First report to Management Team due in July (to cover April – June quarter) Completed.	By 01/05/2021 Updated to 31/07/2021

Table 4

Key Controls – May 2021

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
5. Accounts Payable New supplier procedures should be reviewed and updated annually, with the review recorded, to ensure they remain reflective of current practise. Without annual review the procedures risk becoming outdated and not reflective of current practices.	Needs Attention	Financial Accountant	Agreed. Annual review has been scheduled.	By 30/09/2021

Table 5

Governance and Risk Management – March 2021

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
2. Changes to committee meetings In relation to the document management system (DMS), the following is undertaken: - Notes are added to deferred items to explain which committee date the item has been deferred to; and - To review if there is a way to match up/link the items on the forward plan to the generated items area. This mitigates the risk of not having a completed audit trail in place resulting in key items of business/decisions being missed if deferred matters are not assigned to the next convenient meeting.	Needs Attention	Head of Governance	Agreed. Notes added to deferred items. Governance team liaising with IT on whether more metadata can be added to improve the link between items in the Forward Plan and in the confirmed (generated report) area - progress on hold as reliant on IT resource availability, which is currently severely depleted.	By 31/12/2021

Table 6

Port Marine Safety Code – June 2021

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
2. Governance The three-yearly statement of compliance with the code be signed and retained on file for future reference. This assists in mitigating the risk that the authority dose not formally review compliance on a three-year basis as prescribed.	Important	Head of Safety Management	Statement being updated to reflect recent changes following audit. BA Chair to agree and sign completed statement.	By 31/10/2021
3. Pilotage The General Direction for larger vehicles and navigation on works Guidance be finalised. This helps mitigate the risk that sufficient navigation rules are not in place and navigation of the broads is not managed as effectively and safely as required, in relation to larger vehicles.	Important	Head of Ranger Services	General Directions rarely used by Broads Authority - most directions are 'Special'. This requirement will require legal inputs and cost benefit analysis to assess its viability. Current requirements are met using Special Directions.	By 31/10/2021
4. Governance PMSC related documents and files, location and storage (both electronic and hardcopy) is reviewed to ensure these can be accessible to relevant members of staff on a timely basis.	Needs Attention	Head of Safety Management	Files and documents being migrated to DMS. New MARNIS (Port marine management software) being implemented will assist with data collection and reporting.	By 31/10/2021

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
This helps mitigate the risk that key documents cannot be located in a timely manner leading to gaps in the safety management system.				
5. Governance The BA PMSC be updated to reflect the inclusion of consultation with employees' forum (or equivalent) and health and safety committee. To reduce the risk that key aspects of the PMSC are not communicated with the Authority's employees and contributes towards the Authority demonstrating its commitment to engaging with users.	Needs Attention	Head of Safety Management	New standing item added to Health & Safety Committee agenda to capture and disseminate highlighted organisation-wide issues.	By 31/07/2021 Updated to 31/10/2021
6. Governance The documents, reference numbered within the Broads Authority (BA) PMSC, are reviewed to ascertain their location and to appraise whether they are still relevant to the up to date safety management system in place, taking into account the requirements of the national PMSC document and the Guide to Good Practice for Marine Operations. This helps mitigate the risk that the BA PMSC is out of date and refers to non-existent and/or obsolete supporting documents.	Needs Attention	Head of Safety Management	Review to be undertaken.	By 31/10/2021

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
7. Governance All relevant employees to be required to read and sign a copy of the PMSC on an annual basis. This assists in reducing the risk that employees are not familiar with the PMSC, leading to non-compliance with it.	Needs Attention	Head of Safety Management	Refresher training to be given at team meetings and attendance and signatures to be obtained.	By 31/10/2021
8. Pilotage The Pilotage Policy be amended to reflect that it will be updated each time it is used, as opposed to annually and the PMSC is updated to reflect this. This reduces the risk that the policy is not updated in a practical and timely manner.	Needs Attention	Head of Ranger Services	Review to be undertaken on Pilotage Policy to reflect current operations.	By 31/10/2021