

Audit and Risk Committee

17 November 2020

Agenda item number 11

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 and 2019/20.

Recommendation

To note the report.

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 and 2019/20, 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 outstanding recommendation relating to the External Funding – Water, Mills and Marshes and Corporate Governance and Risk Management audit has been completed. The outstanding recommendations regarding the Branding and Procurement audits have been delayed due to the ongoing pressures of the pandemic.

3. Internal Audit Programme 2020/21

- 3.1. Due to the impact of COVID-19, the audits scheduled for 2020/21 have been rescheduled for quarters three and four, and all audits will be conducted remotely. The

first audit, Key Controls, is due to start on 30 November, followed by The Port Marine Safety Code on 8 December and Planning on 14 December. The results of these audits will be reported to the next committee meeting.

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Date of report: 29 October 2020

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 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
<p>2. Broads Authority branding - strategies, guidelines / procedures</p> <p>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.</p>	<p>Needs Attention</p>	<p>Head of Communications</p>	<p>New communications strategy delayed by COVID comms activity but many elements completed and anticipate strategy will be in place by end Sept 2020</p> <p>Update:</p> <p>New 'branding' area on intranet developed that incorporates updated and new documents, including:</p> <ul style="list-style-type: none"> • Communications Team Guide • BA Brand guidelines • BA brand guidelines supplement • BA language style guide • Words commonly used in BA publications • BA signs guide 	<p>By 31/10/19</p> <p>Updated to 31/03/21</p>

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
			<ul style="list-style-type: none"> 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 March 2021.	
<p>5. Broads Authority branding - use of the Broads Authority logo</p> <p>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.</p>	Needs Attention	Head of Communications	<p>Agreed. Intranet content to be produced in conjunction with strategy, guidelines and procedures. Awaiting completion of new communication strategy (see recommendation two above)</p> <p>Update: As per recommendation 2 above – all completed except overarching strategy document, now due March 2021.</p>	<p>By 31/10/19</p> <p>Updated to 31/03/21</p>

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

Table 2

External Funding – Water, Mills and Marshes October 2019

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
<p>1. Governance The Broads Authority Business Continuity Plan (BCP) is reviewed and updated to take into account the recent organisational re-structure and to ensure major projects such as the WMM Project are provided for. Ensuring the Corporate BCP is reviewed and updated in a timely manner mitigates the risk that BC management procedures and priorities are not embedded in the Broads Authority resulting in a lack of effective management of any disruption to normal services and externally funded major projects.</p>	Important	Head of Governance	Agreed by Management Team on 26/09/2019. Update: BCP updated in July. Directorate Risk Registers also updated to include staff contingency plans and referral to major projects. These will be cross referenced in the BCP.	By 31/12/19 Updated to 30/08/20 Action completed by 30/08/20

Table 3

Procurement - December 2019

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
<p>6. Procurement To consolidate the standard terms document with the contract conditions outlined in the CSOs to have an overall set of terms and conditions. These should be</p>	Needs Attention	Chief Financial Officer	Agreed. Standard terms and conditions to be drawn up with legal provider, including conditions for contracts over	By 31/03/20 Updated to 31/03/21.

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
<p>consolidated in conjunction with the Broads Authority's legal advisor and included within the CSOs.</p> <p>A consolidated set of terms and conditions protect the purchaser against unforeseen financial losses, e.g. goods not delivered as agreed, mitigating the risks of delay in services/goods and quality of goods which could also lead to a poor reputation.</p>			<p>£5k. Work initiated with our Legal provider.</p> <p>Update: Delayed due to ongoing work on COVID-19 response, the Statement of Accounts and budget preparation for 2021/22. Contracts available for staff to use for Engineering (Professional Services and Construction) and Services. The goods contract in process of being finalised with our Legal Provider. The use of these will be covered in the training below.</p>	
<p>7. Procurement</p> <p>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</p>	Needs Attention	Chief Financial Officer	<p>Agreed.</p> <p>Update: Delayed due to ongoing work on COVID-19 response, the Statement of Accounts and budget preparation for 2021/22.</p>	<p>By 30/06/20</p> <p>Updated to 31/03/21</p>

Table 4

Corporate Governance and Risk Management - April 2020

Recommendations	Priority rating	Responsible Officer(s)	BA response/action	Timetable
<p>1. Accountability and monitoring of performance The 2019/20 family indicator composite data is formally reported to Management Team to review comparison data with the national park family and take further action as required, to address any adverse areas of performance. Going forward, each set of annual family indicator composite data is reported to management team. This should include reviewing how the indicators align to the Broads Plan and annual business plan priorities and whether a meaningful target can be set for each indicator. Furthermore, the purpose of the family indicators from DEFRA, including if and how they are publicly reported on, be ascertained. Formal reporting of the family indicators demonstrates that the data is being reviewed at the senior management level which provides the opportunity to assess the authority's strengths and weaknesses. This helps reduce the risk that the Broads Authority is not capitalising on its strengths and not focussing on any areas of weakness/adverse performance.</p>	Important	Head of Governance	<p>Agreed. Annual NPA family indicator composite data to be reported regularly to Management Team. Lead NPO on Performance confirms that composite data is submitted to DEFRA but is not published publicly as far as he is aware. Subject of family indicators to be included in DEFRA's examination of 'Metrics and Measures' – Measuring the delivery of the 25 Year Environment Plan.</p> <p>Update: Process in place to report to MT. Draft composite NPA data 2019/20 issued Oct 2020.</p>	<p>By 31/08/20</p> <p>Action completed by 31/08/20</p>