

Risk, Audit and Governance Committee

27 November 2024

Agenda item number 11

Implementation of internal audit recommendations- Summary of progress

Report by Senior Acocuntant

Summary

This report gives a summary of progress in implementing Internal Audit recommendations arising out of audits carried out during 2020/21, 2022/23, 2023/24 and 2024/25.

Recommendation

To note the report.

Contents

1. Introduction	1
2. Summary of Progress	2
3. Internal Audit Programme 2024/25	2
4. Farming in Protected Landscapes	2
Appendix 1 – Summary of actions and responses to Internal Audit 2020/21	4
Appendix 2 – Summary of actions and responses to Internal Audit 2022/23	7
Appendix 3 – Summary of actions and responses to Internal Audit 2023/24	9
Appendix 4 – Summary of actions and responses to Internal Audit 2024/25	11

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, 2, 3 and 4 give details of the audits carried out in 2020/21, 2022/23, 2023/24 and 2024/25, 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 report to this committee in July 2024, most of the recommendations remain as scheduled. The routine recommendation from Farming in Protected Landscapes audit has been implemented in August 2024 during the audit. Recommendation 5 from the Port Marine Safety Code 2023/24 has also been completed. The impact of workloads has meant that some of the other actions have been further delayed. These have been updated in the appendix.

3. Internal Audit Programme 2024/25

3.1. Since this report to the Committee in July 2024, the first audit from the plan for the Farming in Protected Landscapes (FiPL) grant programme has taken place in July – August 2024. The report was completed in August 2024. The cyber security audit started in October 2024. The Key Controls audit is scheduled to start on 11 November 2024. It should be noted that the priority rating provided by internal audit was previously stated as action that “needs attention” it is now “routine”.

4. Farming in Protected Landscapes

4.1. The objective of the audit was to review the Broads Authority controls in place for the grant programme for farmers, land managers and people in National Parks and Areas of Outstanding Natural Beauty (AONBs) whether these are operating adequately, effectively and efficiently. The audit covered the compliance with DEFRA guidance and other relevant laws & regulations to obtain assurance whether the grant conditions are being met. This resulted in a “substantial assurance” audit opinion with one “routine” recommendation raised.

4.2. Good practice was noted relating to sound controls that are in place and operating consistently. Those relating to Farming in Protected Landscapes arrangements for decision making were:

- The Broads Authority promptly notifies applicants of any rejected applications. This includes providing detailed feedback outlining the reasons for rejection, offering valuable insights to the applicants on how and what they can do to improve and resubmit their project application.
- Monitoring forms are maintained with comprehensive records of all FiPL grant applications (approved/declined), assessments, and monitoring activities. These forms are sent to DEFRA on a monthly basis for financial reporting which includes details of spend and progress on individual projects and an overview of FiPL spend broken down for projects, spend on administration, advice, and guidance.

- The National FiPL Framework details that Protective Landscape (PLs) organisations are scheduled to receive their allocations quarterly in advance to support cash flows, payments are expected in June, September, December, and March. However, the Broads Authority has encountered significant delays in receiving these allocations from DEFRA for example, the Broads Authority did not receive funds for the Quarter 1 2023, (April - June) until 18 September 2023, and for Quarter 2 – Quarter 4 funds were not received until 28 March 2024. The Authority has actively pursued the funding. This delay in funding is an ongoing issue and one the Authority is actively pursuing.
- No issues were identified with testing of grants for compliance with DEFRA guidance throughout the duration of the FiPL programme to date, including both accepted and rejected applications. All the requisite information had been thoroughly recorded including the approval/consents, application form, quotes, maps, Rural Payment Agency (RPA) checks, and claims.

Author: Izabela Foley

Date of report: 06 November 2024

[Broads Plan](#) strategic objectives: All

Appendix 1 – [Summary of actions and responses to Internal Audit 2020/21](#)

Appendix 2 – [Summary of actions and responses to Internal Audit 2022/23](#)

Appendix 3 – [Summary of actions and responses to Internal Audit 2023/24](#)

Appendix 4 – [Summary of actions and responses to Internal Audit 2024/25](#)

Appendix 1 – Summary of actions and responses to Internal Audit 2020/21

Table 1

Port Marine Safety Code – June 2021

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
<p>3. Pilotage Finalise the arrangements for General Directions for larger vessels. 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 vessels</p>	Important	Head of Ranger Services	<p>General Directions are 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.</p> <p>Update: Due to the lack of large vessels navigating our waters the need for a General Direction has not arisen for a number of years and if it did, we could deal with it under Special Directions. This item has been deferred to allow for a review of what is appropriate which will need specialist maritime legal advice.</p> <p>Update: The factors driving this work have changed since the paper went to committee in 31/10/2021. Updated to 28/02/2023. Updated to 31/12/2023 Audit and Risk Committee, 14 March 2023, agenda item number 12 6 Recommendations Priority rating Responsible Officer(s) BA response/action Timetable 2019, with COVID-19 and the long-term closures of</p>	<p>By 31/10/2021 Updated to 28/02/2023 Updated to 31/12/2023 Updated to 31/03/2024. Updated to 31/10/24. Updated to 31/01/2025</p>

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
			<p>bridges on the lower Yare both affecting this. Control measures remain in place to control the risk through Special Directions which can be given ahead of each vessel movement. With very limited vessel movement over the last few years the requirement to put in place a General Direction to cover all larger vessel movements is now less of a priority against other projects. The Pilotage Policy is currently being reviewed as part of the wider Safety Management System review.</p> <p>Update: Full review of Pilotage undertaken by Marico Marine. A paper was taken to Navigation committee and Broads Authority, both in January accepting recommendation that a General Direction be put in place to restrict vessel size subject to a risk assessment being carried out to determine if the vessel size subject to a risk assessment being carried out to determine if the vessel can be safely accommodated on the system. Legal advice is currently being sought on this proposal and what a general direction would need to include.</p> <p>Update: we are continuing with legal advice. A draft General Direction has been produced. Once legal advice is received the</p>	

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
			<p>general direction will need a six-month/42-day consultation period. As the Navigation Committee are one of the Statutory Consultees this will go to the meeting in Jan 2025.</p>	

Appendix 2 – Summary of actions and responses to Internal Audit 2022/23

Table 2

Corporate Health and Safety – July 2022

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
<p>1. Health & Safety at Work policy The Health and Safety at Work Policy be reviewed and updated, if necessary, in line with the defined cyclical timescales. This will mitigate the risk of Health and safety issues arising due to outdated policy.</p>	Needs Attention	Head of Safety Management	<p>Agreed. Whilst reading documentation for the H&S audit we recognised that our current policy required updating. This review has started, and we have carried out the initial scoping to understand what the new H&S policy needs to achieve. The task has been identified as a priority IPR objective in 2022/23 performance year.</p> <p>Update: Currently being reviewed with the aim that the policy will be implemented on 1st April 2023.</p> <p>Update: The review date has been updated to December 2023.</p> <p>Update: The Health & Safety Policy is still in its draft stage as it needs to incorporate the BA's SMS.</p> <p>Update: The Health & Safety Policy review begun in December, but the Head of Safety Management then retired, and the document was not completed. A new date for completion has been set for March 2025</p>	<p>By 01/04/2023 Updated to 31/12/2023 Updated to 30/06/2024 Updated to 31/03/2025</p>

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
			<p>to allow for the recruitment and induction of a new Head of Safety Management.</p> <p>Update: The revised Health, Safety and Wellbeing policy was presented to the Broads Authority on 20 September 2024. Subject to a minor amendment it will be reconsidered by the Broads Authority on 29 November 2024.</p>	

Appendix 3 – Summary of actions and responses to Internal Audit 2023/24

Table 3

Port Marine Safety Code – November 2023

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
<p>4. Review and Audit Action to be taken to ensure that an appropriate compliance statement is made by the Duty Holder when this is next required by the MCA (likely to be in March 2024). This includes ensuring that appropriate reporting mechanisms are in place in line with the recommendations above, to enable the Duty Holder to make such a statement.</p>	Important	Head of Safety Management	<p>We will contact the MCA and discuss the compliance report, the timing and format to ensure we are consistent with other PMSC duty holders.</p> <p>Update: The MCA still needs to open the window to allow compliance to be reported. RR registered with the MCA, and when the reporting window opens, will be notified and able to document the Authority's compliance with the code.</p>	By 31/07/2024 Update: TBA and the Authority will be notified by the MCA
<p>5. Plan Action be taken to ensure that the Authority complies with the requirement for a marine safety plan and associated reporting process, either in the form of a separate safety plan, or through relevant provisions being added to the MSMS and/or associated policies.</p>	Important	Head of Safety Management	<p>Because of the statute and the way safety and improvements are planned within the Broads, the details within a Marine Safety Plan are included within the Broads Plan.</p> <p>Update: Regular safety reports are scheduled to go to Committees as and when, and we have a standing H&S agenda item added to the full Authority's agenda to allow reporting and updating of Members.</p> <p>Completed.</p>	31/10/2024

Table 4

Corporate Governance and Risk Management – February 2024

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
1. The Local Government Act 1972 Add expectations for attendance and consequences for non-attendance to the Members' Code of Conduct.	Needs Attention	Senior Governance Officer	This will be reviewed as part of the next members code of conduct update. The next review is due within the next 12 months. Governance will continue to monitor absence and notify members where they maybe in risk of breaching the 6-month rule. It will continue to be highlighted to new members via the terms and conditions.	By 31/03/2025

Appendix 4 – Summary of actions and responses to Internal Audit 2024/25

Table 5

Farming in Protected Landscapes – August 2024

Recommendations	Priority Rating	Responsible Officer(s)	BA Response/action	Timetable
<p>2. Review and Audit The Authority to ensure that hyperlinks on the website for the Broads Authority Plan and Norfolk Coast Management Plan on Farming in Protected Landscapes Grant Programme (FiPL) are working as intended. Risk: Applicants being unable to access essential guidance on the required expectations/outcomes of their project, leading to misaligned project applications.</p>	Routine (previously 'needs attention')	N/A	Implemented - Website link fixed on 13/08/24 Audit comment – Access has been verified with no further action required.	N/A