



devon **audit** partnership

Appendix 1

Internal Audit Report

Tor Bay Harbour Authority
- Risk Management

Torbay Council

June 2015

OFFICIAL



Auditing for achievement

Devon Audit Partnership

The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay and Devon councils. We aim to be recognised as a high quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards.

The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at robert.hutchins@devonaudit.gov.uk

Confidentiality and Disclosure Clause

This report is protectively marked in accordance with the National Protective Marking Scheme. Its contents are confidential and, whilst it is accepted that issues raised may well need to be discussed with other officers within the organisation, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.

This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.

1 Introduction

The Tor Bay Harbour Authority is required to follow the corporate expectations in relation to risk management, health and safety, business continuity and emergency planning. However due to the specialist nature of the service provision, there is an additional requirement to meet the expectations and practices set out in the Port Marine Safety Code (PMSC) and a need for a specific emergency plan.

The Tor Bay Harbour Committee has adopted a health and safety management system in compliance with the principles set out in the Port Marine Safety Code (PMSC). The health and safety management system includes policies for emergency plans, conservancy, environment, management of navigation, pilotage and marine services.

The PMSC applies to all harbour authorities in the UK that have statutory powers and duties. It establishes the principle of a national standard for every aspect of port marine safety and aims to enhance safety for those who use or work in ports, their ships, passengers and the environment. It applies the principles of risk assessment and safety management systems to port marine operations. It provides a measure by which harbour authorities can be accountable for the legal powers and duties which they have to run their harbours safely and help to discharge their obligations effectively.

2 Audit Opinion

Good Standard - The systems and controls generally mitigate the risk identified but a few weaknesses have been identified and / or mitigating controls may not be fully applied. There are no significant matters arising from the audit and the recommendations made serve to strengthen what are mainly reliable procedures.

3 Executive Summary

Processes are established to identify and manage risks, and the Tor Bay Harbour Authority has been separately assessed as compliant with the Port Marine Safety Code. A specific Tor Bay Harbour Authority Emergency Plan is established and has been subject to testing through desk top exercises and a multi-agency exercise. In terms of business continuity, a plan exists but was not current at the time of the audit.

Recommendations have been made to ensure that risk areas identified in the emergency plan are risk assessed, to complete the standard operating procedures that support risk mitigation and to maintain the currency of risk assessments through ensuring that there are sufficient trained risk assessors, and that appropriate H&S training is completed by all staff in order to minimise the risk to personal and public health. The need for consistent recording of incidents / accidents was also identified along with the need to test the business continuity arrangements.

The detailed findings and recommendations regarding these issues and less important matters are described in the Appendices. Recommendations have been categorised to aid prioritisation. Definitions of the priority categories and the assurance opinion ratings are also given in the Appendices to this report.

4 Assurance Opinion on Specific Sections

The following table summarises our assurance opinions on each of the areas covered during the audit. These combine to provide the overall assurance opinion at Section 2. Definitions of the assurance opinion ratings can be found in the Appendices.

Risks Covered		Level of Assurance
1	Risks not identified and managed	Good Standard
2	H&S risks not identified and managed	Improvements Required.
3	Failure to respond in an emergency	Good Standard
4	Failure in Business Continuity and Service Delivery	Improvements Required

The findings and recommendations in relation to each of these areas are discussed in the "Detailed Audit Observations and Action Plan" appendix. This appendix records the action plan agreed by management to enhance the internal control framework and mitigate identified risks where agreed.

5 Issues for the Annual Governance Statement

The evidence obtained in internal audit reviews can identify issues in respect of risk management, systems and controls that may be relevant to the Annual Governance Statement.

In terms of this review, we are able to report that there are no issues that are arising from the examination of systems and controls that warrant inclusion in the Annual Governance Statement.

6 Scope and Objectives

The audit for 2014-15 has been undertaken based on key risks based on discussions with the department and Internal Audit's view on risk within the function. The key risks are:

- Risks not identified and managed
- H&S risks not identified and managed
- Failure to respond in an emergency
- Failure in Business Continuity and Service Delivery

7 Inherent Limitations

The opinions and recommendations contained within this report are based on our examination of restricted samples of transactions / records and our discussions with officers responsible for the processes reviewed.

8 Acknowledgements

We would like to express our thanks and appreciation to all those who provided support and assistance during the course of this audit.

Robert Hutchins
Head of Partnership

