



INTERNAL AUDIT REPORT – HARBOURS, MARINAS & TERMINALS

Auditor: Internal Auditor

Distribution: Audit Committee
Chief Executive
Director of Corporate Services
Director of Environmental Services
Head of Infrastructure
Harbour Master

October 2018

All matters contained in this report came to our attention while conducting normal internal audit work. Whilst we are able to provide an overall level of assurance based on our audit work, unlike a special investigation, this work will not necessarily reveal every issue that may exist in the Council's internal control system.

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1. Executive Summary

This internal audit was completed in accordance with the approved annual Internal Audit Plan for 2018/19. This report summarises the findings arising from a review of the Harbours, Marinas & Terminals which was allocated 8 days.

Through the review I found the following examples of good practice:

- Roles and responsibilities of designated Council staff have been clearly defined and communicated in relation to health and safety at the harbours, marinas and terminals.
- An adequate, up-to-date Health and Safety Policy and Procedures are in place in relation to the harbours, marinas and terminals.
- Key staff receive training in Health and Safety at the harbour, marinas and terminals to ensure they have adequate skills and competencies to fulfil their roles.
- Formal risk assessments are completed and documented in accordance with the Port Marine Safety Code.
- Employer's Liability and Public Liability insurance cover includes Council harbours.

The Head of Infrastructure and the Harbour Master have made exceptional progress in relation to:

- A 'Designated Person' has been appointed to oversee the Council's obligations in respect of the provision of an effective safety and risk management system and to facilitate the independent assurance required to comply with the Port Marine Safety Code.
- As part of a review of harbour management, a regular reporting system has been established.
- As part of ongoing improvement and revision of Harbour / Marina related Policy and Procedures Council have employed an external H&S consultant (Mc Auley Safety) to assist with drafting of the required documents.
- The application of the PMSC (Port Marine Safety Code) is currently being extended to all Council ports regardless of scale, as part of best practice. It is identified that this work will aim to be completed by 31st December 2018 and a statement of compliance will be submitted to the MCA in line with MIN 571(M). A new redraft of a suitable Port Marine Safety Code to include each of Councils facilities will be drawn up.

Audit did not identify any findings leading to a priority 1,2 or 3 recommendation.

Based on our audit testing we are able to provide the following overall level of assurance:

Satisfactory

Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

2. Objective

The areas for inclusion in the scope of the audit were determined through discussion with management and will consider the main risks in relation to Harbours, Marinas & Terminals and to review the key systems and controls in place to address these. The review focused on:

- Health and Safety: Marine Safety Code

3. Background

Causeway Coast and Glens Council have a wide variety of Harbours, Marinas and terminals situated on the spectacular north coast of northern Ireland which include Coleraine and Drumaheglis Marinas, Portrush, Portstewart, Portballintrae, Ballintoy, Rathlin, Red Bay & Dunseverick Harbours, Ballycastle Harbour & Marina, including Waterford & Dalriada Slipways (both in Cushendall). Council also operate a ferry between Magilligan and Greencastle.

4. Risks

The risks identified relating to Harbours, Marinas & Terminals and agreed with management are as follows:

- There may be an inadequate governance framework in place in relation to health and safety at Council-managed harbours, marinas and terminals, leading to lack of clarity as to responsibilities of key staff and increased risk of health and safety incidents occurring
- The Council may not be aware of its duties in relation to Health and Safety under the Port Marine Safety Code and the Health and Safety at Work (NI) Order 1978 leading to safety risks to staff or members of the public and non-compliance with statutory responsibilities
- There may be inadequate assessment and minimisation of Health and Safety risks to Council staff and members of the public visiting/using Council harbours, marinas and terminals leading to unnecessary incidents and the risk of litigation against the Council.

5. Audit Approach

Our audit fieldwork comprised:

- Documenting the systems via discussions with key staff
- Consideration of the key risks within each audit area
- Examining relevant documentation
- Carrying out a preliminary evaluation of the arrangements and controls in operation generally within the Council

- Testing the key arrangements and controls
- Testing the completeness and accuracy of records.

The table below shows the staff consulted with and we would like to thank them for their assistance and co-operation.

Job title
Head of Infrastructure
Harbour Master

6. Findings and Recommendations

This section of the report sets out our findings in relation to control issues identified and recommendations.

6.1 Risk 1 – Health & Safety

Audit has no findings or recommendations to make in relation to this risk area.

6.2 Risk 2 – Port Marine Safety Code and the Health and Safety at Work (NI) Order 1978

Audit has no findings or recommendations to make in relation to this risk area.

6.3 Risk 2 – Risk Assessments

Audit has no findings or recommendations to make in relation to this risk area.

Appendix I: Definition of Assurance Ratings and Hierarchy of Findings

Satisfactory Assurance

Evaluation opinion: Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

Limited Assurance

Evaluation opinion: There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to the system objectives not being achieved.

Unacceptable Assurance

Evaluation opinion: The system of governance, risk management and control has failed or there is a real and substantial risk that the system will fail to meet its objectives.

Hierarchy of Findings

This audit report records only the main findings. As a guide to management and to reflect current thinking on risk management we have categorised our recommendations according to the perceived level of risk. The categories are as follows:

Priority 1: Failure to implement the recommendation is likely to result in a major failure of a key organisational objective, significant damage to the reputation of the organisation or the misuse of public funds.

Priority 2: Failure to implement the recommendation could result in the failure of an important organisational objective or could have some impact on a key organisational objective.

Priority 3: Failure to implement the recommendation could lead to an increased risk exposure.

Appendix II: Summary of Key Controls Reviewed

Risk	Control issues
<p>There may be an inadequate governance framework in place in relation to health and safety at Council-managed harbours, marinas and terminals, leading to lack of clarity as to responsibilities of key staff and increased risk of health and safety incidents occurring</p>	<ul style="list-style-type: none"> • Roles and responsibilities of designated Council staff have been clearly defined and communicated in relation to health and safety at the harbours, marinas and terminals. (Especially at Magilligan where a private contractor is in use for the ferry; Council's responsibilities need to be recorded and clearly understood). • A 'Designated Person' has been appointed to oversee the Council's obligations in respect of the provision of an effective safety and risk management system and to facilitate the independent assurance required to comply with the Port Marine Safety Code. • Health and safety reports are regularly produced by key personnel and provided to senior Council management for review
<p>The Council may not be aware of its duties in relation to Health and Safety under the Port Marine Safety Code and the Health and Safety at Work (NI) Order 1978 leading to safety risks to staff or members of the public and non-compliance with statutory responsibilities</p>	<ul style="list-style-type: none"> • An adequate, up-to-date Health and Safety Policy and Procedures are in place in relation to the harbours, marinas and terminals • These Health and Safety Procedures take cognisance of the Port Marine Safety Code and link to the marine safety management system (see Risk 3) • The Policy and Procedures are reviewed and updated regularly • Key staff receive training in Health and Safety at the harbour, marinas and terminals to ensure they have adequate skills and competencies to fulfil their roles - <ul style="list-style-type: none"> ▪ Types of health and safety training ▪ Frequency of training ▪ Training logs are kept and are up-to-date.

Risk	Control issues
There may be inadequate assessment and minimisation of Health and Safety risks to Council staff and members of the public visiting/using Council harbours, marinas and terminals leading to unnecessary incidents and the risk of litigation against the Council	<ul style="list-style-type: none">• A marine safety management system has been implemented• Formal risk assessments are completed and documented in accordance with the Port Marine Safety Code and include consideration of such matters as pilotage and towage (as relevant)• Actions are put in place to manage risks identified in risk assessments and follow-up is undertaken to ensure that the risk is being managed (and there is evidence of such follow-up)• Safety equipment, such as lifebuoys is in place at the harbours• Safety arrangements are in place for fuel berths and those accessing marine diesel supplies• Safety arrangements are in place in relation to piers and slipways• Periodic structural assessments of the harbours are undertaken to identify any maintenance or safety issues• Incidents, accidents and near-misses at the harbour are reported, recorded and investigated adequately• Employer's Liability and Public Liability insurance cover includes Council harbours.