

## **Audit Committee – 10 JUNE 2008**

### **SYSTEM OF INTERNAL CONTROL and ANNUAL GOVERNANCE STATEMENT FOR SOUTH HAMS DISTRICT COUNCIL 2007/08**

#### **Report of the Strategic Director (Resources) and the Monitoring Officer**

**Statutory Powers:** Section 111 Local Government Act 1972; and  
Accounts and Audit Regulations 2006.

**Financial Implications:** None: within existing budgets.

#### **Purpose**

The purpose of the report is to provide members with sufficient information to allow them to:

- Independently examine the draft Annual Governance Statement and the supporting process and evidence; and
- Recommend approval of the Annual Governance Statement to the Council.

#### **Background Documents**

##### *Heads of Service Assurance and Evidence*

The assurance process for the System of Internal Control is unchanged on previous years and consists of a signed statement by Heads of Service and other key officers, supported by their annual service plans (which identify objectives, risks and mitigating controls) and files with evidence that the controls are in place and working satisfactorily.

In the past, a series of Background Papers covering all services have been presented to members with the Statement. However, due to the earlier deadline date for the AGS (formerly September), time pressures have restricted this to an example attached at Background Paper A.

This and the remaining Head of Service evidence files are held by the Internal Audit Manager on behalf of the Monitoring Officer and Strategic Director (Resources) and are available for the Audit Committee members to view, both in summary and physical file format.

Background Paper A – Harbour and Maritime

Allan Goodman  
Internal Audit Manager

Audit Committee  
10 June 2008

Delyth Jenkins-Evans  
Monitoring Officer

Mark Seymour  
Strategic Director (Resources)

Obligations and/or Objectives	Risks to Achievement of Objectives	Controls and Evidence
<p>To run a safe, efficient and welcoming harbour that caters for the needs of the local communities, visitors and the environment.</p>	<p>Drowning as a consequence of vessel going aground, collision, capsized, man overboard. Consequent environmental and reputation damage.</p> <p>Drowning or severe injury of a member of the public as a consequence of falling from quay, particularly when the tide is out.</p> <p>Serious or fatal injury to a member of the public caused by an accident during launching or recovering boats from the public slipway at Batson. Serious or fatal injury to a member of public caused by an accident from mobile plant moving boats, boats falling over due to weather whilst stored or being worked in council car parks. Restricting public access can not exclude the pedestrian who is determined to ignore warnings and walk through car park.</p>	<p>Navigation Buoys.            Harbour Boats patrolling on the water.            Local Notices to Mariners displayed.            Publications including the annual Harbour Guide.            Personal, protective equipment for harbour staff.            Hydrograph survey.            Qualifications or permits for harbour users including harbour staff.            Supervision and Direction            Law and Byelaws.            Harbour and Health &amp; Safety Policies. Emergency Plans            Staff training programme linked to appraisal system.</p> <p>Working quays, such as the fish quay have restricted public access, the areas where there are lots of public, such as Whitestrand Car Park have no control measures in place.</p> <p>Notices            Access control and barriers,            Supervision,            Direction,            Health &amp; Safety Policy            Health &amp; Safety Management system            Harbour Policy.</p> <p>For 2007/08, a code of practice has been agreed that will result in fencing surrounding the boat park and a boat park attendant being employed for the winter.</p>

<b>Obligations and/or Objectives</b>	<b>Risks to Achievement of Objectives</b>	<b>Controls and Evidence</b>
<p>To run a safe, efficient and welcoming harbour that caters for the needs of the local communities, visitors and the environment.</p>	<p>Extensive pollution from failure of the fuel barge integrity.</p>	<p>Permits                      Risk assessments                      Local Notices to Mariners displayed.                      Publications including the annual Harbour Guide.                      Access control                      Command and Control                      Direction                      Health &amp; Safety Policy                      Health &amp; Safety Management system                      Training programme linked to annual appraisal system.                      Emergency plans.</p>
<p>To set the annual budget, fees and charges having reviewed moorings policy and Strategic Business Plan.                      To allocate harbour moorings and facilities to customers offering facilities as they become available to personnel from waiting lists managed in accordance with the Harbour Board's Moorings Policy.                      To review and update the Harbour Authorities Strategic Business Plan and produce the Annual Report.</p>	<p>Failure of harbour management systems.</p>	<p>Budgetary control with the Harbour's accountant.                      Reliance on the annual internal audit completed in 2007/08 for the Harbour and Creek Boatpark.                      Reliance on the Head of ICT for backups and disaster recovery.                      Support of the software supplier through the annual licence and maintenance agreement.</p>
<p>To annually re-affirm Salcombe Harbour's compliance with the Port Marine safety Code.</p>	<p>Failure to comply with the Governments' direction set out within the Port Marine Safety Code.</p>	<p>Annual audit of Port Marine Safety Code compliance and of Harbour's Safety Management system by an appointed independent person.</p>

<b>Obligations and/or Objectives</b>	<b>Risks to Achievement of Objectives</b>	<b>Controls and Evidence</b>
<p>To complete annual winter maintenance programme of moorings, pontoons, launches and equipment to be ready to commence the summer season.</p>	<p>Failure of harbour infrastructure resulting in serious injury or fatality to personnel and damage to equipment, boats and harbour reputation.</p> <p>Personal injury to staff whilst conducting mooring maintenance as a result of accident whilst using machinery, manual tackle or winches.</p>	<p>Patrols, Inspections, Planned maintenance. Method statements for operations</p> <p>Personal protective equipment supplied Access controls. Qualification and permits Supervision and instruction Method statements for operations Command and control Health &amp; Safety Policy Health &amp; Safety Management system Training programme linked to annual appraisal system.</p>

<b>Action Plan for Identified Weaknesses or Other Issues</b>	
<b>Identified Weaknesses or Other Issues</b>	<b>Action Required</b>
<p>No significant weaknesses or issues have been identified for inclusion in the Statement on Internal Control.</p>	<p>Harbour Master and Maritime Officer</p>