Follow up of Previous Recommendations
Agenda Item 6

National Park Authority Audit & Risk Committee Meeting
Tuesday 6 December 2022

Paper for information

Contents

1. Purpose

1.1. The purpose of this paper is to provide an update on the outstanding actions arising from Internal Audit work at the National Park Authority.

2. Recommendation(s)

2.1. Members are asked to note the progress made in terms of the recommendations implemented and request that the Chief Internal Auditor submits further reports on the implementation of outstanding recommendations.

3. Contribution to National Park Partnership Plan and/or Our 5-year Plan

3.1. This contributes towards the delivery of the 5 Year Plan by ensuring that improvements to processes to achieve the aims and objectives are implemented.

4. Internal Audit Plan

4.1. Follow up of previously agreed recommendations is part of the overall Internal Audit Plan for the National Park Authority.

5. Internal Audit Follow Up Report

Introduction

5.1 This report provides a summary of the progress of Internal Audit recommendations previously reported to the Audit and Risk Committee. This report includes:

- A summary of the outstanding recommendations;
- A summary of the progress made since the previous report; and
- A register of outstanding recommendations.

Summary of Outstanding Recommendations

5.2 Since the last report that was presented to the Audit and Risk Committee on 6th September 2022, management have been responsible for following up recommendations which are due to have been implemented. As at 22nd November 2022, nine of these recommendations remain outstanding, with a further 11 not yet due for implementation.

5.3 Table One outlines the split of outstanding recommendations per priority and audit

Table One – Priority of Outstanding Recommendations

	Priority of Recommendation			Total
	High	Medium	Low	
Boat Registration Process (WDC)	0	0	1	**1**
Control Risk Self-Assessment (WDC)	0	0	1	**1**
Financial Governance	0	1	0	**1**
Fleet Management	0	2	1	**3**
IT General Controls	0	1	0	**1**
GIS Application	1	0	1	**2**
Total	**1**	**4**	**4**	**9**

5.4 During the period from 23 August 2022 to 22 November 2022, there have been nine recommendations implemented. Work is progressing to ensure full implementation is achieved for the remaining recommendations and revised timescales have been provided. **Appendix One** provides further details on the outstanding recommendations including the superseded recommendations.

5.5 A register of all recommendations which have not yet been implemented is included at **Appendix Two**. This register highlights the full text of the recommendation and the original due date, and management have included an update on the progress and a revised implementation date where appropriate.

Recommendation for Committee

5.6 It is recommended that the Audit and Risk Committee notes the progress made in terms of the recommendations implemented and requests the Chief Internal Auditor to submit further reports on the implementation of outstanding recommendations.

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Appendix One - Progress since Previous Report

	Boat Registration Process (WDC)	Control Risk Self-Assessment (WDC)	Financial Governance	Fleet Management	IT General Controls	Business Continuity Planning	GIS Application	Risk Management	Reputation Management	Establishment Visits	Total
Outstanding or not yet due as at 23 August 2022	1	1	1	6	1	2	3	5	0	0	**20**
Added to the Register during Period	0	0	0	0	0	0	0	0	2	7	**9**
Outstanding as at 22 November 2022	1	1	1	3	1	0	2	0	0	0	**9**
Not yet due as at 22 November 2022	0	0	0	0	0	1	1	5	2	2	**11**
Implemented in Period	**0**	**0**	**0**	**3**	**0**	**1**	**0**	**0**	**0**	**5**	**9**

Appendix Two – Outstanding Recommendations

Title	Recommendation	Priority Rating	Planned Implementation Date	Management Comments	Revised Implementation Date	Revised Implementation Date changes
WDC1920 - Control Risk Self-Assessment - Recommendation 1	<u>Procedures for Reporting of Theft</u> It was noted that there are currently no procedures in place for staff to report incidences of external theft e.g. where a vehicle or equipment is stolen.	**Low**	31-Mar-20	The policy is still in draft and it is anticipated that it will be finalised by end of year, also rolling in some of the recommendations resulting from the Establishment Visits audit.	31-Dec-22 (31-July-22) (31-Mar-22) (30-Sept-21) (31-Dec-20) (30-Sep-20)	6
LL&T2021B - Fleet Management - Recommendation 2	Management should arrange for the process maps to be formally agreed and signed off as soon as possible. The documents should then be made available to all relevant staff and reviewed on a regular basis.	**Low**	30-Nov-21	Work is ongoing to fully implement the recommendation. Processes are currently being reviewed and a list of which processes are being reviewed has been compiled. This is a larger piece of work than first anticipated.	31-Mar-23 (30-Nov-22) (31-May-22)	3
LL&T2021B - Fleet Management – Recommendation 3	Senior management should take the necessary action to address the issues noted within the observation to enhance the arrangements in place for the checking and monitoring of the fleet. This should include:	**Medium**	30-Nov-21	Work is ongoing to fully implement the recommendation. We were advised that the team have reverted to the manual signing process as	31-Mar-23 (30-Nov-22) (31-May-22)	3

Title	Recommendation	Priority Rating	Planned Implementation Date	Management Comments	Revised Implementation Date	Revised Implementation Date changes
	- establishing a full record of checks on the numbers held and transfers of vehicles; - identifying drivers' eligibility prior to allocation of a vehicle; - establishing arrangements for any vehicles allocated to specific employees in the event of their absence; - ensuring appropriate file protection for fleet records held; and - ensuring the accuracy of vehicle details held on the insurance database.			per pre-Covid since March 2022 with the tick box verifying licence to drive. Processes are currently being reviewed and a list of which processes that are being reviewed has been compiled. This is a larger piece of work than first anticipated.		
LL&T2021B - Fleet Management – Recommendation 6	Senior management should ensure that a Fleet Management Strategy is developed and approved accordingly. The document should include timescales in relation to the transition to a full electric fleet. Progress against these timescales should be regularly monitored and reported. Management should ensure that a record is held of all vehicles selected for disposal, this should include the reason for disposal and any approvals including any replacement options for the vehicles.	**Medium**	31-Oct-21	The Fleet Decarbonisation Report was received from the Energy Savings Trust at the beginning of April. The contents of this report will be considered and feed into the development of the NPA Fleet Management Strategy.	31-Jan-23 (30-Nov-22) (31-Mar-22)	3

Title	Recommendation	Priority Rating	Planned Implementation Date	Management Comments	Revised Implementation Date	Revised Implementation Date changes
WDC1920 - Boat Registration Process - Recommendation 1	Boat Registration Database a) Management should consider whether an automated system could be implemented which would allow, for example:- boat owners to register their details online which would directly populate the boat registration database;- the re-registration process to be carried out on line, for example by owners confirming they continue to agree to the terms and conditions for use; and- all information to be stored electronically to eliminate the need for paper copies of registration and re registration forms to be printed and retained. The full system requirements should be reviewed to ensure that any new system(s) can: - Record contraventions, multiple launch pass purchases and all other required information; and - Provide required PI information. In addition	**Low**	01-Mar-20	Project has now been delayed until financial year, 2022/23 as budget now secured. Revised implementation date of January 2023 provided. In final stages of assessing developer specification with a view to award contract from early April.	31-Jan-23 (31-Jan-22) (31-Jan-21)	3

Title	Recommendation	Priority Rating	Planned Implementation Date	Management Comments	Revised Implementation Date	Revised Implementation Date changes
	LLNTPA should consider whether the new system(s) should provide on line access to rangers whilst on patrol. b) Management should consider how issues with the speed of the system can be addressed going forward.					
LL&T2021C - Financial Governance - Recommendation 1	Management should review the Budget and Financial Monitoring Policy to ensure it remains fit for purpose and reflects current practice/ legislation. The draft VAT Policy should also be finalised and both documents approved by the Policy and Review Group. Thereafter, the documents should be made available to staff through Park Central. The detailed VAT procedure should also be updated and made available to all relevant staff. Management should consider updating the year-end timetable to	**Medium**	31-Dec-21	VAT Policy and procedures - We are upgrading the Finance system and migrating the existing data during Q3 of 2022/23 which is likely to change the way that data for the VAT return is extracted. Propose to update the procedures and Policy following completion of systems upgrade. The detailed VAT procedure will be extended to 30/6/23 to allow full completion of VAT return after new system is implemented (i.e. completion of May 23 VAT return).	30-Jun-23 (30-Sep-22)	2

Title	Recommendation	Priority Rating	Planned Implementation Date	Management Comments	Revised Implementation Date	Revised Implementation Date changes
	include the dates expected tasks are completed.			Budget Policy - the Scottish Government's (SG) resource spending review did not give more detail on the longer term resource budget allocation and framework as anticipated. However, during the summer SG have implemented new budget monitoring reporting, which impacts our month end processes, timings and reporting. The new Finance system will also change the budget reporting for both Finance and users. Propose to extend the deadline to 31/3/23 when we will have completed the 2023/24 budget and have more clarity on functionality and reporting from Finance system, SG annual resource budget and SG budget monitoring.		
AGLAS2021B – IT General	Management should ensure that the disaster recovery arrangements are	**Medium**	31-Mar-22	Due to the migration to M365 and the planned	31-Mar-23	1

Title	Recommendation	Priority Rating	Planned Implementation Date	Management Comments	Revised Implementation Date	Revised Implementation Date changes
Controls – Recommendation 5	reviewed to ensure they are not reliant on a single safe key. Thereafter testing of the disaster recovery plan should be undertaken on at least an annual basis.			implementation of Cloud DR, we plan to fully review and test our DR arrangements, with annual testing thereafter. Revised implementation date provided.		
2122128 - LL&TNP / GIS Application Audit / Recommendation 1	The GIS manager should review the user access arrangements in place and determine whether it is possible to utilise named accounts to improve the levels of accountability within the system. Furthermore password security arrangements should be strengthened to ensure that: • users are required to change their password on a periodic basis; • the password rules in place are further enhanced, where the system allows (e.g. through the implementation of password complexity or 2FA / MFA). • a central list of accounts and passwords is not held.	**High**	31-Oct-22	Recommendation is partially implemented. Work is ongoing to fully implement the recommendation.	31-Dec-22	1
2122128 - LL&TNP / GIS Application Audit /	The GIS manager should review the current audit trail reporting parameters and assess the feasibility	**Low**	30-Sep-22	As part of our review of user management we plan to introduce spot checks on	31-Mar-23	1

Title	Recommendation	Priority Rating	Planned Implementation Date	Management Comments	Revised Implementation Date	Revised Implementation Date changes
Recommendation 2	of updating these so that they include a more detailed transaction history. In doing so the manager should consider the risk of not capturing all updates alongside any limitations that may exist, e.g. storage capacity, monitoring resources etc. Thereafter logs should be suitably stored and archived as necessary.			user activity to ensure access controls are working as expected and to check for anomalous logins. We are looking at additional ways to monitor user activity and to check change information on editable data with priority being given to the cloud based systems.		