

ITEM No: 8(a)

Tay Road Bridge Joint Board

**Annual Report to the Joint Board and the Bridge
Manager on the Provision of Internal Audit Services
for 2014/15**

Internal Audit Report No: 2015/06

Draft Issued: 19 May 2015

Final Issued:

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1. Annual Report and Opinion

- 1.1 We were formally re-appointed in April 2013 as internal auditors of Tay Road Bridge Joint Board ('the Board') for the period 1 April 2013 to 31 March 2016. This report summarises the internal audit work performed during 2014/15.
- 1.2 An Audit Needs Assessment (ANA), based on the areas of risk that the Board is exposed to, was prepared as part of our internal audit programme for 2013/14 (internal audit report 2014/01, issued August 2013). The ANA was prepared following discussion with the Bridge Manager and the external auditors, and with reference to the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom and from a review of previous internal and external audit reports, and covered the three-year internal audit cycle from 2013/14 to 2015/16. The ANA was based on the previous internal audit risk assessment updated to reflect changes in the internal and external environment in the intervening period, and our own assessment of the risks faced by the Board. Following on from the ANA, a Strategic Plan was formulated covering the three-year cycle.
- 1.3 The annual operating plan showed a number of changes to the allocation set out in the above Strategic Plan. Following consideration by senior management, 10 days originally allocated in 2014/15 for a review of Corporate Governance and Corporate Planning were removed from the plan as these were not seen as high risk areas and there were no significant changes to processes and good practice guidance since our previous review of these areas in 2011/12. In place of these assignments the Data Protection review originally planned for 2015/16 was brought forward to 2014/15 and a review of Contract Management added. The proposed review of HR policies was widened to cover other policies and procedures and the number of days allocated to each assignment was revisited to reflect the requirements of each scope.
- 1.4 The work undertaken in the year followed that set out in the Annual Plan for 2014/15. The reports submitted are listed in Section 2 of this report and a summary of results and conclusions from each finalised assignment is given at Section 3.
- 1.5 An analysis of time spent against budget is at Section 4.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements

- 1.6 The Board has responsibility for maintaining an effective internal audit activity. You have engaged us to provide an independent risk-based assurance and consultancy internal audit service. To help you assess that you are maintaining an effective internal audit activity we:
- Confirm our independence;
 - Provide information about the year's activity and the work planned for next year in this report; and
 - Provide quality assurance through self-assessment and independent external review of our methodology and operating practices.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements (continued)

- 1.7 Self-assessment is undertaken through:
- Our continuous improvement approach to our service. We will discuss any new developments with management throughout the year;
 - Ensuring compliance with best professional practice, in particular the PSIAS;
 - Annual confirmation from all staff that they comply with required ethical standards and remain independent of clients;
 - Internal review of each assignment to confirm application of our methodology which is summarised in our internal audit manual; and
 - Annual completion of a checklist in April each year to confirm PSIAS compliance. Our internal audit manual was updated to include references to the PSIAS after the 2014 review.
- 1.8 The results of our self-assessment are that we are able to confirm that our service is independent of the Joint Board and complies with the PSIAS.
- 1.9 External assessment is built into our firm-wide quality assurance procedures. Henderson Loggie is a member of MHA, a national association of accountancy firms. Continued membership of MHA is dependent on maintaining a good level of quality and adhering to accounting and auditing standards in the provision of our services. Annual quality reviews are conducted to confirm our continuing achievement of this quality. The latest MHA review in April 2014 included our internal audit service. Overall the review found the firm's policies and procedures relating to internal audit to be compliant with the PSIAS in all material respects.

Significant Issues

- 1.10 There were no significant issues identifying major internal control weaknesses arising from our internal audit work.
- 1.11 In general, procedures were operating well in the areas selected, but in some cases areas for further strengthening were identified and action plans have been agreed to address these issues. In particular:
- a number of recommendations were agreed to make contract management more formal, demonstrate compliance with good practice identified by the Scottish Government, and consider rationalisation of contracts to achieve better value for money, and
 - we recommended that a Whistleblowing Policy be developed, Fraud Guidelines should be revised to take account of relevant elements of the Bribery Act 2010, and a recruitment policy should be developed including reference to the Equalities Act 2010.
 - the Board is currently drafting a Data Protection Policy which will ensure that the Board supports the objectives of the Data Protection Act 1998, however a number of were agreed which would further enhance existing systems and controls including developing a records management policy.
 - [summary of findings from IT Network Arrangement to be added once report has been finalised].

Opinion

- 1.11 In our opinion the Board operates adequate and effective internal control systems as defined in the ANA. Proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during the current year and as the internal auditor for the Board for the previous four years.

2. Reports Submitted

Report number	Title	Action points	Grade A	Grade B	Grade C
2015/01	Annual Plan 2014/15	N/A	-	-	-
2015/02	Contract Management	8	-	-	8
2015/03	Compliance with Legislation – review of policies and procedures Staff Recruitment and Retention / Performance and Development	4	-	4	-
2015/04	Data Protection / Records Management	5	-	-	5
2015/05	Follow Up Report	N/A	-	-	-
2015/06	Annual Report	N/A			
2015/07	IT network Arrangements	WIP			

WIP – Work in Progress at 20 May 2015

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. The gradings are as follows:

- A Issues which require the consideration of the Board.
- B Significant matters which the Bridge Manager can resolve.
- C Less significant matters, which do not require urgent attention but which should be followed up within a reasonable timescale.

3. Summary of Results and Conclusions

2015/01 – Annual Plan for 2014/15

Final Issued August 2014

The purpose of this document was to present to the members of Tay Road Bridge Joint Board ('the Board') the annual internal audit operating plan for the financial year ended 31 March 2015. The plan was based on the proposed allocation of audit days for 2014/15 set out in the Audit Needs Assessment and Strategic Plan 2013 to 2016. The preparation of the Strategic Plan involved dialogue with the Bridge Manager and with the Treasurer.

2015/02 – Contract Management

Final Issued May 2015

This audit focused on the systems of internal control in place for the contract management of works, goods and services.

Based on the sample of contracts reviewed the contract management arrangements in place do not appear adequate and we were not able to obtain formal documentation to support contract management activities in all cases.

In terms of our detailed objectives, we found that:

- not all awarded contracts contain clear, measurable, attainable and realistic (proportionate and relevant) performance standards which are documented to monitor performance of the contractor, although informal reviews undertaken appeared sufficient;
- regular performance reviews do not always take place with contractors to assess performance against agreed performance standards, and if undertaken reviews and their outcomes are not always formally documented. However we were informed that if there were concerns over performance then regular reviews would be undertaken and formal minutes recorded;
- where there are concerns with performance we were advised that actions would be identified to improve performance;
- although there is no agreed disputes process in place we were advised by the Bridge Manager that generally disputes are resolved through discussion with the contractor; and
- the Board maintains a database of all contracts however there are no formal internal processes in place over this. We found that the database does not provide adequate management information on the performance of agreed contracts.

2015/03 – Compliance with Legislation – review of policies and procedures Staff Recruitment and Retention / Performance and Development

Final Issued May 2015

Compliance with legislation – review of policies and procedures

This aspect of the audit involved a high-level review of the processes in place within the organisation for the maintenance of policies and procedures.

**2015/03 – Compliance with Legislation – review of policies and procedures
Staff Recruitment and Retention / Performance and Development (continued)**

Staff Recruitment and Retention / Performance and Development

This aspect of the audit included a review of recruitment processes, and actions to retain and improve staff.

In terms of our detailed objectives, we found that:

Compliance with legislation – review of policies and procedures

- there is a consistent approach in place for the creation, amendment, approval and distribution of policies and procedures;
- all policies and procedures are reviewed, and updated where necessary, on a periodic basis;
- outwith the normal review cycle there is a process to identify changes in legislation and update policies and procedures on a timely basis. We identified three areas for improvement; a Whistleblowing policy should be developed, the Fraud Guidelines and related policies require to be updated to include reference to the UK Bribery Act 2010, and a Recruitment and Selection Policy should be developed;
- policies and procedures in place do not cover all appropriate areas and we have included recommendations where gaps should be addressed;
- staff have access to policies and procedures and are aware of their requirements; and
- processes are in place to ensure that policies are equalities impact assessed to ensure they meet the requirements of the Equalities Act 2010.

Staff Recruitment and Retention / Performance and Development

- the recruitment process is efficient and effective and adheres to the requirements regarding equality, however there is a need to develop a recruitment and selection policy;
- the organisation has a systematic approach to setting targets for staff, regularly assessing performance and development of staff and providing feedback; and
- training, including induction training, is clearly informed by an assessment of where staff have skills / knowledge / performance gaps.

2015/04 – Data Protection

Final Issued May 2015

As part of the internal audit programme for 2012/13 we conducted a review of the arrangements in place within the organisation to ensure compliance with the Data Protection Act 1998 and the Freedom of Information (Scotland) Act 2002 (Internal Audit Report No. 2013/02, issued December 2012). That audit focussed on data protection governance and staff data protection training and awareness. This audit focused on: records management (manual and electronic); the security of personal data; and data sharing.

We considered the arrangements in place for the management of data not regulated by the Data Protection Act.

The Board is currently drafting a Data Protection Policy which will ensure that the Board supports the objectives of the Data Protection Act 1998, however existing systems and controls could also be further enhanced by developing a records management policy.

2015/04 – Data Protection (continued)

In terms of our detailed objectives, we found that:

- systems are in place to provide reasonable assurance that:
 - ◆ personal information is only held where necessary for the purposes specified in the organisation's Data Protection Register entry;
 - ◆ the people whose information the organisation holds may not know that it has it or likely to understand what it will be used for;
 - ◆ personal information is held securely;
 - ◆ personal information is accurate and up-to-date;
 - ◆ personal information is deleted / destroyed as soon as there is no longer a need for it, however there is no formal system in place for ensuring that data is held no longer than is required;
 - ◆ access to personal information is limited to those with a strict need to know;
 - ◆ the use of CCTV complies with the requirements of the Data Protection Act;
 - ◆ staff may not be clear on when the Data Protection Act allows the organisation to pass on personal information; and
- we confirm that data not regulated by the Data Protection Act is adequately managed to ensure that it can be easily located and is disposed of in line with an appropriate retention schedule.

2015/5 – Follow Up Reviews

Final Issued May 2015

We carried out a follow up review of recommendations made in the following internal audit reports issued during 2013/14:

- Internal Audit Report 2014/03 – Health and Safety;
- Internal Audit Report 2014/04 – General Ledger;
- Internal Audit Report 2014/05 – Risk Management and Business Continuity Planning;
- Internal Audit Report 2014/06 – Procurement and Creditors / Purchasing; and
- Internal Audit Report 2014/07 – Payroll.

Report 2014/07 did not contain an action plan and therefore no follow-up was required as part of this review.

There were also 10 outstanding actions from 2012/13 and three from 2011/12 that required to be followed up again this year.

The Board has made progress in fully implementing six of the nine recommendations contained within the internal audit reports listed above. One outstanding action from Data Protection / Freedom of Information and a further four outstanding actions from Physical Security and Asset Management both issued in 2012/13, one outstanding action point from the Corporate Governance and Planning, and one outstanding action from the IT Network Arrangements report, both issued in 2011/12 have now been fully implemented.

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2015/5 – Follow Up Reviews (continued)

Of the remaining nine recommendations:

- two have been assessed as 'little or no progress made'. These have been delayed due to competing priorities and are expected to be progressed later in 2015. Revised implementation dates have been agreed for these recommendations and they will be followed up again next year;
- one assessed as having no event occurring to action the recommendation in relation to documenting Data Protection and FoI responsibilities within the employment contracts and job descriptions of staff members as no appointments have been made since the original recommendation was raised; and
- six have been assessed as partially implemented, however draft documents have been prepared and are due for approval by September 2015.

2015/07 – IT Network Arrangements

Outstanding - WIP

The scope of the audit was to carry out a high-level review of certain key aspects of the IT systems in place within the organisation to identify any control weaknesses. The Board's ICT services are managed by Dundee City Council under a Service Level Agreement. As at May 2015 fieldwork for this review had commenced with discussions with the Board's staff having been undertaken, however information requested from Dundee City Council relating to controls over the security and management of the Board's IT network had still to be received.

4. Time Spent - v Budget v Actual

	Report Number	Planned Days	Actual days fee'd	Days to fee at April 2015	Days to spend / WIP	Variance
Reputation						
<i>Compliance with legislation – review of policies and procedures</i>	2015/03	2*	-	2*	-	-
Staffing Issues						
<i>Recruitment and retention / HR policies) Staff performance and development)</i>	2015/03	5*	-	5*	-	-
Financial Issues						
<i>Contract Management</i>	2015/02	4	-	4	-	-
Information and IT						
<i>IT network arrangements</i>		5	-	-	5	-
<i>Data protection / FOI</i>	2015/04	5	-	5	-	-
Other Audit Activities						
<i>Management and Planning)</i>		4	3	1	-	-
<i>External audit)</i>						
<i>Attendance at committees)</i>						
<i>Follow-up reviews</i>	2015/06	2	-	2	-	-
<i>ANA</i>						
<i>Contingency</i>						
Total		<u>27</u>	<u>3</u>	<u>19</u>	<u>5</u>	<u>-</u>

5. Operational Plan for 2015/16

- 5.1 Following our appointment as internal auditors for the period from 1 April 2013 to 31 March 2016 we prepared an Audit Needs Assessment and Strategic Plan for 2013 to 2016 (internal audit report 2014/01, issued August 2013).
- 5.2 The following is an extract from the Strategic Plan, in relation to 2015/16, as updated when setting the 2014/15 plan. This will be discussed with management, and updated if appropriate before being finalised for next year.

Proposed Allocation of Audit Days 2015/16

	Priority	Planned 15/16 Days
Reputation		
Health and Safety	M	
Compliance with legislation – review of policies and procedures	M	
Staffing Issues		
Recruitment and retention / HR policies)	M/L	
Staff performance and development)		
Payroll	L	
Estates and Facilities		
Physical Security)	M	6
Asset management)	M	
Delivery of major projects		
Financial Issues		
Budget setting / budgetary control	M	5
General ledger	L	
Procurement and creditors / purchasing	M	
Contract Management	M	
Debtors / income	L	
Cash & bank / Treasury management	L	
Organisational Issues		
Risk management / Business continuity	M	
Corporate governance and control environment)	L/M	3
Corporate planning)	M	
Insurance arrangements	M	
Information and IT		
IT network arrangements	M	
Data protection / FOI	M	
Other Audit Activities		
Management and Planning)		4
External audit)		
Attendance at committees)		
Follow-up reviews	Various	2
ANA		6
Contingency		
Total		<u>26</u> =====



**Tay Road Bridge Joint Board
Contract Management**

2014/15

Internal Audit Report No: 2015/02

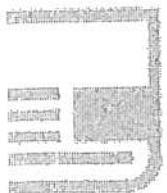
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I. Management Summary

Introduction

As part of the Internal Audit programme at Tay Road Bridge Joint Board ('the Board') for 2014/15 we carried out a review of contract management. The Audit Needs Assessment, completed in May 2013, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Joint Board and management that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level. Contract management is the management of contracts with suppliers to ensure compliance with terms and conditions, adequate operational performance and minimisation of risks.

Scope of the audit

This audit focused on the systems of internal control in place for the contract management of works, goods and services.

Objectives of the audit

The detailed objectives of the review were to ensure that:

- all awarded contracts have clear, measurable, attainable and realistic (proportionate and relevant) performance standards which are documented to monitor performance of the contractor;
- regular performance reviews take place with the contractor to assess performance against the agreed performance standards, with the review and its outcomes adequately documented;
- any agreed action plan to improve performance is monitored and assessed, with the outcomes adequately documented;
- where required, the agreed disputes process is activated and followed with the termination of the contract if the required standards are not met; and
- the Board maintains a database of all contracts which it monitors for compliance with internal processes and provides adequate management information on the performance of its agreed contracts.

Audit approach

From discussion with the Bridge Manager and Administrative Officer we established what procedures and monitoring arrangements are in place within the organisation. These were then evaluated to establish if they follow recognised good practice. A sample of contracts was then tested to determine what contract management arrangements were in place. We have commented in this report on areas where expected controls were found to be absent or where controls could be further strengthened.

Action plan

This report sets out a detailed list of improvement actions, which we consider necessary to ensure efficient delivery of each objective and these are discussed within the text for clarity. An action plan for implementation of these recommendations can be found at Section 2 of this report.

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. These gradings are as follows:

- A Issues which require the consideration of the Joint Board.
- B Significant matters which can be resolved by the Bridge Manager.
- C Less significant matters, which do not require urgent attention but which should be followed up within a reasonable timescale.

Overall Conclusion

Based on the sample of contracts reviewed the contract management arrangements in place do not appear adequate and we were not able to obtain formal documentation to support contract management activities in all cases.

In terms of our detailed objectives, we found that:

- not all awarded contracts contain clear, measurable, attainable and realistic (proportionate and relevant) performance standards which are documented to monitor performance of the contractor, although informal reviews undertaken appeared sufficient;
- regular performance reviews do not always take place with contractors to assess performance against agreed performance standards, and if undertaken reviews and their outcomes are not always formally documented. However we were informed that if there were concerns over performance then regular reviews would be undertaken and formal minutes recorded;
- where there are concerns with performance we were advised that actions would be identified to improve performance;
- although there is no agreed disputes process in place we were advised by the Bridge Manager that generally disputes are resolved through discussion with the contractor; and
- the Board maintains a database of all contracts however there are no formal internal processes in place over this. We found that the database does not provide adequate management information on the performance of agreed contracts.

Summary of Main Findings and Recommendations

We selected a sample of seven contracts and found that although some contract management processes were not formally recorded, the contract management processes in place in all contracts reviewed appeared reasonable taking into account the risk (impact and likelihood) of non-performance on the contracts. Performance reviews are not carried out on a regular basis but we were informed that these would be done if there were significant issues. We have recommended that: for contracts above a set value consider maintaining a record of all contract management activity and meetings, including action points for improvement; and for contracts above a set value ensure that performance standards are formally recorded, even if these are only at a high-level, such as completing the job on time, within budget and at the agreed quality specification.

Summary of Main Findings and Recommendations (continued)

There is a range of good practice on contract management available, including 'Good Practice Contract Management Framework' issued by the former National Audit Office, which recommends that contract management undertaken should be proportionate to the risk of non-performance on the contract and any additional benefits that may be gained from proactively managing the contract. We recommend that the Board reviews this guidance, or other relevant good practice such as from Procurement Scotland, and develops an appropriate contract management framework.

The Board maintains an excel spreadsheet which is used as a basic contracts database. Details recorded include: name of supplier, contract term, payment amount and invoice number. During our review we discussed the form and content of the contracts spreadsheet and identified areas for further development which once completed would provide management with a clearer overview of the contracts in place. Although management have since added a number of these data fields to the contracts spreadsheet there is scope to develop the database further to derive maximum benefit from its use and recommendations raised within the main body of this report should be considered.

Our review of the contracts spreadsheet identified a number of opportunities for obtaining value for money including rationalisation of suppliers, review of annual charges against one-off costs and obtaining services through Service Level Agreements with Dundee City Council.

Acknowledgements

We would like to take this opportunity to thank the staff at the Board who assisted us during our review.

Tay Road Bridge Joint Board
Contract Management

2. Action Plan

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
1.4	Contract Management R1 For contracts above a set value consider maintaining a record of all contract management activity and meetings, including action points for improvement. A standard template for recording this should be considered for implementation.	C		Y	Bridge Manager	December 2015
1.4	R2 For contracts above a set value ensure that performance standards are formally recorded, even if these are only at a high-level, such as completing the job on time, within budget and at the agreed quality specification. These should be recorded on the Contracts Spreadsheet.	C		Y	Bridge Manager	December 2015
2.1	Contract Management and Recommended Good Practice R3 Review the information on Contract and Supplier Management provided by the Scottish Government at http://www.scotland.gov.uk/Topics/Government/Procurement/buyer-information/spdlowlevel/routetwotoolkit/contractsuppliermanageme and consider what parts of this should be implemented.	C		Y	Bridge Manager	December 2015

Para Ref.	Contract Management	Grade	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
2.1	R4 Consider creating a contract management framework by including contract management requirements within the Board's Financial Regulations and preparing detailed contract management procedures which incorporate the items suggested in this report.	C	Y	Bridge Manager this with Clerk	December 2015
2.3	R5 The contracts database should be developed to ensure that it records all contract details and provides adequate management information on the performance of contracts. Additional data fields to be added should include: <ul style="list-style-type: none"> • member of the Board's staff responsible for managing the contract; • supplier contract manager and contact details; • date of annual review; • links to any correspondence with the contractor; • details regarding performance issues; and • performance indicators to be used on the contract. 	C	Y	Bridge Manager	December 2015
2.4	R6 Review the contracts database with a view to rationalising the number of suppliers of common goods and services.	C	Y	Bridge Manager	December 2015
2.4	R7 Review existing contracts in terms of comparing the annual charge against any one-off costs and consider renegotiating or cancelling contracts which do not represent value for money.	C	Y	Bridge Manager	December 2015

Tay Road Bridge Joint Board
Contract Management

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
2.4	R8 Further consideration should be given to approaching Dundee City Council with a view to identifying further services that can be provided under a Service Level Agreement.	C		Y	Bridge Manager	December 2015

3. Main Report

1. Contract Management

- 1.1 The Board does not have any formal contract management policy or procedures in place. Instead, staff are assigned to contracts as contract managers and are required to manage their contracts as they see fit. Contracts are managed by the Bridge Manager, Maintenance Supervisor or Administrative Officer.
- 1.2 As there is no formal contract management policy in place, in order to determine whether contract management processes in place are appropriate we obtained a copy of the Board's Contracts spreadsheet, which is used to record the details of all contracts in place, and selected a sample of seven contracts to determine if contract management procedures appeared adequate.
- 1.3 For each of the contracts tested we discussed contract management with the Bridge Manager and Administrative Officer and sought documentation to support contract management being in place. Contract management arrangements for the following areas were covered:
- contract manager skills and experience;
 - detailed specification of the contract;
 - value for money;
 - risk management;
 - dispute handling;
 - retention of contract documentation;
 - communication with suppliers; and
 - key performance indicators and management information.

1.4 Observation

We selected a sample of seven contracts and found that although some contract management processes were not formally recorded, the contract management processes in place in all contracts reviewed appeared reasonable taking into account the risk (impact and likelihood) of non-performance on the contracts. Performance reviews are not carried out on a regular basis but we were informed that these would be done if there were significant issues.

Risks

Without formally recording contract performance meetings or informal contract management actions, and any actions arising from this, it is not possible to ensure that any required actions have been adequately followed up.

Without having formally recorded performance measures, even if these are only at a high-level, it is not possible to make comparisons between expected performance and actual performance.

Where performance is poor and the Board wants to terminate the contract, evidence of attempts to improve performance is not available.

Recommendations

RI For contracts above a set value consider maintaining a record of all contract management activity and meetings, including action points for improvement. A standard template for recording this should be considered for implementation.

1. Contract Management (continued)

1.4 Recommendations (continued)

R2 For contracts above a set value ensure that performance standards are formally recorded, even if these are only at a high-level, such as completing the job on time, within budget and at the agreed quality specification. These should be recorded on the contracts spreadsheet.

Benefits

There will be evidence that there is active contract management and an audit trail of any issues or matters requiring resolution between the Board and the supplier.

2. Contract Management and Recommended Good Practice

2.1 Observations

The Board's does not have a Procurement Policy and the Financial Regulations do not include any information about contract management, instead focussing on procurement requirements. There are no formal contract management procedures.

There are no standard templates used for undertaking contract management. Minutes of contract management meetings between the Board's staff and suppliers are not recorded resulting in formal action points for addressing supplier performance not being raised.

There is a range of good practice for contract management, including that set out in 'Good Practice Contract Management Framework' issued by the former National Audit Office. This highlights a range of areas including contract management structure and resources, delivery, development and strategy. At the heart of the framework is a risk and benefit based approach, where the level and type of contract management activity should be proportionate to the risks of non-performance of the contract and any additional benefits that can be obtained from actively managing the contract. Although much of the framework may not be relevant to the size and scale of the Board's operations there are still a number of good practice contained within the framework that should be considered, including:

- how a risk based approach should be implemented for contract management;
- how to identify and score contract risks;
- different requirements for contract management of contracts classified as high, medium and low risks;
- how performance standards should be set;
- where performance standards should be recorded;
- what records of ongoing contract management should be retained, such as minutes of meetings; and
- how and where contract management information should be stored. This could include requiring all performance data to be stored in folders with a standard filing structure and naming convention.

Risk

The Board's contract management procedures are not as efficient or effective as possible.

2. Contract Management and Recommended Good Practice (continued)

2.1 (continued)

Recommendations

R3 Review the information on Contract and Supplier Management provided by the Scottish Government at <http://www.scotland.gov.uk/Topics/Government/Procurement/buyer-information/spd/lowlevel/routetwotoolkit/contractssuppliermanageme> and consider what parts of this should be implemented.

R4 Consider creating a contract management framework by including contract management requirements within the Board's Financial Regulations and preparing detailed contract management procedures which incorporate the items suggested in this report.

Benefit

There will be greater assurance that the Board's contract management risks are being appropriately considered and managed.

2.2 Maintenance of a contract database is important for contract administration as it identifies what contracts are in place, who is responsible for contract management, and when contracts expire. Some organisations also use these to record contract management key performance indicator information. Contract databases are also useful because they help identify which supplier the Board should use when purchasing different types of goods or services and drive procurement activity by identifying what contracts need retendering or renewal.

2.3 *Observation*

The Board maintains an excel spreadsheet which is used as a basic contracts database. Details recorded include: name of supplier, contract term, payment amounts and invoice number. There are no formal internal processes over how this should be used or updated. During our review we discussed the form and content of the contracts spreadsheet and identified areas for further development which once completed would provide management with a clearer overview of the contracts in place. Although management have since added a number of data fields to the contracts spreadsheet there is scope to develop the spreadsheet further to derive maximum benefit from its use.

Risk

Without a robust contract database contracts in place may not be used, may not be efficiently administered or contracts may expire without having undertaken a new procurement, potentially leading to the Board not receiving value for money on purchases.

Recommendation

R5 The contracts spreadsheet should be developed to ensure that it records all contract details and provides adequate management information on the performance of contracts. Additional data fields to be added should include:

- member of the Board's staff responsible for managing the contract;
- supplier contract manager and contact details;
- date of annual review;
- links to any correspondence with the contractor;
- details regarding performance issues; and
- performance indicators to be used on the contract.

2. Contract Management and Recommended Good Practice (continued)

2.3 (continued)

Benefit

There will be more efficient and effective contract administration and management arrangements in place.

2.4 *Observation*

Our review of the contracts spreadsheet identified the following issues:

- a number of suppliers that appear to provide similar services, such as communications services, which could potentially be rationalised in order to achieve better value from a single or fewer suppliers;
- several services are covered by annual maintenance contracts which may not be required and where the annual charge may potentially exceed any one-off cost. For example, an annual charge for general maintenance of doors at the head office; and
- under the terms of a recently signed Service Level Agreement Dundee City Council now provide support and maintenance for the Board's IT network and hardware, including telephones which has resulted in significant cost savings. There are a number of other services listed on the contracts database which could potentially be provided by Dundee City Council or Tayside Contacts under a similar arrangement, including the maintenance of the Board's vehicles.

Risk

Further opportunities for increasing value for money may be missed.

Recommendations


R6 Review the contracts spreadsheet with a view to rationalising the number of suppliers of common goods and services.

R7 Review existing contracts in terms of comparing the annual charge against any one-off costs and consider renegotiating or cancelling contracts which do not represent value for money.

R8 Further consideration should be given to approaching Dundee City Council with a view to identifying further services that can be provided under a Service Level Agreement.

Benefits

Further cost savings may be achieved.



Tay Road Bridge Joint Board
Compliance with Legislation – review of policies and procedures
Staff Recruitment and Retention / Performance and Development

2014/15

Internal Audit Report No: 2015/03

Draft Issued: 07 May 2015

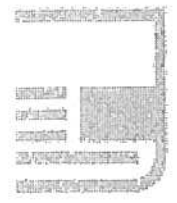


Final Issued: 18 May 2015



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I. Management Summary

Introduction

As part of the Internal Audit programme at Tay Road Bridge Joint Board ('the Board') for 2014/15 we carried out a review of the Board's arrangements to ensure that policies and procedures comply with legislation. We also looked at procedures for staff recruitment and retention / performance and development. The Audit Needs Assessment, completed in May 2013, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Joint Board and management that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Scope of the audit

Compliance with legislation – review of policies and procedures

This aspect of the audit involved a high-level review of the processes in place within the organisation for the maintenance of policies and procedures.

Staff Recruitment and Retention / Performance and Development

This aspect of the audit included a review of recruitment processes, and actions to retain and improve staff.

The systems and controls reviewed are part of the mitigating actions for the following risk noted in the organisation's Risk Register:

- 2 Legislative changes e.g. Health and Safety, Environmental, Procurement etc.

Objectives of the audit

Compliance with legislation – review of policies and procedures

The objective of our audit was to obtain reasonable assurance that:

- there is a consistent approach in place for the creation, amendment, approval and distribution of policies and procedures;
- all policies and procedures are reviewed, and updated where necessary, on a periodic basis;
- outwith the normal review cycle there is a process to identify changes in legislation and update policies and procedures on a timely basis;
- policies and procedures in place cover all appropriate areas and are considered adequate;
- staff have access to policies and procedures and are aware of their requirements; and
- processes are in place to ensure that policies are equalities impact assessed to ensure they meet the requirements of the Equalities Act 2010.

Objectives of the audit (continued)

Staff Recruitment and Retention / Performance and Development

The objective of our audit was to obtain reasonable assurance that:

- the recruitment process is efficient and effective and adheres to the requirements regarding equality;
- the organisation has a systematic approach to setting targets for staff, regularly assessing performance and development of staff and providing feedback; and
- training, including induction training, is clearly informed by an assessment of where staff have skills / knowledge / performance gaps.

Audit approach

Compliance with legislation – review of policies and procedures

From discussion with the Bridge Manager and Administrative Officer we established the process in place for the creation, amendment, approval and distribution of policies and procedures and considered whether this is in line with good practice. We also considered whether the policies and procedures in place cover all areas expected by legislation and good practice.

Staff Recruitment and Retention / Performance and Development

From discussion with appropriate staff and review of procedural documentation, we identified the internal controls in place and compared these with expected controls. A walkthrough of key recruitment, performance and training systems was undertaken to confirm our understanding and this was followed up with compliance testing where considered necessary. We have reported on any areas where expected controls are found to be absent or where controls could be further strengthened.

Action plan

This report sets out a detailed list of improvement actions, which we consider necessary to ensure efficient delivery of each objective and these are discussed within the text for clarity. An action plan for implementation of these recommendations can be found at Section 2 of this report.

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. These gradings are as follows:

- A Issues which require the consideration of the Joint Board.
- B Significant matters which can be resolved by the Bridge Manager.
- C Less significant matters, which do not require urgent attention but which should be followed up within a reasonable timescale.

There is one action currently in progress that impacts on the areas covered by this report. No recommendation has been raised for this. All staff are required to complete 12 mandatory on-line e-learning modules that management has identified. Our review found that the excel spreadsheet set up to record e-learning modules was incomplete but this was expected to be completed by the end of August 2015.

Overall Conclusion

In terms of our detailed objectives, we found that:

Compliance with legislation – review of policies and procedures

- there is a consistent approach in place for the creation, amendment, approval and distribution of policies and procedures;
- all policies and procedures are reviewed, and updated where necessary, on a periodic basis;
- outwith the normal review cycle there is a process to identify changes in legislation and update policies and procedures on a timely basis. We identified three areas for improvement; a Whistleblowing policy should be developed, the Fraud Guidelines and related policies require to be updated to include reference to the UK Bribery Act 2010, and a Recruitment and Selection Policy should be developed;
- policies and procedures in place do not cover all appropriate areas and we have included recommendations where gaps should be addressed;
- staff have access to policies and procedures and are aware of their requirements; and
- processes are in place to ensure that policies are equalities impact assessed to ensure they meet the requirements of the Equalities Act 2010.

Staff Recruitment and Retention / Performance and Development

- the recruitment process is efficient and effective and adheres to the requirements regarding equality, however there is a need to develop a recruitment and selection policy;
- the organisation has a systematic approach to setting targets for staff, regularly assessing performance and development of staff and providing feedback; and
- training, including induction training, is clearly informed by an assessment of where staff have skills / knowledge / performance gaps.

Summary of Main Findings and Recommendations

The Board does not have a Whistleblowing Policy in place. All public sector organisations should have in place a well-publicised policy which explains how a genuine concern can be raised safely inside and outside of the organisation. All public bodies have a duty to conduct their affairs in a responsible and open manner and to comply with the requirements of funding bodies and the parameters outlined in the reports of the Nolan and Neill Committees on standards in public life. The Public Interest Disclosure Act 1998 protects employees who report concerns from subsequent harassment, victimisation and other unfair treatment. We have recommended that a Whistleblowing Policy should be developed in line with the CIPFA / Solace guidance, the Public Interests Disclosure Act and guidance on a model policy published by the Scottish Government.

The Board's Fraud Guidelines states that the Board's strategy against fraud and corruption is based on a strong internal control environment which is supported by a number of other related policies and procedures. However our review of the related policies and procedures noted that none contain a reference to the Bribery Act 2010 which came into effect in July 2011. We have therefore recommended that an assessment should be undertaken to identify areas of risk in terms of non-compliance with the Bribery Act and these should be addressed in the Fraud Guidelines which should also be updated to include a reference to the requirement to comply with the UK Bribery Act 2010. In addition, to ensure bribery prevention policies and procedures are embedded and understood throughout the organisation the related key policies and documents as referred to in the Fraud Guidelines should be updated at the time of their next review to also include a reference to the requirement to comply with the UK Bribery Act 2010 and cross referred to the Fraud Guidelines.

Summary of Main Findings and Recommendation (continued)

As part of our review of the Board's recruitment process in conjunction with our review of the Board's policies and procedures, we noted that the Board does not have a recruitment and selection policy which makes reference to the Equalities Act 2010. We have recommended that a recruitment and selection policy is drafted which includes a reference to the Equality Act 2010. This should then be shared with Dundee City Council's Personnel department for review under the terms of the Service Level Agreement.

Acknowledgements

We would like to take this opportunity to thank the staff at the Board who assisted us during our review.

2. Action Plan

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
1.7	<p>Compliance with Legislation</p> <p>RI A Whistleblowing Policy should be developed in line with the CIPFA / Solace guidance, the Public Interests Disclosure Act and guidance on a model policy published by the Scottish Government at http://www.scotland.gov.uk/Publications/2011/12/06141807/5. Additional guidance has also been published by Audit Scotland: http://www.audit-scotland.gov.uk/docs/corp/2012/as_120829_whistleblowing_employer.pdf</p>	B		Y	Bridge Manager	April 2016
1.8	<p>R2 An assessment should be undertaken to identify areas of risk in terms of non-compliance with the Bribery Act and these should be addressed in the Fraud Guidelines which should also be updated to include a reference to the requirement to comply with the UK Bribery Act 2010.</p>	B		Y	Bridge Manager	April 2016
1.8	<p>R3 To ensure bribery prevention policies and procedures are embedded and understood throughout the organisation the related key policies and documents as referred to in the Fraud Guidelines should be updated at the time of their next review to also include a reference to the requirement to comply with the UK Bribery Act 2010 and cross referred to the Fraud Guidelines.</p>	B		Y	Bridge Manager	April 2016

Tay Road/Bridge Joint Board
Compliance with Legislation

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
2.4	<p>Staff Recruitment and Retention / Performance and Development</p> <p>R4 Draft a recruitment and selection policy which includes a reference to the Equality Act 2010. This should then be shared with Dundee City Council's Personnel department for review under the terms of the SLA.</p>	B		Y	Bridge Manager	April 2016

3. Main Report

1. Compliance with Legislation

- 1.1 Any new or amended policies are drafted by the Bridge Manager and then passed to the Clerk and Treasurer for review and input. The Board has a Service Level Agreement (SLA) with Dundee City Council (DCC) for legal, personnel and financial services. To ensure that new or amended policies are compliant with the latest legislation draft policies are passed to the relevant department within Dundee City Council for review. Policies are then presented to the Joint Board for approval before being made publicly available on the Board's website.
- 1.2 Where applicable, staff handbooks are updated with new or amended policies at the time of the next staff appraisal. Copies of the latest policies and procedures are available to all staff on the Board's internal computer network.
- 1.3 To assist in monitoring changes to policies the Bridge Manager has produced a control sheet which includes all policies and procedures, the date of the last review, update and by whom, and the date the next review is due. This will be used to ensure that policies and procedures are periodically refreshed.
- 1.4 The Board keep up to date with changes to legislation in a number of ways. The SLA in place with DCC covers legal, finance, HR and payroll. Any changes to legislation in these areas are notified to the Board by DCC and policies and procedures are updated accordingly as detailed at paragraph 1.1 above.
- 1.5 The main area of legislation that affects the Board is Health and Safety. The Board pay an annual fee to an external agency, Wolten Klumer, which provides regular newsletters and emails to keep the Board up to date with Health and Safety news and changes to legislation, and also provide the Board with access to online Health & Safety training modules. The Administration Officer is also signed up to various Human Resources (HR) newsletters and also has access to webinars on various HR topics.
- 1.6 As part of our review we obtained copies of all policies and procedures currently in place and performed a high level review of these to ensure that they are up to date in terms of legislation and are in line with good practice produced by the Health and Safety Executive and the Advisory, Conciliation and Arbitration Service (acas). Our review noted that the majority of policies appear adequate and have recently been reviewed and updated by the Bridge Manager and will be presented to the Joint Board later in the year for approval. The Bridge Manager is currently drafting a new Data Protection / Freedom of Information Policy and Complaints Procedure and it is expected that these will go to the June 2015 Board Meeting for approval.
- 1.7 *Observations*
We noted that the Board does not have a Whistleblowing Policy in place. All public sector organisations should have in place a well-publicised policy which explains how staff can safely raise a genuine concern inside and outside of the organisation. All public bodies have a duty to conduct their affairs in a responsible and open manner and to comply with the requirements of funding bodies and the parameters outlined in the reports of the Nolan and Neill Committees on standards in public life.

I. Compliance with Legislation (continued)

1.7 Observation (continued)

The Public Interest Disclosure Act 1998 protects employees who report concerns from subsequent harassment, victimisation and other unfair treatment. Potential informants should feel reassured that it is illegal for a public body to consider any action against them should their concerns not prove to be verifiable. Procedures should apply to all employees, including casual and part-time staff.

Areas that should be covered by a Whistleblowing Policy include:

- criminal or other misconduct;
- breaches of the Board's Financial Regulations;
- contravention of the Board's accepted standards, policies or procedures;
- disclosures relating to miscarriages of justice;
- health and safety risks;
- damage to the environment;
- unauthorised use of public funds;
- fraud, bribery and corruption. Although separate Fraud Guidelines are in place, these need to be updated with respect to the Bribery Act 2010 which came into effect in 2011;
- sexual, physical and/or abuse of any person or group;
- other unethical conduct;
- the concealment of any of the above; and
- clear procedures and lines of reporting for workers wishing to raise concerns;

In November 2014, Audit Scotland issued: Whistleblowing in the Public Sector - A good practice guide for workers and employers, which is a useful reference for both employers and employees.

Risk

The recommendations made in the CIPFA / Solace guidance have not been adopted and the Board's policies are not in line with current legislation.

Recommendation

RIA Whistleblowing Policy should be developed in line with the CIPFA / Solace guidance, the Public Interest Disclosure Act and guidance on a model policy published by the Scottish Government at <http://www.scotland.gov.uk/Publications/2011/12/06141807/5>. Additional guidance has also been published by Audit Scotland: http://www.audit-scotland.gov.uk/docs/corp/2012/as_120829_whistleblowing_employer.pdf

Benefit

The Board's policies are in line with current legislation and staff are aware of whistleblowing arrangements.

1. Compliance with Legislation (continued)

1.8 Observation

The Fraud Guidelines states that the Board's strategy against fraud and corruption is based on a strong internal control environment which is supported by other related policies and procedures, including the:

- Standing Orders;
- Scheme of Administration for Financial Regulations;
- Scheme of Administration for Tender Procedures;
- Scheme of Administration for Delegation of Powers;
- Operating Procedures and Guidelines;
- Employees' Conditions of Service and Employment Policies; and
- Code of Conduct for Board Members.

Our review noted that none of the above documents contain a reference to the Bribery Act 2010 which came into effect in July 2011.

Risk

The Board's policies are not in line with current legislation.

Recommendation

R2 An assessment should be undertaken to identify areas of risk in terms of non-compliance with the Bribery Act and these should be addressed in the Fraud Guidelines which should also be updated to include a reference to the requirement to comply with the UK Bribery Act 2010.

R3 To ensure bribery prevention policies and procedures are embedded and understood throughout the organisation the related key policies and documents as referred to in the Fraud Guidelines should be updated at the time of their next review to also include a reference to the requirement to comply with the UK Bribery Act 2010 and cross referred to the Fraud Guidelines.

Benefit

The Board's policies are in line with current legislation.

1.9 Staff are made aware of the Board's policies and procedures in the staff handbook and have access to these on the staff computer network or can be requested from the Administration Officer. Staff are required to submit copies of their handbook at staff appraisals for review to ensure that they have access to the most up to date versions of policies and procedures. We were advised that where staff appraisals or staff disciplinary procedures identify non-compliance or breach of the Board's policies or procedures then staff are reminded or are provided with refresher training on the relevant policy or procedure.

1.10 The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 places a specific duty on a public body to:

- publish a report on the progress it has made to make the equality duty integral to the exercise of its functions so to better perform that duty;
- assess the impact of proposed new or revised policies and practice against the needs of the general equality duty;
- publish a set of equality outcomes which it considers will enable it to better perform the Equality Duty (e.g. publish new equality outcomes every four years);
- publish a report on the composition, recruitment, development and retention of employees with respect to the number and relevant protected characteristics of employees;

1. Compliance with Legislation (continued)

1.10 (continued)

- publish its equality reports in a manner that is accessible to the public;
- as far as practicable equality reports should use existing public performance reporting systems;
- report every two years on the progress made to achieve the equality outcomes; and
- have due regard that relevant public procurement agreements, conditions should include considerations to enable the body to better perform the equality duty.

The Board has produced a Mainstreaming Equality Report 2013-2017 which is available on the organisation's website. It states that 'all policies adopted by the Board are assessed for their impact on Equalities issues by means of Equalities Impact Assessments where appropriate using Dundee City Council guidance.' As previously noted at paragraph 1.1 above, a SLA is in place between the Board and DCC which covers legal and employment services.

2. Staff Recruitment and Retention / Performance and Development

- 2.1 As part of the recruitment process, the Board uses the services of DCC Personnel Service who review job adverts, description and person specification to ensure that it complies with current legislation including the Equalities Act 2010. The application form currently in use has been adapted from the one used by DCC. As part of our review we obtained the employee recruitment files for the last two vacancies filled. We reviewed the content of each file paying attention to the recruitment process and adherence to the equalities requirements.
- 2.2 The Board introduced the "Single Equality Scheme" in June 2011 in order to comply with the Equalities Act 2010 legislation. The policies within the staff handbook were also reviewed by DCC to ensure that they were equalities compliant. As part of the application process, applicants are requested to complete an "Equal Opportunities in Employment" section with guidance notes provided to support candidates in providing this data.
- 2.3 As part of our review we obtained the employee recruitment files for the last two vacancies filled. We reviewed the content of each file paying attention to the recruitment process and adherence to the equalities requirements. The content of the recruitment pack was compared against recognised good practice such as that available from acas and we found that the Board's recruitment process is in line with acas guidance. As part of a trial of the newly update website in 2013 the Board advertised the last vacancy to be filled on the Board's website only which resulted in only 18 applications being received. In comparison, previous posts were advertised in the local press attracting several hundred applications. Management have acknowledged the weaknesses in advertising posts on the website only and future vacancies are expected to be more widely advertised through a combination of the website and local press.
- 2.4 *Observation*
As part of our review of the Board's recruitment process in conjunction with our review of the Board's policies and procedures at section one above, we noted that the Board does not have a recruitment and selection policy which makes reference to the Equalities Act 2010.

Risk

The Board's recruitment and selection process is not transparent and decisions regarding recruitment are open to challenge from applicants.

2. Staff Recruitment and Retention / Performance and Development (continued)

2.4 (continued)

Recommendation

R4 A recruitment and selection policy should be developed which includes a reference to the Equality Act 2010. This should then be shared with Dundee City Council's Personnel department for review under the terms of the Service Level Agreement.

Benefit

The Board's recruitment and selection process is transparent.

- 2.5 A staff review process has been in place since 2010. A sample of five employees was selected from the most recent round of staff reviews undertaken in April 2014, and tested to ensure that members of staff had undertaken a staff review, training needs had been identified and that records were available to show that training had been received. Testing in this area proved satisfactory.
- 2.6 Outcomes of the staff review process are discussed by the Management Team and training requirements are identified with arrangements made to either deliver training in-house or bring in an external party.
- 2.7 Following the completion of training, staff feedback is obtained and reviewed and where applicable used to inform future training. Training courses are discussed and documented as part of team meetings, and also during the annual staff reviews.
- 2.8 The Board maintains a database which is updated when an employee completes a training course. The database also records the details of staff and courses that are required to be provided on a cyclical basis to meet Health & Safety and other legislative requirements.
- 2.9 Since 2013, the Board's employees have had access to DCC's suite of over 200 online e-learning modules which cover on a range of subjects, including Health & Safety, customer relations, and basic computing. All staff are required to complete 12 mandatory modules that management have identified. The Administration Assistant is responsible for ensuring that staff complete all mandatory modules and a manual record of modules completed is maintained. Our review found that an excel spreadsheet has been set up to record e-learning modules but that it is incomplete with not all results shown. The Administration Assistant has accessed the DCC e-learning system and has hard copy records of staff achievements but has yet to record the results on the excel spreadsheet. This is a work in progress but is expected to be completed by the end of February 2015 as the Board is moving its computer network onto the DCC network. At the time of our review work was being progressed to have manual records stored electronically so that in future policies, procedures and training records are all held centrally.

**Tay Road Bridge Joint Board
Data Protection / Records Management**

2014/15

Internal Audit Report No: 2015/04

Draft Issued: 18 May 2015

Final Issued: 20 May 2015

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I. Management Summary

Introduction

As part of the Internal Audit programme at Tay Road Bridge Joint Board ('the Board') for 2014/15 we carried out a review of the Board's arrangements in relation to Data Protection and Records Management. The Audit Needs Assessment, completed in May 2013, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Joint Board and management that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Good quality records management is a necessary condition for effective service delivery and the management of resources.

Scope of the audit

As part of the internal audit programme for 2012/13 we conducted a review of the arrangements in place within the organisation to ensure compliance with the Data Protection Act 1998 and the Freedom of Information (Scotland) Act 2002 (Internal Audit Report No. 2013/02, issued December 2012). That audit focussed on data protection governance and staff data protection training and awareness. This audit focused on: records management (manual and electronic); the security of personal data; and data sharing.

We considered the arrangements in place for the management of data not regulated by the Data Protection Act.

The systems and controls reviewed are part of the mitigating actions for the following risk noted in the organisation's Risk Register:

- 2 Legislative changes e.g. Health and Safety, Environmental, Procurement etc.

Objectives of the audit

The objectives of this audit were to:

- establish the types of data the organisation maintains and where it resides;
- confirm that systems are in place to provide reasonable assurance that:
 - ◆ personal information is only held where necessary for the purposes specified in the organisation's Data Protection Register entry;
 - ◆ the people whose information the organisation holds know that it has it and are likely to understand what it will be used for;
 - ◆ personal information is held securely;
 - ◆ personal information is accurate and up-to-date;
 - ◆ personal information is deleted / destroyed as soon as there is no longer a need for it;
 - ◆ access to personal information is limited to those with a strict need to know;
 - ◆ the use of CCTV complies with the requirements of the Data Protection Act;

Objectives of the audit (continued)

- ◆ staff are clear on when the Data Protection Act allows the organisation to pass on personal information; and
- confirm that data not regulated by the Data Protection Act is adequately managed to ensure that it can be easily located and is disposed of in line with an appropriate retention schedule.

Audit approach

We discussed data usage and storage with the Bridge Manager and Administrative Officer to identify the types of data the organisation maintains and where it resides. We also determined the current working practices and systems in place within the organisation in relation to records management, the security of personal data and data sharing and compared these with good practice guidance including that issued by the Information Commissioner's Office.

Action plan

This report sets out a detailed list of improvement actions, which we consider necessary to ensure efficient delivery of each objective and these are discussed within the text for clarity. An action plan for implementation of these recommendations can be found at Section 2 of this report.

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. These gradings are as follows:

- A Issues which require the consideration of the Joint Board.
- B Significant matters which can be resolved by the Bridge Manager.
- C Less significant matters, which do not require urgent attention but which should be followed up within a reasonable timescale.

Overall Conclusion

The Board is currently drafting a Data Protection Policy which will ensure that the Board supports the objectives of the Data Protection Act 1998, however existing systems and controls could also be further enhanced by developing a records management policy.

In terms of our detailed objectives, we found that:

- systems are in place to provide reasonable assurance that:
 - ◆ personal information is only held where necessary for the purposes specified in the organisation's Data Protection Register entry;
 - ◆ the people whose information the organisation holds may not know that it has it or likely to understand what it will be used for;
 - ◆ personal information is held securely;
 - ◆ personal information is accurate and up-to-date;
 - ◆ personal information is deleted / destroyed as soon as there is no longer a need for it, however there is no formal system in place for ensuring that data is held no longer than is required;

Overall Conclusion (continued)

- ◆ access to personal information is limited to those with a strict need to know;
- ◆ the use of CCTV complies with the requirements of the Data Protection Act;
- ◆ staff may not be clear on when the Data Protection Act allows the organisation to pass on personal information; and
- we confirm that data not regulated by the Data Protection Act is adequately managed to ensure that it can be easily located and is disposed of in line with an appropriate retention schedule.

Summary of Main Findings and Recommendations

Following a previous recommendation made in internal audit report 2013~02 Data Protection / Freedom of Information, issued in December 2012, the Bridge Manager has drafted a Data Protection Policy. This is currently being reviewed by Dundee City Council's (DCC) legal department to ensure that its content complies with the Act and it is our understanding that the policy will be presented to the Joint Board meeting in September 2015 for approval.

The Board has not established formal policies and procedures for records management, however as detailed in this report our review identified that controls are in place which are in line with good practice. We have recommended that the Board consider developing a Records Management Policy which outlines the Board's responsibilities for the creation, deletion and retention of records, information security and confidentiality, storing paper and electronic records and legislative requirements including that the Board is compliant with the Scottish Ministers' Code of Practice on records management by Scottish public authorities.

Our review noted that there is no system in place for current staff to acknowledge that the Board holds personal information on employees and for what purpose. We have recommended that once the Data Protection Policy has been formally approved the Board ensures that it is communicated to all staff and that staff sign off their acknowledgment of having read and understood the policy. We have also recommended that all forms that are used to collect personal data are reviewed to ensure that the Data Protection statements in these meet the requirements of the Data Protection Act and the Board's Data Protection Policy.

From discussion with the Board's staff we noted that there is currently no system for tagging or identifying records to readily identify the earliest destruction date. The Board should consider developing a system for recording archived files which contain employee personal data and other sensitive information, which clearly shows the earliest destruction date which is in line with the Board's data retention policy.

There is currently no system in place for communicating to staff the circumstances where the Data Protection Act allows the organisation to pass on personal information to third parties. Personal information is shared with DCC for payroll and pensions purposes. Although the draft Data Protection Policy states that personal information shall be disclosed only for registered purposes it does not specifically recognise the circumstances where personal information is passed to a third party. We have recommended that additional wording is included within the Data Protection Policy which clearly states the circumstances where the Board will pass on employee personal information to third party organisations and for what purposes.

Acknowledgements

We would like to take this opportunity to thank the staff at the Board who assisted us during our review.

2. Action Plan

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
2.3	<p>Systems and Controls</p> <p>Records Management R1 Consider developing a Records Management Policy which outlines the Board's responsibilities for the creation, deletion and retention of records, information security and confidentiality, storing paper and electronic records and legislative requirements including that the Board is compliant with the Scottish Ministers' Code of Practice on records management by Scottish public authorities.</p>	C		Y	BM	April 2016
2.6	<p>Personal Data</p> <p>R2 Once approved by the Joint Board ensure that the Data Protection Policy is communicated to all staff and that staff sign off their acknowledgment of having read and understood the policy.</p>	C		Y	BM	September 2015
2.6	<p>R3 Review all forms that are used to collect personal data and ensure that the Data Protection statements in these meet the requirements of the Data Protection Act and the Board's Data Protection Policy.</p>	C		Y	BM	September 2015

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
2.12	<p>Retention and Disposal of Data</p> <p>R4 Consider developing a system for recording archived files which contain employee personal data and other sensitive information, which clearly shows the earliest destruction date which is in line with the Board's data retention policy.</p>	C		Y	BM	April 2016
2.18	<p>Passing Personal Information to Third Parties</p> <p>R5 Consider including additional wording within the Data Protection Policy which clearly states the circumstances where the Board will pass on employee personal information to third party organisations and for what purposes. Refer to wording on Data Protection Register entry.</p>	C		Y	BM	September 2015

3. Main Report

1. Data Held by Tay Road Bridge Joint Board

- 1.1 Records held by the Board include personnel records, CCTV images, historic engineering specifications and records such as income and traffic numbers from during the time that the bridge tolls were in place. For the purposes of the Data Protection Act 1998 ('the Act') only personnel data, held for Human Resource and payroll purposes, and the use of CCTV, used for monitoring vehicular and pedestrian traffic on the bridge and approaches is regulated by the Act.

2. Systems and Controls

- 2.1 Following a previous recommendation made in internal audit report 2013~02 Data Protection / Freedom of Information, issued in December 2012, the Bridge Manager has drafted a Data Protection Policy. This is currently being reviewed by Dundee City Council's (DCC) legal department to ensure that its content complies with the Act and it is our understanding that the policy will be presented to the Joint Board meeting in September 2015 for approval.

Records Management

- 2.2 Investment in records management by public sector organisations has been stimulated in recent years by the requirements of Freedom of Information (FOI), in particular by the code of practice issued under section 46 of the FOI Act. Good quality records management produces benefits which go much further than making FOI compliance easier. It is a necessary condition for effective service delivery and the management of resources.

2.3 Observation

The Board has not established formal policies and procedures for records management, however as detailed below in this report our review identified that controls are in place which are in line with good practice. Elements of good practice in relation to records management involve positive compliance with the Section 46 Code of Practice, and with more detailed good practical advice and guidance available, notably from organisations such as the National Archives. This includes:

- a policy statement on records management which provides a mandate for the performance of all records and information management responsibilities;
- systems for creating, keeping, maintaining and disposal of records, covering both manual and electronic records;
- the provision of trained staff to fulfill these responsibilities;
- these should include the provision of secure audit trails; and
- a periodic audit of records.

Risk

Procedures do not ensure personal data is shared securely, lawfully and responsibly.

The Board does not comply with statutory timescales and time periods resulting in fines being imposed by the Information Commissioner.

2. Systems and Controls (continued)

2.3 (continued)

Recommendation

R1 Consider developing a Records Management Policy which outlines the Board's responsibilities for the creation, deletion and retention of records, information security and confidentiality, storing paper and electronic records and legislative requirements including that the Board is compliant with the Scottish Ministers' Code of Practice on records management by Scottish public authorities.

Benefit

Following best practice in relation to records management should ensure that:

- administration of the Board is more efficient as information is easier to find, is reliable, and is secure;
- the Board spends less time and money managing information that is not required;
- the risk of a security breach and /or breach of the Data Protection Act is reduced as appropriate security is applied to information;
- the Board can evidence its activities, decisions and actions with robust and reliable records; and
- the Board is compliant with the Scottish Ministers' Code of Practice on records management by Scottish public authorities.

Personal Data

2.4 The Board currently has an entry on the Information Commissioner's Data Protection Register in respect of personal data held for relevant purposes. This covers basic employee personal information such as addresses, bank details and employment records. The Board currently has an entry in the Information Commissioner's Data Protection Register which contains a broad outline of the data and personal information that Board processes in relation to:

- customers
- suppliers
- staff, persons contracted to provide a service
- claimants
- complainants, enquirers or their representatives
- professional advisers and consultants
- students and pupils
- carers or representatives
- landlords
- recipients of benefits
- witnesses
- offenders and suspected offenders
- licence and permit holders
- traders and others subject to inspection
- people captured by CCTV images
- representatives of other organisations

2. Systems and Controls (continued)

2.5 Through discussion with staff and a review of information held by the Board we noted that the following types of employee personal information is held:

- Address details
- Bank details
- Application forms, offers of employment, acceptance of employment and contracts
- Sickness absence records
- Annual staff appraisal records
- Details of any disciplinary action / complaints
- Records of injuries sustained at work

From our review we concluded that personal information appears only to be held where necessary for the purposes specified in the organisation's Data Protection Register entry.

2.6 Observation

The draft Data Protection policy states:

"The Board will hold the minimum personal information necessary to enable it to perform its functions and the information will be erased once the need to hold it has passed. Every effort will be made to ensure that information is accurate and up-to-date, and that inaccuracies are corrected without unnecessary delay."

Job application forms contain a reference to data being held by the Board for specific purposes and applicants are required to confirm that they acknowledge this. However, there is no system in place for current staff to acknowledge that the Board holds personal information on employees and for what purpose. A review of the employee Induction Pack and contract of employment did not find any reference to this. Once approved by the Joint Board the Data Protection Policy will be made publicly available on the Board's website.

Risk

Staff are unaware of the Board's Data Protection Policy and the types of their personal data held by the Board and for what purpose it is held for.

Recommendation

R2 Once approved by the Joint Board ensure that the Data Protection Policy is communicated to all staff and that staff sign off their acknowledgment of having read and understood the policy.

R3 Review all forms that are used to collect personal data and ensure that the Data Protection statements in these meet the requirements of the Data Protection Act and the Board's Data Protection Policy.

Benefit

Staff are aware of the Board's Data Protection Policy and understand the types of personal data held by the Board and for what purpose it is held for.

2. Systems and Controls (continued)

Security of Data

- 2.7 Employee data are all held on hard copy files which are stored securely within the Bridge Manager's office with access to the files restricted to the Bridge Manager and the Administration Officer. Former employee files are also held securely in a locked store located within the main office building with access restricted to the Administration Officer or Administration Assistant. Payroll is processed by Dundee City Council who hold employee payroll data electronically on their payroll system. Only the Administration Officer and Bridge Manager have access to this system for inputting the employees pay details. Dundee City Council access to the Board's employee data is restricted to the Council's payroll team.
- 2.8 As in other areas of the organisation personnel records have in recent years remained largely manual with hard copy files in use. Since the current Bridge Manager was appointed in June 2014, significant work has been undertaken in an effort to move all records and documents into electronic format. During internal audit work undertaken in 2014/15 in areas including Contract Management and Compliance with Legislation, we noted that a new filing structure within the Board's computer network has been developed and back-scanning of hard copy documents has been undertaken which will improve both the efficiency of the organisation and the security of data held.
- 2.9 The Board has recently entered a Service Level Agreement (SLA) with DCC to provide Telecommunications and IT network support to the Board. Under the terms of the SLA the Board's computer network now forms part of DCC's wider computer network and directory. As such the Board's network is now subject to increased levels of access and security controls which are applicable to DCC and its employees. The Board's employee's access to files contained on the computer network is based on business need with permissions based on user group profiles determined by the Bridge Manager. As a result only the Bridge Manager and Administration staff can access employee personal data and other sensitive information held electronically by the Board. Only the Bridge Manager and Administration Officer at the Board can access manual and electronic employee payroll information. Access to the Board's electronic data held by DCC is restricted to members of DCC's Payroll and IT teams.
- 2.10 Our review noted that the SLA in place with DCC contains a confidentiality clause which forbids DCC and its staff from any unauthorised sharing of personal data relating to the Board's employees. From our review of existing manual controls and system access controls we are satisfied that data is held securely.
- 2.11 The Administration Officer maintains a control sheet which is used to ensure that basic personal data including addresses and contact details are up-to-date. Annually, the Administration Officer issues a request to all staff to confirm that basic personal information including addresses and contact details held by the Bridge is up-to-date and accurate. The Administration Officer maintains an electronic spreadsheet for recording details for this purpose. We also found that a standard form for change of personal information is in use.

Retention and Disposal of Data

- 2.12 *Observation*
Until recently TRBJB kept personnel files on former employees securely on-site. The Data Protection Act does not states a maximum period of time that records must be retained for, only that they should be retained for as long as is required. Following advice obtained from DCC's legal department the Board retains former employee files for a maximum period of seven years. Given the low turnover of staff and low sensitivity of data held by the organisation the Board's retention policy would appear reasonable. From discussion with the Board's staff we noted that there is currently no system for tagging or identifying records to readily identify the earliest destruction date.

2. Systems and Controls (continued)

2.12 (continued)

Risk

Personal data and other records may potentially be held for longer than the Board's retention policy.

Recommendation

R4 Consider developing a system for recording archived files which contain employee personal data and other sensitive information, which clearly shows the earliest destruction date which is in line with the Board's data retention policy.

Benefit

Personal data and other records are held in line with the Board's retention policy.

- 2.13 Procedures are in place for the secure disposal of manual records and digital media. The Board uses an approved secure disposal company for the destruction of all records for which the Board receives certificates to confirm that records have been destroyed securely in line with the Data Protection Act. A log of all records destroyed is kept by the Administration Officer.

CCTV

- 2.14 The draft Data Protection Policy includes an appendix on the Code of Practice for Operation of CCTV Equipment. It states that the Bridge is registered with the Information Commissioner's Office as a Data Controller for the operation of a CCTV system. In accordance with the Data Protection Act anyone registered to operate a CCTV system must do so strictly in accordance with the legislation of the Act and the CCTV Code of Practice 2008. We noted that the Board's draft Code of Practice includes:
- the purpose of the CCTV system;
 - public awareness of the CCTV system;
 - limitations on use of CCTV;
 - operation of cameras; and
 - use of recorded images.
- 2.15 The Data Protection Act does not prescribe any specific minimum or maximum retention periods which apply to CCTV systems or footage. Rather, retention should reflect the organisation's purposes for recording information. The retention period should be informed by the purpose for which the information is collected and how long it is needed to achieve this purpose. The CCTV code of practice clearly details what the Board uses CCTV for, who has access to the images and that images will be deleted or overwritten after a maximum period of 14 days unless specific extracts of recordings are made for future use, such as by Police Scotland.
- 2.16 CCTV images are securely stored on two dedicated servers – one held securely at the Board's premises and the other at Police Scotland's Dundee Head Quarters.
- 2.17 Our review of the Bridge's code noted that it appears to be in line with the CCTV Code of Practice 2008.

2. Systems and Controls (continued)

Passing Personal Information to Third Parties

2.18 *Observation*

There is currently no system in place for communicating to staff the circumstances where the Data Protection Act allows the organisation to pass on personal information to third parties. Personal information is shared with DCC for payroll and pensions purposes. Although the draft Data Protection Policy states that personal information shall be disclosed only for registered purposes it does not specifically recognise the circumstances where personal information is passed to a third party. The Board's entry on the Data Protection Register states that "sometimes there is a need for the Board to share information with the individuals we process information about and other organisations." Where this is necessary the Board is required to comply with all aspects of the Data Protection Act. The entry on the Data Protection Register includes a description of the types of organisations the Board may need to share some of the personal information it processes.

Risk

Staff are not clear on when the Data Protection Act allows the Board to pass on personal information to third parties.

Recommendation

R5 Consider including additional wording within the Data Protection Policy which clearly states the circumstances where the Board will pass on employee personal information to third party organisations and for what purposes.

Benefit

Staff are clear on when the Data Protection Act allows the organisation to pass on personal information.

3. Data Not Regulated by the Data Protection Act

- 3.1 Data held by the Board which is not regulated by the Data Protection Act includes historical bridge records relating to bridge tolls which were in place prior to 2008 and engineering specifications. At the time of our review an exercise was currently being undertaken to review and catalogue all historic records held by the Board's on its operations since it was formed in 1966. A member of the Board's staff has been assigned to review these records and identify which records should be retained or destroyed. A system for recording records is in place with records being retained in line with the Board's retention period of seven years. Records that have been identified as being held for a minimum period of seven years and are not required to be retained for a specific purpose have been securely destroyed with appropriate certificates received. Our review noted that retained records have been logged and catalogued in a logical manner and are stored in a secure store within the Board's premises.
- 3.2 Earlier in 2015 the Dundee City archivists were invited to review the Board's historical bridge records which resulted in a number of records being identified as being of public or historical interest which were then taken away to be placed in the archive collection. The Board has kept a record of this information.

Journal of the American Medical Association

Published weekly, except for two issues combined annually in June and December

Subscription information and contact details for the American Medical Association, including rates for individuals and institutions.

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**Tay Road Bridge Joint Board
Follow-Up**

2014/15

Internal Audit Report No: 2015/05

Draft Issued: 19 May 2015

Final Issued: 20 May 2015



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I. Management Summary

Introduction and Background

We have been appointed as Internal Auditors to the Tay Road Bridge Joint Board ('the Board') for the period 1 April 2013 to 31 March 2016. The Internal Audit Plan for 2014/2015 includes time for follow-up work on the recommendations made in our Internal Audit reports issued during 2013/2014. These were:

- 2014/03 – Health and Safety;
- 2014/04 – General Ledger;
- 2014/05 – Risk Management and Business Continuity Planning;
- 2014/06 – Procurement and Creditors / Purchasing; and
- 2014/07 – Payroll.

Report 2014/07 did not contain an action plan and therefore no follow-up was required as part of this review.

There were also 10 outstanding actions from 2012/13 and three from 2011/12 that required to be followed up again this year.

Audit Scope and Objectives

The objective of our follow-up review is to assess whether recommendations made in internal audit reports from 2013/14 have been appropriately implemented and to ensure that, where little or no progress has been made towards implementation, that plans are in place to progress them.

Audit approach

The audit approach taken was as follows:

- to request from responsible officers for each report listed above an update on the status of implementation of the recommendations made;
- to ascertain by review of supporting documentation, for any significant recommendations within the reports listed above, whether action undertaken has been adequate; and
- preparation of a summary of the current status of the recommendations for the Board.

Overall Conclusion

The Board has made progress in fully implementing six of the nine recommendations contained within the internal audit reports listed above. One outstanding action from Data Protection / Freedom of Information and a further four outstanding actions from Physical Security and Asset Management both issued in 2012/13, one outstanding action point from the Corporate Governance and Planning, and one outstanding action from the IT Network Arrangements report, both issued in 2011/12 have now been fully implemented.

Tay Road Bridge Joint Board
Follow-Up Reviews**Overall Conclusion (continued)**

Of the remaining nine recommendations:

- two have been assessed as 'little or no progress made'. These have been delayed due to competing priorities and are expected to be progressed later in 2015. Revised implementation dates have been agreed for these recommendations and they will be followed up again next year;
- one assessed as having no event occurring to action the recommendation in relation to documenting Data Protection and FoI responsibilities within the employment contracts and job descriptions of staff members as no appointments have been made since the original recommendation was raised; and
- six have been assessed as partially implemented, however draft documents have been prepared and are due for approval by September 2015.

From Original Reports			From Follow-Up Work Performed			
Area	Recommendation Grades	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made	No Event To Trigger Action
From 2013/14						
Health & Safety	A	-	-	-	-	-
	B	1	1	-	-	-
	C	4	1	2	1	-
Total		5	2	2	1	-
General Ledger	A	-	-	-	-	-
	B	-	-	-	-	-
	C	1	1	-	-	-
Total		1	1	-	-	-
Risk Management and Business Continuity Planning	A	-	-	-	-	-
	B	-	-	-	-	-
	C	1	1	-	-	-
Total		1	1	-	-	-
Procurement and Creditors / Purchasing	A	-	-	-	-	-
	B	2	2	-	-	-
	C	-	-	-	-	-
Total		2	2	-	-	-
From 2012/13						
Data Protection / Freedom of Information	A	-	-	-	-	-
	B	4	-	3	-	1
	C	2	1	1	-	-
Total		6	1	4	-	1

Overall Conclusion (continued)

<i>From Original Reports</i>			<i>From Follow-Up Work Performed</i>			
Area	Recommendation Grades	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made	No Event To Trigger Action
From 2012/13 (continued)						
Physical Security and Asset Management	A	-	-	-	-	-
	B	1	1	-	-	-
	C	3	3	-	-	-
Total		4	4	-	-	-
From 2011/12						
Employment Legislation and Policies, Recruitment and Staff Performance & Development	A	-	-	-	-	-
	B	1	-	-	1	-
	C	-	-	-	-	-
Total		1	-	-	1	-
Corporate Governance and Planning	A	-	-	-	-	-
	B	1	1	-	-	-
	C	-	-	-	-	-
Total		1	1	-	-	-
IT Network Arrangements	A	-	-	-	-	-
	B	-	-	-	-	-
	C	1	1	-	-	-
Total		1	1	-	-	-
Grand Total		22	13	6	2	1

The grades, as detailed below, denote the level of importance that should have been given to each recommendation:

- A Issues which require the consideration of the Joint Board.
- B Significant matters which can be resolved by the Bridge Manager.
- C Less significant matters, which do not require urgent attention but which should be followed up within a reasonable timescale.

Acknowledgements

We would like to take this opportunity to thank the staff at the Board who assisted us during our review.

**2. Updated Action Plan 2013/14
Internal Audit Report 2014/03 – Health and Safety**

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at May 2015
1.4	Policies and Procedures RI The operations manual, including safe working procedures, should be reviewed as soon as practical and evidence of the review documented.	C	Agreed	Y	Bridge Manager	31 May 2014	In progress following change to staffing structure. To be complete by 30 June 2015. Partially Implemented

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at May 2015
1.5	R2 Staff should be reminded of the importance of ensuring that all dormant method statements are flagged as such within the H&S database. In addition after each method statement has been reviewed the date of the review should be recorded within the database.	C	Agreed	Y	Bridge Manager	31 January 2014	Staff will be reminded at appraisals. Databases are currently being reviewed with the Board's Health and Safety consultants which will be updated in due course. Aim to get this completed by September 2015 Board meeting. Partially Implemented
2.3	Risk Identification and Assessment R3 The H&S Policy Statement should be updated to highlight that risk assessments prepared for low risk activities must only be reviewed between two and five years.	C	Agreed	Y	Bridge Manager	31 March 2014	No progress to date. Aim to complete by 31 August 2015. Little or No Progress Made

Tilay Road Bridge Joint Board
Follow-Up Reviews

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at May 2015
2.3	R4 Where risk assessments are not reviewed within the timeframe set out in the H&S database reasons for the review being delayed should be recorded within the database.	C	Agreed	Y	Bridge Manager	31 March 2014	Now completed. Fully Implemented
2.4	R5 A deadline should be set for completing all relevant COSHH assessments.	B	Agreed	Y	Bridge Manager	31 May 2014	Now completed. Fully Implemented

**2. Updated Action Plan 2013/14
Internal Audit Report 2014/04 – General Ledger**

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at May 2015
3.3	<p>Trial Balance and Control Account Reconciliations</p> <p>RI A purchase ledger control account reconciliation report should be submitted to the Board at the end of each month and supporting documentation provided for any variances identified. This report should be initialled by a member of Board staff to evidence that the report has been reviewed.</p>	C	Agreed.	Y	Treasurer	31 Dec 2013	<p>Since December 2013, the TRJB's Accountant and Operations Manager receive weekly reports and would investigate any imbalance. There appears to be no need to amend this procedure.</p> <p>Auditor comment: As an alternative control is now in place this is considered as Fully Implemented</p>

**2. Updated Action Plan 2013/14
Internal Audit Report 2014/05 – Risk Management and Business Continuity**

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at May 2015
2.2.6	Business Continuity RI Devise a testing programme for the BCP, with all findings from tests followed up and used to fine tune the processes.	C	Agreed	Y	Bridge Manager	31 December 2014	Desktop exercise by management team to be adopted. Refer section 1 of BCP. Completed. Fully Implemented

2. Updated Action Plan 2013/14 Internal Audit Report 2014/06 – Procurement and Creditors / Purchasing

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at May 2015
2.2	<p>Tenders / Quotations</p> <p>R1 The Board's office procedures should be revised to ensure they are in line with the Board's tender procedures and refer to the current financial system, Civica Financials, rather than the previous financial system.</p>	B		Y	Administrative Officer	Complete	Fully Implemented
4.4	<p>Payments are Properly Authorised, Processed and Recorded</p> <p>R2 The Administrative Officer should check a sample of payments back to the original invoice and either annotate those checked on the payment run report or maintain a spreadsheet that records the payments checked.</p>	B		Y	Administrative Officer	Complete	Fully Implemented

3. Updated Action Plan 2012/13
Internal Audit Report 2013/02 – Data Protection / Freedom of Information

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
<p>Data Protection / Freedom of Information 2013-02</p> <p>Roles and Responsibilities</p> <p>RI The Board's Scheme of Delegation should document the individual(s) responsible for implementing the Fol(S)A at the Board.</p>	B	Agreed. The Scheme of Delegation will be updated to include the roles and responsibilities of the Clerk to the Board and the Bridge Manager	Y	Clerk	<p>Original 30 June 2013</p> <p>Revised 31 December 2014</p>	<p>Roles and responsibilities to be incorporated into Scheme of Delegation which is planned to be updated in 2014.</p> <p>Little or No Progress Made</p>	<p>Draft completed at April 2015. With DCC Legal Team for review prior to implementation at September 2015 Board.</p> <p>Partially Implemented</p>

HENDERSON LOGGIE
PLANNING AND DEVELOPMENT

Tay Road Bridge Joint Board
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Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
R2 Where appropriate, Data Protection and FoI responsibilities should be clearly documented within the employment contracts and job descriptions of Board staff members.	B	Agreed	Y	Clerk/Bridge Manager	Original 30 June 2013 Revised 31 December 2014	Job descriptions will be reviewed and updated as and when posts become available. No new appointments have been made since recommendation was originally raised. No Event to Trigger Action	No new appointments have been made since recommendation was originally raised. No Event To Trigger Action.

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
<p>Data Protection / Freedom of Information 2013-02 (continued)</p> <p>Training</p> <p>R3 The Bridge Manager should consider developing a handout to be issued during induction, which refers to the Board's overall Data Protection and FoI responsibilities. The handout could potentially refer to the Board's Data Protection and FoI policies and procedures (refer to R4 and R5 at question 7 for further details).</p>	C	Agreed	Y	Clerk/Bridge Manager	<p>Original 30 September 2013</p> <p>Revised 31 December 2014</p>	<p>Still outstanding. Hand out to be developed in 2014.</p> <p>Little or No Progress Made</p>	<p>Draft completed at April 2015. With DCC Legal Team for review prior to implementation at September 2015 Board.</p> <p>Partially Implemented</p>

Tay Road Bridge Joint-Board
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Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
<p>Policies and Procedures</p> <p>R4 Consideration should be given to preparing, and having the Board formally approve, a Data Protection Policy which summarises the main principles of the Data Protection Act; incorporates the 'Code of Practice for Operation of CCTV equipment' and the subject access request procedures; and outlines the Board's policies for the retention, archiving and destruction of employees' personal details.</p>	B	Agreed	Y	Clerk/Bridge Manager	<p>Original 30 June 2013</p> <p>Revised 31 December 2014</p>	<p>Data Protection Policy developed in 2014 which will incorporate points in recommendation raised.</p> <p>Little or No Progress Made</p>	<p>The Bridge Manager has drafted a Data Protection Policy. This draft has been issued to DCC Legal team for review in anticipation of bringing to the September 2015 Board for acceptance.</p> <p>Partially Implemented</p>

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
<p>Data Protection / Freedom of Information 2013~02 (continued)</p> <p>R5 Consideration should be given to preparing, and having the Board formally approve, a Fol Policy which summarises the Board's approach and responsibilities under the Fol(S)A. Included within the Policy or supporting Fol procedures should be the reporting structure and processes in place for dealing with information requests.</p>	B	Agreed	Y	Clerk/Bridge Manager	<p>Original 30 June 2013</p> <p>Revised 31 December 2014</p>	<p>Fol Policy to be developed in 2014 which will incorporate points raised in recommendation.</p> <p>Little or No Progress Made</p>	<p>The Bridge Manager has drafted a Fol Policy. This draft has been issued to DCC Legal team for review in anticipation of bringing to the September 2015 Board for acceptance.</p> <p>Partially Implemented</p>

Tay Road Bridge Joint Board
 Follow-Up Reviews

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
<p>R6 Should recommendations 4 and 5 be implemented, a timetable should be established to regularly revisit and review the policies and procedures. Good practice suggests that this should be undertaken on an annual basis.</p>	C	Agreed	Y	Clerk/Bridge Manager	<p>Original 30 June 2013</p> <p>Revised 31 December 2014</p>	<p>Once recommendations 4 and 5 have been completed policies will be subject to regular review.</p> <p>No Event to Trigger Action</p>	<p>Once recommendations 4 and 5 have been completed policies will be subject to regular review. As part of internal audit report 2015/03 issued in May 2015 we reported that work had commenced on refreshing policies and procedures and that a control sheet which includes the date the next review is due had been produced.</p> <p>Fully Implemented</p>

**3. Updated Action Plan 2012/13
Internal Audit Report 2013/04 – Physical Security and Asset Management**

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
<p>Physical Security and Asset Management 2013~04 (continued)</p> <p>Asset Records</p> <p>R2 As part of the rationalisation of inventories detailed at R1 the Board should determine a protocol for items to be included on the inventory. For example, furniture and equipment in excess of £250 plus all items >£250 where a) the item will be used outside the Board's premises; or b) the item is portable e.g. camera; or c) the item will require to be Portable Appliance Tested (PAT). Any items identified below this level should be deemed consumables and removed.</p>	C		Y	Bridge Manager/ Maintenance Supervisor	<p>Original 31 July 2013</p> <p>Revised 31 December 2014</p>	<p>Consideration now given to value and use of items to be added to asset inventory, however a protocol has yet to be formalised.</p> <p>Partially Implemented</p>	<p>Two asset lists have been compiled for assets either above or below a £250 threshold. These lists are kept up to date annually, or when new items have been purchased or items scrapped or sold.</p> <p>Fully Implemented</p>

Tay Road Bridge Joint Board
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Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
<p><i>Physical Security and Asset Management 2013-04 (continued)</i></p> <p><i>Timely Reporting of Acquisitions, Transfers and Disposals</i></p> <p>R3 Controls could be further improved by implementing an 'Authority for Disposal / Scrap' form which could be completed and authorised by the Bridge Manager / Maintenance Supervisor. The form should record details of the asset disposed / scrapped, including asset reference and the reason for this. Copies of authorised forms should then be passed to DCC to ensure that the FAR for major fixed assets is also updated and to calculate any gain / loss on disposal. Details of disposals should also be used to update the PAT database where necessary.</p>	C		Y	Bridge Manager / Maintenance Supervisor	<p>Original 31 July 2013</p> <p>Revised 31 December 2014</p>	<p>'Authority for Disposal / Scrap' form still to be developed. No assets disposed or scrapped since recommendation was originally raised.</p> <p>Little or No Progress Made</p>	<p>Form developed and now in use.</p> <p>Fully Implemented</p>

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
<p>Physical Security and Asset Management 2013-04 (continued)</p> <p>Verification Exercises</p> <p>R4 Consideration should be given to implementing a procedure for asset movements to ensure movements are authorised appropriately and the individuals responsible for maintaining asset records are notified as soon as practicable to ensure that the asset location is updated.</p>	C		Y	Bridge Manager / Maintenance Supervisor	<p>Original 31 July 2013</p> <p>Revised 31 December 2014</p>	<p>Staff aware of need to ensure the asset register is updated to reflect location, however procedure has yet to be formally documented.</p> <p>Partially Implemented</p>	<p>Procedure now formally documented and in use.</p> <p>Fully Implemented</p>

Tay Road Bridge Joint Board
Follow-Up Reviews

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress at April 2014	Progress at May 2015
<p>Asset Identification</p> <p>R5 Consideration should be given to introducing a standard method of tagging assets. Further consideration should also be given to the assets on the new combined asset register/ inventory recommended at RI when deciding which assets require to be tagged.</p>	<p>B</p>		<p>Y</p>	<p>Maintenance Supervisor</p>	<p>Original 31 July 2013</p> <p>Revised 31 December 2014</p>	<p>Decision has yet to be made on the best method for tagging assets.</p> <p>Little or No Progress Made</p>	<p>All assets that require insurance are tagged.</p> <p>Fully Implemented</p>

**4 Updated Action Plan 2011/12
Internal Audit Report 2012/02 – Employment Legislation and Policies, Recruitment
and Staff Performance & Development**

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress Previously Reported	Progress at May 2015
<p>Employment Legislation and Policies, Recruitment and Staff Performance & Development 2012-02</p> <p>Staff Access to Policies</p> <p>R2 The staff review process should be formally incorporated into the staff handbook.</p>	B	To be incorporated in the next review of the Staff Handbook or by December 2012 whichever sooner.	Y	Administration Officer	<p>Original 31 December 2012</p> <p>Revised 31 December 2013</p> <p>Revised 31 December 2014</p>	<p>Progress at April 2013</p> <p>To be implemented during 2013 reviews.</p> <p>Little or No Progress Made</p> <p>Progress at April 2014</p> <p>Still to be completed. Handbook to be updated once staff reviews have been completed.</p> <p>Little or No Progress Made</p>	<p>Programmed for completion by 21 August 2015 and to be brought to the September 2015 Board meeting.</p> <p>Little or No Progress Made</p>

4. Updated Action Plan 2011/12
Internal Audit Report 2012/03 – Corporate Governance and Planning

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress Previously Reported	Progress at May 2015
<p>Corporate Governance and Planning 2012~03</p> <p>Corporate Governance</p> <p>R5 The local Code of Corporate Governance should be updated to reflect the changes made since the introduction of the Business Continuity Plan and changes in both the external and internal auditors.</p>	B	Agreed	Y	Bridge Manager	<p>Original 31 December 2012</p> <p>Revised 30 June 2013</p> <p>Revised 31 December 2014</p>	<p>Progress at April 2013 Code of Corporate Governance has yet to be updated.</p> <p>Little or No Progress Made</p> <p>Progress at April 2014 Still to be completed.</p> <p>Little or No Progress Made</p>	<p>Local Code of Corporate Governance updated in February 2015.</p> <p>Fully Implemented</p>

**4. Updated Action Plan 2011/12
Internal Audit Report 2012/04 – IT Network Arrangements**

Recommendation	Grade	Comments	Agreed	Responsible Officer	Agreed Completion Date	Progress Previously Reported	Progress at May 2015
<p>IT Network Arrangements 2012~04</p> <p>Acceptable Use Policy</p> <p>R4 The Use of Computing Facilities policy should be reviewed to ensure it properly reflects the Board's current IT operation, in particular its adoption of mobile computing. This should cover:</p> <ul style="list-style-type: none"> • Security of the devices; • Connection to third party networks; and • Data encryption. 	C	Agreed – this will be updated at next review of Staff Handbook	Y	Bridge Manager	<p>Original 31 December 2012</p> <p>Revised 31 December 2013</p> <p>Revised 31 December 2014</p>	<p>Progress at April 2013 New policies forthcoming and a major review of handbook will be complete by 31/12/2013.</p> <p>Little or No Progress Made</p> <p>Progress at April 2014 Still to be completed.</p> <p>Little or No Progress Made</p>	<p>As of April 2015, the TRBJB computers are supplied and supported by Dundee City Council and as such all security, connection to third party networks and data encryption is in line with the corporate policies and procedures of Dundee City Council, which is subject to separate audit.</p> <p>Fully Implemented</p>

Year	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025																																																							
Population	100	105	110	115	120	125	130	135	140	145	150	155	160	165	170	175	180	185	190	195	200	205	210	215	220	225	230	235	240	245	250	255	260	265	270	275	280	285	290	295	300	305	310	315	320	325	330	335	340	345	350	355	360	365	370	375	380	385	390	395	400	405	410	415	420	425	430	435	440	445	450	455	460	465	470	475	480	485	490	495	500	505	510	515	520	525	530	535	540	545	550	555	560	565	570	575	580	585	590	595	600	605	610	615	620	625	630	635	640	645	650	655	660	665	670	675	680	685	690	695	700	705	710	715	720	725	730	735	740	745	750	755	760	765	770	775	780	785	790	795	800	805	810	815	820	825	830	835	840	845	850	855	860	865	870	875	880	885	890	895	900	905	910	915	920	925	930	935	940	945	950	955	960	965	970	975	980	985	990	995	1000