



Comhairle nan Eilean Siar
Internal Audit Follow Up Review
Piers – Marine Fuel
Final Report – FU14-23/24

16 December 2024

**COMHAIRLE NAN EILEAN SIAR
INTERNAL AUDIT FOLLOW UP REPORT
PIERS – MARINE FUEL**

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SECTION 1: EXECUTIVE SUMMARY

Introduction

- 1.1 The Report has been prepared for the Comhairle’s Audit and Scrutiny Committee. The original report advised of 5 recommendations made in the Piers - Marine Fuel report which was issued on 24 May 2024. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2023/24.

Internal Audit Objective




- 1.2 Following up internal audit reports and assessing the level of compliance with recommendations made is an important part of the internal audit function.
- 1.3 In accordance with the remit detailed in the operational annual internal audit plan for 2023/24, our internal audit work was designed to obtain assurance that the original recommendations have been implemented. We obtained this assurance through internal audit testing and undertaking discussions with key personnel.
- 1.4 The main recommendations in the original report were:
- Health and Safety guidance to be provided to all users of marine fuel pumps at Comhairle piers; and
 - Risk Assessments to be undertaken on the risks surrounding marine fuel pumps for deliveries and supply.






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Detailed Findings

1.5 The current status of progress against the original recommendations can be summarised as follows:

Key to Status

-  Fully implemented;
-  Partly implemented, although further work is required to meet the objective of the recommendation; or
-  Insufficient progress to date

Recommendations	Action to Date	Status
The Harbour Master ensures that Health and Safety guidance specific to marine fuel is put in place at all the piers or provided to all users and evidence provided of receipt.	Partly implemented	
A risk assessment should be undertaken initially at all the facilities which will inform the Health and Safety guidance.	Partly implemented	
The Harbour Master arranges to update the procedures manual with a next review date with a version number to help identify the most up to date copy.	Fully implemented	
The reconciliation of marine fuel should be reinstated and undertaken by Accountancy staff to evidence that any discrepancies identified early are addressed.	Fully implemented	
Consideration be given for training to be provided to an additional member of staff in the event of such eventualities in order that the operation can be run without disruption to the service.	Partly implemented	

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Concluding Remarks

- 1.6 From our follow up testing, we note that out of the 5 follow up recommendations made in the original 2 appear to have been fully implemented, and management have confirmed that the remaining recommendations will be implemented shortly.
- 1.7 For Comhairle Nan Eilean Siar Internal Audit Section

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SECTION 2 - DETAILED FINDINGS AND RECOMMENDATIONS

Action Recommended	Action By	Progress to Date	Action Outstanding
2.1			
The Harbour Master ensures that Health and Safety guidance specific to marine fuel is put in place at all the piers or provided to all users and evidence provided of receipt.	Harbour Master	A Health and Safety Guidelines for Marine Fuel Users has been created aiming to ensure safe and efficient operations, protect the environment, and minimise risks to users and the public.	The Guidelines to be sent to all users of the Comhairle Marine Fuel System. We are working with the Fuel Management Provider to have a process where having read and agreed with the guidelines is required before access to fuelling.

Action Recommended	Action By	Progress to Date	Action Outstanding
2.2			
A risk assessment should be undertaken initially at all the facilities which will inform the Health and Safety guidance.	Harbour Master	Risk Assessment for Vessels Refuelling at Unmanned Fuelling Facilities has been undertaken. The Oil spill Contingency Plan is out for MCA approval and includes site specific risk assessments	The Risk Assessment is to be shared with users at same time as The Health and Safety Guidelines for Marine Fuel Users document. Once on-site process for acknowledgement is agreed these documents will be sent out to all users.

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Action Recommended	Action By	Progress to Date	Action Outstanding
2.3			
The Fuel at Fishery Piers Procedure Manual is in place for the procedures involved. There are several changes since the production of the original document and this requires to be addressed.	Harbour Master	Amendments table added at page 2 providing details of version and amendments made.	None

Action Recommended	Action By	Progress to Date	Action Outstanding
2.4			
A marine fuel reconciliation was undertaken by Accountancy on a regular basis. As part of our checks, we were advised that there is no information available since the cyber-attack. A year end stock has been undertaken by the Harbour Master.	Harbour Master	The reinstatement of the reconciliation took place in November and will continue on a monthly basis	None

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Action Recommended	Action By	Progress to Date	Action Outstanding
2.5			
Consideration be given for training to be provided to an additional member of staff in the event of such eventualities in order that the operation can be run without disruption to the service.	Harbour Master	There are currently 2 members of staff who are able to carry out all the required duties to ensure that the operation will operate without disruptions. New Admin Apprentice recruited.	The Admin Support Apprentice recruited and based in Balivanich started in August and is expected to be trained in Marine fuel and other harbour related work in the New Year.

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT AND INTERNAL AUDIT

Responsibility in Relation to Internal Controls

It is the responsibility of the Comhairle's management to maintain adequate and effective financial systems and to arrange for a system of internal controls. Our responsibility as internal auditors is to evaluate the financial systems and associated internal controls. In practice, we cannot examine every financial implication and accounting procedure within an activity, and we cannot substitute for management's responsibility to maintain adequate systems of internal controls over financial systems. We therefore may not identify all weaknesses that exist in this regard.

Responsibilities in Relation to Fraud and Corruption

The prime responsibility for the prevention and detection of fraud and irregularities rests with management. They also have a duty to take reasonable steps to limit the opportunity for corrupt practices. It is our responsibility to review the adequacy of these arrangements, but our work does not remove the possibility that fraud, corruption or irregularity may have occurred and remained undetected.

We nevertheless endeavour to plan our internal audit work so that we have reasonable expectation of detecting material fraud, but our examination should not be relied upon to disclose all such material frauds that may exist.