

INTERNAL AUDIT REPORT
Incident Management Process
July 2020



Conclusion

Our audit procedures were designed to provide assurance to management and the Gavi Board on the adequacy and effectiveness of the key controls in the processes related to incident management.

Gavi's over-arching goals in case of a crisis are to: protect the health and safety of its staff and / or governance stakeholders ("Gavi Persons"); protect the organisation's mission and reputation; and protect its physical assets. Through effective crisis management planning Gavi ensures that a measured response is provided to staff, the media and to (governance) stakeholders while ensuring business continuity. Crises include any events which result in loss of personnel, facilities, technological resources, classified data, a threat to Gavi's reputation or an emergency at a partner organisation or a traumatic event such as a kidnapping, fatality, civil unrest, armed conflict or medical emergency.

Through our audit procedures, we have identified medium risk issues mainly relating to safety and security of staff while on travel among others as summarised below.

Internal Audit Key Issues Summary

Issue Description	Rating
Safety and Security of Staff (while on travel)	
There is need to enhance the safety and security measures for staff travelling to medium, high, and extreme risk locations.	M
Policies and Procedures	
There is need for comprehensive and updated policies and procedures for incident and crisis management.	M
Formalisation of the safety and security arrangements at the GHC	
There is need to formalise the building security and safety arrangements with the head tenant at the Global Health Campus.	M

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Summary of Findings

Summary of Key Issues Arising

Through our audit procedures, we have identified three medium-rated issues which are summarised below.

Safety and Security of Staff (while on travel)

There is need to enhance the safety and security measures for staff travelling to medium, high, and extreme risk locations.

The Operations team has made a lot of progress to strengthen the safety and security arrangements of staff while on duty travel to high and extreme risk locations despite capacity constraints from a resource perspective.

Through our audit procedures, we identified opportunities to enhance the current travel safety and security measures further as follows:

- Make safety and security training mandatory for staff travelling to high and extreme risk locations.
- Enrich the content of safety and security training offered to staff (i.e. both depth and breadth) to cover different scenarios.
- Empower the Operations team to be the final authority on decisions regarding staff travel to high and extreme risk locations.
- Ensure staff in high and extreme risk locations can be reached at any time.
- Assess the level of risk (i.e. regarding staff safety and security while on travel) posed by the current capacity constraints in the Security team from a resourcing perspective and take appropriate remedial action.

Policies and Procedures

There is need for comprehensive and updated policies and procedures for incident and crisis management.

Various policies and procedures govern incident and crisis management including: the crisis management policy for major internal and external events affecting staff safety, business continuity and the reputation of the organisation; the travel security guidelines which cover safety and security of staff undertaking business travel; and the disciplinary procedures for handling misconduct. Significant progress has been made by the operations team to update the relevant policies to reflect the actual risks faced by Gavi,

create incident response plans and enforce them. However, we noted that there is still room for improvement to enhance the incident management process and effectively mitigate related risks:

- There are inconsistencies between the travel security guidelines and what happens in practice;
- The travel security guidelines specify that all employees should be trained on travel security and should obtain a training certificate that is valid for two years. This requirement has however not been fully complied with or enforced; and
- The crisis management plan has been in draft form since 2016 and does not explicitly define the composition of the crisis management team.

Formalisation of the safety and security arrangements at the GHC

There is need to formalise the building security and safety arrangements with the head tenant at the GHC.

Gavi and The Global Fund (TGF) share office space at the the Global Health Campus in Geneva where TGF is head tenant and Gavi a subtenant. Gavi and TGF are equal partners in the set-up, operation and on-going management of the Global Health Campus (GHC). Both organisations take joint decisions with respect to the building and on-going facility management and equally share associated benefits, costs and risks. TGF takes the lead on security and other operational matters at the GHC including facilitating the necessary responses in the event of incidents. TGF is also responsible for contracting with the various service providers. Discussions with TGF Head of Security indicated that Gavi and the other subtenants are covered in the agreements with the service providers. However, there is no specific agreement signed between Gavi and TGF to define the responsibilities of each in the event of an incident. In addition, the safety and security policies and procedures applied by both TGF and Gavi at the GHC have not been aligned. We understand that Gavi is still in the process of trying to draft and finalise the MOU with TGF.

Summary of Findings

Background

At Gavi, an incident is described as any event, circumstance or significant context change that affects the safety and security of staff, assets or operations while a crisis is a major internal or external event that impacts upon the organisation in the context of public safety, staff safety, business continuity or organisation reputation and related public confidence.

The purpose of incident management is to ensure that the organisation has the ability to react, understand and respond effectively during an event involving staff, organisation assets or operations.

Some of the key success factors include:

- Robustness of the process of identification and prioritisation of incidents and associated risks;
- The process of assessment of incidents and associated risks;
- The process of incident response and monitoring;
- The process of reporting and communication of incidents and associated risks;
- The definition of roles and responsibilities for the various stakeholders involved in the incident and crisis management process;
- Resourcing and capacity; and
- Incident and crisis management policies and procedures; tools; and systems.

The operations team takes the lead in both incident and crisis management.

Gavi uses ISOS and Controls Risks (a subsidiary of ISOS) for travel safety and medical assistance services. ISOS provides global security alerts and travel trackers which track staff movements while in the field. Medical assistance services are also part of the service package.

Audit Objective

Our audit assessed the adequacy of the design and operating effectiveness of the governance, risk management and key internal controls in the processes related to Incident Management.

Audit Scope and Approach

We adopted a risk-based audit approach informed by our assessment of the system of internal controls.

Our audit approach included interviewing relevant Secretariat teams, reviewing safety and security providers' reports, operational guidelines, and sample testing evidence of incident and crisis management processes and activities. We also considered the tools and systems supporting the processes.

This audit was designed to assess the:

- Design and operating effectiveness, where possible, of the key controls;
- Economy and efficiency in the utilisation of resources;
- Quality of implemented governance and risk management practices; and
- Compliance with relevant policies, procedures, laws, regulations and where applicable, donor agreements.

The audit focused primarily on the process of management of incidents involving staff, organisation assets and operations (excluding IT systems). The scope of the audit covered the key controls in the following key activities:

- Identification and prioritisation of incidents and associated risks;
- Assessment of incidents and associated risks;
- Incident response and monitoring;
- Reporting and communication of incidents and associated risks;
- Definition of roles and responsibilities for the various stakeholders involved in the incident and crisis management process;
- Resourcing and capacity;
- Incident and crisis management policies and procedures; tools; and systems; and
- Review of the status of recommended actions made following a high level review of a staff security incident in 2017.

The following areas were excluded from the audit scope (i.e. they have been subject to audit previously and also have a distinct risk profile):

- IT-related incidents; and
- Business Continuity and Disaster Recovery planning.

We will continue to work with management to ensure that these audit issues are adequately addressed and required actions undertaken.

Summary of Findings

We take this opportunity to thank all the teams involved in this audit for their on-going assistance.

Head, Internal Audit



Appendix 1: Summary of Performance Ratings and Distribution

Summary Performance Ratings on Areas Reviewed

For ease of follow up and to enable management to focus effectively in addressing the issues in our report, we have classified the issues arising from our review in order of significance: High, Medium and Low. In ranking the issues between 'High', 'Medium' and 'Low', we have considered the relative importance of each matter, taken in the context of both quantitative and qualitative factors, such as the relative magnitude and the nature and effect on the subject matter. This is in accordance with the Committee of Sponsoring Organisations of the Treadway Committee (COSO) guidance and the Institute of Internal Auditors standards.

Rating	Implication
High	Address a fundamental control weakness in relation to internal controls, governance and/or risk management that should be resolved as a priority
Medium	Address a control weakness in relation to internal controls, governance and/or risk management that should be resolved within a reasonable period of time
Low	Address a potential improvement opportunity in relation to internal controls, governance and/or risk management

Distribution

Title
Managing Director, Finance & Operations
Director, Operations

For Information

Title
Chief Executive Officer
Deputy Chief Executive Officer
Managing Director, Audit & Investigations
Executive Team
Director, Legal
Head, Risk