

ARGYLL & BUTE COUNCIL

Internal Audit Section

INTERNAL AUDIT REPORT

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| CUSTOMER DEPARTMENT | CUSTOMER SERVICES |
| AUDIT DESCRIPTION | RISK BASED AUDIT |
| AUDIT TITLE | REVIEW OF HEALTH AND SAFETY |
| AUDIT DATE | MAY 2015 |

2015/2016



1. BACKGROUND

A review of the activities of the Corporate Health and Safety Team within Improvement and HR section of Customer Services has been planned as part of the 2015/16 Internal Audit programme.

Health and Safety is about preventing people from being harmed by or becoming ill through work. Over 200 people a year lose their lives at work in the UK and Ireland. Around 150,000 non-fatal injuries are reported each year, and an estimated two million suffer from ill health caused or made worse by work. This is so important that the law says every one of us must not put ourselves, other workers or the public in unreasonable danger.

Argyll and Bute Council do all that is reasonably practicable to ensure the health, safety and welfare of its employees at work and the health and safety of those affected by its undertakings.

There is a Corporate Health and Safety Policy which includes details of roles and responsibilities for Health and Safety within the Council.

The Health and Safety Team provide services including the following:

- The provision of health and safety advice to enable Council Services to meet their statutory duties and implement Council policies relating to health and safety.
- The generation, review and maintenance of corporate safety documents, including the statement of health and safety policy and relevant standards and procedures.
- Investigate significant accidents, incidents and near misses to identify root causes and recommend actions to prevent similar events occurring in the future.
- Provide information on accidents, incidents and near misses to Senior Management to enable review of Service performance.

2. AUDIT SCOPE AND OBJECTIVES

The scope and objectives of the review will include:

- Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) compliance.
- Review the pre contract award vetting process by Health and Safety for procurement.
- Review the arrangements for reporting Health and Safety incidents to senior management.
- Review of the monitoring arrangements for remedial actions required.
- Health and Safety team's use of statistical analysis of the level of insurance claims and staff absences relating to Work place incidences.

3. RISKS CONSIDERED

ORR - Key responsible officers are not aware of their responsibilities.

ORR - Failure to Promote and implement the Health and Safety policy to ensure embedding of health and safety at work

ORR - HR / H&S policies and procedures if not implemented cause failure to comply with legislation, resulting in possible prosecutions, injury, loss of life, loss of staff resources and damage to reputation

4. AUDIT OPINION

The level of assurance given for this report is Substantial.

| Level of Assurance | Reason for the level of Assurance given |
|---------------------|---|
| High | Internal Control, Governance and the Management of Risk are at a high standard with only marginal elements of residual risk, which are either being accepted or dealt with. |
| Substantial | Internal Control, Governance and the Management of Risk have displayed a mixture of little residual risk, but other elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale. |
| Limited | Internal Control, Governance and the Management of Risk are displaying a general trend of unacceptable residual risk and weaknesses must be addressed within a reasonable timescale, with management allocating appropriate resource to the issues. |
| Very Limited | Internal Control, Governance and the Management of Risk are displaying key weaknesses and extensive residual risk above an acceptable level which must be addressed urgently, with management allocating appropriate resource to the issues. |

This framework for internal audit ratings has been developed and agreed with Council management for prioritising internal audit findings according to their relative significance depending on their impact to the process. The individual internal audit findings contained in this report have been discussed and rated with management.

A system of grading audit findings, which have resulted in an action, has been adopted in order that the significance of the findings can be ascertained. Each finding is classified as High, Medium or Low. The definitions of each classification are set out below:-

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| <p>High - major observations on high level controls and other important internal controls. Significant matters relating to factors critical to the success of the objectives of the system. The weakness may therefore give rise to loss or error;</p> <p>Medium - observations on less important internal controls, improvements to the efficiency and effectiveness of controls which will assist in meeting the objectives of the system and items which could be significant in the future. The weakness is not necessarily great, but the risk of error would be significantly reduced if it were rectified;</p> <p>Low - minor recommendations to improve the efficiency and effectiveness of controls, one-off items subsequently corrected. The weakness does not appear to affect the ability of the system to meet its objectives in any significant way.</p> |
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5. FINDINGS

The following findings were generated by the audit:

RIDDOR

A review of the internal instructions and process for compliance with the RIDDOR legislation evidenced the following:

- The internal form details all parts of the process and complies fully with the legislation.
- The process involves completion of an electronic form for submission to Health and Safety Executive (HSE) however the internal form is not electronic and relies on multiple copies being forwarded to various relevant departments within the Council.
- Thirteen incidents were reported involving employees occurred during 2014/15. These were investigated by appropriately authorised officers and any further action required was recorded.

CONTRACT VETTING

The contract vetting process involves a Health and Safety questionnaire, which is issued for all new contractors and reviewed by the team. A walk through of the process and a random sample of 5 contract questionnaires evidenced that:

- The process ensures contractors and suppliers are vetted prior to any contracts being placed by the Council. Tests confirmed the process includes appropriate authorisation, is comprehensive, timely and complete.
- Clause 11 within the procurement contracts covers Health and Safety, 11.2.3 instructs contractors to inform the Council of any incidents while the Contractor performs the contract. The process for monitoring this clause falls within the remit of the service departments, the Health and Safety Team relies on the service departments to highlight any issues arising. Five service based contract managers were contacted and to date four have responded, all of whom were fully aware of their duties to report any incidents to the Health and Safety Team and HSE.

REPORTING

A review of the internal accident reporting procedures showed:

- The process for reporting accidents covers all appropriate areas.
- The format of the form is not electronic and relies on multiple copies being forwarded to various relevant departments within the Council.
- The forms are reviewed by appropriately authorised officers and any further action required is recorded.
- Accident reporting procedures were noted as being available via a banner notification on the HUB, however the detail was not linked into on the Health and Safety pages of the Hub.

A review of the Health and Safety reports to Management showed:

- A template for reports to Departmental Team Meetings (DMT) has been developed and has standardised the report for all departments.
- At the time of the audit an annual report had not been submitted to SMT, relevant committees or Full Council, however, the Q4 DMT report contained all the relevant facts required for an annual report to be produced. The government through HSE recommends an annual report is produced by all public bodies.
- It was evidenced that the reported figures are accurate and supported by relevant documentation.

REMEDIAL ACTIONS

All accidents, incidents and near misses reported to the Health and Safety Section are reviewed and investigated to an appropriate level by a Health and Safety officer. Where they are significant, more detailed exploration is undertaken to determine the root causes and identify the actions which should be taken to help prevent similar incidents occurring in the future.

- It was evidenced that resulting actions are placed on the relevant Service's Health and Safety Plans.
- There is no formal tracking of actions recommended following incidents by the Health and Safety Team. Tracking of actions identified in response to incidents is the responsibility of each relevant Head of Service and their management team, the service health and safety plans are used by services to review progress against actions.
- The council has not been subject to any formal HSE intervention for the past 4 years.

STATISTICAL ANALYSIS

- Although staff accidents and injuries are monitored through incident reporting forms, the Health and Safety team do not receive statistics on the level of staff absences relating to work place incidents from the HR system, which could be used to ensure reporting is complete through a reconciliation exercise.

6. CONCLUSION

This audit has provided a Substantial level of assurance. There were a number of recommendations for improvement identified as part of the audit and these are set out in Appendix 1. There are 4 medium recommendations set out in Appendix 1 which will be reported to the Audit Committee. There is 1 low recommendation which is not reported to the Audit Committee. Appendices 1 sets out the action management have agreed to take as a result of the recommendations, the persons responsible for the action and the target date for completion of the action. Progress with implementation of actions will be monitored by Internal Audit and reported to management and the Audit Committee.

Thanks are due to the Health and Safety staff and management for their co-operation and assistance during the Audit and the preparation of the report and action plan.

APPENDIX 1 ACTION PLAN

| Findings | Risk Impact | Rating | Agreed Action | Responsible person agreed implementation date |
|--|-------------------------------|------------------------------------|---|---|
| 1. Accident Reporting | | High/ Medium or Low | | |
| The process for reporting both accidents and RIDDOR incidents within the Council does not maximise the use of electronic systems. | Inefficient use of resources. | Medium | An electronic reporting tool is required and needs IT technical input to develop. Management will discuss options to obtain this with ICT and Digital Manager. | Health and Safety Manager 30 November 2015 |
| 2. Statistics | | High/ Medium or Low | | |
| Accidents are monitored through incident reporting forms. A reconciliation of the absence reporting stats with accident report will provide further assurance. | Incomplete reporting | Medium | HR will provide a periodic report containing relevant information and this will be reconciled by the H&S team to the incident reports received. | Assistant Health and Safety Manager/ HR Development Officer 30 November 2015 |

| 3. Management reports | | High/ Medium or Low | | |
|--|---|------------------------------------|--|---|
| There is no official Annual report submitted to SMT, relevant committees or Full Council. | Non-compliance with recommended practice. | Medium | The Q4 DMT report will be used to produce an annual report to SMT. | Health and Safety Manager Complete |
| 4. Action tracking | | High/ Medium or Low | | |
| There is no formal tracking by the Health and Safety team of actions recommended following incidents. Heads of Service have Health and Safety Plans in place and periodically review progress. | Actions are not fully implemented, leading to Health and Safety failings. | Medium | H&S will adopt the Internal Audit model of follow up and reporting of actions. | Health and Safety Manager 30 November 2015 |

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