



Internal Audit Report

CORPORATE SERVICES DEPARTMENT

Review of Stress Management

January 2009

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1. BACKGROUND

- 1.1 The Health and Safety Executive has defined work-related stress as the adverse reaction people have to excessive pressures or other types of demand placed on them. There is a clear distinction between pressure, which can create a 'buzz' and be a motivating factor and stress, which can occur when this pressure becomes excessive.
- 1.2 Under the Health and Safety at Work Act 1974, employers have a general duty to ensure, so far as is reasonably practicable, the health of their employees at work. This includes taking steps to make sure they do not suffer stress-related illness as a result of being at work.
- 1.3 Regulation 3 of the Management of Health and Safety at Work Regulations 1999 requires employers to assess risks to health and safety from the hazards of work. This includes the risk of employees developing stress-related illness, because of their work. The employer is required to carry out a 'suitable and sufficient risk assessment'.
- 1.4 The Corporate Services Health and Safety Plan 2007-08 made a commitment to undertake an assessment of work related stress. This assessment would be based on a survey of Corporate Services staff conducted in March 2008.
- 1.5 The survey was carried out using the Health and Safety Executive Management Standards Indicator Tool. This consisted of 35 questions on working conditions known to be potential causes of work related stress, together with Excel based software that provided an analysis of responses.

2 AUDIT SCOPE AND OBJECTIVES

- 2.1 The objective for Internal Audit was to review the Corporate Services assessment of work related stress to ensure that the methodology used complied with Health and Safety Executive guidelines.
- 2.2 The review focussed on testing compliance with the Health and Safety Executive's guidelines on managing the causes of work related stress by examining and reviewing the Corporate Services Department survey of its employees in 2008.
- 2.3 The testing covered the methodology and conclusions of the survey, together with the subsequent actions taken as a result of the survey.
- 2.4 The review also evaluated whether it be recommended that the survey be extended to include all remaining council departments.

3 AUDIT APPROACH

3.1 Ensure that:

- The approach to the survey was defined and the appropriate stress risk factors as defined by the Health and Safety Executive were identified.
- There was evidence of senior management commitment for the project.
- There was clear communication with and set parameters for the participation of employees in the survey.
- The survey analysis and evaluation of risk was in line with Health and Safety Executive guidelines.
- Action plans were developed and communicated to employees.
- Action plans were monitored and assessed for effectiveness.

3.2 Discussions were held with the Chief Protective Services Officer and the Protective Services officer in order to understand the survey process.

4 SUMMARY OF MAIN FINDINGS

4.1 The Director of Corporate Services recognised the significant cost of stress to the Council in increased absence and disgruntled staff, and commenced a pilot survey exercise within his own service with a view to it being extended to other departments.

4.2 Internal Audit has assessed the pilot exercise and has made some suggestions that will hopefully enhance the value of the survey as it is extended across the departments of the Council. The main assets of the Council are its staff and this exercise supported by senior management and a good delivery response mechanism can only benefit the Council.

4.3 Although it was noted that an initial contact reference named person was provided for each service, the value of the pilot survey exercise could have been enhanced had a seminar for 3rd tier management been held to relay the significance of the pilot survey exercise to staff. Another delivery method that could have been used was cascade meetings between management and staff, to not only relay the importance of the survey, but allow suggestions from staff regarding how the survey could be conducted.

4.4 Despite an additional cost the importance and anonymity of the pilot survey exercise could have been enhanced had the questionnaire been sent out hard copy to staff. Equally, the low participation level may have been reduced had an addressed labelled envelope to the survey co-ordinator been supplied with the questionnaire for return via internal mail, rather than an open box used for

returning completed questionnaires.

- 4.5 The feedback process could be enhanced if either a seminar to staff or the use of 3rd tier management to cascade the results of the pilot survey exercise were adopted. Again, this could offer the opportunity for staff input. Also, consideration should be given to having the survey carried out on a bi-annual basis across the Council rather than it being a one off exercise so that performance improvement can be monitored.
- 4.6 The use of Health and Safety Executive survey format was a good choice as it provided the pilot survey exercise with a nationally approved basis. However, there was no facility on the questionnaire for participants to add comments to expand on responses. Specifically, question 21 'I am subject to bullying at work' had an adverse result and was rated by the survey tool as requiring urgent action. As there are a number of aspects to work place bullying, the responses required further qualification that added comments would have provided. In future additional space should be provided for any additional staff comments.

5 AREAS OF GOOD PRACTICE

The following issues were identified as good practice:

- 5.1 The identification of employee absence credited to stress related illness through on-going management analysis, was recognised and prompted the survey.
- 5.2 The recognition that a pilot survey exercise should be undertaken with staff.
- 5.3 The use of the Health and Safety Executive Management Standards Indicator Tool provided a structured approach to conducting surveys and is an important element in formulating a risk assessment of stress in the workplace.
- 5.4 Information filters for analysis evaluation was limited to broad departmental and pay grade groups, this provided staff anonymity but enabled meaningful results.

6 ACTION PLAN

- 6.1 The action plan attached at Appendix 2 has been compiled with the co-operation and agreement of the Director of Corporate Services and the Chief Protective Services Officer.
- 6.2 Internal Audit considers that, in an effort to improve the quality of information, monitoring and control, the recommendations should be implemented in accordance with the agreed action plan. Management have set achievable implementation dates and will be required to provide reasons to the Audit Committee for failure to implement within the agreed timescale. Where management decides not to implement recommendations it must evaluate

and accept the risks associated with that decision.

- 6.3 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 fundamental, material or minor. The definitions of each classification is set out below:-

Fundamental - 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;

Material - 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;

Minor - 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.

7 OVERALL CONCLUSION AND ASSESSMENT AGAINST OBJECTIVES

- 7.1 Internal Audit has assessed the pilot exercise and has made some suggestions that will hopefully enhance the value of the survey as it is extended across the departments of the Council. The main assets of the Council are its staff and this exercise supported by senior management and a good delivery response mechanism can only benefit the Council.
- 7.2 The Auditees had a good working knowledge of the processes involved. However, during the course of the audit, some areas were identified where suggestions in the form of recommendations have been made. These have been discussed with management and an action plan agreed. (Any issues not accepted by management are done so with their knowledge and acceptance of risk and control weakness.)
- 7.3 In addition, on completion of the agreed actions in this report, it is Internal Audit's opinion that there would be a benefit in extending the exercise to other service departments within the council.

8 ACKNOWLEDGEMENTS

- 8.1 Thanks are due to the Auditees' sections for their co-operation and assistance during the Audit and the preparation of the report and action plan.
- 8.2 Argyll & Bute Council's internal audit section has prepared this report. Our work was limited to the scope in paragraph 2.1 of this report. We cannot be

held responsible or liable if information material to our task was withheld or concealed from us, or misrepresented to us.

- 8.3 This report is private and confidential for the Council's information only and is solely for use in the provision of an internal audit service to the Council. The report is not to be copied, quoted or referred to, in whole or in part, without prior written consent.

APPENDIX 1

1 DETAILED FINDINGS

- 1.1 Health and Safety guidance states critical success factors for a work related stress survey require the survey to be publicised within the organisation, endorsements from senior management, a clear explanation of the purpose of the survey, how actions will be taken to address findings, how and when staff will receive feedback on results. The pilot survey exercise would have benefited from the invitation letter to employees specifying a feedback timetable.

Refer to Action Plan No 1

- 1.2 Health and Safety Executive guidance states that a minimum of 50% responding is required to be considered as representative. Corporate Services issued an invitation to participate to 360 employees, of which 127 (35%) responded. Due to the low response, the closing date for the survey was extended by 13 days. This was despite the Director of Corporate Services encouraging employees to participate.

- 1.3 The Director of Corporate Services identified the need for a pilot survey exercise within the Council and initiated one within his own department. Although it was noted that an initial contact reference person was provided for each service, the value of the pilot survey exercise could have been enhanced with a seminar for 3rd tier management to relay the significance of the pilot survey exercise to staff. Another delivery method that could have been used was cascade meetings between management and staff, to not only relay the importance of the survey, but allow suggestions from staff regarding how the survey could be conducted. There was evidence that a discussion had taken place with Protective Services staff regarding the exercise and this approach could have proved useful in staff participation had been extended across all services?

Refer to Action Plan No 2

- 1.4 A key feature of an effective survey is to ensure the anonymity of participants. At the same time it is important for organisations to have the ability to identify broad groups to assist management in the analysis of results. The survey tool provided this facility through information filters which in this case, Corporate Services applied two filters, service and pay groups.

- 1.5 The survey questionnaire was issued by email to Corporate Services employees. This was probably judged as the most cost efficient way to conduct the survey and ensure as many staff participated. However, given the sensitivity and the reference to the importance of anonymity, the use of email may not have been the best vehicle. Although not stated as a method of returning completed questionnaires, recipients would have worried that had they returned the completed questionnaire by email their electronic signature could have been traced.

- 1.6 Despite an additional cost the importance and anonymity of the pilot survey exercise could have been enhanced had the questionnaire been sent out hard copy to staff. Equally, the low participation level may have been reduced had an addressed labelled envelope to the survey co-ordinator been supplied with the questionnaire for return via internal mail.

Refer to Action Plan No 2

- 1.7 In Health and Safety guidance, a post survey action plan is a tangible demonstration to staff that specific issues identified have been recognised and the organisation is committed to ensuring the issues are addressed. There has been no feedback of results to staff and no action plans developed to address issues, despite the survey taking place in March 2008. Internal Audit recognises there were credible reasons as to why this did not occur and that plans are in place to provide feedback in the near future.

- 1.8 The feedback process could be enhanced if this involved either a seminar to staff or the use of 3rd tier management to cascade the results of the pilot survey exercise. Again, this could offer the opportunity for staff input. Also, consideration should be given to having the survey carried out on a bi-annual basis rather than it being a one off exercise so that improvement can be monitored.

Refer to Action Plan No 2

- 1.9 The Health and Safety Executive Management Standards Indicator Tool is designed to assist organisations in conducting stress surveys in the workplace. It consists of 35 pre-defined questions that prompt responses on working conditions that are known to be potential causes of work related stress.

- 1.10 The use of Health and Safety Executive survey format was a good choice as it provided the pilot survey exercise with a nationally approved basis. However, there was no facility in the questionnaire for participants to add comments to expand on responses. Specifically, question 21 'I am subject to bullying at work' had an adverse result and was rated by the survey tool as requiring urgent action. As there are a number of aspects to work place bullying, the responses required further qualification that added comments would have provided. In future additional space should be provided for any additional staff comments.

Refer to Action Plan No 3

APPENDIX 2

ACTION PLAN

ACTION PLAN NO	PARAGRAPH	GRADE	WEAKNESSES IDENTIFIED	AGREED ACTION	RESPONSIBLE OFFICER	DATE OF IMPLEMENTATION
1	1.1	Material	A future survey exercise should have the benefit of the invitation letter to employees specifying a feedback timetable.	Any future exercise will provide employees with a feedback timetable.	Jennifer Coyle HR and Business Improvement Manager	30 th September 2009
2	1.3, 1.6 and 1.8	Material	The delivery and response methodology should be reviewed.	For future survey exercises the delivery and response methodology will be reviewed.	Jennifer Coyle HR and Business Improvement Manager	30 th September 2009
3	1.10	Material	Health and Safety Executive survey format should be customised by adding a space for additional staff comments.	The survey format will be expanded to provide a space for additional staff comments.	Jennifer Coyle HR and Business Improvement Manager	31 st March 2010