



Internal Audit

FINAL

Dacorum Borough Council

Assurance Review of Corporate Health & Safety

2022/23

November 2022

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Corporate Priority 1: A clean, safe and enjoyable environment

SCOPE

The audit reviewed the systems and processes the council has in place to ensure compliance with corporate health and safety and provide assurance that these are designed and operating effectively.

KEY STRATEGIC FINDINGS



The Council has recently revised its Health and Safety Policy with the introduction of a new Policy and accompanying Strategy. The revised documents improve on the previous Policy, setting out more clearly the respective roles, responsibilities and reporting arrangements with the Strategy setting clear expectations and deliverables.



There are currently no risks identified in the Strategic Risk Register in relation to Health & Safety compliance for the Council. Given the significance of Health & Safety requirements across the Council's activities, it would be prudent to record this as a risk alongside the mitigating controls in place.



Reporting to the Council's Health, Safety and Resilience Committee should be improved, currently no information is routinely supplied on departmental risk assessments, audit visits undertaken, non-conformities identified, mandatory training compliance and performance indicators.



The reports submitted to the Committee in relation to statutory building compliance need to be improved, the current reports provide only high level summary data and lack key details in relation to the management of actions arising from inspections.

GOOD PRACTICE IDENTIFIED



Review of the Council's training profiles established that Health & Safety training was included for all profile groups relating to employees, managers and the leadership team. In relation to employees and managers this is set as e-learning whereas the leadership requirement is set for classroom based training.



Where audit visits are undertaken by the Corporate Health, Safety and Resilience Team, comprehensive reports are produced for the service area and there is clear tracking of any actions arising from the visits.

ACTION POINTS

	Urgent	Important	Routine	Operational
	0	9	2	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	<p>Review of the Health, Safety and Resilience Committee's minutes relating to statutory compliance noted that the Committee has not always followed through on identified actions as set out below:</p> <ul style="list-style-type: none"> - the September 2021 meeting minutes refer to 381 properties where there was no access for Electrical Installation Condition Report (EICR) inspections, the minutes show 'RL to provide a narrative around the EIC compliance and the outstanding 381'. However, review of the December 2021 report noted that the report was still in the same format with no additional narrative provided - the December 2021 meeting minutes state 'at the next meeting, RL will discuss the actions coming out of the Fire Risk Assessments and how these are being managed', however review of the April 2022 meeting minutes do not evidence any such discussion. <p>The issue raised in relation to attendance at the Committee may have contributed to this (see recommendation 13).</p>	The Committee to ensure that all actions arising from meetings are appropriately tracked.	2	<p><i>Refresh of the CHSR Committee has now taken place, becoming the H&S Board. This includes a new Terms of Reference and Chair, being the Deputy Chief Executive. In addition, quarterly reports comes from the Board to the Senior Leadership Team to ensure oversight.</i></p> <p><i>Actions are now tracked as part of this to ensure better oversight and compliance.</i></p>	<i>In Place</i>	<i>Deputy Chief Executive (as H&S Board Chair)</i>

PRIORITY GRADINGS

1 URGENT Fundamental control issue on which action should be taken immediately.

2 IMPORTANT Control issue on which action should be taken at the earliest opportunity.

3 ROUTINE Control issue on which action should be taken.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
4	Directed	Review of the Corporate Risk Register established that there are no risks identified, at a corporate level, in relation to Health & Safety compliance for the Council. Given the significance of Health & Safety requirements across the Council's activities, it may be prudent to record this as a risk alongside the mitigating controls in place.	The Corporate Risk Register be reviewed to assess whether the wider health & safety risks that the Council is exposed to be assessed and include as appropriate.	2	<i>It is the responsibility of all operational teams to flag risks. This is held on a risk register. The corporate risk register is overseen by the Senior Leadership Team and would be escalated to them through the H&S Board as appropriate.</i>	28/02/23	<i>Deputy Chief Executive (as H&S Board Chair)</i>
7	Directed	Review established that a work programme was in place for the Health, Safety & Resilience Committee in 2021/22. However, review of this and actual items submitted to the Committee, established that this did not address all items listed in the Committee's Terms of Reference, for instance 'to ensure that key risks are identified..' and 'assist in the formulation of action plans following inspection'. Review of the work programme for 2022/23 identified that it does not currently include items that are listed (in the terms of reference set out in the Health & Safety Strategy) as the responsibility of the Committee, for instance, oversight of strategic and operational health and safety risk registers, oversight on performance indicators and related monitoring.	The work programme of the Health, Safety and Resilience Committee be reviewed to ensure that the Committee fulfils its terms of reference as set out in the Health & Safety Strategy.	2	<i>Refresh of the CHSR Committee has now taken place, becoming the H&S Board. This includes a new Terms of Reference and Chair, being the Deputy Chief Executive. In addition, quarterly reports comes from the Board to the Senior Leadership Team to ensure oversight.</i>	Done	<i>Deputy Chief Executive (as H&S Board Chair)</i>

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8	Directed	The existing Policy places a requirement on the Corporate Health, Safety and Resilience Team to undertake health and safety audits across all services, at appropriate intervals (based on risk assessment). Discussions with the Corporate Health, Safety and Resilience Team Leader established that there was no formal plan of audit visits scheduled to be undertaken and it was therefore not possible to compare actual performance against plan. The proposed strategy includes a requirement for the Corporate Health, Safety and Resilience Team to 'schedule and undertake health and safety audits'.	A formal plan of health and safety visits to be undertaken be developed and submitted to the Health, Safety and Resilience Committee for review and approval. Performance against the plan should be reported to each meeting of the Committee.	2	<i>Audits were suspended as part of the Covid pandemic response. Now this has stepped back, a schedule of audits will be developed that fit in with the overall strategy and policy aims.</i>	31/12/22	CHSR Team
9	Directed	Review of audit assessments undertaken established that: - in 2020/21 five audits were completed - in 2021/22 four were completed - in 2022/23 there have been no audits to date. It is accepted that the workload of the team will have been impacted by the pandemic and the need to respond to emerging guidance, revised risk assessments etc.	Audits be undertaken in line with the approved plan of visits (see recommendation 8).	2	<i>As above</i>	31/12/22	CHSR Team

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10	Delivery	<p>Review of the Health, Safety & Resilience Committee meeting agendas and papers for 2021/22 and 2022/23 to date established that whilst it routinely receives updates across a range of areas, for instance statutory compliance, incidents and accidents, safe staffing etc, it does not receive information on:</p> <ul style="list-style-type: none"> - health and safety related risks identified in service areas/centrally - the results of audit visits/interventions undertaken by the Corporate Health, Safety & Resilience Team - the results of non-conformities with requirements identified by the Corporate Health, Safety & Resilience Team - performance indicators linked to Corporate Health & Safety, for instance the time taken to investigate incidents, RIDDOR reporting timescales - compliance with mandatory and role specific training requirements linked to health and safety. 	Reporting to the Health, Safety & Resilience Committee be enhanced to include the items identified.	2	<i>Refresh of the CHSR Committee has now taken place, becoming the H&S Board. This includes a new Terms of Reference and Chair, being the Deputy Chief Executive. In addition, quarterly reports comes from the Board to the Senior Leadership Team to ensure oversight.</i>	28/02/23	<i>Deputy Chief Executive (as H&S Board Chair)</i>

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11	Delivery	<p>Review of reports submitted to the Committee relating to statutory compliance with health and safety requirements for properties (housing and commercial) identified the following:</p> <ul style="list-style-type: none"> - the reports relating to commercial properties submitted to meetings in 2021/22 were very brief, containing 1 table showing headline compliance figures. No details were provided for non-compliant items. The report submitted to the April 2022 meeting did contain more detail in the form of meeting notes from a CAPD FLAGE (Fire, Legionella, Asbestos, Gas and Electricity) meeting, although it was not clear that these notes explained the non-compliant areas or set out actions to address them. - the reports relating to housing properties throughout 2021/22 were again brief, containing summary tables and some brief narrative. - neither of the reports contained any detail on actions arising from the inspections and their associated risk rankings and consequently the Committee has not tracked the implementation of these actions (the minutes for the June 2021 meeting refer to 350 high risk actions arising from fire risk assessments). <p>The brevity of information provided in relation to these two key areas was identified by the Committee in April 22, where the minutes record 'Compliance are to report more detail within their report'.</p>	The content of reports relating to statutory compliance submitted to the Committee be reviewed and an appropriate level of detail, including the tracking of actions arising from inspections undertaken, introduced.	2	<i>Refresh of the CHSR Committee has now taken place, becoming the H&S Board. This includes a new Terms of Reference and Chair, being the Deputy Chief Executive. In addition, quarterly reports comes from the Board to the Senior Leadership Team to ensure oversight.</i>	28/02/23	<i>Deputy Chief Executive (as Chair of H&S Board)</i>

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11	Directed	Whilst a number of areas are reported to the Health, Safety and Resilience Committee, e.g. Incidents/accidents, RIDDOR reportable events, building compliance, there are no formal targets set for performance. The new strategy starts to address this with more defined and measurable actions e.g. minimum requirements for statutory compliance audits, enhanced reporting requirements and timescales, but this could still be developed further.	A formal set of key performance indicators for health and safety related activity be developed and monitored, building on the targets set out in the Health and Safety Strategy.	2	<i>This work has started, with key details being provided to directorate meetings, which then will feed into a corporate overview at the H&S Board.</i>	31/12/22	CHSR Team
12	Directed	Review of attendance at the Health, Safety and Resilience Committee through 2021/22 established that attendance had not been in accordance with the current terms of reference for the Committee. Attendance by some members was sporadic/minimal and some listed members had not attended any of the meetings. The revised Policy and Strategy aims to address this.	As part of the implementation of the revised Policy and Strategy, the issue of consistent attendance be addressed.	2	<i>Refresh of the CHSR Committee has now taken place, becoming the H&S Board. This includes a new Terms of Reference and Chair, being the Deputy Chief Executive. In addition, quarterly reports comes from the Board to the Senior Leadership Team to ensure oversight.</i>	28/02/23	Deputy Chief Executive (as Chair of H&S Board)

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5	Directed	<p>Review of Operational Risk Registers established that a risk in relation to the delivery of health and safety as a housing landlord was included in the Housing risk register. No other health and safety related risks were identified.</p> <p>The revised Policy and Strategy place a requirement on Heads of Service to undertake an annual self-audit, which includes the requirement to assess risk management, with onward escalation of any significant health & safety issues as required.</p>	Local areas be required to assess the health & safety risks in their respective areas for escalation to operational risk registers as appropriate.	3	<i>H&S Training is currently being sourced to enable CLT members to understand their elements of control and next steps. CHSR attending Directorate meetings to assist. Operational risk registers are in place across the organisation and being reviewed.</i>	Q4 2022-24	All
6	Directed	<p>Discussions with the Corporate Health, Safety and Resilience Team Leader established that risk assessments undertaken over work activities and processes are retained locally and are not routinely shared with/accessible by the Corporate Health, Safety and Resilience Team.</p> <p>The revised policy requires for the submission of all risk assessments to the Corporate Team.</p>	Risk assessments undertaken locally be provided to the Corporate Health, Safety and Resilience Team for review.	3	<i>A growth bid has been approved for the implementation of a corporate health & safety database that will allow the collation of this information and proper governance including review dates.</i>	<i>Not Determined – feeds into the bigger ICT strategy so currently paused</i>	ICT / CHSR

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Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
There are no operational effectiveness matters to report.				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	Partially in place	1 & 11	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	Partially in place	2,3 & 4	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially in place	5, 6 & 7	-

Other Findings



The Council has a suite of policies in place that are linked to health and safety, for instance manual handling, asbestos, legionella etc.



Review of a sample of five audit visits undertaken established that the reviews were comprehensive and that formal reports had been issued containing recommendations where necessary. There was evidence that the recommendations had been subject to follow up and that intervention/improvement notices had been issued as required.



Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	Partially	8.9 & 10	-
FC	Financial Constraint The process operates within the agreed financial budget for the year.	In place	-	-
R	Resilience Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	-

Other Findings

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The Health, Safety and Resilience Committee meets quarterly. The Committee routinely receives reports relating to statutory compliance, incidents, safe staffing and policy updates. The Committee reports into the Council's Senior Leadership Team.
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The specific costs of the Corporate Health & Safety Team are contained within a bespoke cost centre, review established that the controllable element of this budget overspent in 2021/22, in the main due to unbudgeted Agency Staffing costs and a year-end adjustment in relation to Superannuation (linked to the requirements of FRS17), however, this overspend was largely offset by increased recharges and grant income received. The wider costs associated with health and safety in service areas, for instance undertaking risk assessments, working practices and training compliance, sit within the budgets for those areas and are not separately identifiable as health and safety related.
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Review of the Council's training profiles established that Health & Safety training was included for all profile groups relating to employees, managers and leadership team. In relation to employees and managers this is set as e-learning whereas the leadership requirement is set for classroom based training.

EXPLANATORY INFORMATION

Appendix A

Scope and Limitations of the Review

- The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

- The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of arrangements

- The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

- The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

- We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

- The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	5 th May 2022	6 th May 2022
Draft Report:	30 th June 2022	18 th October 2022
Final Report:	2 nd November 2022	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Dacorum Borough Council		
Review:	Corporate Health & Safety		
Type of Review:	Assurance	Audit Lead:	Head of Audit

Outline scope (per Annual Plan):	Ascertain and report on the systems and processes the council has in place to ensure compliance and provide assurance that these are designed and operating effectively in relation to health and safety and building safety compliance.		
Detailed scope will consider:	<p>Directed</p> <p>Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.</p> <p>Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register.</p> <p>Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.</p>	<p>Delivery</p> <p>Performance monitoring: There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.</p> <p>Financial constraint: The process operates with the agreed financial budget for the year.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p>	
Requested additions to scope:	(if required then please provide brief detail)		
Exclusions from scope:			

Planned Start Date:	07/04/2022	Exit Meeting Date:	27/06/2022	Exit Meeting to be held with:	Corporate Health Safety & Resilience Team Leader
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SELF ASSESSMENT RESPONSE

Matters over the previous 12 months relating to activity to be reviewed	Y/N (if Y then please provide brief details separately)
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	N
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	N
Have there been any significant changes to the process?	N
Are there any particular matters/periods of time you would like the review to consider?	N