Audit Committee, 20 March 2014

Internal Audit Report – Health and Safety

Executive summary and recommendations

Introduction

As part of the Internal Audit Plan for 2013-14 Mazars have undertaken a review of arrangements for ensuring the health and safety of staff, visitors and Council Members

Decision

The Committee is asked to discuss the report

Resource implications

None

Financial implications

This audit was undertaken as part of the internal audit plan for 2013-14. Mazars' annual fee is £27,000.

Appendices

Internal Audit Report – Health and Safety

Date of paper

12 March 2014

Internal Audit Report

**Health & Safety
(08.13/14)**

March 2014

FINAL REPORT

MAZARS

CONTENTS

Appendix 1 – Definitions of Assurance Levels and Recommendations
AUDIT CONTROL SCHEDULE:

Client contacts	Greg Ross-Sampson: Director of Operations Steve Hall: Facilities Manager	**Internal Audit Team**	Peter Cudlip: Partner Graeme Clarke: Director James Sherrett: Manager Syed Ali: Senior Auditor
Finish on Site \ Exit Meeting: **Last Information Received:**	29 January 2014 11 February 2014	**Management responses received:**	12 March 2014
Draft report issued:	17 February 2014	**Final report issued:**	12 March 2014

In the event of any questions arising from this report please contact James Sherrett, Mazars LLP james.sherrett@mazars.co.uk or Graeme Clarke, Mazars LLP graeme.clarke@mazars.co.uk

M✷ M A Z A R S

1.   INTRODUCTION

1.1   As part of the Internal Audit Plan for 2013/14, we have undertaken a review of the Health and Care Professions Council's (HCPC) arrangements for ensuring the health and safety of staff, visitors and Council Members. This area was included in the Plan due to the significance of risks associated with this area on the Risk Register at the time of drafting the Strategy. This area was last subject to review by the previous internal auditors in 2009/10.

1.2   We are grateful to the Facilities Manager, members of the Facilities and Human Resources teams, and other members of staff for their assistance during the course of the audit.

1.3   This report is for the use of the Audit Committee and senior management of HCPC. The report summarises the results of the internal audit work and, therefore, does not include all matters that came to our attention during the audit. Such matters have been discussed with the relevant staff.

2.   BACKGROUND

2.1   HCPC states its intentions and position in relation to health and safety through a policy statement within the Safety Policy. The statement lays out the HCPC's commitment to providing its services in a manner that protects the health and safety of its employees, contractors and visitors.

2.2   In addition to the statement, the Safety Policy also details the scope, statutory requirements, responsibilities and structure to support the policy statement. HCPC senior management seek to meet the requirements for health and safety, and fire safety legislation through implementing a combined health and safety, and fire safety management system referred to as the 'Safety Management System'.

2.3   Primary management responsibility for health and safety and fire safety at Senior Management level is with the Chief Executive and Registrar who is supported by the Director of Operations and Facilities Manager. The Facilities Manager has a team of three staff which consists of a Facilities Supervisor, Facilities Officer and a Caretaker.

2.4   Further to HCPC's corporate arrangements for health and safety of Council members and employees are arrangements for the safeguarding of visitors to HCPC including for the Fitness to Practice (FtP) hearings. HCPC requires job applicants for roles in the FtP department to have a Disclosure and Barring Service (DBS) check. This is in recognition of the fact that such roles may involve access to children and vulnerable adults and the importance of safeguarding their health, safety and wellbeing. HCPC undertakes to comply fully with the DBS Code of Practice and to undertake to treat all applicants fairly and its position on this is detailed within the Policy on Recruitment of Ex-Offenders.

2.5   Applicants for roles in other departments will not normally be subject to a DBS check. However, applicants are asked to declare on the HCPC's recruitment application firm whether they have any 'unspent' convictions under the Rehabilitation of Offenders Act 1974.

3.   SCOPE AND OBJECTIVES OF THE AUDIT

3.1   Our audit considered the following risks relating to the area under review:

MAZARS

- Failure to ensure the Health & Safety of Council Members. *(Risk Register, Ref 4.9, September 2013)*;

- Failure to ensure the Health & Safety of employees and visitors; and

- Staff do not know what they are responsible for, or how they should carry out their duties, leading to non-compliance with health and safety legislation, laws or organisational policy and procedures.
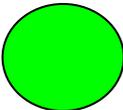
3.2　In reviewing the above risks, our audit considered the following areas:

- Health and Safety Statement, Health and Safety Policies and Procedures;

- Job Descriptions of staff, in respect of detailing responsibilities for Health and Safety;

- Display and communication of related legislation (e.g. Council member/staff induction, health and safety section of intranet, posters);

- Training of Council members/staff;

- Accident/incident recording and reporting including nominated First Aiders, locations of First Aid boxes, interactive map;

- Risk Assessments;

- Testing, Fire Alarm/Extinguisher testing and contractor maintenance;

- Fire Alarm evacuation drills;

- Assurances from third party contractors of compliance with Health and Safety policies and legislation – including covering any contractors/works as part of the 186 Kennington Park Road project;

- Health and Safety audits/inspections including any resulting action plan and monitoring implementation of any actions;

- Management information - reporting of Health and Safety activities including statistics of injuries/accidents/near misses etc. at Senior Management and Council; and

- Arrangements for DBS within FtP.

3.3　The objective of our audit was to evaluate HCPC's controls and processes for ensuring the health and safety of staff, visitors and Council Members. In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control.

3.4　We are only able to provide an overall assessment on those aspects of the controls and processes for ensuring the health and safety of staff, visitors and Council Members that we have tested or reviewed. The responsibility for maintaining internal control rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy of the internal control arrangements implemented by management and perform testing on those controls to ensure that they are operating for the period under review. We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone are not a guarantee that fraud, where existing, will be discovered.

MAZARS

4.   AUDIT FINDINGS: ONE PAGE SUMMARY

Assurance on effectiveness of internal controls	
	Substantial Assurance

Recommendations summary	
Priority	**No. of recommendations**
1 (Fundamental)	None
2 (Significant)	2
3 (Housekeeping)	3
Total	**5**

Risk management
As referred to in 3.1 above, HCPC's Risk Register identifies a specific risk related to the health and safety of its Council Members. In September 2013, this was assessed as having a gross risk score of 8 and mitigating controls in the Register are: Safety briefing at start of each Council or Committee meeting; H&S information on Council Extranet; and Personal Injury and Travel insurance. Previously the Risk Register has also contained Risk 11.5, 'Health & Safety of employees', however, this risk is no longer included in the Register.

As part of our audit we have reviewed the control measures in respect of 4.9 and noted that there is no information on H&S on the Extranet. In considering the other risks and areas within Section 3, we have identified further opportunities to improve the control environment to reduce risk exposure in this area as identified in Section 6 below.

Value for money
Value for money (VfM) cannot be the over-riding principle in this area, given the need to ensure the safety and welfare of staff, visitors and other stakeholders. Furthermore, HCPC must ensure compliance with the relevant legislation. VFM implications in this area can arise through the resourcing of any specific Health and Safety roles as well as procurement of any related services, such as through third party consultancies. There are also opportunities to ensure streamlined and automated processes are in place to ensure the efficient management and reporting of the various documentation in this area, such as risk assessments, accident reporting, etc.

There have been no significant staffing changes in the role of health and safety in recent years and HCPC's processes for managing health and safety appear to be reasonably efficient and streamlined.

M A Z A R S

5.   SUMMARY OF FINDINGS

Overall conclusion on effectiveness and application of internal controls

5.1   Taking account of the issues identified in paragraphs 5.2 and 5.3 below, in our opinion the control framework for health and safety, as currently laid down and operated at the time of our review, provides **adequate assurance** that risks material to the achievement of HCPC's objectives in respect of this area are adequately managed and controlled.

Areas where controls are operating effectively

5.2   The following are examples of controls which we have considered are operating effectively at the time of our review:

- HCPC has a comprehensive suite of policies and procedures relating to health and safety, which includes appropriate descriptions of roles and responsibilities for relevant staff. All polices and procedures are available on the intranet for staff to access;

- New permanent and fixed term contract staff receive a health and safety induction within a week of joining. An induction checklist is used to record areas covered with sign-off from staff obtained after completion. Workstation and display screen equipment (DSE) risk assessments form part of such inductions. Separate guidelines exist for temporary staff;

- An interactive map has been introduced on the intranet, which gives a site-by-site guide on assigned first aiders, their contact details, assembly points, location of fire exits, locations of first aid boxes, etc.;

- An annual review of site and fire risk assessments for all premises owned or used takes place. Other risk assessments include a first aid needs assessment; for expectant mothers, and for hearings conducted by the FtP department.

- There is an appropriate process in place used by the FtP department for carrying out risk assessments prior to hearings;

- Appropriate processes are in place to test fire alarms, for annual servicing of fire extinguishers and inspection of fire alarms, and recording and reporting accidents, incidents, and near-misses; and

- Appropriate arrangements are in place to train first aiders with a record kept of their qualification expiry dates. The number of first aiders is regularly reviewed as part of the first aid needs assessment.

Areas for further improvement

5.3   We identified certain areas where there is scope for further improvement in the control environment. The matters arising have been discussed with management, to whom we have made a number of recommendations. The recommendations have been, or are being, addressed as detailed in the management action plan (Section 6 below).

6. ACTION PLAN

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility
6.1	*Observation:* Section 9 of the Safety Policy outlines the health and safety and fire safety communication structure which indicates a 'Safety Committee'. The HCPC does not operate such a committee. During our review we also noted that there has been no reporting on health and safety matters to either the Audit Committee or Council outside of presentation of the Risk Register which includes a risk related to this area. Given the on-going nature of this risk and legislative environment, we would typically expect to see some form of reporting of this nature. *Risk:* Lack of assurance/awareness of health and safety arrangements.	(i) The Safety Policy should be updated with the agreed reporting and review process. (ii) An Annual Report on Health and Safety matters should be produced and reviewed by Members. Typically such reports provide detail of existing policy frameworks including review/update, operation of the safety management system, summary of incidents, etc.	3 2	The Safety Policy has been updated and a reporting and review process has been determined. This will be approved at the Executive Management Team meeting on 25 March 2014 Historically, health and safety matters have been reported to members in the Facilities section of the Operations report. This will continue. Also, an annual report on health & safety matters will be produced every 12 months. The first such report will be presented to Council in May. This will be included in the Operations report.	March 2014 May 2014

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility
6.2	*Observation:* A criminal record checking provider, TMG is used to carry out such checks for staff in FTP. The TMG online criminal record check application allows electronic submission of such applications and tracks progress of applications from the application management dashboard. Prior to this a spread sheet was in use to record the issue dates of the DBS checks received. The spread sheet record is still held. Our sample testing of new starters as part of our internal audit of HR – Recruitment, Retention and Succession Planning (report reference 05.13/14) did not identify any exceptions in relation to DBS checking of new starters during 2013/14. HCPC currently employs 78 staff within FtP. From a list of such staff, we selected a sample of 15 to verify whether the required DBS check was conducted. Nine of our sample pre-dated the use of the TMG CRB system and were checked against the previous process. We confirmed that for six of these, the DBS check was carried out at least five years ago. *(continued on the next page)*	Consideration should be given to renewing DBS checks after an agreed time period such as three years.	3	The policy will be reviewed over the next 12 months.	February 2015

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility
	Although there is no official expiry date for a criminal record check issued by DBS, the information revealed will only be accurate at the time the certificate was issued. It is therefore generally considered good practice to renew DBS checks after an agreed time period usually three years. *Risk:* HCPC may not be aware of any changes to the criminal record of staff in post, which may lead to no appropriate action taken and/ or reputational damage.				
6.3	*Observation:* For the leased site at 33 Stannary Street, arrangements for testing and inspection of fire alarms and the annual servicing of fire extinguishers are the responsibility of the company maintaining the premises. At the time of our visit HCPC had not received any formal assurances from the company that these are up to date. *Risk:* Fire alarms and extinguishers may not be serviced in accordance with agreed intervals and therefore prove ineffective in the event of an incident occurring.	HCPC should obtain assurances/copies of certificates for servicing of the fire extinguishers and tests of fire alarms for 33 Stannary Street.	2	HCPC have requested assurances from the managing agents that the fire alarm system is tested in accordance with the statutory regulations. Copies of the relevant certificates in relation to the servicing of fire extinguishers have also been rquested. HCPC has also requested a copy of the current Health & Safety/Fire Safety Risk Assessment. All information has been requested by 1st April 2014	April 2014

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility
6.4	*Observation:* One of the identified mitigating controls in the Risk Register is that the Council Extranet has health and safety related information for Council members. However, we noted the Council Extranet does not currently include such matters. In addition, health and safety matters were not covered within the induction programme for new Council members in January 2014. *Risk:* Council members may not be aware of relevant health and safety matters.	HCPC should revisit the mitigating controls for Risk 4.9 to ensure these remain appropriate to manage this risk and make changes as required. This should include ensuring relevant health and safety content should be included on the Council extranet. In addition, while a complete health and safety induction, as carried out for full time staff may not be relevant, consideration should be given to tailoring the induction process for Council members to include health and safety matters.	3	Risk 4.9 has been reviewed and the controls remain appropriate for the Health and Safety risk. The Council Extranet has been updated with the latest Health and Safety control information relevant to Council Members. Current Council Members will receive revised Health and Safety direct to their i-pads before the next council meeting. This information will also be brought to their attention at the next Council Meeting. Consideration will be given to tailoring the induction process for Council members as part of a larger review of the new Council Induction process. This will occur when the new Council Induction process commences in June 2014.	Completed

Appendix 1 – Definitions of Assurance Levels and Recommendations

We use the following levels of assurance and recommendations in our audit reports:

Assurance Level	Adequacy of system design	Effectiveness of operating controls
Substantial Assurance:	While a basically sound system of control exists, there is some scope for improvement.	While controls are generally operating effectively, there is some scope for improvement.
Adequate Assurance:	While a generally sound system of control exists, there are weaknesses which put some of the system objectives at risk.	While controls are generally operating effectively, there are weaknesses which put some of the system objectives at risk.
Limited Assurance:	Control is generally weak leaving the system open to significant error or abuse.	Control is generally weak leaving the system open to significant error or abuse.

Recommendation Grading	Definition
Priority 1 (Fundamental)	Recommendations represent fundamental control weaknesses, which expose, HCPC to a high degree of unnecessary risk.
Priority 2 (Significant)	Recommendations represent significant control weaknesses which expose, HCPC to a moderate degree of unnecessary risk.
Priority 3 (Housekeeping)	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.

M·MAZARS