

REPORT TO: SCRUTINY COMMITTEE – 25 SEPTEMBER 2024
REPORT ON: INTERNAL AUDIT REPORTS
REPORT BY: CHIEF INTERNAL AUDITOR
REPORT NO: 254-2024

1.0 PURPOSE OF REPORT

To submit to Members of the Scrutiny Committee a summary of the Internal Audit Reports finalised since the last Scrutiny Committee.

2.0 RECOMMENDATIONS

Members of the Committee are asked to note the information contained within this report.

3.0 FINANCIAL IMPLICATIONS

None

4.0 MAIN TEXT

4.1. The day-to-day activity of the Internal Audit Service is primarily driven by the reviews included within the Internal Audit Plan. On completion of a specific review, a report which details the audit findings and recommendations is prepared and issued to management for a formal response and submission of management’s proposed action plan to take the recommendations forward. Any follow-up work subsequently undertaken will examine the implementation of the action plan submitted by management.

4.2. Executive Summaries for the reviews which have been finalised in terms of paragraph 4.1 above since the last Scrutiny meeting are provided at Appendix A. The full reports are available to Elected Members on request. Reporting in Appendix A covers:

Audit	Assurance level
Health and Safety – Incident Reports	Substantial

4.3. Internal audit recommendations are now being categorised as either relating to the design of the control system (Design) or compliance with the operation of the controls (Operational). A comment on this is now included in each report

5.0 POLICY IMPLICATIONS

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

6.0 CONSULTATIONS

The Council Leadership Team have been consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

None.

CATHIE WYLLIE, CHIEF INTERNAL AUDITOR

3 SEPTEMBER 2024

(i) INTERNAL AUDIT REPORT 2022/23

Client	Neighbourhood Services
Subject	Health and Safety Incident Reports

Executive Summary*Conclusion***Substantial Assurance**

Dundee City Council has a well-established framework of incident reporting processes with clear policies, procedures, and guidelines which demonstrate a commitment to incident management and continuous improvement. However, we identified instances in which processes have not operated as designed, including inconsistencies and gaps in records of incidents, and issues with the availability of incident documentation.

Background

The Council has responsibilities under the Health and Safety at Work etc Act 1974 and the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR 2013) to record, review, investigate and report on Health and Safety incidents. These statutory instruments are supplemented by the Management of Health and Safety at Work Regulations 1999 and corresponding guidance from the Health and Safety Executive (HSE).

Health and Safety is about preventing people from being harmed by, or becoming ill through, work. All employees are responsible for reporting health and safety incidents at work, including near-misses where someone could have been harmed.

Certain incidents, such as an accident which results in death or a specific serious injury, for example, an injury likely to lead to permanent loss of sight or reduction in sight, or accidents that prevent the injured person from continuing their normal work for more than 7 days, must be reported to the HSE within 15 days of the accident.

The Council has developed a corporate Health and Safety Toolkit, which includes various sections including 'Accidents and Dangerous Occurrences' and 'Inspections and Audit.' The toolkit is supported by the Council's Health and Safety Policy Framework, which requires each service to put in place tailored, formal, local arrangements.

Scope

Review of the Council's arrangements for the recording and reporting of Incident Reports relating to both Construction Services and Environmental Services within Neighbourhood Services.

Objectives

		Action Priority			
		C	H	M	L
Confirm that Services have adequate arrangements in place to record, report and investigate all incidents (and all near misses).	Substantial Assurance	-	1	1	-
Verify that all relevant incidents are being reported to HSE within their 15-day timescale.	Comprehensive Assurance	-	-	-	-
Confirm that Services have adequate arrangements in place for learning from incidents.	Comprehensive Assurance	-	-	-	-
Ensure regular monitoring is in place each month to confirm any management action, identified after an incident, has taken place to minimise the risk of incidents re-occurring.	Substantial Assurance	-	-	1	1
TOTAL		-	1	2	1

Nature of Recommendations

All of the recommendations relate to the design of controls and are primarily intended to address issues identified with the operation of existing controls.

Key Findings

We identified a number of areas of good practice:

- There is a well-established and documented incident reporting process which is clearly outlined in the Health and Safety Policy Framework 2020. The framework is supported by comprehensive guidance documents and standardised incident report forms.
- Health and safety training has been developed for employees at all levels. Training programmes are regularly reviewed and updated to incorporate best practice, regulatory requirements, and lessons learned from previous incidents.
- The Council's process for reporting incidents to HSE is generally robust and compliant, underpinned by clear reporting policies and well-defined criteria for determining reportable incidents.
- The Health and Safety Team have established processes, training, and guidance for incident management, including conducting investigations, documentation requirements, and identifying preventative measures.
- Processes have been established to ensure that the insights and lessons learned from incidents are effectively incorporated into the risk management framework, policies, and procedures.
- There are monitoring and evaluation methods in place which assess the effectiveness of learning from incidents.
- There are clear processes for identifying, documenting, and communicating lessons learned as well as designated roles and responsibilities for individuals involved in the communication process.
- Responsibility for implementation of actions arising from incident investigation is clearly allocated.
- Implementation of management actions identified through incident investigations and risk assessment is tracked through a monthly monitoring process.
- The Health and Safety team monitor Health and Safety performance and report a standard set of management information to Services.

We have identified the following areas for improvement:

- There is a process designed to ensure accurate and complete incident reporting however its complexity means that information is not always captured consistently. A simplified incident recording process has been implemented from April 2024.
- In some cases, incident reports or related documentation were found to be incomplete or entirely absent from the designated folders.
- Investigation timescales were not always adhered to, and we found an inconsistent standard of documentation. Some supporting documentation could not be located.

Impact on risk register

The DCC Corporate and Neighbourhood services risk registers included, at time of audit, the following risks:

- **DCC006: Corporate Health & Safety** (Inherent risk 5x3, residual risk 4x3)
- **DCC008: Workforce** (Inherent risk 4x4, residual risk 4x4)
- **DCC009: Statutory & Legislative Compliance** (Inherent risk 5x4, residual risk 5x2, target risk 5x2)
- **NSCo002: Workforce** (Inherent risk 4x4, residual risk 4x3)

- **NSCo007: Legal / Regulatory Compliance** (Inherent risk 5x3, residual risk 5x3)
- **NSCo011: Communication** (Inherent risk 5x5, residual risk 4x3)
- **NSEN008: Legal / Regulatory Compliance** (Inherent risk 5x5, residual risk 5x3)
- **NSEN009: Health & Safety Procedures / Training** (Inherent risk 5x4, residual risk 4x3)
- **NSEN015: Staff** (Inherent risk 5x4, residual risk 4x3)

The Corporate Health and Safety, Statutory and Legislative Compliance, Legal/Regulatory Compliance (Environmental and Construction) risks all identify failure to comply with legislation, regulations and statutory guidelines as potential causes of the risks being realised. The incident reporting procedures and the integration of lessons learned into policies and procedures are key controls in mitigating these risks and help ensure that the council operates in accordance with legal and regulatory requirements.

The audit found that actions around lessons learned confirmed this control is working well.

In the course of the review of the incident reporting processes, we considered the overarching risk that the council fails to effectively manage health and safety incidents, leading to potential legal and regulatory non-compliance, reputational damage and harm to employees and stakeholders. While we found that the incident reporting procedure is well-established and documented, we noted inconsistencies in adherence to this procedure across all services. The audit revealed that the effectiveness of key controls may be compromised due to inconsistent application by staff. The inconsistencies were not pervasive across all sampled incidents however they were present in a notable proportion of the reviewed documentation. The recommendations aim to ensure that the existing controls are properly implemented and adhered to, rather than introducing new controls.

Definitions of Levels of Assurance

Comprehensive Assurance	The system of controls is essentially sound and supports the achievement of objectives and management of risk. Controls are consistently applied. Some improvement in relatively minor areas may be identified.
Substantial Assurance	Systems of control are generally sound, however there are instances in which controls can be strengthened, or where controls have not been effectively applied giving rise to increased risk.
Limited Assurance	Some satisfactory elements of control are present; however, weaknesses exist in the system of control, and / or their application, which give rise to significant risk.
No Assurance	Minimal or no satisfactory elements of control are present. Major weaknesses or gaps exist in the system of control, and / or the implementation of established controls, resulting in areas of unmanaged risk.

Definitions of Action Priorities

Critical	Very High-risk exposure to potentially major negative impact on resources, security, records, compliance, or reputation from absence of or failure of a fundamental control. Immediate attention is required.
High	High risk exposure to potentially significant negative impact on resources, security, records, compliance, or reputation from absence of or non-compliance with a key control. Prompt attention is required.
Medium	Moderate risk exposure to potentially medium negative impact on resources, security, records, compliance or reputation from absence or non-compliance with an important supporting control, or isolated non-compliance with a key control. Attention is required within a reasonable timescale.
Low	Low risk exposure to potentially minor negative impact on resources, security, records, compliance, or reputation from absence of or non-compliance with a lower-level control, or areas without risk exposure but which are inefficient, or inconsistent with best practice. Attention is required within a reasonable timescale.

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