

# Internal Audit Report

## Cross Directorate: Health and Safety – Findings only

31 October 2023

CD2311

<b>Overall Assessment</b>	<b>Limited Assurance</b>
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The Internal Audit charter approved by the Council’s Governance, Risk and Best Value Committee in March 2023 notes that IA reserves the right to raise findings on areas that have not been specifically included in the annual plan where significant or systemic control gaps are evident.

This internal audit findings only review is conducted for the City of Edinburgh Council under the auspices of the March 2023 Internal Audit charter. The review is designed to help the City of Edinburgh Council assess and refine its internal control environment. It is not designed or intended to be suitable for any other purpose and should not be relied upon for any other purpose.

The internal audit work and reporting has been performed in line with the requirements of the Public Sector Internal Audit Standards (PSIAS) and as a result is not designed or intended to comply with any other auditing standards.

Although there are specific recommendations included in this report to strengthen internal control, it is management’s responsibility to design, implement and maintain an effective control framework, and for the prevention and detection of irregularities and fraud. This is an essential part of the efficient management of the City of Edinburgh Council. Communication of the issues and weaknesses arising from this audit does not absolve management of this responsibility. High and Critical risk findings will be raised with senior management and elected members as appropriate.

# Executive Summary

Overall  
Assessment

Limited  
Assurance

## Overall opinion and summary of findings

Our review of Health and Safety of Outdoor Infrastructure completed in March 2023 identified several findings which indicate that the Health and Safety Management System across the Council is not operating as expected with the potential to cause serious injury and/or fatalities identified.

It is recommended that Corporate Leadership Team consider the issues identified thematically and consider whether a deep dive into health and safety across these areas is required.

**Corporate Health and Safety audit programme / service inspections** – the corporate health and safety audit programme across the Council’s buildings and sites was paused during Covid-19 and has not yet resumed. Additionally, there is limited evidence of effective workplace inspections by the services

- **fire safety and safe storage of equipment and hazardous materials** – onsite inspection by Internal Audit of Murrayburn Store found several unsafe storage conditions including LPG / compressed gas cylinders stored near a bulk chemical store, hazardous waste and possible contamination concerns, inappropriate storage of large unstable objects and blockage of a fire door and designated emergency exit route.
- **key person dependency** – business continuity processes are required to ensure that health and safety risks are regularly assessed and adequately managed. Risk assessments detailing risks and control methods required to protect employees health and safety at work within one team audited, where there had been long term absence of more than one team member, were five months out of date.

## Audit Assessment

Findings	Priority
Finding 1 - Council Health and safety audit programme / service inspections	High Priority
Finding 2 – Skills, experience, and knowledge of managers	Medium Priority
Finding 3 – Fire safety, safe storage of equipment and hazardous materials	High Priority
Finding 4 – Key person dependency	Medium Priority

[See Appendix 1 for Control Assessment and Assurance Definitions](#)

# Background and scope

Health and safety legislation consists of both primary legislation which describe general duties, and secondary legislation that places more specific or substantive duties on employers.

The [Health and Safety at Work etc Act 1974](#) is primary legislation which sets out the duty of every employer to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all his employees.

Secondary health and safety legislation, in the form of regulations, makes clear the specific duties, in relation to the different types of hazards and risks, that an employer must fulfil in order to comply with the law.

The Council's [Health and Safety Policy](#) was approved in December 2020 and defines the Council's commitment to protecting the health, safety and welfare of employees and those persons who may be affected. The policy forms the basis for the health and safety management system and defines the operational goals, sets standards for performance, and identifies key roles and responsibilities.

## Scope

During the fieldwork of outdoor infrastructure, Internal Audit interacted with officers and visited physical sites and premises. The auditor observed control gaps and findings related to general health and safety risks which have been included in this report, in line with the authority granted under the [Internal Audit Charter](#).

## Risks

- Health and safety (including public safety)
- Regulatory and legislative compliance
- Reputational risk

## Reporting Date

Testing was undertaken between December 2022 and March 2023.

Our audit work concluded on 31 August 2023, and our findings and opinion are based on the conclusion of our work as at that date.

The Head of Internal Audit raised the issues in this report which related to immediate health and safety risks directly to the Head of Corporate Health and Safety in March 2023. Following this, Corporate Health and Safety carried out immediate inspections to discuss issues with relevant officers.

# Findings and Management Action Plan

## Finding 1 – Council Health and safety audit programme / service inspections

Finding Rating	High priority
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Prior to the Covid-19 pandemic, the Council’s Corporate Health and Safety team performed an audit programme across all Council land and property which helped to identify issues and ensure compliance with policies and legislation. Health and Safety audits were paused in 2020 due to Covid-19 to allow Health and Safety to focus supporting on Covid-19 requirements and at the time of the internal audit fieldwork, the programme of audits had not yet resumed, in large part due to resource capacity issues.

During fieldwork, officers working across sites advised they would welcome guidance and support from the Corporate Health and Safety team to effectively manage the range of health and safety issues which are presented across the various areas of the Council.

Corporate Health and Safety advised, that prior to the pandemic, workplace inspections were the responsibility of Services and were supported by Trade Unions at times, and that with six Health and Safety Advisers and circa 600 operational sites across the Council, the team are not resourced to undertake full site inspections on a programmed basis.

### Risks

- **Regulatory and legislative compliance**  
**Health and safety (including public safety) / Reputational Risk:** lack of an effective audit programme may lead to health and safety processes not being compliant with relevant legislation and Council’s Health and Safety Policy exposing the Council to employees and public safety risk with a potential to impact its reputation in case of an incident.

## Recommendations and Management Action Plan: Resumption of service inspections and audit programme

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
1.1	Services should implement a robust programme of workplace inspections, initially focussing on the issues raised within this report, and checking whether similar issues are present across other workplace sites. Following this, the programme should be developed to ensure high risk sites are inspected quarterly.	Services will put in place a programme of workplace inspections for all workplaces. Trade unions will be invited to participate in workplace inspections as far as possible. Details of inspections should be recorded using the workplace inspection template, on the <a href="#">Orb Health &amp; Safety</a> pages, or relevant digital checklist/management system (e.g CAFM).	All Executive Directors	All Service Directors All Heads of Service	30/05/2024

1.2	Directors and Heads of Service should encourage a vigilant culture to comply with Council's Health and Safety policy and relevant legislation/Council guidance. Senior Managers should also maintain regular oversight of health and safety issues across the Council.	Directors and Heads of Service will review which H&S regulatory obligations apply to their area of responsibility and therefore which policies/guidance etc need to be applied. Services will engage with the Corporate Health and Safety Team to support with this action.	All Executive Directors	All Service Directors All Heads of Service	31/10/2024
1.3	The Corporate H&S team should undertake a review to consider the issues raised within this report and assess whether these issues are likely to be replicated across other workplace sites and to check that management are completing the workplace inspections as set out in recommendation <a href="#">1.1</a> .	<ol style="list-style-type: none"> <li>1. The Corporate Health and Safety Team will carry out a council wide audit to confirm the status of workplace inspection regimes. Progress will be reported to the Council H&amp;S group.</li> <li>2. The Corporate Health and Safety Team will also explore options to report on completion of workplace inspections by Services as part of quarterly Directorate H&amp;S Dashboard reporting.</li> </ol>	Executive Director of Corporate Services	Corporate Health and Safety Team	31/03/2024  31/10/2024

## Finding 2 – Skills, experience, and knowledge of managers

Finding  
Rating

Medium  
priority

While the relevant managers for the areas reviewed have completed the Council’s mandatory and additional health and safety training, managers interviewed across multiple teams during the audit were not fully aware of the Council’s Health and Safety Policy or the regulatory requirements and therefore may not have the necessary skills, experience, and knowledge necessary to comply with the health and safety legislative requirements.

Some managers were not aware of the detail in the Council’s Health and Safety policy, which states that compliance with the statutory duties is the minimum acceptable performance standard.

Managers have developed an understanding of the general duties, the broad requirements to carry out risk assessments and to control risks at work but have not necessarily acquired the detailed knowledge of the regulations or the specific requirements in relation to the hazards that they were required to undertake the risk assessments on.

There was also limited evidence in some areas that those conducting risk assessments, or managing health and safety, have used the supporting materials, guidance, tools, or industry standards available through the HSE or the Council’s Corporate Health and Safety Team to inform the approach to risk assessment, risk management or inspection and monitoring, in the workplace. This may be an example of an issue that exists across the Council more widely.

### Risks

#### Health and safety (including public safety) / regulatory and legislative compliance

- inadequately skilled or inexperienced officers lacking required understanding of the relevant regulations around health and safety may increase the risk that some Council processes are not compliant with regulations
- inadequate processes may be operating more widely leaving the Council exposed to unacceptable risks.

## Recommendations and Management Action Plan: Skills, experience, and knowledge of managers

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
2.1	Management should review the skills and experience of teams to ensure they meet the requirements of the Council and relevant legislation.	Following on from action <a href="#">1.2</a> , Directors and Heads of Service will ensure suitable training arrangements are in place, reflecting the regulatory requirements in their service area.	All Executive Directors	All Service Directors All Heads of Service	31/10/2024
2.2	The Council should review the organisational arrangements it has in place to ensure sufficient oversight of risk assessment and risk control.	The Corporate Health and Safety Team will undertake this review, reporting back to the Council Health and Safety Group with its findings and recommendations.	Executive Director of Corporate Services	Corporate Health and Safety Team	31/10/2024

2.3	<p>Health and Safety training needs across services should be determined and completed as required. The HSE and industry bodies have produced combined industry standards and guidelines for some areas, that if adhered to, are accepted as adequate to meet the needs of the legislation. The HSE publishes extensively detailed, high quality and up to date materials including guidance and worked examples that can be used to help managers produce risk assessments that are, suitable and sufficient and therefore valid.</p>	<p>Following on from action <a href="#">1.2</a>, Directors and Heads of Service will ensure suitable training arrangements are in place, reflecting the regulatory requirements in their service area.</p>	<p>All Executive Directors</p>	<p>All Service Directors All Heads of Service</p>	<p>31/10/2024</p>
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## Finding 3 – Fire safety, safe storage of equipment and hazardous materials

Finding  
Rating

High priority

Onsite inspection of Murrayburn store identified the following issues in relation to fire safety, safe storage of equipment and hazardous materials. The issues were raised immediately with management by audit to enable corrective actions to be taken:

- the building is a storage unit containing many combustible materials some of which, such as foam and plastic packaging, would release toxic fumes if ignited
- there does not appear to be any fixed automatic fire protection, such as a sprinkler system in the building
- a fire door was observed to be blocked by combustible materials and large concrete blocks consistent with the size and weight of those used to close roads. Safety signs, providing instructions to keep the fire exit clear were clearly visible, in good condition and prominently displayed on the door. The door opened inwards against the obstructions which would prevent people from the adjacent building using this exit if required in the event of an emergency.
- potential sources of ignition, such as the poorly controlled storage of LPG cylinders and compressed gas cylinders, stored next to the bulk flammable chemicals store were also noted to be near the warehouse.
- LPG and compressed gas cylinders were noted to be stored together which is against regulations and there are no warning signs to prohibit smoking or open flames next to the LPG store.
- many examples of poor storage practices were observed in the store including long heavy items propped up against walls without any securing straps to prevent them falling over
- several large items were noted to be stored on the ground as against the safer wall mounted storage
- dark staining from the chemical store to an open drain which could be a result of a chemical or diesel spill was observed, and an open topped

lubricant barrel was adjacent to the store which could overflow when filled by the rain. The soil around the drain was noted to be dark in dry weather conditions, which may indicate chemical contamination of the soil and surrounding area, including into the surface water drain, potentially resulting in environmental pollution.

- there was evidence of issues with rodents within the warehouse, and an area where employees can store food and prepare drinks was noted to have a heavily contaminated working and switched on fridge which is unlikely to comply with the Council's Health and Safety hygiene standards. Management has advised that despite fridge not being taken out of use, the staff had not used it for a few years.

It is also noted that the Scottish Fire and Rescue service is changing the approach to responding to automatic fire alarms, and therefore the Council should ensure it is aware of, and limit fire hazards within sites, where possible.

These issues indicate that effective means of ensuring the health and safety of employees including routine inspection, monitoring, and taking corrective actions, when necessary, were not implemented for these premises.

The issues also highlight an ineffective system of governance and oversight at a corporate level to ensure that required systems and process are in place and are working effectively.

### Risks

- **Health and safety (including public safety):** failure to comply with hygiene standards resulting in harm to employees working at the store
- **Regulatory and legislative compliance:** increased risk of incidents occurring and exposure to resulting liabilities and financial costs including fatalities or serious injuries, litigation, civil claims for negligence
- **Reputational Risk:** environmental impacts from potential leakages leading to significant financial penalties and reputational damage

## Recommendations and Management Action Plan: Fire safety, safe storage of equipment and hazardous materials

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
3.1	Management should review the health and safety procedures across all sites and locations to ensure there is clear responsibility for health and safety, robust processes and adequate training and awareness amongst managers and operatives to ensure compliance with the Council's Health and Safety Policy and relevant legislation.	A review of the Duty Holder arrangements across all sites will be conducted by the corporate health and safety team, reporting back to the Council Health and Safety Group with findings and recommendations.	Executive Director of Corporate Services	Corporate Health and Safety Team	31/10/2024
3.2	The Council's Health and Safety Team should undertake an audit to determine how the role of Head of Establishment is being implemented across a representative sample of the Council and should report back to the Council Health and Safety Group.	The Council Health and Safety Team will undertake a detailed review of Duty Holder Arrangements across a representative sample of sites to establish if the resources provided adequately support Duty Holders in their role.	Executive Director of Corporate Services	Corporate Health and Safety Team	31/10/2024

## Finding 4 – Key person dependency

Finding Rating	Medium priority
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Commencement of the Internal Audit of Outdoor Infrastructure was delayed due to absence of key individuals. The audit highlighted that effective management of several health and safety risks was compromised due to their absence.

A risk assessment, detailing the risks and control methods required to protect the health and safety of employees at work in this area had not been reviewed during the officer’s absence. As a result, the risk assessment was five months out of date, with no system in place to highlight and escalate that the risk assessment was due for revision or was out of date.

It was also noted that several of the open action items in the risk assessment had not been completed by their due dates.

### Risks

- **Health and safety (including public safety) / Regulatory and legislative compliance:** absence of a robust governance and control framework and key person dependency resulting in key controls and processes not operating as expected exposing the Council to unforeseen risks.

## Recommendations and Management Action Plan: Key person dependency

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
4.1	As part of the review at <a href="#">1.2</a> management should review team capacity and workloads to ensure there are appropriate documented arrangements in place ensure the continued management of health and safety risks, including completion of required risk assessments during periods of absence or if key individuals leave the Council or move roles.	As part of action <a href="#">1.2</a> Heads of Service will ensure adequate arrangements are in place to ensure that team capacity and workloads are covered, and contingency arrangements are in place for health and safety risks to continue to be assessed and mitigated during key officer absence and when key individuals move/leave roles.	All Executive Directors	All Service Directors All Heads of Service	31/10/2024

# Appendix 1 – Assurance Definitions

Overall Assurance Ratings	
<b>Substantial Assurance</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
<b>Reasonable Assurance</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Limited Assurance</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Finding Priority Ratings	
<b>Advisory</b>	A finding that does not have a risk impact but has been raised to highlight areas of inefficiencies or good practice.
<b>Low Priority</b>	An issue that results in a small impact to the achievement of objectives in the area audited.
<b>Medium Priority</b>	An issue that results in a moderate impact to the achievement of objectives in the area audited.
<b>High Priority</b>	An issue that results in a severe impact to the achievement of objectives in the area audited.
<b>Critical Priority</b>	An issue that results in a critical impact to the achievement of objectives in the area audited. The issue needs to be resolved as a matter of urgency.