

REPORT OF THE INTERNAL AUDITOR

SUBJECT: INTERNAL AUDIT REPORT

Two reports are attached. The first provides an update of progress towards delivery of the 2023/24 Internal Audit Annual Plan, and a summary of the work undertaken to date.

The second report provides a high level review of the Health & Safety Management System (HSMS) in place. Taking account of the scope of the review and the issues identified, the National Park Authority can take reasonable assurance that action is being taken to improve the processes and structures in place to minimise the risks to employees and stakeholders through working practices. However, at the time of our review it was evident that significant improvements were underway and we identified some additional control improvements that were required to help to ensure the continuous and effective mitigation of the risks in this area.

Recommendation: Members are asked to NOTE and COMMENT on this report

(For further information, please contact Tegryn Jones tegrynj@pembrokeshirecoast.org.uk , extension 4803)



Pembrokeshire Coast National Park Authority

Internal Audit Progress Report

Committee Meeting Date: 28 February 2024

INTRODUCTION

This report provides an update of progress towards delivery of the 2023/24 Internal Audit Annual Plan, as well as a summary of the work undertaken to date.

SUMMARY OF PROGRESS

As per the agreed plan, we have finalised the following reports since the last committee meeting:

- Health and Safety (02.23/24)

Overall, the status of the internal audit programme is as follows:

Assignment <i>Reports considered today are shown in italics</i>	Status	Opinion	Recommendations:		
			High	Medium	Low
<i>Risk Maturity (01.23/24)</i>	<i>FINAL</i>	<i>Advisory</i>	1	2	2
<i>Health & Safety (02.23/24)</i>	<i>FINAL</i>	<i>Reasonable</i>	0	3	2
Value for Money	Quality				
Income Generation	DRAFT				
Key Financial Controls	Planned				
Countryside Management	Planned				
Follow Up	Planned				
Information & Cyber Security & Data Protection					
TOTAL:			1	5	4

Note: Opinions and recommendations will be included when reports are finalised.

LIAISON WITH MANAGEMENT & EXTERNAL AUDIT

There has been ongoing communication between Internal Audit and Senior Management within the Authority in relation to the completion of the audit plan as well as getting a greater understanding of the Authority and how it operates.

INTERNAL AUDIT PLAN CHANGE CONTROL

The following changes have been made to the Internal Audit Annual Plan since it was agreed:

Change	Date	Agreed By
November 2023		
Facilitating a Risk Maturity Workshop was delivered by Astari in September 2023 in addition to the audit plan.	September 2023	Chief Executive
The Income Generation audit has been postponed from October 2023 to January 2024 as key actions were due to be undertaken in November 2023 and it was agreed that it would be more efficient to capture these within the audit. The change will have no impact on committee reporting timescales.	October 2023	Chief Executive
The audit of Governance: Value for Money was impacted by the Finance Manager leaving the organisation and so this was agreed to be postponed to January 2024 and the Chief Executive will now be the lead officer.	October 2023	Chief Executive

February 2024

We have amended the Estates Management audit to become Countryside Management now that we understand the Authority's remit and risks better. We propose that Countryside Management and Estates Management will remain as separate areas going forward.

February 2024

Director (Nature Recovery & Tourism)

WORK IN PROGRESS OR YET TO START

Audit	Start Date	Debrief Date	Draft Report Issued	Planned Committee	Comments
Value for Money	8 Jan 24	11 Jan 24		May 2024	Quality review stage.
Income Generation	10 Jan 24	13 Jan 24	13 Feb 24	May 2024	Recently issued in draft.
Key Financial Controls	26 Feb 24			May 2024	The timing of these may change slightly depending on whether they are undertaken in a block or as separate reviews.
Countryside Management	26 Feb 24			May 2024	
Follow Up	26 Feb 24			May 2024	
Information & Cyber Security & Data Protection	25 Mar 24			July 2024	



ASTARI

Pembrokeshire Coast National
Park Authority
Health & Safety

Internal Audit Report: PCNPA-2023/24-02

Date: 18 December 2023

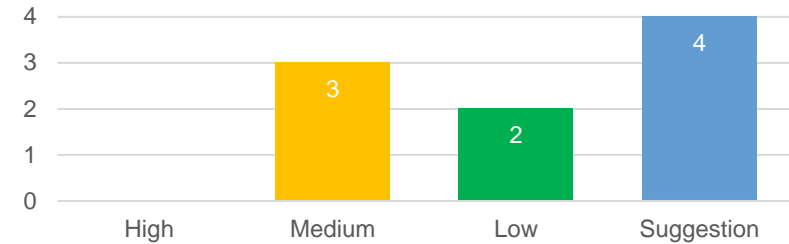


1. EXECUTIVE SUMMARY

Level of Assurance



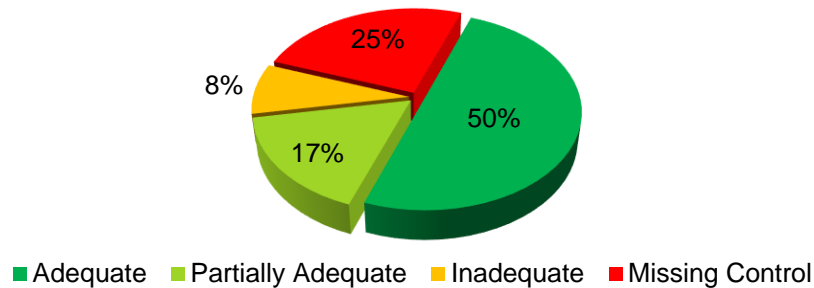
Number & Priority of Recommendations / Suggestions



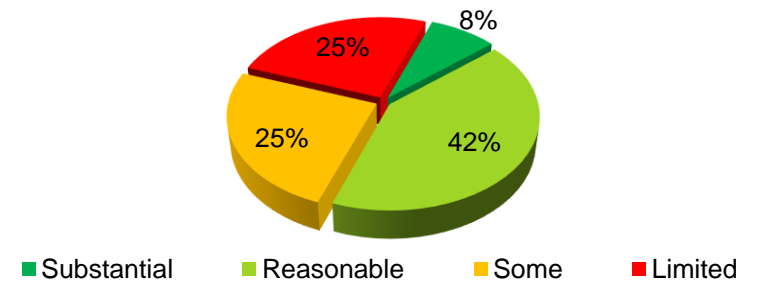
Conclusion: Taking account of the scope of the review and the issues identified, the National Park Authority can take **reasonable** assurance that action is being taken to improve the processes and structures in place to minimise the risks to employees and stakeholders through working practices. However, at the time of our review it was evident that significant improvements were underway and we identified some additional control improvements that were required to help to ensure the continuous and effective mitigation of the risks in this area.

This was a high level review of the Health & Safety Management System (HSMS) in place and consideration has been given to the improvement work ongoing and planned at the time of our review to strengthen the control framework. We have not raised additional recommendations where we consider the planned improvements would likely address risks identified, with the caveat that they are implemented as intended.

Assessment of Control Design



Assessment of Control Application / Compliance



Summary of findings

The above conclusions feeding into the overall assurance level are based on the evidence obtained during the review. The key findings from this review are as follows:

- The Health & Safety Policy had recently been updated and was due for approval by the Management Committee. It included the majority of information expected but had not been reviewed and approved by the National Park Authority since 2018, which may reduce the effectiveness of the “tone at the top” in relation to health and safety (H&S).
- Supporting policy and procedural guidance, including templates, were in the process of being reviewed at the time of our audit to ensure they were fit for purpose.
- The Authority was moving to SharePoint and we understood that a central H&S area is planned to enable staff to access key guidance. This should help improve accessibility to up to date guidance and promote consistency.
- A H&S training matrix was not in place to establish what training each role required, monitor compliance with training and to help strengthen assurance over this area. We were advised that this was planned following the completion of the pay and grading review that was currently taking place.
- IOSH Managing Safely and IOSH Leading Safely training was in the process of being delivered at the time of our review to relevant managers within the organisation. The intention internally was that the training would help to support the development and application of a robust health and safety management system (HSMS). Improvements had also been recently implemented to include H&S awareness, fire safety awareness and manual handling on the e-learning system and these had been made mandatory for all staff, which we endorse. The assurance we can provide of compliance with H&S training requirements for the Authority historically was limited.
- A review of a sample of 20 risk assessments noted they were all overdue an annual review. Various templates were utilised and the quality of the information within them differed. We were made aware that updated risk assessment templates and guidance were due to be rolled out following the training being undertaken.
- There was limited periodic health surveillance arrangements in place except for annual Hand Arm Vibration Syndrome (HAVS) checks, where a review of reports provided indicated that these were up to date. One-off checks had been conducted this year and last for audiometry and spirometry.
- Accidents and incidents reported were generally low in severity. Near miss reporting was low and it was acknowledged internally that further work was necessary to improve awareness of reporting. We have not raised a recommendation at this time as improvement work was ongoing to strengthen reporting processes and capture root causes more effectively.
- Seven RIDDORs had occurred since 1 April 2022, five relating to HAVS and the remaining two relating to a volunteer and member of the public. The most recent one was being investigated during the review and had been reported within a timely manner. The November 2022 incident involving a volunteer had not been reported to the Authority until March-April 2023, with the RIDDOR backdated appropriately thereafter by the Authority.
- There was no central mechanism in place for ensuring improvement actions identified as a result of accident, incident or near miss were appropriately addressed for assurance purposes.
- We were made aware that the lone working arrangements were under review as they were not considered by the organisation to be fit for purpose and action was being taken to strengthen this area. We have not raised any additional recommendations at this stage; however, in developing a robust process, monitoring and assurance arrangements should be considered.

- The Health & Safety Group met regularly to review H&S performance and arrangements but there was no standard agenda and the H&S action plan utilised by the H&S Project Manager was not reported on to help promote continuous improvement.
- The Audit and Corporate Services Review Committee received a H&S performance report at each meeting, which included the number and type of accidents and incidents as well as lessons learnt. Further enhancements, such as the use of lagging and leading metrics, could be made to reporting to improve oversight of the HSMS as a whole.

Additional Feedback

- During the review we noted some potential confusion around the types of information reported on staff H&S to both the Audit and Corporate Services Review Committee and the Human Resources Committee and what each committee should receive. To help improve clarity over what information should be reviewed and scrutinised by which group, it would likely be beneficial to review the Terms of References in place for both committees and to establish a reporting framework that promotes effective oversight and efficiency.
- As part of this review we sought to understand structures and processes in place for H&S, which included internal assurance processes and how the Authority ensures that it continually identifies and acts upon any changes in H&S legislation and good practice within a timely manner. It is not the role of Internal Audit to decide on the most appropriate resourcing arrangements for H&S within the Authority; however, we believe it is worth noting in this report that resources in place, including whether any additional external support is required, should be considered in the work ongoing to establish a robust health and safety management system (HSMS). This should include how the Authority will ensure that it remains up to date with any legislative changes and also how it will obtain assurance going forward that the HSMS is working effectively.

2. BACKGROUND AND SCOPE

2.1. Objectives and risks

Client's objective:	The Authority takes reasonable and practicable steps to protect the organisation's staff and stakeholders from health and safety risks in line with relevant legislation.
Risk:	A failure to implement appropriate and effective H&S arrangements will increase the risk of injury to staff and visitors and could also result in legal, financial and/or reputational implications should there be a successful claim arising from an injury in the workplace.
Engagement objective:	To provide assurance that there are robust processes and structures in place to minimise the risks to employees and stakeholders through working practices. This will be a high-level review of the H&S management system in place and how the Authority ensures this is effectively implemented and monitored.

2.2. Background to the Engagement

An audit of Health & Safety was undertaken as part of the approved internal audit periodic plan for 2023/24.

A review of the structures and processes in place to identify, risk assess and take action to mitigate key health and safety risks to staff. The review will include risks relating to normal working practices and working remotely, whether that remote locations (e.g. lone working), at home or office.

The following areas were agreed to be included within this review:

Areas within scope:	<p>The H&S framework in place within the Authority, including:</p> <ul style="list-style-type: none"> ▪ Roles and responsibilities for H&S within the Authority; ▪ Policies, procedures and other guidance; and ▪ Processes through which changes in legislation are identified and implemented. <p>H&S risk identification and assessment processes across the Authority. Training and awareness of key health and safety risks throughout the business. Monitoring and reporting in relation to H&S risks, actions required to address identified risks, general performance and incidents / accidents / near misses.</p>
Performance measures considered in assignment planning:	Number and severity of accidents and/or incidents.

2.3. Limitations to the scope of the review





- The review was not intended to provide absolute assurance over whether individual risks were appropriately managed or whether the Authority has identified all of the health and safety risks facing it.
- Our work was limited by the time available for this review and our testing was undertaken on a sample basis only.
- Compliance with recommendations made by Occupational Health within HAVS health surveillance was not validated as part of the scope of this review. The scope of the review is limited to PCNPA staff and visitor health and safety and will not cover other organisations or other aspects of H&S, for example: CDM or fire safety, as these are covered by other audits / reviews.
- Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.


2.4. Key dates & personnel involved:

Last Information Received:	2 November 2023
Draft Report Issued:	27 November 2023
Responses Received:	12 December 2023


Auditor:	Ceri Kwiecinski, Risk Assurance Manager
Client Sponsor:	Tegryn Jones, Chief Executive
Distribution:	Arfon Fry, Health & Safety Project Manager


3. ACTION PLAN

Priority:	 = Low	 = Medium	 = High	 = Suggestion
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Ref.	Summary of Finding	Risk	Recommendation	Priority	Agreed Action	Responsible Person & Date for Implementation
R1	<p>Our review identified that the National Park Authority (NPA) had not received the Health & Safety Policy for review and approval for potentially five years; it was generally approved at Management Committee. In line with good corporate governance and HSE recommendation, the NPA, as the governing body for the organisation, should set and lead the direction for effective health and safety management. As stated in the Health & Safety Policy itself "There is a collective responsibility on Members [of the NPA] to provide leadership and direction, which means that all Members have a responsibility for ensuring health and safety within the Authority."</p> <p>In addition, the current updated draft policy we were provided with does not include reference to the many policies and procedures that underpin the H&S Policy.</p>	<p>Failure to lead on H&S at the Authority level down reduces the clarity of the importance of H&S via the "tone at the top" and increases the risk exposure of legal, regulatory and reputational risk.</p>	<p>The Health & Safety (H&S) Policy should be reviewed, set and approved at NPA level on a regular basis. This helps to promote accountability and understanding at Member level of the organisation's H&S risks and provide leadership on the risk and H&S management of the organisation.</p> <p>Consideration should also be given to including specific reference to the H&S arrangements in place (supporting policies and procedures), in line with good practice.</p>		<p>Agree. Revised Health and Safety policy to be agree by the NPA.</p>	<p>Responsible Person: Health & Safety Project Manager</p> <p>Date: 31 March 2024</p>

Ref.	Summary of Finding	Risk	Recommendation	Priority	Agreed Action	Responsible Person & Date for Implementation
R2	<p>Risk assessments were not completed on a standard template for consistency across the Authority and a review of a sample of 20 risk assessments indicated that none (0%) were up to date; all were overdue their annual review, some by a couple of years.</p> <p>There was a variety of templates and scoring matrices used and an inconsistency in the quality of information recorded within the assessments noted.</p> <p>Formal training had not been provided to managers responsible for carrying out risk assessments but IOSH Managing Safely training was in the process of being rolled out.</p>	<p>Insufficient or outdated assessment of risks and implementation of effective controls resulting in potential harm to stakeholders, legal liability and reputational damage.</p>	<p>A formal review of the risk assessment process within the Authority should be carried out to promote consistent and effective risk identification and mitigation practices. This should include:</p> <ul style="list-style-type: none"> ▪ A review of risk assessments needed and in place in each team to help identify any gaps; ▪ Implementing a standard risk assessment template; and ▪ Ensuring risk assessments are reviewed in line with required timescales, e.g. annually. <p>Consideration should be given to implementing a risk assessment register / log for ease of reference and oversight.</p>	■	<p>Agree.</p> <p>New Risk Assessment template has been agreed (November).</p> <p>All Risk Assessments to be updated by March 2024.</p> <p>All Risk Assessments to be saved on SharePoint with search function.</p>	<p>Responsible Person: Health & Safety Project Manager</p> <p>Date: 31 March 2024</p>
R3	<p>Testing of a sample of accident, incidents and near misses identified that tracking of H&S improvement actions was informal in nature. Records were not consistently and centrally recorded and tracked appropriately through to completion for assurance purposes and to maximise the likelihood of the event not recurring.</p>	<p>Appropriate action to learn lessons and prevent reoccurrence of issues is not carried out resulting in further accidents and incidents and</p>	<p>Investigation processes and improvement actions identified following accident, incident and near miss reporting should be centrally captured and monitored through to completion. This will help to strengthen internal assurance processes in place and ensure that lessons are learnt and acted upon appropriately.</p>	■	<p>Sample to be assessed and presented to the Audit and Corporate Services Review Committee.</p>	<p>Responsible Person: Health & Safety Project Manager</p> <p>Date: 31 March 2024</p>

Ref.	Summary of Finding	Risk	Recommendation	Priority	Agreed Action	Responsible Person & Date for Implementation
		potential harm to stakeholders, HSE intervention and financial loss.				
R4	The organisation did not have a skills / training matrix to centrally record job specific training needs for H&S. Implementing a matrix would help to promote consistency in training and help formally define refresher frequencies expected. Understanding what each role requires to do the role safely would help improve performance monitoring of training and help identify any gaps. This had been identified as required by the H&S Project Manager but on hold until after internal pay reviews had been completed.	Training needs and refreshers are overlooked and staff are not appropriately trained to carry out their roles safely, leading to risk of injury or worse, HSE intervention and financial loss.	In the development of a training matrix the following should be included: <ul style="list-style-type: none"> What training each role / staff member needs; Last completion date and next due date(s); and Information that enables effective oversight and reporting of compliance against required training needs. Capturing and monitoring training in this way will enable effective reporting on H&S training to the NPA / sub-committees.		Agreed. Training Matrix to be agreed for 2024-2025.	Responsible Person: Head of People Services Date: 30 September 2024

Ref.	Summary of Finding	Risk	Recommendation	Priority	Agreed Action	Responsible Person & Date for Implementation
R5	Currently the Authority carried out annual HAVS checks and had undertaken one off spirometry and audiometry in the past two years. Only HAVS was carried out periodically.	Health surveillance may be inadequate to identify any potential health issues within a timely manner for appropriate action to be taken to prevent these worsening, increasing the risks to staff and of successful claims against the organisation in the future as well as reputational damage.	Health surveillance arrangements should be reviewed to ensure that they align with HSE recommended practice and legal requirements. Any circumstances where there are still residual risks to workers health following control measures implemented by the Authority should be appropriately monitored and controlled. This should include consideration of the scope of workers included in the checks, areas tested and frequency. Good practice includes: hearing, vibration and skin and respiratory health.		Current plan formalised.	<p>Responsible Person: Head of People Services</p> <p>Date: 31 March 2024</p>

Suggestions in line with good practice or processes seen in other organisations			
Ref.	Finding	Suggestion	Management Response
S1	An operational H&S Action plan was in place, which was approved by the Chief Executive and developed and used primarily by the H&S Project Manager (HSPM) to help develop and implement a stronger control and assurance framework when areas for improvement were identified, but this was not reported on regularly. As stated in the H&S Group's Terms of Reference, its purpose included "to review and monitor Health & Safety performance and support the Leadership team, to identify and implement appropriate corrective action to raise performance where required".	<p>Consideration should be given to the H&S Group taking ownership and leading on the H&S action plan to help promote accountability of management and staff across the Authority. To undertake this successfully we suggest:</p> <ul style="list-style-type: none"> ▪ A comprehensive H&S action plan is developed, taking into consideration the findings from this review and initial findings of the H&S Project Manager; ▪ Actions are allocated to responsible owners with due dates set for implementation; and ▪ Regular monitoring of progress is undertaken by the H&S Group and it formally signs off of actions. <p>Progress against the plan could be reported to the Audit and Corporate Services Review Committee regularly for further oversight and scrutiny.</p>	Plan and update presented to the Health and Safet Group.
S2	Leading H&S metrics were not significantly reported on. The H&S Improvement Action Plan was developed and maintained by the H&S Project Manager and signed off by the Chief Executive but not regularly reported on or owned at the H&S Group.	<p>In line with good practice, consideration should be given to using both leading and lagging H&S key performance indicators. Areas for review should include but not be limited to:</p> <ul style="list-style-type: none"> ▪ H&S training completed against targets; ▪ Number of accident and incident investigation remedial actions completed / outstanding; ▪ Accident, incident and near miss trends based on type and root cause; and ▪ Percentage of risk assessments that are up to date. <p>To help promote ownership and accountability for continuous improvement of H&S within the Authority, consideration should be given to reporting on the H&S Action Plan regularly at the group with responsible owners appropriately defined and target timescales set.</p>	New metrics for Health and Safety have been agreed and included in Performance Framework.

Suggestions in line with good practice or processes seen in other organisations			
S3	The H&S Group membership had recently been reviewed and a new Terms of Reference established. There was no standard agenda for the meeting.	To help promote effective H&S discussion and oversight, consideration should be given to establishing a standard agenda for the H&S Group meetings to help ensure key areas are discussed consistently, as well as adding any ad-hoc / topical items as required.	A standard agenda is already in existence with ad-hoc items included as needed.
S4	There was limited evidence that safety inspections were carried out by managers to ensure that their teams were complying with risk assessments and safe modes of working.	In line with good practice, site safety inspections should be carried out frequently across all relevant areas of work to ensure that safe systems of work are being complied with. The use of electronic forms with the capability of capturing photographic evidence is utilised by many of our clients to strengthen internal assurance processes and retain evidence of any reoccurring issues for performance management cases. Collating findings centrally would also enable trends to be identified and training / awareness building requirements where needed.	A programme of safety inspections will be developed.

This engagement was conducted in conformance with Global Internal Audit Standards. The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the strengths and weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regard to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

This report is prepared solely for the use of the National Park Authority and senior management of Pembrokeshire Coast National Park Authority. Details may be made available to specified external agencies, including external auditors, but otherwise the report should not be recited or referred to in whole or in part to other third parties without 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.