



West Midlands Combined Authority

Internal Audit Report: *“Health and Safety Review”*

Report Date: 16 November 2023

Report Distribution: Anne Shaw, Executive Director, TfWM
Pete Bond, Director of Integrated Transport Services
Ben Gittings, Health & Safety Manager
Lois Stewart, OD and Engagement Manager

1. Executive summary

Introduction and Background

- 1.1 A review of the WMCA's Health and Safety management system was included as part of the approved internal audit plan for 2023-2024. The purpose of the review is to seek assurance that a health and safety management system is in place that aligns to ISO 45001. ISO 45001 is an International Standard that specifies requirements for an occupational health and safety (OH&S) management system, with guidance for its use, to enable an organisation to proactively improve its OH&S performance in preventing injury and ill-health.
- 1.2 ISO 45001 is intended to be applicable to any organisation regardless of its size, type and nature. All of its requirements are intended to be integrated into an organisation's own management processes. A previous review was carried out by Internal Audit as part of the 2018-2019 internal audit plan with an overall conclusion of satisfactory assurance.

Objectives, potential risks, and scope of audit work

Our audit was conducted in conformance with the Public Sector Internal Audit Standards and considered the following:

Objectives:	To seek assurance that a robust health and safety management system is in operation for the WMCA that aligns with ISO 45001 to effectively manage health and safety risks across the organisation.
System Risks:	The following system risks were identified: <ul style="list-style-type: none">• Insufficient or absent arrangements to ensure the safety, health and wellbeing of any persons who may be affected by the organisation's assets and undertakings, resulting in significant risk to persons and/or infrastructure, including safe delivery of Metro Operations and Programme Delivery construction activity.• Breach of legislative requirements, with potential for enforcement action by regulatory bodies, legal action (both criminal and civil) and reputational damage.
Scope:	The following aspects were covered within the scope: <ul style="list-style-type: none">• An adequate Occupation Health and Safety (OH&S) policy is in place along with OH&S objectives.• The OH&S management system has established processes in place which considers risks and opportunities and its legal and other requirements.• The OH&S management system has determined the OH&S risks and has effective controls in place over them.• The OH&S management system has effective controls over legal and other requirements.• The OH&S management system helps to increase awareness of OH&S risks (Training program rollout to staff).• The OH&S management system is integrated into the organisation governance and risk management structure.

- OH&S performance is evaluated and monitored with appropriate action undertaken.
- Employees take an active role in OH&S matters.
- Review of oversight and governance arrangements.

Overall conclusion

Our conclusion is that the framework is strong, and compliance is Good. Our overall conclusion based on Internal Audit Standard Assurance Matrix, is that the system is “Effective”. This means our audit provides **Satisfactory** assurance over the adequacy of the controls reviewed as part of the process to mitigate risks to an acceptable level.

No Assurance	Limited	Satisfactory	Substantial
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.	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.	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.	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.

Key issues identified

We rate each issue identified in section 2 below, based on the following:

Red Action is imperative to ensure that the objectives for the area under review are met	Amber Action is required to avoid exposure to significant risks in achieving objectives	Green Action is advised to enhance risk control or operational efficiency
----------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------

We have identified one **amber** issue (See section 2 below) where improvements could be made, arising from the following issue which have been categorised to reflect those issues relating to both the framework and compliance with the framework:

Training

- At present, it is mandatory for all staff whether they are permanent or employed on a temporary basis and have access to the WMCA's network to complete online mandatory training, which includes Health and Safety training. It was noted during the reivew that not all contractors undertake this training, and it is unknown the number of staff this affects.

Examples of good practice identified

During our work, we identified the following examples of good practice within the system and in the management of risk, achieved through the effective design and application of controls:

- All Health and Safety documentation is available on the staff intranet, and this documentation is kept up to date and in relevant sections of the intranet, making it easy to find the applicable document.
- The Health and Safety Policy is fully compliant with the ISO standard and details the objectives and strategic priorities in order to develop a positive health and safety culture. In line with the standard the policy is available as documented information, communicated within the organisation, available to interested parties and is relevant and appropriate. The policy also clearly sets out the responsibilities and duties of all employees, committees, departments and groups as well as outlining the arrangements in place for implementation.
- The Safety Management System and associated documentation detail the processes in place which considers risks and opportunities and its legal and other requirements. The document describes the framework by which the safety management system is operated and also provides a high-level description of the policies and procedures in place. The system details the responsibilities for health and safety as well as providing an over-arching Health and Safety Reporting Structure. There is also an index for all appropriate guidance documents.
- The Strategic Risk Register contains a detailed risk in relation to Health and Safety with cause and effects as well as several key controls. The Health and Safety team maintain a risk assessment register as well as records of all incident reports which are used to provide reports for performance and monitoring purposes. Also in place is an audit and inspection programme for all sites.

- The organisation has in place a legislation register and is updated twice a year in April and October and references the specific section of the Safety Management system, and also the specific legislation, code of practice and related resource. There are several pieces of legislation, with the main ones being the Health and Safety Act of 1974 and the Management of Health and Safety Regulations 1999.
- The Health and Safety Management System is fully integrated within the organisational and governance structure. There are a number of committees responsible for providing leadership in the recognition and management of principal health and safety risks, and in the continuous improvement in health and safety performance to their relevant business areas. These boards and committees are detailed within the reporting and committee structure. This structure also identifies the reports relevant to Health and Safety and outlines responsibilities for all boards and committees.
- There are a number of reports produced on an annual, quarterly and monthly basis. An annual health and safety report is produced and summarises the main activities relating to the promotion and management of health and safety outcomes during the previous year. The monthly reports include an overall update of WMCA Health and Safety performance, as well as specific reports relating to transport and programme delivery. There is also a quarterly Health and Safety update which provides a summary of progress against the annual delivery plan. All reporting contains statistics, performance indicators and relevant analysis.
- The Safety Management System and associated documentation clearly details employee involvement in Health and Safety as per the ISO standard. The Health and Safety Policy sets out the responsibilities for employees in regards to Health and Safety as well as the role of safety representatives to provide representation for employees and to actively encourage co-operation between employer and employee. The Safety Management System also details the communication and consultation between the WMCA and employees, and this two way communication structure ensures that Communications on Health and Safety matters between employees and their managers takes place on an ongoing basis.

Acknowledgement

Several employees gave their time and co-operation during this review. We would like to record our thanks to all the individuals concerned.

2. Findings and recommendations

Action is required to avoid exposure to significant risks in achieving objectives Amber	
1.	
<p>Findings: At present, it is mandatory for all staff whether they are permanent or employed on a temporary basis and have access to the WMCA's network to complete online mandatory training, which includes Health and Safety training. It was noted during the review that not all contractors undertake this training, and it is unknown the number of staff this affects.</p>	
<p>Implications: Insufficient or absent arrangements to ensure the safety, health and wellbeing of any persons who may be affected by the organisation's assets and undertakings, resulting in significant risk to persons and/or infrastructure, including safe delivery of Programme Delivery construction activity.</p>	
<p>Recommendations: An online programme will be introduced for all temporary workers to access and complete mandatory training.</p>	
<p>Agreed Actions/Management Comments: Agreed</p>	
<p>Responsible Officer: Lois Stewart OD and Engagement Manager</p>	<p>Target Date: January 2024</p>

Limitations inherent to the internal auditor's work

This report has been prepared solely for the Combined Authority in accordance with the terms and conditions set out in the terms of reference. Internal audit does not accept or assume any liability of duty of care for any other purpose or to any other party. This report should not be disclosed to any third party, quoted, or referred to without prior consent. Internal audit has undertaken this review subject to the limitations outlined below.

Internal control

- Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgement in decision making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Responsibilities of management and auditors

- It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance for the prevention and detection of irregularities and fraud. Internal audit work should not be a substitute for management's responsibilities for the design and operation of these systems.
- Internal audit endeavours to plan audit work so that it has a reasonable expectation of detecting significant control weakness and if detected, will carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.
- Accordingly, these examinations by internal auditors should not be relied upon solely to disclose fraud or other irregularities which may exist.

Stage	Date
Draft issued	16 th November 2023
Exit meeting	
Final issued	
ARAC reporting date	
ARAC meeting date	