

# **FINAL INTERNAL AUDIT REPORT 2018/19**

**ABM University Health Board**

**Fire Safety (Follow Up)  
(ABM-1819-009)**

**Private and Confidential**

**NHS Wales Shared Services Partnership  
Audit and Assurance Service**

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#### **ACKNOWLEDGEMENTS**

NHS Wales Audit & Assurance Services would like to acknowledge the time and co-operation given by management and staff during the course of this review.

Please note:

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## **EXECUTIVE SUMMARY**

### **1.1 Introduction and Background**

This assignment originates from the 2018/19 internal audit plan.

In 2017/18 an internal audit review reported limited assurance in respect of the Fire Safety management framework. It recognized the focus given to the Health Board's performance of fire risk assessments. However, the assessments undertaken identified high priority issues for action which sample testing indicated had not been completed; mechanisms were not operating to report the risks and actions required and to monitor action to completion. A follow up review later in the year reported limited assurance also but noted the priority given to addressing risks in Singleton hospital that year.

### **1.2 Scope and Objectives**

The overall objective of this audit was to review progress made by management to implement action agreed to address key issues identified during the 2017/18 audit reviews of Regulatory Compliance: Fire Safety (1718-109).

This is a follow up audit and as such the audit scope focused on progress made in those areas highlighted previously as requiring management action only.

The outcome of this review may contribute to the organisation's assessment of its achievements in respect of the Managing Risk and Health & Safety standard of the Health and Care Standards (2015).

### **1.3 Associated Risks**

Non implementation of agreed management action may expose the Health Board to risk in the following areas:

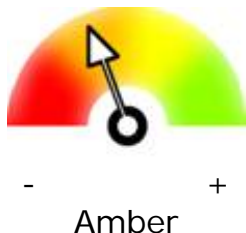
- Lack of clarity regarding responsibilities and timescales may undermine accountability and monitoring;
- There is no assurance that the risk assessment action plans are being completed as per requirements;
- Without information of risks and expectations, Unit Directors cannot support ward staff to address issues;
- Assurance to the Board is limited.

## 2 CONCLUSION

### 2.1 Overall Assurance Opinion

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review. The opinion is based on the work performed as set out in the scope and objectives within this report. The last audit review of this area derived a *limited* assurance rating.

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with Fire Safety is Limited Assurance.

RATING	INDICATOR	DEFINITION
Limited assurance		The Board can take <b>limited assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with <b>moderate impact on residual risk</b> exposure until resolved.

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.

## 3 KEY FINDINGS & RECOMMENDATIONS

### 3.1 Key Findings

The last audit made three recommendations, of which two were high priority and one medium. Progress can be summarised as follows:

- Two have been addressed (1 x medium priority, 1 x low priority);
- Two have been partially addressed (2 x high priority);
- Four are not addressed (1 x high, 1 x low, 2 x medium).

The fire risk assessment monitoring spreadsheet developed and managed by Health & Safety was presented to the Operational Health & Safety Group in October 2018 as the monitoring tool for progress against actions identified through risk assessments. The intention was that information recorded in this spreadsheet would

then drive reporting to Units / Departments to enable management to monitor and review progress against actions, address issues and report back on completion. At the time of the audit fieldwork, the spreadsheet had not been fully populated and, therefore, impacted on the completion of other management actions from the previous audit (ABM-1718-109).

The Head of Health & Safety and the Assistant Director of Strategy explained the impact on staff resource, in particular the priority given to addressing risks in Singleton hospital, and their plans going forward to update the information in the spreadsheet as a priority.

Findings are reported in more detail within Appendix A with full details issues and recommendations at Appendix D.

### 3.2 Design of System / Controls

The findings from the review have highlighted two issues that are classified as weaknesses in the system/control design.

### 3.3 Operation of System / Controls

The findings from the review have highlighted three issues that are classified as weaknesses in the operation of the designed system/control.

### 3.4 Summary of Recommendations

The audit findings and recommendations are detailed in Appendix A together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below.

Priority	H	M	L	Total
Number of recommendations	3	2	0	5

**PROGRESS AGAINST PREVIOUSLY RECOMMENDED ACTIONS** **APPENDIX A**

Prev Ref	Previous Audit Finding	Previous Audit Recommendation	Priority	Management Response and Agreed Action	Progress on Implementation	Further Actions Required
1 (D)	Whilst the Fire Plan for POWH had been updated and, audit were informed, been circulated to members of the Unit Health and Safety Committee (due to cancellation of the meeting in November 2017) it was awaiting formal approval in February 2018 so not yet published.	The Fire Plan should be presented for approval to the Unit Health and Safety Committee and subsequently published so as to be accessible to all.	L	The Fire Safety Plan has been reviewed and agreed with key stakeholders / partners. This will be formally considered and approved at the next Unit H&S Committee.	<p><b>Addressed</b></p> <p>The Fire Plan was approved by the POWH Health &amp; Safety Group. Internal Audit noted that meetings are recorded on a rolling Improvement plan; minutes are not taken.</p> <p>The auditor was also provided with a copy of the POWH Health &amp; Safety Group work programme. Annual review of the Fire Safety Plan was not included in the programme.</p> <p>It was noted on the Improvement Plan that the hospital site Fire Safety Plan had been reviewed and approved by the POWH Health &amp; Safety Group. An annual review of the Fire Safety Plan was not included in the Group's work programme.</p> <p>During audit fieldwork the Operational Services Manager informed the auditor that notes would be taken at future meetings to give more detail of discussions and</p>	<b>No further action required</b>

Prev Ref	Previous Audit Finding	Previous Audit Recommendation	Priority	Management Response and Agreed Action	Progress on Implementation	Further Actions Required
					the annual review of the Fire Safety Plan would be added to the Group work programme in December 2018.	
2 (O)	The 2016/17 Fire Audit, due for completion in May 2017, was submitted in December 2017. There is no formal monitoring schedule apportioning the remaining work for the 2017/18 Fire Audit over the remaining months in the lead up to the submission of the Annual Fire Audit due in May 2018.	We would recommend that the Head of Health & Safety implement a schedule for the remaining work, apportioning work to support meeting the Annual Fire Audit 2017/18 deadline (and for future years planning).	M	Work programme to be developed for completion and submission of the audit	<b>Addressed</b> The Fire Audit was completed and submitted on the 22nd May, prior to May 31st 2018 deadline.  As a result, a work plan for completion and submission of the audit was not reviewed.	<b>No further action required</b>
3 (D)	Risk assessment action plan indicative timescales were not measureable. The Head of Health & Safety had raised the need to review the drop down options at the commencement of the audit.	The Head of Health & Safety should review the timescales in the drop down box to determine whether 'anticipated completion' times drop down selection can be defined more precisely. Where necessary, consult with NWSSP Specialist Estates Services Senior Fire Advisor regarding amendments.	L	Current NWSSP database does not permit effective reporting of risk assessment timescales. Supplementary database developed and being further evaluated as an interim solution. Efficacy of national system to be escalated through Head of Health and Safety to national forum.	<b>Not Addressed</b> The capability of the system to provide indicative timescales for risk assessments had not been resolved. Audit were informed that this issue had been raised with the National Forum verbally; however, this is not documented.  As a 'work around' the Head of Health & Safety has produced a spreadsheet for collating information such as area, next review date, progress in days, status and action	<b>See Appx D, Rec 1</b>

Prev Ref	Previous Audit Finding	Previous Audit Recommendation	Priority	Management Response and Agreed Action	Progress on Implementation	Further Actions Required
					<p>complete date. A paper was presented to the Operational Health &amp; Safety Group in October 2018 which described the risk assessment process and presented the spreadsheet as the monitoring and progress update tool. Following a discussion with the Head of Health &amp; Safety and the Assistant Director of Strategy, it was established that the spreadsheet for monitoring risk assessments was only partially populated. The Assistant Director of Strategy advised that extra resource would be allocated to fully populating the spreadsheet going forward.</p> <p>The spreadsheet lists 614 areas for risk assessments. However, as we have been informed the detail is incomplete. The number of risk assessments required is unclear.</p> <p>The Head of Health &amp; Safety informed the auditor that resource had been impacted by the ongoing issues with Singleton Hospital cladding but further resource had been allocated in June 2018 to catch up with risk assessments ("RAs") in Morriston and Singleton. Fire Safety</p>	



Prev Ref	Previous Audit Finding	Previous Audit Recommendation	Priority	Management Response and Agreed Action	Progress on Implementation	Further Actions Required
					Advisor resource was being used to check the status of RAs and database issues were being discussed with Estates.	
4 (D)	<p>"The last audit reported that the completion of actions required to address issues was not being monitored corporately. This is still the case at our follow up review</p> <p>The Head of Health &amp; Safety informed the auditor that action plans include columns for 'Action taken', 'Signed' and 'Date'. Going forward, the Head of Health &amp; Safety plans to receive copies of the action plans completed with the above headed columns populated. On receipt the Health &amp; Safety department would upload the information to the spreadsheet tracker maintained by the Head of Health &amp; Safety."</p>	<p>"The Health Board should implement a corporate mechanism for monitoring the issues/risks raised at assessments, the completion of action taken and exposure to risk in the meantime.</p> <p>Consideration should be given to engaging with Unit Senior Management and Governance Leads to achieve this."</p>	H	<p>"Current NWSSP database does not permit effective reporting of risk assessment timescales. Supplementary database developed and being further evaluated. Planet FM will continue to be used to report each Estates action.</p> <p>Membership of Fire Safety sub group to be reviewed to ensure that Unit representatives attend to account for action closing at Unit level."</p>	<p><b>Partially Addressed</b></p> <p>The Operational Health &amp; Safety Group has only held two meetings since it was formed. Although each meeting did not have full Unit / Department representation all Units / departments were represented on at least one of the two meetings.</p> <p>Minutes and papers were requested for the Health &amp; Safety Committee Fire Management Subgroup. The most recent available were for May 2017. The auditor obtained the TOR for this Group (dated June 2017) and noted that meetings should be being held bi-monthly.</p> <p>It was reported to the OHSB, Oct 2018, that the Subgroup would remain to maintain an overview of Estates <i>Planet FM</i> (the Estates system) performance and maintain an overview of capital investment on fire safety.</p>	See Appx D, Rec 2

Prev Ref	Previous Audit Finding	Previous Audit Recommendation	Priority	Management Response and Agreed Action	Progress on Implementation	Further Actions Required
					The monitoring tool review and findings are described in the previous section.	
5 (D)	There was no routine reporting of high risk issues to Service Directors or the SDU Health & Safety Committees.	<p>"A process for reporting high risk actions to Service Directors needs to be implemented in compliance with Health Board Fire Safety Policy.</p> <p>Management may wish to consider a mechanism that communicates all risk assessments via Unit governance leads to ensure ownership and support monitoring of actions."</p>	H	Reports have been made to Service Delivery Units in Mental Health and Singleton on high risk issues. A formal report will be made regularly to all Service Delivery Unit Health and Safety Committees.	<p><b>Not Addressed</b></p> <p>A proposed template for reporting fire risk assessments to Unit Management was presented to the Operational Health &amp; Safety Group in October 2018.</p> <p>Audit discussed the template with the Head of Health &amp; Safety and the Assistant Director of Strategy and agreed that this reporting had yet to commence as it was reliant on the monitoring spreadsheet being fully populated.</p> <p>At this discussion, the auditor highlighted that it would be preferable if this template was expanded to include more of the measures being collated on the monitoring spreadsheet, e.g. risk assessment ("RA") date, date RA actions complete, RA action time (number of days open).</p>	<b>See Appx D, Rec 3</b>

Prev Ref	Previous Audit Finding	Previous Audit Recommendation	Priority	Management Response and Agreed Action	Progress on Implementation	Further Actions Required
6 (O)	H&S Fire Management Subgroup minutes and papers up to, and including May 2017, were provided. More recent minutes and papers were requested from the Assistant Director of Strategy to support action relating to the monitoring of high risk actions, however, these were not received by the close of the audit fieldwork.	Audit recommend that an appropriate nominated lead for the Estates department collates information regarding all actions outstanding from Fire Risk Assessments, their age and the risk rating. This information should periodically be reported to the Health & Safety Fire Management Sub Group and the Units.	M	Estates actions will continue to be placed onto the Planet FM system for remedial action. This system does not have an effective method for prioritisation of these risks. Where the fire risk assessment identifies high risk estates actions these will be recorded and monitored separately as part of actions identified in 4D and 5D above	<p><b>Not addressed</b></p> <p>The monitoring and reporting of actions from fire risk assessments is reported above, with recommendations. [ref.3]</p> <p>The position with regards to the Fire Safety Subgroup is also reported above with recommendations. [ref.4]</p>	See Appx D, Rec 1 & 2, as above
7 (D)	<p>"Fire Advisors have been invited to attend the Fire Management subgroup but have not yet attended.</p> <p>The Head of Health &amp; Safety informed Audit that the NWSSP Specialist Estates Services Senior Fire Advisor had not been invited to attend the Fire Management Subgroup meetings.</p>	The Health Board Fire Advisors should attend the Fire Management Subgroup.	M	Fire Safety Advisers routinely attend all - Wales meetings where many continuous professional issues are addressed. They maintain regular liaison with SSP Fire Safety Advisers. Discussions will take place with SSSP Fire Safety Advisers to confirm their availability for meetings of the fire safety group	<p><b>Not Addressed</b></p> <p>The expectation from the previous audit was that Fire Safety Advisors would attend the Health &amp; Safety Committee Fire Management Subgroup. However, as reported in reference 4 of this report, the Health &amp; Safety Committee Fire Management Subgroup has not met since 2017. The extant terms of reference states that meetings will be held bi-monthly.</p>	See Appx D, Rec 4

Prev Ref	Previous Audit Finding	Previous Audit Recommendation	Priority	Management Response and Agreed Action	Progress on Implementation	Further Actions Required
8 (D)	<p>"The last audit recommended implementation of mechanisms to report assurance to the Health &amp; Safety Committee.</p> <p>The Health &amp; Safety committee had received fire safety information at the June, July and September 2017 meetings. However, data is not presented to give comprehensive assurance on action to address all known risks, or those remaining open."</p>	Management should put in place a reporting mechanism that provides the Health & Safety Committee with assurance regarding fire safety risk, including assurance regarding action taken to address risks identified in risk assessments and risks still to be actioned.	H	A further report will be presented to the ABMU Health and Safety Group (formerly Committee) outlining the current fire safety risk profile of the Health Board. Where practicable this will include performance associated with actions identified by risk assessment.	<p><b>Partially Addressed</b></p> <p>The Operational Health &amp; Safety Group received reporting on a range of fire matters including incidents, improvement actions and findings of the Internal Audit report. The Group also received reporting regarding fire risk assessments but this lacked detail outstanding and completed actions from risk assessments across the Health Board, therefore, there are weaknesses in assurance reported to HSC.</p> <p>The Health &amp; Safety Committee received updates on fire risks in August 2018 through the ABMU Risk Profile report and action plan, information updated to June 2018.</p>	<b>See Appx D, Rec 5</b>

## Audit Assurance Ratings



**Substantial assurance** - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.



**Reasonable assurance** - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to **moderate impact on residual risk** exposure until resolved.



**Limited assurance** - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.



**No Assurance** - The Board has **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved.

## Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

Priority Level	Explanation	Management action
<b>High</b>	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
<b>Medium</b>	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
<b>Low</b>	Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration.	Within Three Months*

\* Unless a more appropriate timescale is identified/agreed at the assignment.

**Confidentiality**

This report is supplied on the understanding that it is for the sole use of the persons to whom it is addressed and for the purposes set out herein. No persons other than those to whom it is addressed may rely on it for any purposes whatsoever.

**Audit**

The audit was undertaken using a risk-based auditing methodology. An evaluation was undertaken in relation to priority areas established after discussion and agreement with the Health Board.

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. 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.

A basic aim is to provide proactive advice, identifying good practice and any systems weaknesses for management consideration.

**Responsibilities**

Responsibilities of management and internal auditors:

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we may carry out additional work directed towards identification of fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, cannot ensure fraud will be detected. The organisation's Local Counter Fraud Officer should provide support for these processes.

**MANAGEMENT ACTION PLAN**

**APPENDIX D**

Audit Source:	Internal Audit	Audit Year:	2018/19
Report Ref:	ABM-1819-009	Title:	Fire Safety (Follow Up)
Report Issued:	19/11/2018	Overall Assurance Opinion:	Limited
Lead Executive:	Sian Harrop-Griffiths	Version:	Final V1.0

New Finding Ref	Findings	Impact (Internal Audit)	Recommendation	Priority	Management Response	Responsible Officer	Deadline
1 (O)	The spreadsheet for monitoring risk assessments was only partially populated. The Assistant Director of Strategy advised that extra resource would be allocated to fully populating the spreadsheet going forward.	There is no assurance that the risk assessment action plans are being completed as per requirements	We would recommend that the monitoring spreadsheet is brought up to date as currently it does not provide a comprehensive monitoring tool.	H	Further to additional discussions with internal audit colleagues, enhancements to the data base and its use have been agreed and will be developed. This requires additional clerical resource within the Fire Safety element of the health and safety department to populate the database with all of the individual risk assessments on a line by line basis.  actions required: - 1. recruit apprentice to populate database 2. draft SOP for population, reporting and management of the risk assessment (to include escalation of "unactioned" risks) 3. implement SOP  This action will address actions 1, 3 and 5.  Deadline is based on the population of the database and the first distribution of the report to unit leads.	Head of Health and Safety	28/02/2019
2 (O)	The Health & Safety Committee Fire Management Subgroup have not met since 2017. The last available documentation for the subgroup was May 2017. The auditor obtained the TOR for this Group (dated June 2017) and noted that meetings should be being held bi-monthly.  It was reported to the OHSG, Oct 2018, that the Subgroup would remain to maintain an overview of Estates Planet FM performance and maintain an overview of capital investment on fire safety.	A lack of clarity regarding responsibilities may undermine accountability and monitoring.	Management should reinstate the bi monthly Fire Subgroup meetings and review the terms of reference to ensure they are current.	H	meeting has been reinstated and met on 16th November 2018.  Assistant Director of Operations (estates) to ensure bi-monthly diary of meetings	Assistant Director of Operations (Estates)	30/11/2018
3 (D)	The Units are not receiving regular reports on fire risk assessments carried out in their Units or progress against actions from these risk assessments.  The Head of Health & Safety and the Assistant Director of Strategy expect this reporting to commence once the monitoring tool is fully populated.	Without information of risks and expectations, Unit Directors cannot support ward staff to address issues.	We would recommend that the proposed reporting template be enhanced with the addition of the RA (risk assessment) date, date RA actions complete, RA action time (number of days open). This additional information would assist the Unit management to address incomplete actions and escalate issues.	H	This will be addressed via implementation of the database & protocol (See 1).	Head of Health and Safety	28/02/2018
4 (O)	The expectation from the previous audit was that Fire Safety Advisors would attend the Health & Safety Committee Fire Management Subgroup. However, as reported in reference 4 of this report, the Health & Safety Committee Fire Management Subgroup has not met since 2017.	The group may lack expertise.	As indicated in 2 above, we would recommend that the Health & Safety Committee Fire Management Subgroup meetings recommence bi-monthly.  Fire Advisors should be invited to attend the Subgroup meetings when they recommence.	M	Fire safety advisors attended meeting on 16th November 2018 and will continue to do so.  ToR to be reviewed at next meeting and finalised by meeting after that.	Assistant Director of Operations (Estates)	31/03/2019

New Finding Ref	Findings	Impact (Internal Audit)	Recommendation	Priority	Management Response	Responsible Officer	Deadline
5 (D)	<p>The Operational Health &amp; Safety Group received reporting regarding fire risk assessments but this lacked detail outstanding and completed actions from risk assessments across the Health Board.</p> <p>The Health &amp; Safety Committee received updates on fire risks in August 2018 through the ABMU Risk Profile report and action plan, information updated to June 2018.</p>	The assurance received by the Board is limited as a consequence.	We would recommend that reporting to both the Operational Health & Safety Group and the Health & Safety Committee be enhanced to include action taken to address risks identified in risk assessments and risks still to be actioned.	M	This will be addressed via implementation of the database & protocol (See 1). Date extended to date of March H&S Committee.	Head of Health and Safety	04/03/2019



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