



THE ROYAL BOROUGH OF  
**KENSINGTON  
AND CHELSEA**

**TMO Health and Safety**

**FINAL AUDIT REPORT**

**April 2013**

**Draft report circulated to:**

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## **EXECUTIVE SUMMARY**

1. The TMO operates and manages the Borough Housing Stock on behalf of the Council. Under these arrangements, it is the responsibility of the TMO to ensure that the Health and Safety of residents, visitors and workers in the areas controlled by the TMO is safeguarded and maintained.
2. The TMO manage approximately 9,400 properties of which 73% (6879) are tenanted and 27% (2521) are leasehold dwellings.
3. The objective of this audit review was to ensure the organisation's inspection regime is effective and complies with legislation for asbestos, gas and electrical system installations.
4. The audit review also examined corporate health and safety, ensuring that the systems are in place to safeguard the welfare of employees and other persons using the TMO's corporate facilities.
5. Budgets are held within the operational groups for Health and Safety which total £216.5k for 2012/13. In addition to this health and safety related spend is also included within a number of capital works budgets and improvement schemes such as Decent Homes.
6. The Health and Safety Team comprise of three officers who liaise with a number of different sections within the TMO on health and safety issues including estates staff and caretakers. The Health and Safety Manager reports directly to the Executive Director of Financial Services and ICT.
7. A number of external contractors are used to carry out safety inspections and compliance checks for the TM. With regard to gas, electrical and fire safety, these contractors are overseen by the Building Services Team, Asset and Regeneration. Asbestos surveys and associated works are overseen by the Health and Safety Team and the Repairs Manager.
8. The key areas examined and found to be satisfactory included:
  - Clear service objectives are set out within the TMOs constitution relating to the role of the Health and Safety Team;
  - Clear guidance and procedures are in place relating to health and safety processes for the TMO;
  - Appropriate processes are in place to ensure compliance with corporate health and safety guidelines for TMO staff; and

- Appropriate arrangements are in place for routine inspections to be undertaken on TMO properties to identify any health and safety issues or concerns.
9. Areas were identified where controls can be improved. Three high priority recommendations were made as follows:
- The gas inspection records on the Keystone Asset Management System should be up to date and regularly reviewed by management to ensure it reflects the most current status for TMO properties;
  - The electrical inspection records on the Keystone System should be up to date and accurately reflect the inspections carried out by the electrical contractor; and
  - All portable fire fighting equipment should be regularly inspected by the appointed contractor and any faulty equipment identified replaced on a prompt basis.
10. Five medium priority recommendations were also made as follows:
- All high priority remedial work identified as part of the annual health and safety inspection checks should be followed up by the Health and Safety Team to ensure it is undertaken on a prompt basis.
  - The service agreement with Gas Advisory Service should be reviewed and terminated if it is no longer required as a result of the Building Services management reorganisation;
  - Information relating to asbestos related inspection and works carried out should be uploaded onto the Keystone System on a monthly basis;
  - The water quality inspection records should be up to date on the Keystone System; and
  - Appropriate performance indicators relating to health and safety inspections should be developed by management.
10. Internal Audit would like to thank the officers involved with this audit review for their assistance and co-operation
11. As a result of the audit review, Internal Audit can give **Limited Assurance** that adequate controls and processes are in place for Health and Safety at the TMO. Whilst there is a basically sound system, there are weaknesses which put some of the system objectives at risk. Taking into account the assurance level given above and the significance of the system, we are of the opinion that the system presents a **Medium Risk** to the organisation achieving its overall service objectives.

12. Please note that this audit report, and associated opinion, is only a level of assurance, based upon an analysis of system controls as they existed at the time of the audit, and limited to the sample of evidence reviewed. It does not provide assurance that the control framework will not be subject to future change. It is management's responsibility to maintain an adequate and effective control environment and ensure for the detection and prevention of fraud.
  
13. A glossary of audit terms is provided in the Appendix to this report to clarify and explain the opinion and priority ratings used.

## **INTRODUCTION**

### **1. Service Objectives and Scope**

- 1.1 This review has been undertaken as part of the 2012/13 audit plan.
- 1.2 The objectives of this review were to assess and evaluate the controls in the following areas for the management of Health and Safety:
- Service objectives;
  - Policy and procedures;
  - Corporate health and safety;
  - Gas and electrical installations;
  - Asbestos
  - Fire safety and water quality
  - Management information; and
  - Budgetary control
- 1.3 Key controls were ascertained by observation and interview with officers responsible for health and safety at the TMO. The controls identified were documented and checked through testing to ascertain the level of compliance. All findings were discussed with key officers on completion of the fieldwork for this audit.

## FINDINGS, RECOMMENDATIONS AND MANAGEMENT RESPONSE

### 2. Service Objectives

- 2.1 The 2012/13 People and Organisational Development Directorate Service Plan document for the TMO sets out the overarching service objectives of the organisation.
- 2.2 Examination of this document showed that appropriate reference is made to the role of health and safety and key tasks which are linked to the overarching TMO service objectives.
- 2.3 Some of the key objectives listed include:
- Undertake Fire Risk Assessments.
  - Ensure up to date and accessible records on asbestos.
  - Ensure the Health and Safety of TMO residents.
  - Provide opportunities to promote staff health and well being.
  - Report on Health and Safety issues to the Executive Team and TMO Board.
- 2.4 The service plan document provided adequate detail for each objective, what was going to be achieved and outcomes that demonstrate the achievement of these objectives.
- 2.5 No issues or concerns were noted for this area.

***No recommendations have been made in this area.***

### 3. Policy and Procedures

- 3.1 A number of key documents have been drafted that encompass the main responsibilities, processes and procedures for health and safety compliance for the TMO.
- 3.2 The Policy and Compliance Manager post was created in 2010 to oversee the introduction of robust procedures and policy documents to address health and safety matters in addition to providing detailed guidance to officers on their roles and legal responsibilities for this area.
- 3.3 Examination of the current policies and procedures in place revealed appropriate documentation was in place with a number of procedures currently being revised to ensure they reflect current practice.
- 3.4 The following policy and procedure documents were reviewed to determine whether they were up to date and reflected current practices. Checks were also made to ensure these were accessible and distributed to

officers responsible for specific areas such as gas and electrical appliance checks:

- Asbestos Policy
- CDM Policy and Procedure
- CRB Checks for Contractors
- Communal Lighting and Emergency Light Policy
- Fire Protection Systems Policy and Procedures
- Gas Access Policy
- Gas Safety Policy
- Lift Breakdown
- Water Quality Procedure

3.5 Each procedure and policy document had an appropriate version control section to indicate the date when it was last reviewed and when any recent amendments or changes had been made. All new or revised procedures are reviewed by the Executive Team before being circulated to operational officers.

3.6 Each procedure document had sufficient detail and guidance on the key tasks and processes for the related area to enable officers to undertake their duties and roles.

3.7 No issues or concerns were noted for this area.

***No recommendations have been made in this area.***

#### **4. Corporate Health and Safety**

4.1 All health and safety checks for buildings occupied by TMO staff are carried out by the Facilities Coordinator, Health and Safety Team. The most recent workplace assessment inspection reports for the three office buildings used by TMO staff was examined and this showed they had been completed in January and February 2013.

4.2 The key areas reviewed as part of this assessment check included:

- Accident / Violent Incident Reporting
- First Aid
- Fire Safety
- Electrical Equipment Safety Maintenance Checks
- Temperature
- Lighting
- Workstation Assessments
- Office Security
- Falls and Falling Objects



- 4.3 Each assessment documented the outcome of the check and who the responsible officer is where any remedial or corrective action is required. No issues or concerns were noted for this area.
- 4.4 All staff that are responsible for health and safety matters at the TMO have to undertake appropriate training. Audit requested the training records for the three officers in the Health and Safety Team and the Policy and Compliance Manager since a significant part of their duties include health and safety compliance.
- 4.5 Training records are maintained by Human Resources on a centralised database called HR Select. This also includes a specific module where all training records are maintained.
- 4.6 Audit noted that the following training was undertaken by officers within the last three year period:
- Gas Safety Risk, Access and Compliance
  - Gas Safety Benchmarking Workshop
  - Asbestos Awareness Training
  - Carbon Monoxide Training
  - Fire Safety Awareness
  - Fire Safety and Fire Marshall Training
  - Evacuation for chair handling
  - Fire Safety Warden training
- 4.7 Staff within the Health and Safety Team had received relevant training on health and safety areas and no issues or concerns were noted for this area.
- 4.8 Audit noted that the TMO do not make use of any e-learning modules for staff training purposes on health and safety issues. The Council has a Learning Centre portal whereby staff can undertake health and safety training online and in their own time. Having such a module would enable TMO staff to undertake online training and for a log of this to be maintained.
- 4.9 The Assistant Safety Advisor, Health and Safety Team undertakes a number of routine annual health and safety inspections of the property estates managed by the TMO. A diary of all planned visits is in place and each inspection covers a schedule of checks that are undertaken and reported on. A copy of the inspection schedule for 2013 was provided which showed thirty one properties to be visited and approximately 200 inspection days set aside.
- 4.10 The main purpose of the inspections is to identify any potential health and safety issues as well checking on works carried out by the external

building work contractors used by the TMO. Where any issues are identified these are escalated to the responsible officer at the TMO.

4.11 Audit accompanied the Assistant Safety Advisor on the annual health and safety inspection for Darfield Way, Shalfleet Drive and Waynfilet Square. Audit observed the different types of checks carried out, how the findings were recorded and the remedial action taken to address any issues identified.

4.12 The following checks were observed:

- Fire appliances including when extinguisher were last serviced. It was noted that a number of extinguishers had not been serviced on the due date by the responsible contractor (RGE) with some that had not been checked for nearly two years. See paragraph 8.6 for related recommendation.
- Lighting and emergency lighting at all main entrances and stairwells. A number of areas were noted where lighting levels were inadequate.
- Gas meters security of and any works carried out by contractors – minor issues noted with building waste being left behind by contractors after carrying out minor works.
- Electricity meter points and generators – no issues noted with all areas properly secured.
- Roof inspections for any leaks or wear or tear of material – minor issues noted of accumulation of water and dirt debris that had not been cleared from the roofs.
- Communal cold water storage tanks for presence of covers, seals, leaks, faulty overflows and risk of any contamination – no issues noted and all water tanks had been recently tested for water quality by Reef, the contractor responsible for carrying out safety tests.
- Incidents of contractors leaving behind rubbish or incomplete work such as exposed wires – instances were noted where contractors had left behind waste material and not undertaken wiring work properly leaving behind exposed wires.
- Lift service records – these were all up to date for Dixon House.
- Any trip hazards and potential hazards in common areas managed by the TMO such as uneven paving blocks – minor cases noted of damaged paving areas requiring remedial work.

- 4.13 Following the inspection, a report summarising the main findings and remedial action to be taken with named responsible officer was produced and a copy provided to Audit. The report was circulated to key officers within the TMO that had responsibility for the specific issues identified for follow up action.
- 4.14 Audit established that once notification has been sent to the responsible officer, any non compliance issues are identified as part of the next routine inspection or where the matter is raised by any contractor undertaking other related works. As such there is no formal mechanism for follow up checks to be undertaken where any high priority issues are identified to determine whether these have been rectified promptly.
- 4.15 In the absence of any formal follow up checks to ensure high priority issues are addressed promptly, there is a risk that the health and safety of residents may be compromised where any remedial work is not carried out.

**Recommendation**

**Where any high priority remedial work is identified as part of the annual and safety inspection checks, this should be followed up by the Health and Safety Team to ensure it is undertaken on a prompt basis by the responsible section.**

**Management response:**

**Issues identified as part of the annual health and safety checks are communicated to the responsible departments such as Repairs, Assets and Regeneration or Housing Management to action. Progress on these actions is currently received on an ad hoc basis. This process is currently being strengthened through the use of a workflow process as part of the Electronic Data and Record Management System. A prototype workflow is currently being trialled in relation to the Fire Risk Assessment Action Plans and once this is finalised we are confident that this can be readily adapted for use with the Estate Inspections. Furthermore, the local Caretaker and the Estate Services Team Leader are both provided with a copy of the completed inspection report and monitor progress with actions as part of their regular inspections and advise the Health and Safety Team of any urgent issues which are not resolved promptly.**

- 4.16 The Keystone Asset Management System is used by the TMO to maintain all key data and information relating to properties within the TMO estate. The system was procured in 2010 for £34k and annual licensing and maintenance costs are approximately £13k. The application runs on the TMO computer network and as such all data back-up and recovery is managed by the ICT Section.

- 4.17 All relevant officers within the TMO that deal with property management and maintenance have access to the system and the system administration is overseen by ICT and the Technical Systems Manager. Key data relating to renewal of key building elements following health and safety inspections carried out by third party contractors is uploaded onto Keystone Asset Management System on receipt of the data files from the contractor.
- 4.18 In addition to the Keystone System, certain health and safety inspection data is also maintained on the Capita Academy Housing Management System such as asbestos related works and survey reports. This information is entered onto Keystone and uploaded from the Keystone System into Capita Academy on a weekly basis.

***No recommendations have been made in this area.***

## **5. Gas Installations**

- 5.1 Gas safety inspections and servicing are undertaken annually for all installations and Council owned gas appliances such as boilers and gas cookers in TMO managed tenanted properties. All safety inspections are undertaken by a third party contractor T Brown under a service contract and overseen by the Head of Building Services.
- 5.2 The current contract runs until the end of 2013 when it will be retendered. The annual spend with T Brown for gas safety checks which covers approximately 7,000 properties was £877k for 2011/12 and budgeted at £840k for 2012/13.
- 5.3 The outcome of each inspection is documented on the Landlord Gas Safety Certificate which is signed off by the contractor and the tenant or landlord present at the time of the inspection. This information is held on T Browns database which is accessible through a web based portal. An electronic file is submitted to the TMO by T Brown with all inspections carried out for a particular period and this information is uploaded onto the Keystone System.
- 5.4 Audit examined a sample of twenty inspections undertaken from August 2012 to February 2013 for TMO properties. For each inspection a check was made to determine whether the Landlord Gas Safety Certificate was completed and signed off by the contractor and tenant / landlord to verify the inspection was undertaken. Where any faults were identified a check was also made to determine whether remedial action was taken to address this on a timely basis. The key findings were:

- Six inspections carried out did not show on the Keystone System database record. These were however found on the contractor's inspection database records as having been carried out.
- All inspection certificates were signed off by the contractor and tenant / landlord to evidence the inspection.
- Two instances were noted where a minor fault issue was logged which was subsequently fixed on a timely basis.
- All inspections related to the gas boiler and where installed gas cooker within the property
- All inspections were undertaken within the twelve month period of the previous inspection.

- 5.5 Audit also examined a sample of ten void properties between the period April to December 2012 to verify that a gas inspection was undertaken prior to the new tenant moving in. This check was satisfactory and a gas inspection certificate noted for each property dated for the period when the property was empty.
- 5.6 Audit established that the Building Services Section have access to T Brown's web based portal to view the inspection records and certificates maintained by the contractor on their database system. Examination of the inspection records through this web based portal confirmed that inspections had been carried out on the due date for the six properties that did not show on the Keystone System database record as part of audit testing.
- 5.7 It was noted that there have been issues with the contractor providing information of inspections on a timely basis to TMO for this to be uploaded onto the Keystone System. This has been an ongoing issue for the past six to nine month period although Audit were unable to establish whether the matter has been escalated to the contractor. As such the Keystone System records for gas inspections were not up to date.
- 5.8 In the absence of such information on a timely basis there is a risk that the Keystone System records do not reflect the actual position with regard to gas inspections for TMO properties and reliance cannot be placed on these records as being accurate and up to date. This also compromises the health and safety of TMO tenants from potential gas safety faults and hazards where inspections are not carried out by the due date and go undetected by management.

***Recommendation***

***The gas inspection records on the Keystone System should be up to date and regularly reviewed by management to ensure it reflects the most current status for TMO properties. Management should also ensure that data relating to gas inspections is***

**provided by the contractor T Brown on a regular basis for upload onto the Keystone System.**

**Management response:**

**The data used to monitor domestic gas safety compliance is stored on the T Brown database which is accessed through a web based portal. Our intention is to use the Keystone System as TMO's primary system to manage and monitor gas safety compliance. There have been problems in establishing an effective interface between the contractor's database and Keystone. Consequently the data on Keystone is not as current as the T Brown database. We are working on resolving this problem to achieve a seamless interface. In the meantime the T Brown database is interrogated to ensure that all tenanted homes have a current gas safety certificate.**

- 5.9 Audit also requested a report to show how many properties were due a gas safety inspection and this revealed that of the 6,674 serviceable sites, 6,663 sites had been inspected with 11 sites due an inspection shortly. This information was extracted from the T Brown web based portal since the Keystone System did not have the most up to date records relating to gas inspections.
- 5.10 The arrangement for monitoring when gas inspections were due was satisfactory with all gas inspections being undertaken within the due date.
- 5.11 Following discussions with officers in the Building Services Section, Audit established that Gas Advisory Service, a third party agency, were overseeing gas inspections on behalf of the TMO for an annual fee of approximately £27k. This was to cover the interim period during which a major reorganisation of Building Services Section was taking place with a new management structure being implemented.
- 5.12 The restructure has now been completed and a Director of Assets and Regeneration appointed. The remained of the Building Services Team are interim staff and permanent recruitment is underway.
- 5.13 At the time of the audit the Head of Building Services and three contract managers were in posts to oversee the various contractors appointed to undertake work on behalf of the TMO. Audit were however unable to determine whether the agreement with Gas Advisory Services would be terminated given that officers were now in post to manage and oversee gas inspections.
- 5.14 In the absence of any formal review of this arrangement, there is a risk that Gas Advisory Service continues to receive a management fee for

providing a service that is no longer required or necessary since this function is being carried out by in house officers.

**Recommendation**

***The service agreement with Gas Advisory Service should be reviewed and terminated if it is no longer required as a result of the Building Services management reorganisation.***

**Management response:**

***The Gas Advisory Service's (GAS) current appointment runs to the end of June 2013. It gives support in the monitoring and administration of the gas contract with T Brown. Recruitment to the permanent positions within the Building Services Team is ongoing. The extent of any service required from GAS beyond the end of June 2013 will be reviewed in May 2013 in the context of the ongoing permanent recruitment.***

**6. Electrical Installations**

- 6.1 Electrical safety inspections are undertaken every ten years (in accordance with mandatory guidelines) or when a property has been void or there has been a mutual exchange or the property is sold under the right to buy scheme. A number of in house and contracted service providers undertake a wide range of electrical installations. Specific electrical inspections such as emergency lighting is inspected by the electrical contractor RGE as part of the Fire Safety service contract which is overseen by the Head of Building Services.
- 6.2 The current contract runs until the end of 2013 when it will be retendered. The annual spend with RGE for Fire Safety including electrical safety checks was £767k for 2011/12 and budgeted at £522k for 2012/13.
- 6.3 The outcome of all electrical inspections are detailed on a Domestic Periodic Inspection Report and the contractor submits an electronic file to the TMO for all completed inspections. This information is then uploaded on the Keystone System.
- 6.4 Following a request for a list of all electrical inspections carried out since April 2012 and discussions with the responsible officers, Audit established that electrical inspections records on the Keystone System were not up to date. In particular approximately 10,000 current and historic inspection records are held on a spreadsheet database and have not yet been uploaded onto the Keystone System.
- 6.5 Audit were informed by the Technical Systems Manager responsible for the Keystone System that this was due to file format incompatibility

issues between the inspection data provided by RGE and the Keystone System database fields.

- 6.6 At the time of the audit, a workaround solution was being developed by the Technical Systems Manager although no specific timescale was provided as to when a solution would be achieved. Due to this issue Audit were unable to place any reliance on the accuracy and completeness of Keystone System records for electrical inspection.
- 6.7 Discussions with the Contract Managers responsible for overseeing electrical checks also revealed currently they are in the process of undertaking inspections for approximately 3,000 properties. This is partly due to the integrity of data maintained under the previous management arrangements could not be relied upon.
- 6.8 Audit established that the electrical inspection records were held across a number of disparate locations including on shared drives and personal folders of officers that previously oversaw the inspections but had now left the TMO.
- 6.9 Audit also requested a report showing all properties where electrical inspections were due. This information could not be provided due to the absence of an up to date centralised record of all electrical inspection checks undertaken for TMO properties. Although the Keystone System should hold this information, a large number of the inspection records had yet to be transferred onto the system estimated at approximately 10,000 records going back over the past two year period.
- 6.10 Since the electrical inspection records on the Keystone System were not up to date and incomplete, Audit were unable to place any reliance on these records. There is a risk that in the absence of up to date inspection records being maintained on a central system database, electrical inspections that are imminently due may be overlooked and not undertaken on a timely basis. This also compromises the health and safety of TMO tenants from potential electrical faults and hazards where inspections are not carried out by the due date.

***Recommendation***

***Management should ensure that the electrical inspection records on the Keystone System are up to date and accurately reflect the inspections carried out by the contractor RGE. An appropriate workaround solution should be identified to enable all the outstanding inspection records to be uploaded onto the Keystone System so that the information is up to date and accurate and can be used to monitor when inspections are due.***

***Management response:***



***The loading of electrical inspection certificates onto Keystone is being pursued as a high priority to ensure that electrical inspections are monitored as part of a planned process. Electrical inspections are carried out as part of the major works programme, planned maintenance, responsive repairs and voids processes as well as through the recently procured electrical testing programme. Data is currently being collated into a single format that can be input into Keystone and future programmes of works and testing are planned and co-ordinated.***

## **7. Asbestos**

- 7.1 Any property that has building work carried out on it is checked for the presence of asbestos. Additionally asbestos management surveys are carried out on void dwellings. Two specialist contractors are used for asbestos removal on behalf of the TMO, Express Environmental Solutions Limited and European Asbestos Services.
- 7.2 All void surveys and associated removal or encapsulation work is managed through the Voids Team who raise an order with one of the contractors to survey the flat for the location and condition of any asbestos containing materials. The TMO's policy is to manage asbestos and maintain it in good condition. However, if the void survey identifies any asbestos containing material that needs to be removed the second contractor is then instructed to carry out this work. The total spend on this service for 2012/13 is estimated at approximately £62k.
- 7.3 Audit noted that all asbestos surveys and works undertaken are logged on the Capita Academy Housing Management System only with any supporting survey documents and reports being stored on shared network file for each property.
- 7.4 Audit established that data relating to asbestos surveys and works has not been consistently uploaded onto the Keystone System for at least the last six month period. Audit were unable to determine the specific reason for this.
- 7.5 In the absence of up to date building works and inspection records for asbestos being maintained on the Keystone System, there is a risk that reliance cannot be placed on the system records and incomplete or missed inspections may go undetected by management. This also compromises the health and safety of TMO tenants where any unidentified asbestos material is present within their property.

### ***Recommendation***

***Information relating to asbestos related inspection and works carried out should be uploaded onto the Keystone System on a***

**monthly basis. This ensures that all asbestos related inspection records on the Keystone System are up to date and complete.**

**Management response:**

**The Health and Safety Team and Technical Systems Manager are working with both contractors in an effort to get the asbestos information submitted in a format that can be readily uploaded onto Keystone and thereby remove the need for time-consuming, labour-intensive data entry. This has not been provided consistently in the correct format but a further meeting has taken place with both contractors in March 2013 where we again clarified our requirements and provided further information and training to the contractor. Since this meeting the necessary populated spreadsheets have now been forthcoming enabling information to be uploaded within one week of receipt.**

- 7.6 Audit examined ten property records on the Capita Academy Housing Management System where work was recently carried out to remove asbestos identified from surveys undertaken prior to building repair works taking place. For each property the relevant survey document was examined and details of the work undertaken checked against the contractor invoice record.
- 7.7 For each property the relevant survey and work record included details of where the asbestos was found and the date when it was removed / disposed of by the appointed contractor.
- 7.8 Audit noted that details of the works carried out for these properties was not on the Keystone System records but only on the Capita Academy Housing Management System. This was due to the Keystone System records not being up to date for asbestos related works (see paragraph 7.5 above).

## **8. Fire Safety and Water Quality**

- 8.1 Regular fire risk assessment inspections are carried out for all TMO estates by a specialist consultant Carl Stokes and Associates. The consultant has 19 years fire safety experience with local fire authority, in enforcement and auditing roles and four years as an independent fire risk assessor. For 2012/13 payments totalling £1,500 have been made to the consultant for fire risk assessment inspections.
- 8.2 There is a rolling fire risk assessment programme which covers all the buildings within the TMO estate and this programme is overseen by the Health Safety and Facilities Manager. In each case a fire risk assessment report and document outlining significant findings and action plan is produced. The action plan is distributed to the responsible officers.

8.3 Audit examined three fire risk assessment reports as follows:

- Dacre House – January 2013
- 31 Danvers Street – November 2012
- Downing House – April 2012

8.4 Appropriate coverage for all areas was noted and detailed comments included within the report where non compliance issues were identified. All reports were circulated to responsible officers within the TMO for appropriate remedial action to be taken by officers to address the issues identified. Audit did not however verify what action was taken for the various issues identified.

8.5 Issues were noted when Audit observed the annual health and safety inspection for Darfield Way, Shalfleet Drive and Waynflete Square (see paragraph 4.11). In particular fire extinguishers were noted which had not been inspected on the due date by the appointed contractor RGE.

8.6 In the absence of regular inspection and servicing of fire fighting equipment, there is a risk that any faulty equipment is not identified and replaced promptly thus minimising the risk of failure when the equipment is required in the event of a fire related incident. The absence of regular routine checks also compromises the health and safety of TMO tenants from fire risks.

***Recommendation***

***The Building Services Manager should ensure that all portable fire fighting equipment is regularly inspected by the appointed contractor and any faulty equipment identified replaced on a prompt basis. The frequency of inspections should also be monitored by management to ensure the contractor is undertaking these in line with agreed timescales.***

***Management response:***

***Responsibility for inspection and servicing of portable fire fighting equipment is included in the contract with RGE. TMO includes the review of this equipment as part of regular Health and Safety inspection regime. In some instances it has been identified that this equipment has not been serviced within the given timescale, or that redundant equipment has been left in situ, rather than being removed from site. A detailed review of RGE's performance under this contract is underway and checks and controls are being strengthened to ensure full compliance with their contractual requirements.***

8.7 Inspection and testing of water quality is carried out by Reef under a service contract. They are responsible for conducting annual checks and

water sampling on all water storage tanks and water systems for all TMO managed properties. All inspection reports and outcomes are maintained on the Keystone System.

- 8.8 As part of the observation check carried out by Audit of the annual health and safety inspection for Darfield Way, Shalfleet Drive and Waynflete Square, the water storage tanks for these properties had all been recently inspected by Reef. The inspections also include testing for legionella.
- 8.9 Audit requested a report from the Building Service Manager showing list of all water quality inspections carried out by for the past six month period from the Keystone System. This information was not provided and was still outstanding on completion of the audit review.
- 8.10 In the absence of this information Audit were unable to assess whether inspections are undertaken on a regular basis and in accordance with agreed timescales. There is a risk that where inspections are not carried out on a regular basis this may go undetected by management and furthermore compromise the health, safety and wellbeing of tenants.

***Recommendation***

***The Building Services Manager should ensure that all water quality inspection records are up to date on the Keystone System. The frequency of checks being carried out by the contractor should be reviewed on a regular basis to ensure compliance with agreed inspection frequencies.***

***Management response:***

***Water quality inspection data is currently held on a standalone spreadsheet and not on the Keystone database. The performance of Reef has been good in this area. Actions are in place to ensure that water quality reports are held and monitored through Keystone in future. A clear set of performance management information is also being developed.***

**9. Management Information and Budgetary Control**

- 9.1 At the time of the audit a number of key Health and Safety performance indicators were being developed by the Health Safety and Facilities Manager to enable performance to be monitored on the inspection regime and compliance with statutory legislation.
- 9.2 A number of Key Performance Indicators are published on the TMO website. The most recent figures for October 2012 showed 99.6% of all properties had gas service inspections undertaken on time and 93.7% of all emergency repairs being completed within agreed timescales. No other health and safety related performance indicator figures were published.

- 9.3 Audit noted that only a limited number of health and safety performance indicators are reported and there is an absence of meaningful indicators for areas such as electrical inspections, water quality inspections and treatment of asbestos.
- 9.4 In the absence of a full range of performance indicators for health and safety specific areas, there is a risk that management cannot monitor performance levels for these areas and take appropriate corrective action where poor or inadequate performance levels are identified.

**Recommendation**

**Appropriate performance indicators relating to health and safety inspections should be developed by management. This ensures that inspections can be monitored and any performance issues identified for appropriate corrective action to be taken where performance does not meet expectations.**

**Management response:**

**The Annual Report summarises all health & safety activity in the preceding twelve months. However, it had been acknowledged that it would be beneficial for the TMO to supplement this with meaningful health and safety key performance indicators which could be monitored regularly throughout the year. A range of such indicators have now been identified covering a range of areas including Health and Safety Inspections, Fire Risk Assessments/Reviews, Enforcement/Deficiency Notices Received, Number of Accidents, Fires, Violent Incidents, Percentage Asbestos Surveys Completed; Percentage Legionella Risk Assessments Outstanding (over 2 years old), Percentage Compliance on Maintenance of Fire Equipment (wet & dry risers, fire extinguishers, fire alarms sprinklers etc).**

- 9.5 The Health Safety and Facilities Manager has responsibility for the asbestos budget which is approximately £220k. Quarterly budget reports are provided by Finance to enable spend to be monitored. All other budgets relating to health and safety inspection and works are managed within a number of expenditure cost centres and capital project funds.
- 9.6 The Health Safety and Facilities Manager receive regular budget statement reports on expenditure for budgets under her responsibility. Examination of the latest budget report confirmed that spend to date was in line with the budgeted allocation.
- 9.7 No issues or concerns were observed for this area.

**SUMMARY OF AGREED ACTIONS**

**10 Action Plan**

- 10.1 Recommendations have been made and actions agreed as shown above. The attached action plan contains details of these, along with the risk evaluation, responsible officer and a date for implementation.

**Audit Glossary**

- In order to help put the audit opinion and recommendation priority ratings in context the following tables detail the current ratings used by Internal Audit.

<b>ASSURANCE</b>	<b>Opinion</b>
<b>Substantial assurance</b>	There is a sound system of control designed to achieve the objectives. Compliance with the control process is considered to be substantial and few material errors or weaknesses were found.
<b>Satisfactory assurance</b>	Whilst there is a basically sound system, there are some weaknesses and / or omissions* which put some of the system / unit / process / etc* objectives at risk.
<b>Limited assurance</b>	Weaknesses and / or omissions*in the system of controls are such as to place the system objectives at risk.
<b>No assurance</b>	Control is generally weak leaving the system / unit / process* open to significant error or abuse.

**Then also one of the risks below is stated:**

Taking into account the assurance level given above and the significance of the system / unit / process / etc\*, we are of the opinion that the system presents a:

<b>Low risk</b> to the organisation achieving its overall service objectives.
<b>Medium risk</b> to the organisation achieving its overall service objectives.
<b>High risk</b> to the organisation achieving its overall service objectives.

2. All recommendations in the action plans will carry a priority weighting using the following classification:

<b>HIGH</b>	Recommendation addresses fundamental weaknesses, which seriously compromise the effective accomplishment of the system's objectives. Risks presented by the control weaknesses could be damaging in the short term. The management action required should be implemented as soon as possible, certainly within 0-3 months.
<b>MEDIUM</b>	Recommendation addresses weaknesses which affect the reliance to be placed on the system. Risks presented by control weaknesses could be damaging in the medium term. Management action is required within 0-6 months.
<b>LOW</b>	Recommendation addresses minor weaknesses, or suggests a desirable improvement. Risks presented by control weaknesses are unlikely and inconsequential. Management action is recommended to address concerns within 0-9 months.