

Causeway Coast and Glens Borough Council

Internal Audit Report Grounds Maintenance

2018
Final

MOORE STEPHENS

INTERNAL AUDIT REPORT

Grounds Maintenance

Executive Summary

This internal audit was completed in accordance with the approved annual Internal Audit Plan for 2018/19. This report summarises the findings arising from a review of

Through our audit we found the following examples of good practice:

- An effective maintenance management system (TABS) is in place within the Estates service. For Grounds Maintenance this is utilised for reactive work only e.g. requests from the public and elected members.
- Job/Asset codes have been introduced this year which allow expenditure for individual Council assets to be recorded. This will allow the department to plan maintenance and develop a more accurate budget in the future.
- A standard risk assessment format has been developed for the new Council to replace the legacy Council formats. This is being rolled out across Grounds Maintenance. The Estates Health & Safety (H&S) Officer has created a Table of Risk Assessments which are to be reviewed and put in the new format in the next 6 months.
- The Estates H&S Officer is collating all the existing training records held for Estates staff (including Grounds Maintenance). This will inform a review of training needs. The way training has been provided in the past is also under review.

There were five findings and recommendations from our audit and two points for management. There was one Priority 2 recommendation which is detailed below:

- a) Audit acknowledges that the Estates H&S officer is working to create a comprehensive training register by the end of 2018. A procedure for managing training (including an annual review of training needs and maintaining the training register) should also be put in place to ensure appropriate clarity over responsibilities for identifying, planning and arranging training and coordination between the Estates H&S officer, HR and the Depot supervisors

The table below summarises the key risks reviewed:

Risk	Number of recommendations & Priority rating		
	1	2	3
There may be a lack of risk assessments & inappropriate health and safety within the grounds maintenance department which could lead to unsafe practice.	-	1	-
It may be that grounds maintenance work is not planned appropriately and the work is not prioritised correctly leading to grounds falling into disrepair or becoming unsafe, extra costs being incurred, or inefficient use of staffs' time.	-	-	2
There may be a lack of control over equipment and assets which could lead to work being delayed, equipment and assets being lost/stolen, or not being safely maintained in working order.	-	-	1
Total recommendations made	0	1	3

Based on our audit testing we are able to provide the following overall level of assurance:

Satisfactory

Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

Points for the attention of Management

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Distribution:	Audit Committee Chief Executive Director of Environmental Services Head of Estates
	June 2018

Audit progress	Date
Audit commenced	1 st June 2018
Draft Report issued to senior management for response	2 nd July 2018
Responses Received	9 th August 2018
Responses Agreed	31 st August 2018
Report Issued	11 th September 2018

All matters contained in this report came to our attention while conducting normal internal audit work. Whilst we are able to provide an overall level of assurance based on our audit work, unlike a special investigation, this work will not necessarily reveal every issue that may exist in the Council’s internal control system.

1 Objective

The areas for inclusion in the scope of the audit were determined through discussion with management and considered the main risks facing grounds maintenance and a review the key systems and controls in place to address these. The objective being to ensure that:

- There are adequate arrangements in place for Grounds Maintenance task planning and management
- Health and Safety is effectively managed
- Equipment and assets are being used and stored correctly and safely

2 Background

Within Northern Ireland the local councils are responsible for the maintenance of grounds owned by council within their area. Grounds maintenance would consist of for example horticultural related activities (grass cutting, pruning of trees), maintaining parks, play areas, cemeteries, leisure facilities such as football. (Falls under 'Building Maintenance')

In Causeway Coast and Glens Borough Council grounds maintenance is within the Estates Service. An annual budget for this financial year (2018/19) of £2,489,560, has been allocated to grounds maintenance activities. There are four depots across the Borough located at Ballycastle, Ballymoney, Coleraine and Limavady, there are approximately sixty staff members (varies with season) based throughout these depot locations. Assets and equipment are also stored at each of these depots and each Depot Supervisor is responsible for the maintenance and upkeep of them under further supervision of an Area Manager.

Within CCAGBC the Director of Environmental Services has operational responsibility for grounds maintenance.

Due to the physical nature of this work and also the type of machinery and equipment that is used it is important that there is appropriate application of Council's risk assessment and Health and Safety procedures.

3 Risks

The risks identified by Internal Audit relating to grounds maintenance and agreed with management in advance of the audit are as follows:

1. There may be a lack of risk assessments & inappropriate health and safety within the grounds maintenance department which could lead to unsafe practice.

2. It may be that grounds maintenance work is not planned appropriately and the work is not prioritised correctly leading to grounds falling into disrepair or becoming unsafe, extra costs being incurred, or inefficient use of staffs' time.
3. There may be a lack of control over equipment and assets which could lead to work being delayed, equipment and assets being lost/stolen, or not being safely maintained in working order.

4 Audit Approach

Our audit fieldwork comprised:

- Documenting the systems via discussions with key staff
- Consideration of the key risks within each audit area
- Examining relevant documentation
- Carrying out a preliminary evaluation of the arrangements and controls in operation generally within the Council
- Testing the key arrangements and controls
- Testing the completeness and accuracy of records.

The table below shows the staff consulted with and we would like to thank them for their assistance and co-operation.

Job title

Head of Estates
Area Manager (Coleraine & Ballycastle)
Area Manager (Ballymoney & Limavady)
Estates Health & Safety Officer
Assets Officer
Depot Supervisors
Human Resources

5 Findings and Recommendations

This section of the report sets out our findings in relation to control issues identified and recommendations. A summary of all the key controls that we considered is included in Appendix II to this report.

5.1 Risk 1 – Compliance with Health & Safety

ISSUE 1 – Compliance with Health & Safety

- a) **Observation-** Testing revealed that training records held by Depot Supervisors are not up to date. The records reviewed by audit were last updated in 2015/16; and although staff continue to be trained, this has not been consistently and

<p>comprehensively recorded on the training matrices provided to Audit. Per the Health & Safety Policy of CCAG “the Manager will maintain a training matrix for their staff with HR keeping a central training data base and include a copy of the training certificate. The original certificate should be returned to the individual.” The Estates Health and Safety (H&S) Officer is working on the creation of a single up to date training record for all staff in the Estates service (and this will include Ground Maintenance staff) by end of 2018.</p>
<p>b) Implication- Without a comprehensive and up to date record of staff training there is a risk that staff do not have up to date training in all appropriate areas to ensure appropriate health and safety.</p>
<p>c) Priority Rating- 2</p>
<p>d) Recommendation- Audit acknowledges that the Estates H&S officer is working to create a comprehensive training register by the end of 2018. A procedure for managing training (including an annual review of training needs and maintaining the training register) should also be put in place to ensure appropriate clarity over responsibilities for identifying, planning and arranging training and coordination between the Estates H&S officer, HR and the Depot supervisors</p>
<p>e) Management Response- A Procedure will be developed to clarify roles and responsibilities to ensure that training needs are identified, planned, performed and recorded. Training, as an agenda item, will be added to H&S meetings.</p>
<p>f) Responsible Officer & Implementation Date- Head of Service, 31 August 2018</p>

5.2 Risk 2 – Grounds Maintenance Appropriate Planning

ISSUE 2 – Work Planning

- a) Observation-** There is currently no documented work planning and prioritisation policy or procedure in place, each depot applies a different approach. Audit reviewed the procedures operating in each depot and found no evidence that work was not being performed. Audit was advised that work is assigned on an ongoing basis. Audit observed that there was no comprehensive annual plan for all planned/scheduled grounds maintenance work however, as mentioned in issue 2, there was no evidence to suggest work was not being completed. Each Depot Supervisor schedules planned maintenance on an ongoing basis, but this is not documented within a comprehensive Annual Operational/Work Plan. It was noted that some Depots are hoping to create a comprehensive plan of scheduled activities.

<p>b) Implication- In the absence of an agreed policy and procedure including an annual operational plan there is an increased risk that grounds maintenance work may not be planned appropriately leading to extra costs being incurred, or inefficient use of staffs' time. There is also potential that it becomes difficult to track and assess progress of work especially if a supervisor is unexpectedly unavailable for work and someone else must oversee the ongoing work in an area they are not familiar with.</p>
<p>c) Priority Rating- 3</p>
<p>d) Recommendation- A work planning and prioritisation policy/procedure should be created and implemented which will support cohesive and interdependent working across all Depots. A standardised approach should be promoted which also considers the different challenges and constraints each Depot faces. The procedure should include guidance on creating and implementing annual operational/work plan for scheduled work in each Depot.</p>
<p>e) Management Response- Due to the external constraints experienced (late/early advances of the seasons, wet weather etc) it is not realistic to detail work on a daily, or even weekly basis, and expect it to be undertaken as planned. However, a 'high level' summary of work undertaken by Grounds Maintenance staff will be developed giving guidance to work to be completed seasonally/monthly. This will list all of the Grounds Maintenance functions including all grass cutting sites.</p>
<p>f) Responsible Officer & Implementation Date- Head of Service, 31 August 2018</p>

ISSUE 3 – Agency Workers

<p>a) Observation- Audit was advised that in order to manage any excess workloads, Council make use of agency workers, seasonal staff and volunteers during peak times. We also found during testing that the contracted employment agency has full responsibility to check that agency workers have the relevant qualifications and experience that Council have indicated as necessary. It is the responsibility of the contracted agency to provide agency workers in line with Council requirements. Audit was advised by the ground maintenance department that they have received a number of workers from the agency who did not have the required qualifications and/or skill/experience; one example mentioned was an agency worker provided without the required driving licence.</p>
<p>b) Implication- If an agency worker does not have the required and necessary skill, qualification or training, this increases the risk of non-compliance with health and safety policy and procedures, possible increased costs and inefficient use of Council staff time.</p>
<p>c) Priority Rating- 3</p>

<p>d) Recommendation- Ground Maintenance management should agree with HR a process to ensure that workers provided by the contracted agency have met the criteria set by CCAG.</p>
<p>e) Management Response- Human Resources have provided feedback to the agency on the issues raised by Grounds Maintenance on an ongoing basis and more regular meetings between the employment agency and Council have been put in place in an attempt to avoid similar occurrences in the future. Representatives of the agency are now required to meet weekly with Council to discuss ongoing requirements and any issues that arise.</p>
<p>f) Responsible Officer & Implementation Date- Head of HR - Implemented</p>

5.3 Risk 3 – Asset & Equipment Responsibilities

ISSUE 4 – Asset & Equipment Polices and Procedures

<p>a) Observation- During testing we found that there is currently no documented procedure for managing Grounds Maintenance assets and equipment. However, testing revealed assets are tagged and audit found no evidence that assets and equipment were being used or stored incorrectly. Discussion revealed that there is some lack of clarity over responsibility for the upkeep and maintenance of assets and equipment. Audit was advised that in addition to a winter service, assets and equipment were repaired when and as needed and no record of the asset repair history was retained. Audit observed that in some Depots that an effort is now being made to record a history of asset maintenance and repair (frequency and costs) to develop a schedule of planned checks and to identify equipment coming towards the end of its useful life.</p>
<p>b) Implication- Without an asset and equipment procedure in place, there is potential risk that responsibilities are not clear which could lead to an asset not being repaired or replaced in a timely manner.</p>
<p>c) Priority Rating- 3</p>
<p>d) Recommendation- An asset and equipment management policy and procedure should be agreed and documented. This would set out the procedures and responsibilities for the purchase, recording (asset/equipment register), tagging, storage, maintenance and disposal of assets.</p>
<p>e) Management Response- A Policy will be developed to cover the points raised</p>
<p>f) Responsible Officer & Implementation Date- Head of Service, 31st August 2018</p>

Appendix I: Definition of Assurance Ratings and Hierarchy of Findings

Satisfactory Assurance

Evaluation opinion: Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

Limited Assurance

Evaluation opinion: There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to the system objectives not being achieved.

Unacceptable Assurance

Evaluation opinion: The system of governance, risk management and control has failed or there is a real and substantial risk that the system will fail to meet its objectives.

Hierarchy of Findings

This audit report records only the main findings. As a guide to management and to reflect current thinking on risk management we have categorised our recommendations according to the perceived level of risk. The categories are as follows:

Priority 1: Failure to implement the recommendation is likely to result in a major failure of a key organisational objective, significant damage to the reputation of the organisation or the misuse of public funds.

Priority 2: Failure to implement the recommendation could result in the failure of an important organisational objective or could have some impact on a key organisational objective.

Priority 3: Failure to implement the recommendation could lead to an increased risk exposure.

Appendix II: Summary of Key Controls Reviewed

Budgetary Control

Risk	Key Controls
<p>There may be a lack of risk assessments & inappropriate health and safety within the grounds maintenance department which could lead to unsafe practice.</p>	<ul style="list-style-type: none"> • Health and Safety policies and procedures are in place and available to staff • Policies and procedures are reviewed and updated periodically • Risk assessments are undertaken and completed. • Staff are given health and safety training • A risk register to identify and score risks threatening grounds maintenance is in place and identified risks are not left uncontrolled.
<p>It may be that grounds maintenance work is not planned appropriately and the work is not prioritised correctly leading to grounds falling into disrepair or becoming unsafe, extra costs being incurred, or inefficient use of staffs' time.</p>	<ul style="list-style-type: none"> • Policies and procedures to support work planning and prioritisation are in place. • A planned maintenance schedule is also in place • Annual work plans are used to prioritise areas of work • Progress against annual work plans targets are reviewed periodically (quarterly or bi-annually) • A task management system/software is used to register, allocate and manage planned and ad hoc requests for maintenance • Prioritisation of maintenance is carried out in an appropriate manner (e.g. risk-based criteria) • Periodic reports on maintenance activities are run from the task management system and reviewed by management • Comments from management on review of the activity reports are communicated to staff in a timely manner • Processes are put in place to manage workloads if they become excessive • Regular progress meetings are held between management and staff to discuss activity levels and departmental performance • Budgets are in place and are monitored throughout so as not to be exceeded.
<p>There may be a lack of control over equipment and assets which could lead to work being delayed, equipment and assets being lost/stolen, or not being safely maintained in working order.</p>	<ul style="list-style-type: none"> • The responsibility for the upkeep of equipment and assets used by maintenance is clearly understood • A log of all equipment and assets is retained and updated. • Equipment and asset checks are regularly completed and documented • Policy for equipment and assets in place (detailing use and security) • Staff have the appropriate qualifications to operate relevant equipment

Appendix III: Points for the Attention of Management

Risk assessments

The Estates Health & Safety Officer has identified and recorded a list of all Estates risk assessments and is supporting a process of updating these to the new CCAG format. Management should now agree a timeline and deadline for the new format to be fully adopted and rolled out by Grounds Maintenance.

Management Response:

By 31st March 2019

Budgets

Job/asset codes are now in place to facilitate the recording of how much is being expended on each particular Council asset that Grounds Maintenance is maintaining. This will help to improve planning of activities and support more detailed budgeting in the future. Currently the Head of Service monitors the high-level budget in an ongoing manner. As the information to support improved budgeting becomes established management should consider that the monitoring of spend against the budget is formally discussed with the depot supervisors (and that this is documented as part of a regular management review meeting).

Management Response:

As this new costing system is in its infancy, it will take 2018/19 to provide the information necessary to develop budgets for 2019/20. At this point it will be more relevant to discuss spend versus budget with Supervisors.