

# Final Internal Audit Report

## Management and Support of Mental Health / Staff Wellbeing (Processes and Procedures)

September 2023

Distribution: Interim Assistant Chief Executive  
Chief People Officer  
Director of Public Health  
Head of Human Resources (Res & ACE)  
Director of Finance (Deputy S151)  
Corporate Director of Resources and S151 Officer (Final only)

Assurance Level	Issues Identified	
Full	Priority 1	0
	Priority 2	0
	Priority 3	0

### Confidentiality and Disclosure Clause

This report ("Report") was prepared by Mazars LLP at the request of London Borough of Croydon and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of London Borough of Croydon and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, re-interpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, re-interpretation, amendment and/or modification by any third party is entirely at their own risk.

Please refer to the Statement of Responsibility in Appendix 3 of this report for further information about responsibilities, limitations and confidentiality.

**Contents**  
**Page****Executive Summary**

1. Introduction	3
3. Key Issues	5

---

**Appendices**

1. Terms of Reference
2. Definitions for Audit Opinions and Identified Issues
3. Statement of Responsibility

## **1. Introduction**

- 1.1. According to the World Health Organisation (WHO), "Health is a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity." It is important to note that mental health is an integral part of what the WHO defines as a healthy state. The WHO defines mental health as "a state of well-being in which an individual realises his or her own abilities, can cope with the normal stresses of life, can work productively, and is able to make a contribution to his or her community." Several of the key phrases within the definition of mental health also are key attributes for a successful professional, such as a state in which an individual "realises his or her own abilities," "can cope with the normal stresses of life," "can work productively," and is "able to make a contribution." Indeed, these attributes often are basics that are included in job descriptions and would be necessary in any working professional. The guidance on mental health conditions at the workplace by the Health and Safety Executive Office of UK also aligns to this definition.
- 1.2. Croydon Council (Council) has a People and Cultural Transformation Strategy which covers the period 2022-2026. This is a four-year council-wide strategy that contains a number of Council-wide pillars. Pillar 3 outlines that the Council prioritise the health, wellbeing, and resilience of its staff, so that these staff can thrive and are engaged and motivated to deliver positive outcomes for the Council's diverse communities. The Chief People Officer confirmed that the Strategy has been approved by the Cabinet, the Mayor, and Council Management Team (CMT). Furthermore, the Strategy has been published on the staff intranet where there is restricted access.
- 1.3. The Council also has the Workforce Health and Wellbeing Strategy in place which sets out the Council's strategy to support improvement to wellbeing, including mental health. The strategy is a live document intended to incorporate potential sources of health and wellbeing issues that arise over time. It recognises that people's health at work can be affected by many factors which may require different forms of support. These factors include, financial uncertainty, underlying health issues, workplace stress and trauma, discrimination, harassment, caring responsibilities, domestic violence, high profile service issues, political, practice and policy changes. This was being updated at the time of audit to include Equality, Diversity and Inclusion (EDI) for positive impact on staff well-being and provide access to discounted private health care to staff.
- 1.4. The Council had an approved Workforce Health and Wellbeing Delivery Plan in place for 2023/24 and 2024/25 which set out the following themes:
  - Corporate support for health, wellbeing, safety and 'good work';
  - Mental health and wellbeing;
  - Physical health and healthy lifestyle promotion, and
  - Culture and social wellbeing and financial wellbeing.

Each theme has a number of actions on how it will be measured. Sample testing of five actions from the above themes confirmed that progress against the actions was monitored by the Workforce Board and the actions were implemented.

- 1.5 The Council also had the People Strategy Action Plan dated January 2023, which set out objectives such as strengthen leadership and management capabilities, prioritise the health, wellbeing and resilience of our staff, build our skills and capabilities and optimise our performance, establish a market led pay and reward package that takes account of market trends and develop an employer brand to attract employees who share the Council's values. The People Strategy Action Plan has defined timelines and responsible officer. The Workforce Board monitors progress of the People Strategy Action Plan as confirmed through the report produced by the Chief People Officer for the Workforce Board for the period January - March 2023.
- 1.6 Croydon has an independent and confidential Employee Assistance Programme (EAP) in place, provided by Health Assured Ltd, to support all aspects of your wellbeing. The EAP is designed for employees to access expert advice and services from trained and qualified professionals – everything from health and wellbeing support and counselling to advice on employment issues and personal finance. The EAP can be access by all employees at the Council free of charge 24 hours a day for 365 days. The EAP can be accessed in the following ways:
  - Online (website resources, email and instant messaging);
  - Phone (24 hours a day, 365 days a year);
  - Mobile app - My Healthy Advantage app;
  - Manager referral;
  - Benefits of the EAP; and
  - Areas of support.
- 1.7 In addition to the EAP, Croydon also has Occupational Health, Mental Health Champions, Mental Health First Aiders, and a Guardians programme. These are all designed as early interventions seeking to reduce the impact of mental health related sickness absence. A review of the Council's intranet confirmed that contact information of all Mental Health First Aiders and Guardians was available on it ensuring for staff's easy access.
- 1.8 Review of Monthly Dashboards from December 2022 to February 2023 confirmed that each Directorate Management Team (DMT) receives a monthly dashboard which shows the sickness absences of staff and the reasons for such absences. Furthermore, a Quarterly Dashboard was shared with the Workforce Board (Co-chaired by The Chief People Officer and Chief Executive) which summarised the quarterly statistics over staff absences due to sickness. Review of Corporate Health and Safety Board Agenda Paper for meeting held on 16 March 2023 confirmed that the Workforce Health Strategy, Health and Safety Training compliance report and feedback on departmental health and safety groups were discussed in the meeting.
- 1.9 Review of EAP report for the period 1 March 2022 to February 2023 confirmed that the statistics in connection with Mental Health and Wellbeing, such as number of calls made under the EAP, number of counselling calls, number of

advice calls, number of counselling sessions delivered, etc. were reported yearly to the Health and Safety Board by the Human Resources team. The report showed an annualised utilisation rate of the Council of EAP at 8.5% i.e. 340 calls logged from a headcount of 4000. Of these, 274 calls were related to counselling where circa 20% of those related to anxiety. Counselling sessions involving face-to-face counselling, referrals to relevant support groups have also been held. Per the report, after engaging in structured therapy, the Generalised Anxiety Disorder (GAD-7) average score reduced from 1.5 to 0.9 and the average Patient Health Questionnaire (PHQ-9) score reduced from 1.3 to 0.7.

- 1.10 There had been regular communication with staff to raise awareness about mental health and support available by the Council through staff webinars called 'Tea Talks' chaired by the CEO and Corporate Management Team (CMT) along with regular communication through the intranet as confirmed by the Chief People Officer.
- 1.11 While our review and testing were performed remotely, we have been able to obtain all relevant documents (or review supporting evidence via screen sharing) required to complete the review.
- 1.12 The audit was undertaken as part of the agreed Internal Audit Plan for 2022/23. The objectives, approach and scope are contained in the Audit Terms of Reference at Appendix 1.

## **2. Scope and Limitations**

- 2.1 The following paragraphs provide details of the scope coverage and any limitations that should be placed upon this review.
- 2.2 The scope of work undertaken assessed the strategic approach and action plans to support this. The audit evaluated the systems in place to provide staff with support, monitoring arrangements and the reporting mechanisms for mental health. The full scope can be found in Appendix 1.
- 2.3 The audit did not provide assurance on the outcomes of such measures or the management of mental health related absences or incidents. The scope did not include feedback from staff, testing and communication or awareness across the Council about mental health.

## **3. Key Issues**

There were no issues arising from the audit.

## **TERMS OF REFERENCE**

### **Mental Health / Staff Wellbeing (Processes and Procedures)**

#### **1. INTRODUCTION**

- 1.1 The London Borough of Croydon (Council) is committed to supporting staff mental health and wellbeing. The wellbeing of staff refers to the state of employees mental and physical health which can be impacted on by dynamics both within and outside of their workplace. Where higher employee morale exists and employee needs are met at all levels, physical, mental and financial, employees feel more competent and valued.
- 1.2 Providing positive staff wellbeing can increased productivity and engagement, improve employee's job satisfaction and help to reduce absence from work. The Council utilise numerous ways to provide staff with support systems to ensure their wellbeing, which can be accessed on the Council's intranet. These include:
- Line management support,
  - Employee Assistance Programme (EAP),
  - Mental Health First Aiders (MHFA) and
  - Staff networks.
- 1.2 Six staff networks are an integral part of the Council's cultural landscape. They provide their members with personal and career support, run awareness-raising events and sit on the Council's Culture. All staff networks are sponsored by a member of the Council's leadership team to ensure they are represented at the highest level.
- 1.4 This audit is being undertaken as part of the agreed Internal Audit Plan for 2022/23.

#### **2. OBJECTIVES AND METHOD**

- 2.1 The overall audit objective is to provide an objective independent opinion on the adequacy and effectiveness of controls / processes.
- 2.2 The audit will for each controls / process being considered:
- Walkthrough the processes to consider the key controls;
  - Conduct sample testing of the identified key controls; and
  - Report on these accordingly.

### 3 SCOPE





- 3.1 This audit, which focused on Mental Health and Staff Wellbeing, was undertaken as part of the 2022/23 Internal Audit Plan. The specific scope included the following areas, please refer to Section 2 of the report for detailed scope coverage:

Control Areas/Risks	Issues Raised		
	Priority 1 (High)	Priority 2 (Medium)	Priority 3 (Low)
Strategy, Policies and Plans	0	0	0
Staff Engagement and Development of Action Plans	0	0	0
Training, Support Systems and Initiatives Provided to Staff	0	0	0
Measurement of Staff Wellbeing	0	0	0
Management Monitoring and Reporting	0	0	0
Governance and Oversight	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Definitions for Audit Opinions and Identified Issues

In order to assist management in using our reports:

We categorise our **audit assurance opinion** according to our overall assessment of the risk management system, effectiveness of the controls in place and the level of compliance with these controls and the action being taken to remedy significant findings or weaknesses.

	Full Assurance	There is a sound system of control designed to achieve the system objectives and the controls are constantly applied.
	Substantial Assurance	While there is basically a sound system of control to achieve the system objectives, there are weaknesses in the design or level of non-compliance of the controls which may put this achievement at risk.
	Limited Assurance	There are significant weaknesses in key areas of system controls and non-compliance that puts achieving the system objectives at risk,
	No Assurance	Controls are non-existent or extremely weak, leaving the system open to the high risk of error, abuse and reputational damage.

Priorities assigned to identified issues are based on the following criteria:

<b>Priority 1 (High)</b>	Fundamental control weaknesses that require immediate attention by management to action and mitigate significant exposure to risk.
<b>Priority 2 (Medium)</b>	Control weakness that still represent an exposure to risk and need to be addressed within a reasonable period.
<b>Priority 3 (Low)</b>	Although control weaknesses are considered to be relatively minor and low risk, still provides an opportunity for improvement. May also apply to areas considered to be of best practice that can improve for example the value for money of the review area.



## **Statement of Responsibility**

We take responsibility to the London Borough of Croydon for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

This report is confidential and must not be disclosed to any third party or reproduced in whole or in part without our prior written consent. To the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation amendment and/or modification by any third party is entirely at their own risk.

Registered office: 30 Old Bailey, London EC4M 7AU, United Kingdom. Registered in England and Wales No 0C308299.