**Internal Audit**

**NHS Lothian**

**Compliance with Policies and Procedures**

April 2015

**Report Assessment**

# Contents

# Introduction

The policy framework for NHS Lothian comprises various categories and levels of policies and procedures.  As well as policies which apply across the organisation, the framework includes clinical and non-clinical policies, professional and specialty-specific policies, and local and site-specific policies.  To support the policy framework, The Development, Approval and Communication of NHS Lothian Policies and Procedures: Procedure and Guidance includes the expectation of monitoring compliance with policies.

Following Internal Audit's March 2011 report on compliance with policies and procedures, the Corporate Governance Manager implemented a number actions designed to help managers to raise staff awareness of policies and identify areas of non-compliance. Actions included the development of the seven Mandatory Policy Packages, working with the Medical Director and Nurse Director to promote awareness of the seven Mandatory Policy Packages, and developing alternative solutions to promote policies such as a reading module within learnPro.

Nevertheless, compliance with policies and procedures remains an area of concern across the service. A report on the system of clinical policy management was presented to the Healthcare Governance Committee in March 2014, which highlighted risks associated with the Board's intranet holding out-of-date policies / procedures / protocols, and the lack of control over the maintenance of local service-specific intranet pages. Non-compliance with policies and procedures is a contributory factor to adverse events which cause harm. As well as issues of safety and quality, policies are often prepared to support the efficient running of the Board's activities.  Non-compliance can therefore compromise organisational efficiency and its general performance.

## Scope

We reviewed arrangements in place for managing and monitoring compliance with policies & procedures. Due to the significant number of policies in place across NHS Lothian the scope of the audit focused on those policies and procedures included within the seven mandatory policy packages that:

- apply specifically to corporate objectives assessed to have a low risk appetite

- specifically operate within Scheduled Care, Unscheduled Care and Community Health (and Care) Partnerships.

The control objectives for the audit are set out in the Summary of Findings, along with our assessment of the controls in place to meet each objective.

## Acknowledgements

We would like to thank all staff consulted during this review, for their assistance and cooperation.

**NHS**
Lothian

# Executive Summary

## Conclusion

There is a clear and comprehensive framework in place that provides staff with guidance about policies and procedures. This includes a series of mandatory policy packages designed to draw attention to key organisational policies. However, the process for implementing and monitoring the application of the framework requires improvement.

In particular, policies should be subject to more detailed implementation testing before approval in order to provide managers with more support to monitor compliance with individual policies. In addition, there should be more focus on the causes of continued non-compliance with policies, and actions to improve performance, along with clearer consequences if actions are not implemented.

## Summary of Findings

The table below summarises our assessment of the adequacy and effectiveness of the controls in place to meet each of the objectives agreed for this audit. Definitions of the ratings applied to each action are set out in Appendix 1.

| No. | Control Objective | Control objective assessment | Number of actions by action rating | | | |
|---|---|---|---|---|---|---|
| | | | **Critical** | **Significant** | **Important** | **Minor** |
| 1 | Managers can evidence that staff are aware of policies and procedures | **Amber** | | 1 | 1 | |
| 2 | Managers obtain assurance that staff comply with policies and procedures | **Amber** | | 1 | 1 | |
| 3 | The framework of policies and procedures is clear, understood and well maintained | **Green** | | | 1 | |

### Control Objective Ratings

| Action Ratings | Definition |
|---|---|
| **Red** | Fundamental absence or failure of controls requiring immediate attention (60 points and above) |
| **Amber** | Control objective not achieved - controls in place are inadequate or ineffective (21 – 59 points) |
| **Green** | Control objective achieved – no major weaknesses in controls but may be scope for improvement (20 points or less) |

## Main Findings

We noted a number of areas of good practice during the review.

NHS Lothian has developed seven mandatory policy packages, comprising 41 policies and procedures, which allow staff to identify which policies are relevant to them. Each policy within the mandatory packages has an executive summary and states required actions in clear, comprehensive language. The document "The Development, Approval and Communication of NHS Lothian Policies and Procedures" sets out the processes to be followed when developing and implementing policies and procedures. Together these give a clear framework for NHS Lothian employees to identify those mandatory policies with which they must comply.

All new staff are informed of the mandatory packages during corporate induction, and told to request copies from their line manager during local induction. The Corporate Induction Programme issued during corporate induction includes details of the policies within the mandatory packages.

Procedures to monitor compliance with policies are in place for some policies, such as audits by Health & Safety, and hand hygiene reviews by the Infection Control Team. The waiting times assurance framework is another area which has developed additional controls over the measurement and reporting of performance, including the extent to which staff comply with relevant policies.

A number of learnPro modules are in place which provide additional training for staff in respect of the requirements of particular policies and procedures. NHS Lothian's Training Department is working with NHS Education for Scotland to create a Scotland-wide list of mandatory learnPro modules for all staff groups.

We identified two significant areas for improvement during the review:

- Managers are not able to demonstrate that staff are aware of and complying with all mandatory policies. NHS Lothian does have a very large number of policies in place and work is required to provide managers with more support to implement effective control systems that will allow them to monitor compliance with policies and procedures.

- There is data available within NHS Lothian, which is supported by internal audit findings in this and other audits, that provides evidence of continued non-compliance with policies in some areas (eg. completion of mandatory training modules). Although this data is reported to governance committees, there appears to be a lack of consequences associated with continued non-compliance that may be indicative of a wider cultural issue.

Further details of each of these points along with three important findings are set out in the Management Action Plan.

**Management Action Plan**

**Control Objective 1: Managers can evidence that staff are aware of policies and procedures**

| **1.1: Managers do not follow NHS Lothian's control process to demonstrate staff are aware of all relevant policies and procedures** | **Significant** |
|---|---|

Observation and Risk

The range of policies covered by the mandatory policy packages is very wide, incorporating clinical and non-clinical policies. The level of work required by managers to confirm staff understand the actions they must take to comply with the requirements of each policy can vary depending on factors such as the content of the policy, whether it is a new policy or a minor revision to an existing policy, and the frequency with which staff have to follow the policy.

The document "The Development, Approval and Communication of NHS Lothian Policies and Procedures" (the policy document) provides guidance for managers to help them meet the requirement to ensure staff are aware of all relevant policies, for example by maintaining a list of all policies and procedures relevant to their area of responsibility, which is reviewed annually and by developing a process to "triage" policies and procedures and determine the appropriate actions to take to inform staff.

We found 27 (84%) of a sample of 32 line managers did not have documentation, such as the list of relevant policies referred to in the policy document, allowing them to demonstrate that staff were aware of all relevant policies.

There is a risk that staff do not implement policies effectively and the organisation does not receive the related benefits.

Recommendation

Further work is required to understand the reasons why managers do not maintain a list of relevant policies, which identifies how managers will confirm staff awareness of each policy, as well as identifying how compliance will be tracked (see 2.1).

A working group with representation from policy owners, managers with responsibility for tracking compliance with policies, and staff responsible for following policies should be set up. The group should focus on how additional support can be provided to managers to allow them to implement the existing policy framework in an efficient and effective manner. This should include consideration of:

- additional guidance to be included within individual polices about the steps required to implement a policy;

- identification within individual policies of the data available to monitor compliance with that policy;

- development of a process to pilot test the proposed implementation and monitoring of new or amended policies before the policy is approved; and

- development of a control framework that requires managers to provide annual assurance to more senior managers that policy requirements have been met for all relevant policies. This could be linked to the existing annual controls assurance process.

Management Response

The recommendation is accepted.

Management Action

The Chief Executive will identify an individual to establish and lead a working group to conduct further research into what is currently happening in operational areas with regard to compliance, identify the root causes of non-compliance, and to develop pragmatic solutions to address the issues raised in this report. A key principle will be to be assured that the organisation approves policies and procedures with the knowledge that they can be, and will be, effectively implemented within the available resources (employees, operational assets, and money).

The chair of the working group will provide regular updates to the Corporate Management Team. The chair of the working group will provide a progress report to the Audit & Risk Committee on 7 December 2015.

| Responsibility: | Target date: |
|---|---|
| Chair of the working group | 7 December 2015 |

| 1.2: LearnPro modules are not being completed on time, and non-compliance is not being challenged effectively | Important |
|---|---|

Observation and Risk

The online training system learnPro has eight mandatory modules which are relevant to 11 of the 41 policies within the mandatory policy packages, and which all NHS Lothian staff must complete every two years. However, as at 28 February 2015 the non-completion rate for the eight mandatory e-learning modules ranged from 29% to 55% across the modules, with the average non-completion rate being 41%. The current reporting to Staff Governance Committee does not address the reasons for low completion rates.

Although details of the completion rates are reported regularly to the Staff Governance Committee, there has been a small decline in the overall rate of completion of mandatory learnPro modules; in September 2014, the overall completion rate was 44%. Having high learnPro completion rates and effective reporting of these statistics to the Staff Governance Committee increases the likelihood that staff are aware of their requirements for complying with the policies to which the learnPro modules relate.

Recommendation

The remit of the working group recommended at 1.1 and 2.1 should include a review of the learnPro mandatory modules. This review should consider whether the mandatory modules are targeted at the right staff, and whether the information contained within the modules is appropriate.

The current reporting of learnPro module completion rates to Staff Governance Committee should be developed by including updates from directors and general managers explaining low completion levels along with planned actions to achieve full compliance.

In addition, the procedure for linking persistent non-completion of mandatory training modules with NHS Lothian's disciplinary procedures should be reviewed.

Management Response

Given that management have previously determined that these e-learning modules are mandatory, the current level of completion is unacceptable. In order to build a successful and effective culture with regard to compliance, it must be commonly understood that mandatory means mandatory.

Management Action

The working group will critically review the mandatory e-learning modules, to confirm whether it is absolutely necessary for every member of staff to work through all of the current material. Thereafter, the group will examine the current reasons behind non-completion in operational areas, and identify how best to support full compliance with the mandatory material.

| Responsibility: | Target date: |
| --- | --- |
| Chair of the working group | 7 December 2015 |

| Control Objective 2: Managers obtain assurance that staff comply with policies and procedures | |
| --- | --- |
| **2.1: Managers do not routinely capture evidence that staff comply with policies and procedures** | **Important** |

Observation and Risk

During the course of our audit, we asked 32 managers to provide evidence of staff compliance with policies and procedures. While 25 informed us that they did monitor compliance with policies, none provided evidence to demonstrate a process that gave assurance over the completeness of such monitoring activity. Managers noted that monitoring activity occurred through the annual appraisal process and through the results of audits performed by other NHS Lothian departments, e.g. audits by Health & Safety, and hand hygiene reviews by the Infection Control Team.

We note that there is a great deal of monitoring activity within NHS Lothian that allows assessment of the extent to which staff follow policies. However, while some managers do use data from activities such as hand hygiene reviews, it is not possible to confirm whether this approach is used across the organisation. Similarly, it is not possible to determine whether compliance is monitored in a structured way for all policies.

If managers do not have systematic controls to confirm that policies are being properly implemented, then there is a risk that operational practice may never change in the light of policy, or any change may not be properly implemented or sustained.

Recommendation

Managers need to put in place systems of control, which should give them assurance that all relevant policies are being implemented. The requirements of the different policies need to be blended into working practices, rather than there being separate monitoring systems for each policy.

The working group recommended at 1.1 should identify additional measures to be taken to support managers in implementing such control systems. This could include:

- additional guidance, or training courses that cover the principles of a successful control system;

- development of support mechanism so that managers that find practical difficulties in implementing monitoring arrangements can obtain assistance;

- development of a feedback process so that observations of staff and managers responsible for using policies can be captured and used to inform future iterations of the policy.

Management Response

The recommendation is accepted.

Management Action

The working group will take this forward as part of its programme of work, and will include it within the update to the Audit & Risk Committee on 7 December 2015.

| Responsibility: | Target date: |
|---|---|
| Chair of the working group | 7 December 2015 |

| **2.2: Robust action to address areas of non-compliance is not taken effectively in all areas** | **Significant** |
|---|---|

Observation and Risk

The findings from this audit, along with other internal audit reviews completed during the year (such as hospital waste management, and staff records management) provide evidence of non-compliance with policies.  As noted at 1.2, statistics reported to the Staff Governance Committee indicate completion of mandatory learnPro modules stands at 41%.  At the start of March 2015, of the 22,286 staff who have an eKSF account 6,028 (27%) have never had a review performed and 15,285 (69%) have not had a review during the past year. Routine reporting arising from monitoring of infection control policies also highlights areas of continuing non-compliance. However, there is a lack of consequences for these failures to comply with policy that could be indicative of a wider cultural issue within NHS Lothian.

This is not the case in all areas, and the work completed in respect of management of waiting times data is one area in which clear action has been taken to address non-compliance with policy. Similarly, there are clear consequences for employees who do not meet registration requirements; they are not permitted to work until they have the required registration.

There is a risk that non-compliance with policies and procedures will continue without a strong message from all levels of management that it is unacceptable.

Recommendation

The working group recommended at 1.1 should identify areas of existing good practice and identify processes that can be extended to areas that are not performing as well. As noted at 2.1, the group should consider additional training for managers about systems of control. As well as giving guidance about how a system of control should operate, the training should cover why it is important so managers understand the value of tasks they are asked to complete.

The working group should also develop protocols for escalating continued non-compliance so that additional resource can be made available, if required, to examine the reasons for continued non-compliance and identify actions to improve performance.

Finally, each policy should be clear about the consequences of non-compliance and testing of policy implementation prior to approval should include an assessment of whether the identified consequences can be applied consistently in the event of non-compliance.

Management Response

The recommendation is accepted.

| Management Action | |
|---|---|
| The working group will take this forward as part of its programme of work, and will include it within the update to the Audit & Risk Committee on 7 December 2015. | |
| Responsibility:<br><br>Chair of the working group | Target date:<br><br>7 December 2015 |

| Control objective 3: The framework of policies and procedures is clear, understood and well maintained | |
|---|---|
| **3.1: Mandatory policy packages are not scheduled for review** | **Important** |

Observation and Risk

The seven mandatory policy packs created in November 2012 have not been reviewed since then to determine whether the content of each package should be changed, and the mandatory policy packages do not have planned review dates.

Individual policies included within the each mandatory policy pack are reviewed on a regular basis. However, there is no mechanism in place to confirm that policy owners have reviewed and, where relevant, updated the summary of their policy contained within the mandatory policy packages.

The document "The Development, Approval and Communication of NHS Lothian Policies and Procedures" sets out how all policies and procedures should be developed and implemented. However, although the policy document was due for review in November 2014, no review had been carried out at the time of the audit (March 2015).

If the mandatory policy packages are not reviewed regularly (including confirmation that the executive summaries within the mandatory policies are consistent with individual policies), there is an increased risk that the mandatory policy packages become an ineffective tool for promoting compliance with policies.

Recommendation

The Corporate Governance Manager, working with the relevant subject matter experts, should review the content of the seven mandatory policy packages to determine whether the policies contained within each package remain appropriate. This review should also consider whether the executive summaries in the packages are still accurate and should identify the next planned review date for each policy package. The revised mandatory policy packages should be advertised in Team Brief following this review.

Finally, the document "The Development, Approval and Communication of NHS Lothian Policies and Procedures" should be reviewed. This review should include a requirement for policy owners to review and update the executive summaries of those policies included within the mandatory policy packages at the same time each policy is reviewed.

Management Response

Agreed.

| Management Action |
|---|
| A preliminary review of the "The Development, Approval and Communication of NHS Lothian Policies and Procedures" and the mandatory policy packages will be performed. This will ensure that issues relating to out-of-date, incorrect, or incomplete material are quickly addressed. <br><br> It is likely that the output from the working group will have a bearing on both the policy and the mandatory packages, and therefore they may be reviewed as the development work progresses.  This will be captured in the update to the Audit & Risk Committee on 7 December 2015. |

| Responsibility: <br><br> Corporate Governance Manager | Target date: <br><br> 7 December 2015 |
|---|---|

## Appendix 1 - Definition of Ratings

### Management Action Ratings

| Action Ratings | Definition |
|---|---|
| Critical | The issue has a material effect upon the wider organisation – 60 points |
| Significant | The issue is material for the subject under review – 20 points |
| Important | The issue is relevant for the subject under review – 10 points |
| Minor | This issue is a housekeeping point for the subject under review – 5 points |

### Control Objective Ratings

| Action Ratings | Definition |
|---|---|
| Red | Fundamental absence or failure of controls requiring immediate attention (60 points and above) |
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