

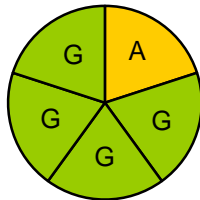
# Internal Audit



## Healthcare Governance

October 2015

### Report Assessment



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## **Introduction**

Clinical governance is the system through which NHS organisations ensure that healthcare is safe and effective, and that patients and the public are engaged in decision making. The implementation of clinical governance standards is an organisational responsibility and is delivered through the monitoring, reporting, review and continuous improvement of all aspects of the quality and safety of clinical care.

The Healthcare Governance Committee, a sub-committee of the NHS Lothian Board, was established to provide oversight and scrutiny around the quality of all aspects of care in NHS Lothian, to ensure that it is person-centred, safe, effective, equitable and in line with current standards.

This review covered the governance arrangements for primary and community care, which are now the responsibility of the Integration Joint Boards (IJBs) which cover East Lothian, Edinburgh, Midlothian, and West Lothian. It complements our previous review of Clinical Governance which was issued in January 2015, which recommended that the Healthcare Governance Committee should improve its assurance process, more effectively monitor its risks, and receive better reporting on its significant adverse events.

## **Scope**

This is an annual audit to review the arrangements in place for healthcare governance areas that the Committee has identified as higher risk. For 2015/16, we assessed the mechanisms in place to provide assurance to the Committee relating to the work performed in primary and community care, including hosted services.

## **Acknowledgements**

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

## Executive Summary

### Conclusion

The Committee has identified through its Statement of Assurance Need that it does not receive the necessary level of assurance relating to primary and community care. However, further work is required to define exactly what information the Committee needs to obtain satisfactory levels of assurance over primary and community care.

### 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	The Healthcare Governance Committee has determined the primary and community care activities for which it requires assurance.	Amber	-	1	2	-
2	The Healthcare Governance Committee has stated the information it requires from primary and community care areas to provide assurance on their activities.	Green	-	-	1	-
3	The information required by the Healthcare Governance Committee is regularly reported to it by primary and community care areas.	Green	-	-	1	-
4	The Healthcare Governance Committee receives an annual report from primary and community care areas setting out what has been achieved in the year and what areas require development.	Green	-	-	1	-
5	The healthcare governance arrangements for each primary and community care area are robust and aligned with best practice.	Green	-	-	-	-

## 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

The remit of the Committee states that it should provide assurance to the Board that all aspects of care provided in NHS Lothian are person-centred, safe, effective, equitable and maintained to a high standard. To support this it meets every two months and receives information from acute and primary and community care areas. NHS Lothian also implemented an Acute Hospitals Committee to provide further scrutiny and oversight over acute areas.

In order to ascertain whether it is meeting its remit, the Committee embedded an annual Statement of Assurance Need process. This process includes examining the sources and frequency of information that is provided to the Committee in order to assess whether the Committee is receiving a satisfactory level of assurance against each element of its remit. In 2013/14 the Committee identified that “assurance mechanisms for Primary and Community Care Services were incomplete”.

Whilst the Committee does receive some information relating to primary and community care services, it has not yet formally defined exactly what information it requires, and with what frequency, from those areas in order to obtain the necessary assurance over primary and community care services.

With the introduction of the Integration Joint Boards (IJBs), NHS Lothian has a responsibility to provide the IJBs with assurance on the quality of clinical care being provided by the services which have been delegated to them. Therefore, the Committee should also consider what primary and community care information it will need to receive in order to provide the necessary assurance to the IJBs.

In 2013/14, the Chair of the Committee wrote to each Joint Director of Health & Social Care seeking greater attendance at the Committee meetings in order to provide responses to queries and discuss reports in more detail. Whilst we found that attendance has generally increased, we believe that this could be further improved with representation from each IJB area at each Committee meeting.

Further details of these points are set out in the Management Action Plan.

## Management Action Plan

<b>Control objective 1: The Healthcare Governance Committee has determined the primary and community care activities for which it requires assurance.</b>	
<b>1.1: Not all primary and community care information is being reported to the HGC</b>	<b>Significant</b>
<p><b>Observation and Risk</b></p> <p>The Committee is required to provide assurance to the Board that all aspects of care in NHS Lothian are person-centred, safe, effective, equitable, and maintained to a high standard. The Committee meets every two months and considers reports and presentations usually totalling over 500 pages.</p> <p>We noted that a range of information about the standard of care within primary and community care areas is provided to the Committee. For example, public protection reports, general practice patient surveys, and Mental Welfare Commission visits. However, it is not clear whether this information covers the complete range of activities that should be reported on, as the Committee has not yet defined exactly what information it requires from each primary and community care area in order to obtain the necessary level of assurance.</p> <p>There is a risk that the Committee is not receiving the right information in order to obtain the necessary assurance over primary and community care areas. This may lead to issues over the standard of care not being identified, scrutinised and addressed.</p>	
<p><b>Recommendation</b></p> <p>The Committee should undertake the exercise to formally define exactly what primary and community care activities it requires assurance on. The Committee should then determine how often it wishes to receive the information and in what format.</p>	
<p><b>Management Response:</b></p> <p>The HGC recognised the need to strengthen assurance reporting with respect to primary and community care in 2014/15. Due to the development of the IJBs, the planned activities to address this gap were put on hold. The IJBs are expected to be in place by April 2016, and as such this work will progress jointly with IJBs during 2016 when the new chair of the HGC will be in place.</p> <p><b>Management action:</b></p> <p>To develop a series of joint workshops with the HGC and IJBs to map out HGC and IJBs assurance needs with respect to primary and community care to ensure a shared understanding of assurance requirements.</p>	
<p><b>Responsibility:</b> Medical Director and Associate Director for Quality Improvement &amp; Safety</p>	<p><b>Target date:</b> July 2016</p>

<b>1.2: IJBs have not yet stated the assurance they require from the Committee</b>	<b>Important</b>
<p><b>Observation and Risk</b></p> <p>A paper to the Committee in July 2014 (<i>Potential Impacts on Healthcare Governance Arising from the Integration Process</i>) stated that it is the responsibility of the Committee to provide assurance to the IJB for the services which have been delegated to them. However, the Committee has not yet been informed by each IJB of the assurances required from the Committee.</p> <p>There is a risk that the Committee cannot provide the necessary assurances to the IJBs if it is not receiving the right information, in line with the expectations of each IJB area.</p>	
<p><b>Recommendation</b></p> <p>As part of the exercise of formally defining its own assurance needs from primary and community care areas (1.1), the Committee should also ascertain what assurances it will need to provide to the IJBs and tailor its primary and community care information requirements accordingly.</p>	
<p><b>Management Response:</b></p> <p>As part of the series of workshops set out in 1.1, the HGC in partnership with the IJBs will identify the assurance requirements of IJBs which will inform primary and community care reporting.</p> <p><b>Management action:</b></p> <p>See 1.1.</p>	
<p><b>Responsibility:</b> Medical Director and Associate Director for Quality Improvement &amp; Safety</p>	<p><b>Target date:</b> July 2016</p>

<p><b>1.3: The healthcare governance committee structure for the work of the organisation has not been agreed</b></p>	<p><b>Important</b></p>
<p><b>Observation and Risk</b></p> <p>A paper to the Committee in July 2014 (<i>Potential Impacts on Healthcare Governance Arising from the Integration Process</i>) stated that the organisation will need to decide the best structure for healthcare governance assurance committees in order to reflect the changes brought about by the introduction of the IJBs. Potential options stated in the paper were: introducing new healthcare governance committees for each of the IJBs, creating a single new committee to cover the IJBs jointly, or maintaining the current structure. At that time, it was agreed that the Committee would continue with the current structure.</p> <p>However, as the Committee is not yet aware of the assurance requirements of each IJB, it is likely that a further review of the current structure will be required once the assurance requirements of each IJB are known.</p> <p>If the committee structure does not facilitate effective oversight and scrutiny of clinical work within the organisation there is an increased risk that care provided by the organisation is not of the required standard.</p>	
<p><b>Recommendation</b></p> <p>Once the Committee is aware of each IJB's assurance needs, the Committee should determine which committee structure would best meet the healthcare governance needs of NHS Lothian.</p>	
<p><b>Management Response:</b></p> <p>The IJBs have agreed in the first instance to retain the current assurance reporting structure through the HGC.</p> <p><b>Management action:</b></p> <p>Once the IJBs and the HGC have agreed the assurances required, this will inform future structures.</p>	
<p><b>Responsibility:</b> Medical Director and Associate Director for Quality Improvement &amp; Safety</p>	<p><b>Target date:</b> July 2016</p>



<b>Control objective 2: The Healthcare Governance Committee has stated the information it requires from primary and community care areas to provide assurance on their activities.</b>	
<b>2.1: The HGC has not communicated its assurance needs to primary and community care areas.</b>	<b>Important</b>
<p><b>Observation and Risk</b></p> <p>As noted at 1.1 above, the Committee has not formally identified those primary and community care activities about which it needs to receive assurance. Consequently, it is not possible to demonstrate that the Committee has stated the information it requires from primary and community care areas.</p> <p>If the Committee does not communicate its assurance requirements to officers, there is an increased risk that those requirements will not be met, and that the Committee will be unable to operate effectively.</p>	
<p><b>Recommendation</b></p> <p>Once the Committee has formally defined those primary and community care activities about which it requires assurance (as recommended in 1.1), those assurance requirements should be communicated to responsible officers within primary and community care areas.</p>	
<p><b>Management Response:</b></p> <p>The series of workshops as set out in 1.1 will actively include the joint directors in the process to enhance engagement and implementation.</p> <p><b>Management action:</b></p> <p>See 1.1.</p>	
<p><b>Responsibility:</b> Medical Director and Associate Director for Quality Improvement &amp; Safety</p>	<p><b>Target date:</b> July 2016</p>

<b>Control objective 3: The information required by the Healthcare Governance Committee is regularly reported to it by primary and community care areas.</b>	
<b>3.1: Insufficient attendance by IJB representatives at Committee meetings</b>	<b>Important</b>
<p><b>Observation and Risk</b></p> <p>The Committee membership consists of non-executives, with attendees including the Chief Executive, the Director of Public Health, and the Chief Officer. The average number present at Committee meetings was just over 23 during the period January 2014 to May 2015.</p> <p>The Committee's 2013/14 Annual Report identified that "assurance mechanisms for Primary and Community Care Services were incomplete". In response to this, the Chair of the Committee wrote to each CH(C)P area requesting greater attendance, so that they could respond to queries and provide information and reports as requested. The Committee sought two types of representation; firstly through management representation from the Joint Directors of Health &amp; Social Care and secondly IJB representation to strengthen the link between the Committee and each IJB.</p> <p>However, we reviewed the attendance at the Committee from September 2014 and noted that whilst there was greater attendance from joint directors, there was only ever representation from two CH(C)P areas at any one Committee meeting.</p> <p>Without adequate representation at the Committee from each CH(C)P area there is an increased risk that the Committee does not receive adequate assurance that the organisation's primary and community care is of the required standard.</p>	
<p><b>Recommendation</b></p> <p>The Committee should encourage representation from all four joint directors as well as IJB representatives at each meeting of the Committee.</p>	
<p><b>Management Response:</b></p> <p>There are two levels of representation required to inform assurance. One is management engagement through joint directors who manage services across primary and community care areas. The second is IJB membership to provide operational oversight of services NHS Lothian provides on its behalf.</p> <p><b>Management action:</b></p> <p>The Chair of the HGC will write out to the IJBs to ask them each to identify a representative on the IJB setting out current representation.</p> <p>The Chair of the HGC will also communicate again with the joint directors the importance of their attendance and / or a representative at HCG.</p>	
<p><b>Responsibility:</b> Medical Director and Chair of the Healthcare Governance</p>	<p><b>Target date:</b> Dec 2015</p>

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<b>Control objective 4: The Healthcare Governance Committee receives an annual report from primary and community care areas setting out what has been achieved in the year and what areas require development.</b>	
<b>4.1: No annual review of assurance provided by primary and community care areas</b>	<b>Important</b>
<p><b>Observation and Risk</b></p> <p>The CH(C)P sub-committees did not produce annual reports, relying instead on the submission of their meeting minutes to NHS Lothian's Board as a means of providing oversight of their activities.</p> <p>However, while minutes do provide oversight of the actual activity of a group, on their own they do not provide assurance that the group has completed all the activities it had planned to cover.</p> <p>There is a risk that the Committee is unaware of activities planned by primary and community care areas but not completed, which might impact on its assessment of the level of assurance achieved if it was aware.</p>	
<p><b>Recommendation</b></p> <p>Once the action at 1.1 has been completed and the Committee has a detailed understanding of its assurance requirements, it should assess whether annual reports summarising actual and planned activities from those primary and community areas are required.</p>	
<p><b>Management Response:</b></p> <p>The series of workshops as set out in 1.1 will clarify the nature of reporting to meet assurance needs.</p> <p><b>Management action:</b></p> <p>See 1.1.</p>	
<p><b>Responsibility:</b> Medical Director and Associate Director for Quality Improvement &amp; Safety</p>	<p><b>Target date:</b> July 2016</p>

**Control objective 5: The healthcare governance arrangements for each primary and community care area are robust and aligned with best practice.**

CH(C)P sub-committee meetings were charged with discussing all key issues and providing oversight of clinical practice. The operational aspects of the work of the CH(C)Ps will be now discussed at meetings of the joint management team within each IJB area, with the IJB boards being concerned with oversight.

Work is still ongoing within the IJBs to determine the committee structures which will enable them to discharge their duties effectively, and which might include sub-committees to oversee healthcare governance. All four IJBs are expected to have finalised committee structures in place by, or soon after, April 2016.

## Appendix 1 - Definition of Ratings

### Management Action Ratings

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

### Control Objective Ratings

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<b>Red</b>	Fundamental absence or failure of controls requiring immediate attention (60 points and above)
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