

# Internal Audit



## Winter Planning

January 2019

### Internal Audit Assurance Assessment:

| Objective One         | Objective Two      | Objective Three    | Objective Four        | Objective Five        | Objective Six         |
|-----------------------|--------------------|--------------------|-----------------------|-----------------------|-----------------------|
| Significant Assurance | Moderate Assurance | Moderate Assurance | Significant Assurance | Significant Assurance | Significant Assurance |

### Timetable

Date closing meeting held: 3 December 2018

Date draft report issued: 21 January 2019

Date management comments received: 30 January 2019

Date Final report issued: 8 February 2019

Date presented to Audit and Risk Committee: 25 February 2019

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## **1. Introduction**

- 1.1 Each year NHS Lothian creates a Winter Plan (the Plan) which sets out how the organisation will continue to provide effective healthcare during the winter months, when there are additional pressures such as an increasing demand for services and adverse weather which can reduce staff's ability to get to work. The 2018-19 plan has a budget of £3.3m, of which £1.4m was provided by the Scottish Government. The plan can adjust to deal with circumstances and the level of funding from the Scottish Government. Also, there is oversight of the process of creating and implementing the plan by the Unscheduled Care Committee (UCC).
- 1.2 The UCC, which reports to the Acute Hospitals Committee, has responsibility for overseeing winter planning work within the organisation and has a comprehensive membership, including acute and the four health & social care partnerships, and all key professional groups. Part of the UCC's work is to consider lessons learned from previous winters and ensure that there is continuous improvement. The UCC is chaired by the Chief Officer of West Lothian IJB.
- 1.3 Prior to the creation of the Plan all key managers who are tasked with dealing with the winter pressures, e.g. service managers within acute, community, and primary care, are asked to submit proposals for funding, which are then assessed based on their costs and benefits using a scoring matrix. Each bid must also state performance measures where possible. The draft Plan is discussed at the UCC and is also provided to the four IJBs for review.
- 1.4 The key guidance issued by the Scottish Government which relates to winter planning is the Six Essential Actions to Improve Unscheduled Care, which NHS Lothian's Plan should comply with.

### **Scope**

- 1.5 The objective of the audit was to determine if there are effective controls in place over winter planning.

### **Acknowledgements**

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

## 2. Executive Summary

### Summary of Findings

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

| No.          | Control Objectives   | Assurance Level       | Number of findings |      |          |     |
|--------------|--|-----------------------|--------------------|------|----------|-----|
|              |  |                       | Critical           | High | Medium   | Low |
| 1            | The Winter Plan is in place, and has been approved by a senior committee.          | Significant Assurance | -                  | -    | -        | -   |
| 2            | Funding proposals have been evaluated effectively.                                 | Moderate Assurance    | -                  | -    | 2        | -   |
| 3            | Issues have been identified from previous years and reflected in the current Plan. | Moderate Assurance    | -                  | -    | 1        | -   |
| 4            | The Plan is comprehensive and covers all necessary risks.                          | Significant Assurance | -                  | -    | -        | -   |
| 5            | The Plan clearly states the work to be performed.                                  | Significant Assurance | -                  | -    | -        | -   |
| 6            | There is effective governance of winter planning work.                             | Significant Assurance | -                  | -    | -        | -   |
| <b>TOTAL</b> |  |                       | -                  | -    | <b>3</b> | -   |

### Conclusion

2.2 The area under review comprised 6 control objectives, of which 4 received Significant Assurance and 2 received Moderate Assurance.

2.3 There is good control over winter planning within the organisation, through the use of a winter planning document, a clear understanding of the work to be performed, and effective oversight by a committee comprised of senior staff from across the organisation. However, control could be improved through a more accurate and

objective assessment of funding proposals, and a more robust process for capturing lessons learned.

## **Main Findings**

- 2.4 The work to be done during the winter period was determined by senior staff across the organisation, through the use of a scoring matrix and discussion. Each piece of work to be performed includes a statement on what will be achieved, and objectives and performance measures where relevant. There is effective oversight of the winter planning process by the Unscheduled Care Committee, which meets regularly, has senior membership from all relevant sites and staff groups within the organisation, and has winter planning included in its remit.
- 2.5 In 2018 Midlothian HSCP introduced a protocol which sets out how service pressure should be managed. Specifically, the document states that service pressure will be categorised using certain triggers, for example the number of delayed discharges, bed occupancy levels, and staffing levels. Once certain triggers have been activated then the protocol sets out key actions, such as alerting certain senior managers and pausing the provision of some services. By stating objective measures of service pressure, the protocol should help to ensure that mitigating action is taken in good time. The HSCP has stated that the protocol will be used throughout the year, including during the winter period. In addition, the protocol has been shared with the other three HSCPs within Lothian.
- 2.6 We identified the following areas for improvement during the review:
- 2.6.1 The funding proposals for the 2018-19 winter period were assessed using a scoring matrix, which helped to provide increased objectivity over the selection of successful proposals. However, the scoring criteria and weighting should be reviewed to ensure that they more accurately reflect the risks facing the organisation during the winter period.
- 2.6.2 Lead managers for each part of the organisation scored the winter funding proposals for their own areas. Although these local leads were well placed to assess the relative merits of funding proposals for their respective areas, this approach carries the risk that the scoring of proposals is not consistent across the organisation and that the proposals are not scored accurately.
- 2.6.3 A lessons learned document was produced after the 2017-18 winter period. However, the document does not contain lessons learned from all parts of the organisation. Specifically, none are stated for the Royal Hospital for Sick Children, Human Resources, or Facilities. In addition, there is no documentation that provides clear evidence that all lessons learned from 2017-18 have been reflected in the plan for 2018-19.
- 2.7 Details of these 3 Medium findings are set out in the Management Action Plan.

### 3. Management Action Plan

|  |               |
|--|---------------|
| <b>Finding 1</b>   |               |
| <p><b>Control objective 2: Funding proposals have been evaluated effectively.</b></p> <p><b>Associated risk of not achieving the control objective: The criteria and weighting used for assessing funding proposals could be further refined.</b></p>  | <b>Medium</b> |
| <p><u>Observation and risk</u></p> <p>Every year funding is received from the Scottish Government to supplement NHS Lothian's own money to help the organisation deal with the winter period, and managers within the organisational are encouraged to submit proposals to a central team at Waverley Gate on how this funding should be spent. The proposals are assessed using a scoring matrix which includes weighted criteria based on organisational and NHS Scotland objectives.</p> <p>However, although the funding proposals for the 2018-19 winter period were assessed using the scoring matrix, there was considerable discussion and debate thereafter on which proposals should be successful. In discussion with nine managers charged with winter planning, there was a general consensus that the scoring matrix was a very useful tool but that the scoring criteria and weighting should be reviewed to ensure that they more accurately reflected the risks facing the organisation during the winter period.</p> <p>Our review sampled 17 funding proposals from the following sectors of the organisation: East Lothian HSCP, Edinburgh HSCP, the Flow Centre, Midlothian HSCP, Pharmacy, the Royal Infirmary of Edinburgh, St. John's Hospital, West Lothian HSCP, and the Western General Hospital. We found that the proposals contained named members of staff, SMART objectives, and KPIs were relevant.</p> <p>If the scoring matrix used to assess winter funding proposals does not have scoring criteria and weighting which more closely match organisational and NHS Lothian objectives then there is an increased risk that funding is not used in the most effective manner.</p> |               |
| <p><u>Recommendation</u></p> <p>The scoring matrix used for the assessment of winter funding proposals should be reviewed each year. In particular, the scoring criteria and the scoring weighting should be assessed to confirm that they accurately reflect both organisational and NHS Scotland objectives.</p>   |               |
| <p><u>Management Response</u></p> <p>Agreed.</p>   |               |
| <p><u>The Management Action</u></p> <p>The scoring matrix will be further refined to reflect current organisational and NHS Scotland</p>   |               |

objectives/priorities and learning from previous years. The weighting and critical success factors will then be provided to the Unscheduled Care Committee for approval.

Responsibility:

Strategic Programme Lead – Unscheduled  
Care

Target date:

1 September 2019

|   |  |
|---|--|
| <b>Finding 2</b>  |  |
| <p><b>Control objective 2: Funding proposals have been evaluated effectively.</b></p> <p><b>Associated risk of not achieving the control objective: An independent group should perform the assessment of individual funding proposals.</b></p>   | <b>Medium</b>                                      |
| <p><u>Observation and risk</u></p> <p>Once winter funding proposals have been created by local managers, they are collated by the winter planning leads for each area. These lead managers then score each proposal, using the scoring matrix stated in Finding 1, before providing the proposals to the central team at Waverley Gate.</p> <p>Although the local leads are well placed to assess the relative merits of funding proposals for their respective areas, this approach carries the risk that the scoring of proposals is not consistent across the organisation and that local leads do not score the proposals for their areas accurately. However, all of the funding proposals for the 2017-18 winter period were also discussed by managers from across the organisation which helped to mitigate this risk.</p> <p>If local managers continue to hold the responsibility for scoring funding proposals for their own areas, there is an increased risk that proposals are not scored accurately.</p> |  |
| <p><u>Recommendation</u></p> <p>All winter funding proposals should be scored by an independent team comprised of senior managers from all relevant areas of the organisation, including acute, community, and primary care.</p>  |  |
| <p><u>Management Response</u></p> <p>Agreed.</p> <p><u>The Management Action</u></p> <p>A short life working group derived from the wider unscheduled care committee will be formed and then deployed to score winter funding proposals. The team will include membership from all relevant sectors of the organisation.</p> <p>In addition, the proposal template document itself will be refined to ensure that funding proposals are clear and contain sufficiently detailed information, so allowing effective assessment.</p>  |  |
| <p><u>Responsibility:</u></p> <p>Strategic Programme Lead – Unscheduled Care</p>  | <p><u>Target date:</u></p> <p>1 September 2019</p> |



**Finding 3**

**Control objective 3: Issues have been identified from previous years and reflected in the current Plan.**

**Medium**

**Associated risk of not achieving the control objective: Lessons learned from the previous winter were not captured for all parts of the organisation.**

Observation and risk

A list of lessons learned for the 2017-18 winter period was collated by the central team at Waverley Gate, with the aim of informing the planning for the 2018-19 winter work. The document includes an analysis of what went well, what could be improved, key lessons, and actions to be taken.

However, the document does not contain lessons learned from all parts of the organisation. Specifically, none are stated for the Royal Hospital for Sick Children (RHSC), Human Resources, or Facilities. It should be noted that RHSC only had one specific piece of winter work which was funded for 2017-18 (point of care testing for flu) and there may have been no lessons learned for the previous winter.

In addition, there is no documentation that provides clear evidence that all lessons learned from 2017-18 have been reflected in the plan for 2018-19. Such a document could list all lessons learned from the previous winter and, for each one, state what will be done to mitigate them in the plan for the forthcoming winter period.

If lessons learned are not reviewed for all parts of the organisation, and there is no evidence that lessons learned have been reflected in the following year's winter plan, then there is an increased risk that winter plans are not effective.

Recommendation

Lessons learned from the winter period should include contributions from all relevant parts of the organisation.

Lessons learned from the winter period should be mapped to the following winter's plan in order to provide greater assurance that all lessons learned have been considered and effectively implemented.

Management Response

Agreed.

The Management Action

The lessons learned document for future years will include contributions from all relevant sectors of the organisation, including those stated above.

In future, lessons learned from the winter period will be mapped to the following winter's plan.

Responsibility:

Strategic Programme Lead – Unscheduled  
Care

Target date:

1 September 2019

## 4. Appendix 1 - Definition of Ratings

### Findings and management actions ratings

| Finding Ratings | Definition   |
|-----------------|--|
| <b>Critical</b> | A fundamental failure or absence in the design or operating effectiveness of controls, which requires immediate attention  |
| <b>High</b>     | A key control failure has been identified which could be either due to a failure in the design or operating effectiveness. There are no compensating controls in place, and management should aim to implement controls within a calendar month of the review.                           |
| <b>Medium</b>   | A control failure has been identified which could be either due to a failure in the design or operating effectiveness. Other controls in place partially mitigate the risk to the organisation, however management should look to implement controls to fully cover the risk identified. |
| <b>Low</b>      | Minor non-compliance has been identified with the operating effectiveness of a control, however the design of the control is effective   |

### Report ratings and overall assurance provided

| Report Ratings           | Definition  | When Internal Audit will award this level   |
|--------------------------|---|---|
| <b>No assurance</b>      | The Board cannot take any assurance from the audit findings. There remains a significant amount of residual risk.   | The controls are not adequately designed and / or operating effectively and immediate management action is required as there remains a significant amount of residual risk (for instance one Critical finding or a number of High findings)   |
| <b>Limited assurance</b> | The Board can take some assurance from the systems of control in place to achieve the control objective, but there remains a significant amount of residual risk which requires action to be taken. | <p>This may be used when:</p> <ul style="list-style-type: none"> <li>• There are known material weaknesses in key control areas.</li> <li>• It is known that there will have to be changes that are relevant to the control objective (e.g. due to a change in the law) and the impact has not been assessed and planned for.</li> </ul> <p>The controls are deficient in some aspects and require management action (for instance one 'high' finding and a number of other lower rated findings)</p> |

|                                     |   |  |
|-------------------------------------|---|--|
| <p><b>Moderate assurance</b></p>    | <p>The Board can take reasonable assurance that controls upon which the organisation relies to achieve the control objective are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk.</p> | <p>In most respects the “purpose” is being achieved. There are some areas where further action is required, and the residual risk is greater than “insignificant”.</p> <p>The controls are largely effective and in most respects achieve their purpose with a limited number of findings which require management action (for instance a mix of ‘medium’ findings and ‘low’ findings)</p> |
| <p><b>Significant assurance</b></p> | <p>The Board can take reasonable assurance that the system(s) of control achieves or will achieve the control objective.</p> <p>There may be an insignificant amount of residual risk or none at all.</p>                                     | <p>There is little evidence of system failure and the system appears to be robust and sustainable.</p> <p>The controls adequately mitigate the risk, or weaknesses are only minor (for instance a low number of findings which are all rated as ‘low’ or no findings)</p>  |