

# Continuing Healthcare and Funded Nursing Care

## Final Internal Audit Report

January 2023

Hywel Dda University Health Board



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## Contents

Executive Summary .....	3
Introduction.....	4
1. Detailed Audit Findings.....	5
Appendix A: Management Action Plan.....	9
Appendix B: Assurance opinion and action plan risk rating .....	12

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### Acknowledgement

NHS Wales Audit and Assurance Services would like to acknowledge the time and co-operation given by management and staff during the course of this review.

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## Executive Summary

### Purpose

Review of Continuing Healthcare (CHC) and Funding Nursing Care (FNC) to ensure the Health Board complies with the revised national framework.

### Overview

Long Term Care has effectively adopted the revised national framework and has updated its operating policy to incorporate such changes, albeit this is in draft awaiting approval.


Sample testing confirmed that the key assessment steps and ongoing monitoring is being performed in line with the 2021 revised framework. However, there is opportunity to strengthen governance arrangements for the approval of care packages following Panel recommendation.

We identified delays in completing 3- & 12-month care package reviews although we recognise the impact of the Covid-19 with the redeployment of staff to support the pandemic response, and there was evidence of reviews undertaken early where necessary.

Whilst internal monitoring arrangements are satisfactory, there is no formal reporting structure outside of the LTC Team, and therefore no corporate oversight of CHC/FNC activity.

We have concluded **Reasonable** assurance overall with two medium and one low priority matters arising, summarised in the table below with full details in Appendix A on page 10.

## Report Opinion

	Trend
 Reasonable	
Some matters require management attention in control design or compliance.	N/A
<b>Low to Moderate impact</b> on residual risk exposure.	

## Assurance summary<sup>1</sup>

Assurance objectives	Assurance
1 Policies & Procedures	Substantial
2 Eligibility Assessments & Approvals	Reasonable
3 Case Monitoring / Reviews	Reasonable
4 National Complex Care Database	Substantial
5 Invoice reconciliation	Substantial
6 Monitoring & Reporting	Reasonable

<sup>1</sup>The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

## Key Matters Arising

	Objective	Control Design or Operation	Recommendation Priority
1 Care Package Approval – Governance Arrangements	2	Design	Medium
2 Monitoring & Reporting	6	Design	Medium

## Introduction

- 1.1 Between 2017 and 2021, Welsh Government reviewed the 2014 CHC Framework with Welsh Health and Social Care organisations and published it with changes required to be implemented from April 2022. The framework sets out a process for the NHS to work with local authorities to assess health needs, determine eligibility for CHC and provide appropriate care.
- 1.2 CHC and FNC is one element of a range of services that local authorities and NHS bodies need to have in place to support people with health and social needs and is an aspect of care which people with complex needs may need as a result of disability, accident or illness.
- 1.3 CHC is a package of care that is arranged and funded solely by the NHS for individuals who have been assessed as having a primary health need. CHC can be received in any setting, including a patient's home where costs such as that of a community nurse or specialist therapist will be paid, or in a care home if the individual is eligible for CHC, the NHS will pay the care home fees.
- 1.4 FNC is only applicable to individuals who require nursing care in a care home setting. The decision on eligibility for NHS Funded Nursing Care should only be taken when it is considered that the person does not fall within the eligibility criteria for CHC.
- 1.5 Given the nature, intensity, complexity and unpredictability of those needs, these services account for a significant proportion of NHS healthcare overall.
- 1.6 The potential risk considered in the review is that the Health Board is unable to comply with the revised National Framework, potentially resulting in care needs not being met.

## 1. Detailed Audit Findings

### **Objective 1: approved Health Board procedures are in place for CHC/ FNC that align to the revised National Framework;**

- 2.1 The revised National Framework for Implementation in Wales was published in July 2021, with changes required to be adopted by April 2022.
- 2.2 Long Term Care (LTC) team presented a report to the Strategic Development & Operational Delivery Committee (SDODC) in April 2022 which detailed the main updates to the national framework and provided assurance to the Health Board that it will fully comply with the requirements/changes set out in the framework.
- 2.3 LTC has revised their operating policy 'Continuing NHS Healthcare Operational Policy for Long Term Care', ensuring the above revisions are incorporated in the policy. This is currently in draft form and has been submitted to the Health Board for approval.
- 2.4 LTC operational policy and procedures is based on this National Framework.

#### Conclusion:

- 2.5 Long Term Care has published a report to the Health Board that demonstrates the key changes to the National Framework. The operating policy is currently in draft awaiting Health Board approval, although it has been updated to reflect the National Framework. Accordingly, we have concluded **Substantial** assurance for this objective, subject to final approval of the policy.

### **Objective 2: CHC/FNC eligibility assessment is undertaken and agreed by a multi-disciplinary team, and the care package approved by in line with the Scheme of Delegation**

- 2.6 Audit met with management to better understand the key CHC/FNC assessment steps in the context of the 2021 National Framework and LTC draft operating policy. A sample of 20 active care packages (10 CHC & 10 FNC) was selected as part of our testing and documentation obtained to evidence the assessment pathway steps.
- 2.7 The results demonstrate that in all samples each stage of the pathway had been completed appropriately, ensuring both the Decision Support Tool (DST) and Multi-Disciplinary Team (MDT) assessment had been completed and a clear recommendation provided.
- 2.8 Whilst the LTC operational policy does not set out specific approval requirements, we note that the Quality Assurance Panel Decision Sheet requires a signature from an LTC Specialist Nurse Team Leader on behalf of the Quality Assurance Panel and County Director (or delegate with budgetary responsibility). Whilst County Director 'signatures' were evident in all cases, most were a digital image of a signature inserted into a word document. We were advised that the County Director confirms

via email once the signature image has been added which supports the authenticity of the approval, although these emails are not saved with the case file to provide a full audit trail.

- 2.9 There is no reference to CHC/FNC approval requirements within the Health Board's financial Scheme of Delegation. Observations at other Welsh Health Boards noted requirement for Director of Finance, Director of Nursing and/or Chief Executive approval dependent on the annual value of the care package. The LTC team provided evidence of ongoing discussion with Finance confirming that the Scheme of Delegation has been updated but is awaiting approval. **[See Matter Arising 1]**

**Conclusion:**

- 2.10 Robust arrangements were demonstrated throughout our testing and evidenced in all instances that the processes and key assessment steps are followed appropriately and are in line with the National Framework. However, the governance arrangements for the financial approval of care packages require strengthening as there is currently no scheme of delegation in place. Accordingly, we have concluded **Reasonable** assurance for this objective.

**Objective 3: Individual needs assessments and ongoing monitoring is undertaken on a regular basis in line with the National Framework**

- 2.11 As included within the national framework and LTC operating policy there is reference to the need to 'continually review continued healthcare eligibility as patient needs change'. As a minimum there should be an initial review of the care plan within three months of services first being provided unless this is triggered earlier by the individual or their representative or the provider. Thereafter, reviews should be at least annually.
- 2.12 A sample of 30 active care packages (15 CHC & 15 FNC) was selected and documentation obtained to evidence the above review process. Typically, the review should follow the format of an assessment and is to consider all the services received by the individual and is to focus on whether these plans remain appropriate to meet the person's needs.
- 2.13 Our testing highlighted that in all instances the three month and annual reviews had been completed. In some cases reviews had been completed early, which suggests that they are undertaken in response to changing patient needs in line with the framework. However, a small number of instances were identified where reviews were completed up to seven months late, although on average reviews had been undertaken within one month of the due date. We were advised that this is due to significant pressure on the service during COVID-19 as staff were redeployed to support the pandemic response, including COVID testing within care homes.

**Conclusion:**

2.14 All samples evidenced a review had been performed where necessary. We have concluded **Reasonable** assurance for this objective on the basis that in some cases the 3- and 12-month reviews had not been completed on time. No recommendations are raised in this respect, recognising the impact of COVID-19 and evidence of reviews undertaken early where necessary.

**Objective 4: The National Complex Case Database and local records are accurately maintained and updated in a timely manner;**

2.15 The National Complex Case (NCC) database is an all-Wales database used for Welsh Government reporting and invoice reconciliation. Due to the limitations of this system only key patient and contract information is recorded.

2.16 Comprehensive central records of CHC cases are separately maintained in a spreadsheet for each care home provider, with full details of the patient, care package, monitoring and review arrangements.

2.17 Both the NCC database and spreadsheet records are updated as and when changes to packages arise. Whilst this is inefficient, we acknowledge the limitations of the NCC database and therefore no recommendations are raised.

2.18 A sample of five active CHC/FNC care packages was selected and a NCC database management walkthrough documented, confirming in all instances the accurate recording of information in NCCD.

**Conclusion:**

2.19 Key metrics associated to care packages are stored within NCCD and are updated to reflect any changes to the package structure. Information regarding reviews is stored manually on a Nursing Assessment Spreadsheet due to limitations of NCCD. Accordingly, we have concluded **Substantial** assurance for this objective.

**Objective 5: All invoices received accurately reconcile against the agreed care packages;**

2.20 Audit reviewed the approved standard operating procedure (SOP) 'Long Term Care Team Care Home & Provider Invoice Payments' which aims to make clear the process by which invoices and schedules may be processed for payment, and their details recorded for governance purposes.

2.21 A walkthrough test was performed for a sample of five CHC/FNC care packages, ensuring each of the key reconciliation steps had been completed appropriately and the information processed through NCCD.

2.22 The walkthrough was completed successfully for each sample, ensuring there were no differences between the invoice/schedule and the agreed care package. Once

the reconciliation is complete, the associated data is submitted to NHS Wales Shared Services Partnership (NWSSP) for payment.

**Conclusion:**

- 2.23 Robust arrangements are in place to ensure invoices/schedules received from care providers are appropriately reconciled against the associated care package. Accordingly, we have concluded **Substantial** assurance for this objective.

**Objective 6: Periodic reports on CHC/FNC are produced and submitted to management and appropriate groups for monitoring purposes**

- 2.24 Many of the routine Welsh Government requirements were stood down throughout the financial years 2020/21 and 2021/22 due to the pressures placed on Health Boards associated to the COVID-19 pandemic. The LTC team are currently collating relevant information for Welsh Government reporting requirements anticipated, but yet to be confirmed, for in 2022/23.
- 2.25 The LTC Team meet monthly to discuss operational matters, performance and trend analysis within the service. Whilst these meetings are operational in nature and therefore not documented, we observed examples of the information discussed at these meetings.
- 2.26 The LTC Team also undertake an annual service review of activity, risks and challenges, performance, partnership working, finance and team/sector developments. The 2021/22 report demonstrates comprehensive review of these areas, although the report has not been shared outside of the LTC Team / Primary Care.
- 2.27 The Director of Primary Care is a member of the Quality, Safety & Experience Committee and is therefore able to escalate any issues where required. However, there is no formal reporting structure outside of the LTC Team to provide corporate oversight or assurance in relation to CHC/FNC activity. **[See Matter Arising 2]**

**Conclusion:**

- 2.28 There is no formal reporting structure in place for corporate oversight, escalation and assurance reporting in relation to CHC/FNC. However, we observed satisfactory arrangements for internal monitoring of activity and performance, culminating in a comprehensive annual service review; and acknowledge the Director of Primary Care representation on the Quality, Safety & Experience Committee for escalation of issues if required. Accordingly, we have concluded **Reasonable** assurance for this objective.



## Appendix A: Management Action Plan

Matter Arising 1: Care Package Approval – Governance Arrangements (Design)		Impact	
<p>Whilst the LTC operational policy does not set out specific approval requirements, we note that the Quality Assurance Panel Decision Sheet requires a signature from an LTC Specialist Nurse Team Leader on behalf of the Quality Assurance Panel and County Director (or delegate with budgetary responsibility).</p> <p>Whilst County Director 'signatures' were evident in all cases, most were a digital image of a signature inserted into a word document. We were advised that the County Director confirms via email once the signature image has been added which supports the authenticity of the approval, although these emails are not saved with the case file to provide a full audit trail.</p> <p>There is no reference to CHC/FNC approval requirements within the Health Board's financial Scheme of Delegation. Observations at other Welsh Health Boards noted requirement for Director of Finance, Director of Nursing and/or Chief Executive approval dependent on the annual value of the care package. The LTC team provided evidence of ongoing discussion with Finance confirming that the Scheme of Delegation has been updated but is awaiting approval.</p>		<p>Potential risk of:</p> <ul style="list-style-type: none"> <li>Appropriate authorisation may not be obtained</li> </ul>	
Recommendation		Priority	
1.1	Financial approval requirements for CHC/FNC care packages should be reviewed, noting observations at other Welsh Health Boards, and reflected in the Health Board's Financial Scheme of Delegation.	Medium	
1.2	Explicit evidence of authorisation (such as email) should be retained on the case file to demonstrate appropriate approval in line with requirements.	Low	
Agreed Management Action		Target Date	Responsible Officer
1.1	As outlined, the Senior LTC Team have been requesting that the Scheme of Delegation be updated for some time and as annual cost have risen. This is now awaiting approval and will be put into operation use with immediate effect.	31 January 2023	Vicki Broad, Head of NHS Long-term Care

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1.2	Email evidence of authorisation will be incorporated into common practice within the Business Support Function with immediate effect to ensure a clear audit trail for approval	31 January 2023	Vicki Broad, Head of NHS Long-term Care
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Matter Arising 2: Monitoring & Reporting Arrangements (Design)		Impact
There are no established Health Board reporting requirements and no formal report is formally submitted that represents Long Term Care.		Potential risk of: <ul style="list-style-type: none"> <li>• CHC/FNC issues are not discussed and escalated to the Health Board resulting in lack of corporate oversight.</li> </ul>
Recommendation		Priority
2.1	A formalised reporting structure should be introduced that allows for appropriate monitoring and assurance reporting to the Health Board or appropriate sub-committee.	<b>Medium</b>
Agreed Management Action		Target Date
2.1	<p>There has been some work to try to develop a reporting template with the Corporate Team to align reporting with IPAR, however due the CHC sitting in 3 separate directorates it was difficult to combine these into a single format.</p> <p>Following discussion with the Director of Primary, Community and LTC an agreed format for scrutiny and performance monitoring will be in place going forward with the monthly service reports: Community &amp; Care Home Report, LTC Pathway Report &amp; Summary, Community Packages, LTC &amp; DoLS staff Report, Monthly Performance, and Corporate Report. These are scrutinised monthly and challenged in a quarterly Key Performance meeting with the Head of Service and Team Leads.</p> <p>These reports will be sent to the Director of Primary Community and LTC for further Scrutiny on a quarterly basis prior to the planned dates for the Strategic Development &amp; Operational Delivery Committee (SDODC). The Reports will then be summarised and submitted to SDODC for Executive oversight.</p>	28 February 2023
		Vicki Broad, Head of NHS Long-term Care

## Appendix B: Assurance opinion and action plan risk rating

### Audit Assurance Ratings

We define the following levels of assurance that governance, risk management and internal control within the area under review are suitable designed and applied effectively:

	<b>Substantial assurance</b>	Few matters require attention and are compliance or advisory in nature. <b>Low impact</b> on residual risk exposure.
	<b>Reasonable assurance</b>	Some matters require management attention in control design or compliance. <b>Low to moderate impact</b> on residual risk exposure until resolved.
	<b>Limited assurance</b>	More significant matters require management attention. <b>Moderate impact</b> on residual risk exposure until resolved.
	<b>No assurance</b>	Action is required to address the whole control framework in this area. <b>High impact</b> on residual risk exposure until resolved.
	<b>Assurance not applicable</b>	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

### Prioritisation of Recommendations

We categorise our recommendations according to their level of priority as follows:

Priority level	Explanation	Management action
High	Poor system design OR widespread non-compliance. Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
Medium	Minor weakness in system design OR limited non-compliance. Some risk to achievement of a system objective.	Within one month*
Low	Potential to enhance system design to improve efficiency or effectiveness of controls. Generally issues of good practice for management consideration.	Within three months*

\* Unless a more appropriate timescale is identified/agreed at the assignment.



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