

Hywel Dda University Health Board

Health and Care Standards

FINAL INTERNAL AUDIT REPORT

June 2019

NHS Wales Shared Services Partnership

Audit and Assurance Services

Assurance Rating



REASONABLE Assurance

Previous Assurance Rating:
Reasonable Assurance

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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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1. Introduction and Background

The review of the Health and Care Standards was completed in line with the Internal Audit Plan 2018/19 and the subsequent report has been submitted to the Executive Director and Audit & Risk Assurance Committee.

The relevant lead Executive for the assignment is the Executive Director Nursing, Quality and Patient Experience.

The new standards provide a consistent framework that enables health services to look across the range of their services in an integrated way to ensure that all that they do is of the highest quality and that they are doing the right thing, in the right way, in the right place at the right time and with the right staff.

2. Scope and Objectives

The overall objective of this review was to evaluate and determine the adequacy of the systems and controls in place for the Health and Care Standards, in order to provide assurance to the Health Board Audit Committee that risks material to the achievement of system objectives are managed appropriately.

The purpose of the review was to establish if the Health Board has adequate procedures in place to ensure that the standards are effectively utilised to improve clinical quality and patient experience and that appropriate processes are in place ensure utilisation of the standards.

The main areas reviewed during this audit include:

- An appropriate process is in place to assess the current utilisation of the Health and Care Standards to ensure they are being utilised to improve the quality and safety of services; and
- The Health Board has appropriate processes in place to oversee, monitor and report the utilisation of the standards.

3. Associated Risks

The approach to audit assignments is risk based, where the risks are identified with the lead manager. Controls would then be identified to manage those risks and the assignment scope designed to provide assurances on those issues.

The risks considered during this review are as follows:

- i. The standards are not effectively utilised across the Health Board;
and
- ii. The Health Board is not aware of how the standards are used to improve quality.


OPINION AND KEY FINDINGS

4. Overall Assurance Opinion

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review. The opinion is based on the work performed as set out in the scope and objectives within this report. An overall assurance rating is provided describing the effectiveness of the system of internal control in place to manage the identified risks associated with the objectives covered in this review.

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.

Therefore, the level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with establishment controls for Health and Care Standards is **Reasonable** assurance.





RATING	INDICATOR	DEFINITION
Reasonable Assurance		The Board can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.

Concluding fieldwork, we can confirm that the Health Board has established a process in place to assess the utilisation of Health and Care Standards (HCS) to improve the quality and safety of services through the use of an assurance and scrutiny framework. We also noted the embedding of HCS into day-to-day practices, which was evident in the SBAR section of papers submitted to statutory committees of the Board for 2018/19.

It was noted in the audit that a small number of certain elements of the assurance and scrutiny matrix were not fully completed and individual HCS criteria listed in the assurance matrix not either referencing a group/committee not listed within the organisation's reporting hierarchical structure or no reference was made to a group/committee.

5. Assurance Summary

The summary of assurance given against the individual objectives is described in the table below:

Assurance Summary					
Audit Objectives					
1	An appropriate process is in place to assess the current utilisation of the Health and Care Standards to ensure they are being utilised to improve the quality and safety of services			✓	
2	The Health Board has appropriate processes in place to oversee, monitor and report the utilisation of the standards			✓	

* The above ratings are not necessarily given equal weighting when generating the audit opinion.

Design of Systems/Controls

The findings from the review have highlighted **two** issue that are classified as weaknesses in the system control/design for Health and Care Standards. These are identified in the Management Action Plan as (D).

Operation of System/Controls

The findings from the review have highlighted **one** issues that is classified as a weakness in the operation of the designed system/control for Health and Care Standards. This is identified in the Management Action Plan as (O).

6. Summary of Audit Findings

The key findings are reported in the Management Action Plan.

OBJECTIVE 1: An appropriate process is in place to assess the current utilisation of the Health and Care Standards to ensure they are being utilised to improve the quality and safety of services

The Health Board outlined its process to assess the utilisation of Health and Care Standards (HCS) for 2018-19 in a paper submitted to the Operational Quality, Safety & Experience Sub-Committee on the 13th September 2018.

A HCS assurance and scrutiny matrix was designed to ensure a consistent and continuous process of capturing data that will evidence that HCS are embedded into day-to-day practices across service areas. The HCS assurance and scrutiny matrix included a section for comments relating to the Annual Quality Statement and a quarterly review on a "RAG" basis.

In response to the previous internal audit report, it was also stated that the Health Board had developed a scrutiny matrix for services to assess and report on a quarterly basis.

From the work undertaken and a review of the matrix for a sample of standards, it was noted that certain aspects had not been fully completed and no evidence that these areas had been subject of review on a quarterly/ ongoing basis. In addition, at the time of the audit not all of the assessments had been returned.

A review of the statutory committees of the Board was undertaken and confirmed that all standards had been embedded into day-to-day practices and was evident in the SBAR section of papers submitted during 2018/19.

See Findings 1 & 2 in Appendix A.

OBJECTIVE 2: The Health Board has appropriate processes in place to oversee, monitor and report the utilisation of the standards

The HCS assurance and scrutiny matrix confirmed that each standard had been listed with assigned groups and committees in addition to an identified executive lead.

A review of the assurance matrix confirmed that the majority of the standards and their criteria were aligned to a sub-committee/group with reporting arrangements through to the Board via a statutory committee, advisory or partnership group. However, we noted that some criteria within the following standards had either referenced a group/committee not listed

on the reporting hierarchical structure or no reference was made to a group/committee.

- Standard 1.1
- Standard 2.2 & 2.7
- Standard 3.1 & 3.2
- Standard 4.1 & 4.2
- Standard 6.1 & 6.2 & 6.3

The Health Board's process to embed and utilise the HCS are also captured by individuals within departments and services. The spreadsheet would be completed highlighting compliance against the standards and include reference to supporting evidence.

Testing was undertaken on Standard 2.6 (Medicines Management) and Standard 5.1 (Timely Access) to ensure an assessment had been completed and returned. We can confirm that corporate assessment had been undertaken for the standards tested and returned to the Quality & Governance Team complete with supporting evidence.

See Finding 3 in Appendix A.

7. Summary of Recommendations

The audit findings and recommendations are detailed in Appendix A together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below:

Priority	H	M	L	Total
Number of recommendations	0	3	0	3


<p>Finding 1 (O) – Assurance and Scrutiny Matrix</p>	<p>Risk</p>
<p>From the work undertaken and a review of a sample of the assurance and scrutiny matrix, it was noted that certain aspects had not been fully completed and no evidence that these areas had been subject of review on a quarterly/ ongoing basis. The aspects included items to be considered in relation to the Annual Quality Statement and the continuous/quarterly review.</p>	<p>The standards are not effectively utilised across the Health Board</p>
<p>Recommendation 1</p>	<p>Priority level</p>
<p>Management to ensure that the assurance and scrutiny matrix is fully completed on a timely basis.</p>	<p>MEDIUM</p>
<p>Management Response</p>	<p>Responsible Officer/ Deadline</p>
<p>The process for the assurance of Health and Care Standards will be reviewed including methodology and timeline for completion for 2019/20.</p> <p>A paper with any changes to the process following the review process will be presented to Operational QSEAC by October 2019</p>	<p>Head of Quality and Assurance September 2019</p> <p>Head of Quality and Assurance October 2019</p>


Finding 2 (D) – Assurance and Scrutiny Matrix	Risk
At the time of the audit, the assurance and scrutiny matrix had not been completed in all cases.	The standards are not effectively utilised across the Health Board.
Recommendation 1	Priority level
Management to ensure to the assurance and scrutiny matrix is completed in line with an agreed time scale, so relevant information can be utilised for year-end reporting.	MEDIUM
Management Response	Responsible Officer/ Deadline
<p>The process for the assurance of Health and Care Standards will be reviewed including methodology and timeline for completion for 2019/20.</p> <p>A paper with any changes to the process following the review process will be presented to Operational QSEAC by October 2019</p>	<p>Head of Quality and Assurance September 2019</p> <p>Head of Quality and Assurance October 2019</p>


<p>Finding 3 (D) – Mapped Reporting of Standards</p>	<p>Risk</p>
<p>A review of the assurance matrix confirmed that the majority of the standards and their criteria were aligned to a sub-committee/group with reporting arrangements through to the Board via a statutory committee, advisory or partnership group. However, we noted that some criteria within the standards had either referenced a group/committee not listed on the reporting hierarchical structure or no reference was made to a group/committee.</p>	<p>Lack of clear reporting arrangements in place for individual criteria of standards.</p>
<p>Recommendation 1</p>	<p>Priority level</p>
<p>Management should ensure that all Health & Care Standards criteria listed in the assurance matrix is accurately mapped to an appropriate group or committee with reporting arrangements to the Board.</p>	<p>MEDIUM</p>
<p>Management Response</p>	<p>Responsible Officer/ Deadline</p>
<p>The process for the assurance of Health and Care Standards will be reviewed including methodology and timeline for completion for 2019/20. A paper with any changes to the process following the review process will be presented to Operational QSEAC by October 2019</p>	<p>Head of Quality and Assurance September 2019 Head of Quality and Assurance October 2019</p>


Appendix B - Assurance opinion and action plan risk rating

2018/19 Audit Assurance Ratings

 **Substantial Assurance** - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.

 **Reasonable Assurance** - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with **low to moderate impact on residual risk** exposure until resolved.

 **Limited Assurance** - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.

 **No Assurance** - The Board has **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved.

Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows:

Priority Level	Explanation	Management action
High	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
Medium	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
Low	Potential to enhance system design to improve efficiency or effectiveness of controls. These are 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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