

# **Hywel Dda University Health Board**

## **Annual Quality Statement**

### **Final Internal Audit Report**

**August 2019**

**Private and Confidential**

**NHS Wales Shared Services Partnership**

**Audit and Assurance Services**



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Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors.

### **ACKNOWLEDGEMENT**

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

### **Disclaimer notice - Please note:**

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## **1. Introduction and Background**

The review of the 2019/20 Annual Quality Statement was completed in line with the Internal Audit Plan. The review sought to provide the Health Board with assurance regarding the process for the production of the Annual Quality Statement.

The relevant lead Executive Director for the review was the Executive Director of Nursing, Quality and Patient Experience.

## **2. Scope and Objectives**

The overall objective of the review was to assist Hywel Dda University Health Board (UHB) with accuracy checking, including the triangulation of data and evidence, before the publication of the Annual Quality Statement.

The scope was limited to ensuring that the Annual Quality Statement was accurate, complete and consistent with information reported to the Board over the period. In addition, consideration was given to compliance with Welsh Government guidance for 2018/19.

The main areas reviewed were:

- Annual Quality Statement is compliant with Welsh Government guidance.
- Planned developments and stated challenges identified in the 2017/18 AQS are appropriately reported in the 2018/19 submission.
- Timetable for production and publication of the Annual Quality Statement.
- Stakeholder engagement in the production and review of the Annual Quality Statement.
- Review relevant performance information / data demonstrating 2018/19 achievements and challenges.
- Testing of two performance indicators detailed in the Annual Quality Statement.

### **3. Associated Risks**

The potential risks considered in this review were as follows:

- i. Failure to follow Welsh Government guidance.
- ii. The public is not clearly informed of any improvement and challenges experienced in the range of services provided, as well as improvement priorities for the forthcoming year.
- iii. The information detailed in the Annual Quality Statement is incomplete and / or incorrect.


## **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.

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with the Annual Quality Statement is **Reasonable** assurance.

<b>RATING</b>	<b>INDICATOR</b>	<b>DEFINITION</b>
<b>Reasonable Assurance</b>		The Board can take <b>reasonable assurance</b> 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 <b>low to moderate impact on residual risk</b> exposure until resolved.

We can confirm that the Health Board has published an approved AQS 2018/19 before the deadline date set by the Welsh Government and visible to the general public. The statement complies with national guidance with a defined structure, written in plain English, jargon-free and includes the utilisation of visual graphics to underline key messages. Timetables for the production of the statement was clearly outlined in committee papers, whilst engagement in the production of the statement with some stakeholders was evident.





Concluding our review, four medium priority findings were identified:





- The Health Board has not published a Welsh version of the AQS 2018/19.
- The Stakeholder Reference Group had not received a copy of the draft AQS 2018/19 for review and feedback.

- Stakeholder endorsements were not evident within the statement.
- Lack of a clear audit trail from submitted performance figures to source information.

## 5. Assurance Summary

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

Audit Objective		Assurance Summary*			
					
1	Annual Quality Statement is compliant with Welsh Government guidance			✓	
2	Planned developments and stated challenges identified in the 2017/18 AQS are appropriately reported in the 2018/19 submission				✓
3	Timetable for production and publication of the Annual Quality Statement				✓
4	Stakeholder engagement in the production and review of the Annual Quality Statement			✓	
5	Review relevant performance information / data demonstrating 2018/19 achievements and challenges			✓	

Audit Objective		Assurance Summary*			
					
6	Testing of two performance indicators detailed in the Annual Quality Statement			✓	

\* 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 **one** issue that is classified as a weakness in the system control/design for the Annual Quality Statement. This is identified in the Management Action Plan as (D).

### Operation of System/Controls

The findings from the review have highlighted **three** issues that are classified as weakness in the operation of the designed system/control for the Annual Quality Statement. These are identified in the Management Action Plan as (O).



## **6. Summary of Audit Findings**

The key findings are reported in the Management Action Plan at Appendix A.

### **OBJECTIVE 1: Annual Quality Statement is compliant with Welsh Government Guidance**

A review of the Health Board's Annual Quality Statement (AQS) 2018/19 undertaken to ensure it was compliant against the Welsh Government's (WGs) AQS Statement 2018/19 Guidance document (WHC/2019/007).

We can confirm that the AQS 2018/19 complied with the content and structure identified in the guidance document, was written in plain English, jargon-free and utilised visual graphics to underline key messages.

The AQS 2018/19 guidance requires the Health Board to publish statements by 31<sup>st</sup> May 2019. We can confirm that a copy of the statement was published on the organisation's website within the Health Board papers. However, the Welsh version of the AQS 2018/19 has not been published on the organisation's website. The Assistant Director of Patient Experience & Legal Services stated that the statement had been translated but was still being amended due to last minute changes.

**See Finding 1 at Appendix A.**

### **OBJECTIVE 2: Planned developments and stated challenges in the 2017/18 AQS are reported in the 2018/19 submission**

The Health Board identified a number of key developments and challenges to address throughout 2017/18, with the following rolled forward for 2018/19.

- Pressure Damage
- Falls
- Workforce and Recruitment
- Improving Patient Flow
- Improve the way we collect Patient Experience
- Reduced Healthcare Acquired Infection

Concluding a review of the AQS 2018/19 document, progress of these developments and challenges were evident within dedicated chapters and quality themes.

**No matters arising.**

### **OBJECTIVE 3: Timetable for production and publication of the Annual Quality Statement**

The production and publication of a timetable for the AQS was outlined in papers submitted to the Quality, Safety & Experience Assurance Committee (QSEAC) meetings in February and April 2019.

The timetable set out dates and periods for Executive lead chapter reviews, edit and review following a Readers Panel, and the revision and submission of the draft and final document to the Health Board before its publication on the organisation's website.

**No matters arising.**

### **OBJECTIVE 4: Stakeholder engagement in the production and review of the Annual Quality Statement**

Stakeholder engagement was obtained through the Readers Panel, which is made up of members of the Siarad Iechyd/Talking Health involvement and engagement scheme. Feedback from the Readers Panel resulted in amendments to the statement prior to its submission to the Board for approval.

We also noted some stakeholders were regularly engaged at statutory committee meetings, such as Community Health Council (CHC) and Healthcare Inspectorate Wales (HIW) members being invited to the QSEAC meetings in February and April 2019 where the AQS was presented.

Whilst we recognise the engagement of some stakeholders through the Readers Panel and QSEAC meetings, we noted that a copy of the AQS 2018/19 had not been submitted to the Stakeholder Reference Group where a larger coverage of stakeholders are members.

The WG guidance document for AQS 2018/19 states that organisations may also wish to include statements demonstrating engagement from other stakeholders when agreeing their statements. We noted that this was evident in some other Health Boards statements. Concluding a review of the AQS 2018/19, no endorsements from stakeholders was evident.

**See Findings 2 & 3 at Appendix A.**

### **OBJECTIVE 5: Review relevant performance information/data demonstrating 2018/19 achievements and challenges**

Performance figures and statistics included in the AQS are obtained from performance reports or are submitted to the Assurance, Safety & Improvement (ASI) Team by email from designated leads via the appropriate Executive Director. However, no documents or information are submitted to support the figures as assurance for their validity is taken from the leads.

A sample of performance figures demonstrating the organisation's achievements and challenges that were reported in the AQS 2018/19 was tested to ensure their validity. Concluding testing, we were unable to validate some of the figures reported in the statement.

**See Finding 4 at Appendix A.**

### **OBJECTIVE 6: Testing of two performance indicators detailed in the Annual Quality Statement**

A review was undertaken to verify a sample of figures reported in the AQS 2018/19 against supporting documentation. We noted that the figures reported for 'Putting Things Right' formal complaints and cases managed by the Patient Advice and Liaison Service reconciled to the source data. However, we noted a variance in the figures for 'on the spot' cases dealt by the Patient Support Contact Centre.

The figures reported for 'Smoking Cessation' are obtained from sources within the Health Board and Public Health Wales (PHW). Whilst we were provided with source data to support some of the figures that make up the reported 1019 people that were helped to stop smoking, we were provided with quarterly summary reports produced by PHW.

**See Finding 4 at 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.

<b>Priority</b>	<b>H</b>	<b>M</b>	<b>L</b>	<b>Total</b>
<b>Number of recommendations</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>4</b>

<b>Finding 1 - Lack of AQS Welsh Version (O)</b>	<b>Risk</b>
We noted that a Welsh version of the AQS 2018/19 had not been uploaded onto the organisation's website due to last minute amendments. Concluding fieldwork, the Welsh version of the AQS 2018/19 had not been uploaded on the Health Board's website.	Failure to follow Welsh Government guidance.
<b>Recommendation 1</b>	<b>Priority level</b>
<b>Management should ensure that the Welsh version of the AQS 2018/19 is published and uploaded on the Health Board website as a matter of priority.</b>	<b>MEDIUM</b>
<b>Management Response</b>	<b>Responsible Officer/ Deadline</b>
<p>This will be clearly accounted for in the timetable for the production of the next report.</p> <p>It is accepted that due to the very challenging timescales involved in this year's process and the requirement to produce the AQS by end of May, the welsh translation of the AQS was delayed.</p>	<p>Sian Passey (Assistant Director – Nursing Assurance &amp; Safeguarding)</p> <p>October 2019</p>
<b>Finding 2 - Stakeholder Reference Group (O)</b>	<b>Risk</b>
The Stakeholder Reference Group (SRG) is an advisory group of the Health Board, with membership made up of organisations from the public and	Failure to follow Welsh Government guidance.

voluntary sectors. Concluding discussions with the Public & Patient Engagement Support Officer, we were informed that the AQS 2018/19 had not been submitted to the SRG for review and feedback during 2019.	
<b>Recommendation 2</b>	<b>Priority level</b>
<b>Management should submit a copy of the Annual Quality Statement to the Stakeholder Reference Group for scrutiny in order to gain engagement with a number of stakeholders.</b>	<b>MEDIUM</b>
<b>Management Response</b>	<b>Responsible Officer/ Deadline</b>
Agreed, the Stakeholder Reference Group was not considered in the timetable agreed with QSEAC and did not form part of the formal requirements for consultation and has not been considered previously. This will be incorporated into the timetable for the early drafting stage to ensure early engagement and views.	Sian Passey (Assistant Director – Nursing Assurance & Safeguarding)  October 2019

<b>Finding 3 - Stakeholder Endorsement of AQS (D)</b>	<b>Risk</b>
Whilst we noted engagement by Healthcare Inspectorate Wales, Community Health Council, Public Service Ombudsman for Wales and the HM Coroner within the AQS 2018/19, we were unable to locate any formal endorsement of the AQS from these (or other) stakeholders.	Failure to follow Welsh Government guidance.
<b>Recommendation 3</b>	<b>Priority level</b>

<b>Management should consider the inclusion of a statement of endorsement from stakeholders to further enhance the organisation's future Annual Quality Statement.</b>	<b>MEDIUM</b>
<b>Management Response</b>	<b>Responsible Officer/ Deadline</b>
This is accepted. Organisation's were encouraged and not required to obtain stakeholder endorsements in the recent WHC guidance. Endorsements have not previously featured in previous documents, but it is agreed that this will be included within the timetable for the 2019/20 AQS production to enhance the strong partnership working that is evidenced throughout the document.	Sian Passey (Assistant Director – Nursing Assurance & Safeguarding)  October 2019
<b>Finding 4 - Verification of Reported AQS Figures (O)</b>	<b>Risk</b>
A sample of performance figures demonstrating the organisation's achievements and challenges that were reported in the AQS 2018/19 was tested to ensure their validity. Concluding testing, we were unable to validate some of the figures reported in the statement. In addition, we noted a variance in the figures for 'on the spot' cases dealt by the Patient Support Contact Centre for 'Putting Things Right'.	The information detailed in the Annual Quality Statement is incomplete and/or incorrect.
<b>Recommendation 4</b>	<b>Priority level</b>
<b>Management should ensure that mechanisms are in place to enable the ASI Team to gain assurance of a clear audit trail from submitted performance figures to the information source.</b>	<b>MEDIUM</b>

<b>Management Response</b>	<b>Responsible Officer/ Deadline</b>
<p>In obtaining information to secure outcome data going forward, managers providing information will be asked to provide the source data for validation purposes.</p> <p>The on the spot figures quoted were obtained from the live Datix system at the time, which were correct at the time of reporting. Due to the timing and the 'live' nature of the system, the figures had changed by the time of production.</p> <p>In relation to the smoking cessation figures, these figures are correct and can be validated, comment is made that this has been secured by obtaining information from Public Health Wales as well as within the Health Board's information resources. However, this would be expected given that this is an all Wales public health initiative, supported by local public health teams.</p>	<p>Sian Passey (Assistant Director – Nursing Assurance &amp; Safeguarding)</p> <p>October 2019</p>



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

### 2019/20 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** arrangements in place to secure governance, risk management and internal control, within those areas under review, which 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
<b>High</b>	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*
<b>Medium</b>	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
<b>Low</b>	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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