Performance Monitoring & Reporting
Final Internal Audit Report

April 2022

Hywel Dda University Health Board

NWSSP Audit and Assurance

GIG CYMRU NHS WALES
Partneriaeth Cydwasanaethau
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Audit and Assurance Services

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Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

Contents

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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

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Executive Summary

Purpose

The purpose of this audit review is to provide assurance to the Health Board of the the quality of information and effectiveness of the arrangements in place for the monitoring and reporting of performance.

Overview

There are no matters arising requiring management attention.

The overall assurance rating is Substantial, based on the systems in place for Performance Management and progress made on implementing Improving Together, whilst acknowledging the programme is yet to be fully implemented due to delays resulting from the Covid-19 pandemic response.

Report Classification

		Trend
 Substantial	Few matters require attention and are compliance or advisory in nature. **Low impact** on residual risk exposure	n/a

Assurance summary[1]

	Assurance objectives	Assurance
1	The Data Reported to the Health Board is complete and accurate with Performance Monitoring and Reporting undertaken in a regular and timely manner.	Substantial
2	The implementation of the "Improving Together" programme is being achieved.	Substantial

[1] The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

1. Introduction

1.1 The review of Performance Reporting and Monitoring was completed in line with the 2021/22 Internal Audit Plan. The relevant lead Executive Director for the assignment was the Director of Finance.

1.2 The NHS Wales Delivery Framework and Guidance 2021-2022 was issued by the Welsh Government and sets out the outcome focused measures based upon the aims of A Healthier Wales plan. The Health Board is required to comply and regularly report their performance against outcomes.

1.3 Given the issues relating to, and the consequence of the Covid-19 pandemic, the implementation of Improving Together has taken longer, as acute sites address the pandemic, implementation of the full framework is now targeted for December 2022 and complete roll out is aimed for April 2023.

1.4 The potential risks considered in the review were as follows:

- inaccurate performance information reported due to the lack of quality data;
- untimely and irregular reporting of performance information results in key decision not being made by management; and
- lack of progress in the implementation of 'Improving Together' programme.

2. Detailed Audit Findings

Objective 1: The data reported to the Health Board is complete and accurate with performance monitoring and reporting undertaken in a regular and timely manner

2.1 The Health Board performance report was developed during 2021 to enable easier identification of areas of concern and streamline the reporting process. This involved a phased approach starting with the migration to a Power BI dashboard and the move from traditional RAG reporting to a more intuitive statistical process control (SPC) chart reporting.

2.2 SPC charts highlight the variation in performance over time, performance against target and facilitate the distinction between changes that are statistically significant or have happened by chance. This allows more meaningful analysis and richer discussion to understand where the focus of work needs to be concentrated to make a difference. SPC charts can also aid the Health Board in assessing the impact of change and statistically forecast whether a process is capable of achieving a target.

2.3 The first Integrated Performance Assurance Report (IPAR) dashboard was presented to the Board in June 2021 and continues to be consistently reported at Board and committee level in line with reporting timetables. The IPAR has attracted positive feedback from Board members and learning has been shared via the All-Wales Head of Performance meetings resulting in these arrangements being considered for implementation by other NHS Wales organisations.

2.4 Metrics within the IPAR are based on Welsh Government priorities and linked to the Health Board's six strategic objectives and supporting planning objectives. We sampled 20 metrics to confirm that the performance reports were accurate and that there was a system in place to ensure accuracy. In all cases the data had been subject to quality assurance review by the Performance Team prior to inclusion in the IPAR, with a clear audit trail to demonstrate this.

2.5 Training has been provided to relevant staff and senior reporting officers on Power BI, the new IPAR reporting format and the use of SPC charts, with further online support made available to staff including how to interpret SPC charts and recordings of the sessions. A record of pre-launch training was maintained, however subsequent/ongoing training is not recorded. This has been informally highlighted to management as an opportunity for improvement.

Conclusion:

2.6 Noting the systems and processes in place for performance monitoring and reporting we have concluded **Substantial** assurance for this objective.

Objective 2: The implementation of the "Improving Together" programme is being achieved

2.7 Improving Together is a quality management system, which seeks to ensure that all service users across the Health Board experience consistently high-quality services. Its aim is to align team vision with the Health Board's strategic objectives. The Programme aims to empower teams to improve quality and performance across the Health Board, by working with teams and wards to set key improvement measures, which aligns to the team vision and the strategic objectives of the organisation.

2.8 The Performance Improvement Team will work with teams to enable them to visualise key data sets, including improvement measures, which combined with regular team huddles will help drive decision-making, that makes a positive impact on performance.

2.9 As a result of the impact of the Covid-19 pandemic, the original planned implementation date (31 March 2022) has been extended to December 2022 for the framework to be in place, with roll out to teams by April 2023. Review of the implementation timetable to establish if key phases had been achieved noted that

the Vision and outcomes have been agreed with the Board, and a Quality Management System has been developed describing the Health Board's approach to Improving Together.

2.10 Further work is being undertaken to progress the project, with a presentation highlighting the achievements to date reported at the March 2021 Steering Group. A further presentation to the Executive Team outlines an overview of the performance structure, tools and support available through Improving Together seeking to empower staff to utilise data to drive forward improvement. The high-level delivery plan within identifies key activities and the timescales to achieve implementation by April 2023.

Conclusion:

2.11 Recognising the unavoidable impact of Covid-19 and the ongoing effort to develop and implement the Improving Together framework, we have concluded **Substantial** assurance for this objective.

Appendix A: 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:

 **Substantial assurance**	Few matters require attention and are compliance or advisory in nature. **Low impact** on residual risk exposure.
 **Reasonable assurance**	Some matters require management attention in control design or compliance. **Low to moderate impact** on residual risk exposure until resolved.
 **Limited assurance**	More significant matters require management attention. **Moderate impact** on residual risk exposure until resolved.
 **No assurance**	Action is required to address the whole control framework in this area. **High impact** on residual risk exposure until resolved.
 **Assurance not applicable**	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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