



**ANGUS HEALTH AND SOCIAL CARE**

**INTEGRATION JOINT BOARD AUDIT COMMITTEE – 18 APRIL 2018**

**CHECKLIST FOR AUDIT COMMITTEE MEMBERS**

**REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER**

**ABSTRACT**

To update the Committee members of the Audit Committee on the self-assessment exercise undertaken within the IJB based on the October 2017 Audit Scotland “Checklist for Councillors and Board Members” (as included in the NHS in Scotland 2017) Audit Scotland report.

**1.0 RECOMMENDATIONS**

It is recommended that the Integration Joint Board Audit Committee:-

- (i) note the self-assessment;
- (ii) highlight to the IJB Executive Management Team the following specific action they wish to see developed in future work :-
  - a. ensure that financial planning covers multi-year periods and demonstrates how the IJB can achieve financial balance;
  - b. request that the IJB’s performance reporting increasingly consider how future performance can be improved; and
  - c. request that future Workforce Plans cover longer timelines than the current plan.

**2.0 BACKGROUND**

2.1 The January Audit Committee considered the attached assessment as part of overall consideration of relevant external reports. It was felt completion of this assessment, while not mandatory, would be helpful. It was agreed in doing this that the self-assessment would be completed by the IJB’s management team. At the time, the Chief Finance Officer noted that the output of assessments such as this, while helpful, need to be seen in the context of the overall developing nature of the IJB, the overall scale and pace of change within the IJB and the overall resources available to manage that change within the IJB.

2.2 In terms of some broad observations from this assessment the following can be noted:-

- Finance – While the IJB does receive regular Finance updates, it has not, to date, been able to demonstrate it has robust plans to deliver at least break even in any financial year (linked to the IJB overspend in 2016/17). However the IJB is now developing multi-year financial plans that will be the vehicle for describing how, from 2018/19, the IJB plans to move towards breakeven and longer term financial sustainability.
- Performance – While the IJB does receive regular Performance updates, those reports focus on reporting current and previous performance. To date they focus less on prospective assessments of performance. Developing trajectories for Performance reports

could be considered by the IJB during reviews of Performance reporting and future versions of the Strategic Plan.

- Service Reform – The IJB does receive regular reports regarding the development of services.
- Service Reform – Workforce Planning – Given the nature of the workforce pressures the IJB faces, the IJB may wish to consider a longer term Workforce Plan. The current, very recently completed plan considers the period April 2018 - March 2020.
- Service Reform – Engagement – The IJB does undertake a broad range of engagement activity. This is the subject of a separate report to the April 2018 main IJB meeting.
- Generally - while there are areas for improvement, many of these can be reported through reports provided to the main IJB (e.g. multi-year financial planning, performance reporting). It is therefore recommended that actions from this self-assessment are taken forward through the IJB's Executive Management Team to develop future reports to the main IJB specifically developing longer term financial planning, prospective performance reporting and longer term workforce planning.

- 2.3 While this self-assessment provides a useful opportunity to assess where the IJB is with certain issues, it is important to note there will be other assessments (e.g. those undertaken annually by the IJB's Internal and External Auditors) of the IJB's governance and reporting arrangements. The IJB's Internal Auditors have indicated they will take the content of this self-assessment into account when developing their year end reviews of the IJB. On that basis, it is not recommended that the IJB formally undertake this self-assessment on a regular basis, but view this as a useful review of how the IJB is currently placed.

### 3.0 CONCLUSIONS

- 3.1 The Audit Committee requires to note the completion of the self-assessment exercise and note the main improvements that can be made as a result – primarily in longer term financial planning, prospective performance reporting and longer term workforce planning.

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Appendix 1: Checklist for Non-Executive Directors.

## Checklist

The following checklist is designed to help non-executive directors with their role in overseeing the performance of NHS boards and is aimed at promoting good practice, scrutiny and challenge in decision-making.

The checklist should be read in conjunction with the report, ***NHS in Scotland 2017***, published in October 2017. This report examines how different parts of the healthcare system in Scotland performed in 2016/17 and why healthcare needs to change. It identifies the progress being made and the barriers which urgently need to be overcome to ensure the NHS can continue to provide high-quality care in the future.

The checklist is divided into two sections covering:

- Financial and service performance
- Adapting for the future.

The questions should help non-executive directors seek evidence, and subsequently gain assurance, on their board's approach in these areas. If the answer to any question is 'no', then we would encourage non-executive directors to speak with the board's senior executive team, or, where appropriate, the Chief Executive, to discuss how improvements can be made.

## Section 1: Financial and service performance

The challenges facing the NHS in Scotland include continuing increases in demand, a tightening financial environment, difficulties in recruiting staff, advances in expensive technology and medicines, and a demanding public and political environment. In 2016/17, these challenges continued to intensify. The following questions consider financial health, savings and service performance.

1. Do I have a good understanding of the overall financial health of the board?	Yes	Partly	No	Supporting Information
Am I aware of the current underlying financial performance of the board against its annual revenue and capital budget limits? (note the IJB does not hold a capital budget)		X		A finance report is provided to all IJB meetings. This clearly sets out the in year financial position, but does not provide information regarding underlying (multi-year) financial position. Underlying financial (multi-year) position discussed at IJB Development session 10/01/18.

Do I have sufficient assurance that both annual revenue and capital limits will be met?			X	Reports (noted above) indicate this will not be the case on a multi-year basis
Am I aware of all significant cost pressures facing the board and their implications? Cost pressures may include: increased demand for services from a growing, ageing population increasing staff costs, in particular spending on temporary staff rising spending on drugs.	X			All risks regularly described and, where possible, quantified in reporting.
Do I know the extent to which the board is using short-term approaches / one-off measures to achieve financial balance?	X			This is referenced in finance papers (e.g. re Prescribing 10/01/18)
Am I satisfied that appropriate action is being taken to address potential future funding gaps?			X	Reports (noted above) indicate that not enough progress will be made to deliver breakeven in 2017/18.
Do I have confidence that appropriate action is being taken to help improve the financial health of the board?	X			Progress being described in regular Board papers (e.g. Financial Planning, Angus Care Model, LD papers). But progress is not sufficient to deliver breakeven in 2017/18.
Does the board have a long-term financial strategy (covering five to ten years)?			X	Plans still to be confirmed. Information discussed at IJB Development session 10/01/18. Medium term financial plan to be shared at IJB Board April 2018.
Do I know how the board plans to use resources differently to achieve the aim of delivering more healthcare in the community?	X			Progress being described in regular Board papers (e.g. Angus Care Model, Improvement and Change Programme updates).
Do I have a good understanding of the current condition and future investment needs of the board's estate and other assets (such as medical equipment)?				N/A – Assets managed and owned by NHST/Angus Council.
Am I aware of issues and pressures facing general practice in my board area? For example:  • the number of GP practices taken over by the board and action plans to address to hand them back  • recruitment and retention issues.	X			See report 35/17 (June 2017) and 19/18 (Feb'18).

2. Does the board have a robust savings plan in place?	Yes	Partly	No	Supporting Information
Where savings are identified, do plans demonstrate how savings will be achieved within the timescales given?	X			See Finance reports
It is important that the majority of savings are recurring to ensure the sustainability of the board's financial position. Am I confident that the board has an appropriate balance between recurring and non-recurring savings to ensure the board will meet its future savings targets?	X			All savings reported make this distinction, general focus on recurring savings.
Where savings are identified, does the board have appropriate plans to identify them within the underlying financial period?	X			Most savings planned in advance of the start of financial year. Some savings will be subject to slippage.
Has the clinical impact of savings proposals been assessed?		X		This can be unclear in some papers, noting not all plans have a "clinical" impact.

3. Do I have a good, overall understanding of the board's service performance and quality?	Yes	Partly	No	Supporting Information
Do I have a good understanding of the wider performance of the board, including indicators of quality of care covering all parts of the healthcare system, and not just performance against national LDP standards?	X			See Performance Reports for IJB. See Clinical Care & Professional Governance Forum Minutes & papers. Bi-monthly data packs produced on behalf of NHS Tayside.
Do I have a good understanding of the board's performance against national waiting time targets and standards?		X		NHS Tayside Waiting Times papers shared with Head of Community Health & Care Services (North) and Clinical Governance Administrator. We are working with the Business unit to improve the availability of data at both operational and strategic level.
Am I aware of the general short-term and long-term trends in performance against each target and standard?		X		IJB waiting times performance evidences trends.
Am I satisfied that appropriate action is being taken to improve both short-			X	This is unclear in some areas and not always

term and long-term performance?				evident.
Am I aware of the costs involved in trying to improve performance?			X	Performance reports are presented to the IJB. Costs associated with improving performance are not directly reflected. Papers such as Help to Live at Home (intended to improve performance) do set out financial implications of change.
Am I made aware of any potential difficulties in meeting targets and standards in the future?		X		Current Performance reports do not routinely set trajectories. This would be a further development of existing reporting arrangements.
Am I aware of staff and patients' views on the quality of service provided and actions planned to address concerns?		X		Complaints / compliments and feedback are monitored and learning shared when necessary via Clinical, Care & Professional Governance Forum.
Do I know the public health trends in the communities in my board area and the health inequalities that exist? This includes: <ul style="list-style-type: none"> <li>• differences by equality group and deprivation</li> <li>• differences in how different groups access and use health services, and their experiences of care.</li> </ul>			X	No information at present, but trying to develop ways of accessing this, especially from Health.

## Section 2: Service reform

Health and social care integration marks a significant change in how the different parts of the health and social care system work together and how the Scottish public will access and use services in future years. Yet the scale, complexity and interdependencies of health and care make this a highly complicated and long-term undertaking. The following questions consider boards' progress in changing and improving services, their long-term workforce requirements and how they are working with the public and staff to change how people access, use and receive services.

1. Is the board taking ownership of changing and improving services?	Yes	Partly	No	Supporting Information
Am I aware of what the board is doing to change and improve services?	X			E.g. See Angus Care Model reports.

Am I satisfied with the board's level of engagement with <del>integration authorities</del> and other relevant partner organisations to change and improve services?		X		The IJB's relationship with Partners continues to develop. There can be inconsistencies in differentiating between the functions of the IJB and the functions of Partners.
Am I satisfied that changes and improvements to services are happening fast enough?		X		From a very slow start, pace is beginning to increase towards a different model of care and support in the community.
Am I satisfied that the board and integration authorities are working together effectively, for example in relation to:		X		
governance arrangements		X		This is an area for further development but needs development with Partners.
reporting arrangements		X		There can be inconsistencies in views / recognition that some reporting and governance arrangements have changed with the introduction of IJBs.
budget-setting processes?		X		Budget setting arrangements with Partners while complicated and sometimes delayed, are still largely effective.
Do I feel I receive appropriate and timely information on the performance of the local IJBs, including financial and service performance?	X			Regular finance and performance reports provided.
Am I aware what the board is doing in line with national policy on realistic medicine in:	X			Regular Prescribing reports provided to the Board.
<ul style="list-style-type: none"> <li>• working to reduce over-investigation and variation in treatment</li> <li>• ensuring patients are involved in making decisions and receive better information about potential treatments?</li> </ul>				

## 2. Am I confident the board is making good progress in addressing long-term workforce requirements

Yes Partly No

Supporting Information

Am I satisfied that the board is making good progress in implementing the recommendations in Audit Scotland's report, <b>NHS workforce planning</b> ,		X		We are aware what the recommendations are & how they are relevant to Angus IJB but need a more
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published in July 2017?				robust implementation plan
Does the board have a good understanding of its long-term workforce requirements such as the number and types of jobs needed, including skills required, roles and responsibilities?	<b>X</b>			The IJB Board will receive a copy of the Integrated Workforce Plan for information once it is approved by the Staff Partnership Forum in March 2018.
Is the board developing a long-term workforce plan (more than five years) in partnership with integration authorities?			<b>X</b>	The NHS Board has an annual workforce plan, the HSCP a two year plan.
If yes to the above, does the long-term workforce plan address: Recruitment retention succession planning costs of future workforce changes?				
<b>3. Is the board engaging with the public and staff about the need for change in how they access, use and receive services?</b>	<b>Yes</b>	<b>Partly</b>	<b>No</b>	<b>Supporting Information</b>
Am I aware of what the board is doing to engage with the public and staff about the need for, and benefits of, changing how services are provided?	<b>X</b>			<ul style="list-style-type: none"> <li>• Regular engagement via Locality Improvement Groups, GP Cluster meetings and Angus Clinical Partnership Groups.</li> <li>• 'Continuing the conversation' meetings open to public and staff with information shared on the day being made available on the Angus Health and Social Care webpage on Angus Council website.</li> <li>• Online questionnaire developed and available on Angus Health and Social Care webpage on Angus Council website</li> <li>• Regular press releases issued</li> <li>• Regular staff briefings issued</li> <li>• Senior Managers hold regular meetings with staff.</li> <li>• Regular updates in Integration Matters</li> </ul>
Am I satisfied that the board provides enough information to the public on our activities? Including: <ul style="list-style-type: none"> <li>• can the public attend all meetings of the board</li> <li>• can the public access board and committee papers and minutes easily</li> </ul>	<b>X</b>			<ul style="list-style-type: none"> <li>• Members of the public can observe IJB meetings</li> <li>• IJB papers are available on the Angus Health and Social Care Partnership webpage hosted by Angus Council</li> </ul>



• does the board tell patients about the length of waiting lists and their likely wait for appointments and treatment				<ul style="list-style-type: none"> <li>Information about waiting lists and wait for appointments and treatment is accessed via NHS Tayside</li> </ul>
Am I aware of what the board is doing to encourage the public to take more responsibility for looking after their health and managing long-term conditions?	<b>X</b>			<ul style="list-style-type: none"> <li>The Angus Strategic Plan 2016-2019 has identified Improving Health, Wellbeing and Independence as one of its four priorities.</li> <li>We are progressing approaches that support individuals to live longer and healthier lives, and to have sufficient information and support to be active in the community with a focus on:               <ul style="list-style-type: none"> <li>1.1 Health Improvement &amp; Prevention of Disease Focusing on Addressing Health Inequalities in our Localities</li> <li>1.2 Building capacity in our localities</li> <li>1.3 Supporting carers.</li> <li>1.4 Supporting self-management of long term conditions.</li> </ul> </li> <li>A range of disease specific peer support groups and health led educational forums exist in Angus to provide self-management support to those living with long term conditions.</li> <li>The Angus initiative 'Video Active' encourages older people to remain fit and active.</li> </ul>
Do I know the extent to which the board is working with partner organisations when engaging with the public about the need for change in how services are provided?	<b>X</b>			<ul style="list-style-type: none"> <li>We work closely with NHS Tayside and Angus Council when engaging with the public</li> <li>We have received support from Scottish Health Council in relation to involving patients, carers and communities in planning and improving health and social care.</li> </ul>