

FTF Internal Audit Service

Workforce Plan

Report No. AN04/23

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Draft Report Issued	9 August 2023
Management Responses Received	11 August 2023
Target Audit & Risk Committee Date	23 August 2023
Final Report Issued	14 August 2023

CONTEXT AND SCOPE

1. The Angus IJB Strategic Risk Profile describes the following risk which could threaten the achievement of its strategic objectives – ‘SR08. Workforce Optimisation Bringing together partnership staffing to improve outcomes, efficiency and reduce duplication’. The risk is currently rated at 20 (Priority 1/Red) with a target score of 16 (Priority 2/Amber).
2. There are 7 current controls to mitigate the risk with a further 4 planned. The most relevant to this review in the area of workforce planning are:

Current controls:

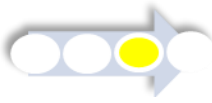
- *AHSCP Workforce Plan – The recently approved AHSCP work plan will support a focused approach to improvement on workforce risks*
- *Four work streams identified - Recruitment and Retention, Workforce Learning and Development, Staff Health and Wellbeing and Data. Each work stream has a focused action plan*

Further planned / proposed controls:

- *Angus HSCP Workforce Steering Group provides a dedicated forum where workforce issues can be addressed and improvement actions undertaken.*
3. The National Workforce Strategy for Health and Social Care in Scotland was published in March 2022 and on 1 April 2022 the Scottish Government issued DL (2022) 09, which provided guidance on the completion of the 3 Year Workforce plan 2022-25, with a deadline for submission of 31 July 2022.
 4. The Angus IJB Workforce Plan 2022-2025 was noted and approved by Angus IJB in June 2022.
 5. Our audit evaluated the design and operation of the controls and specifically considered:
 - Development of the Workforce plan based on appropriate evidence in compliance with DL (2022) 09 including validation of the self assessment against the Appendix 1 checklist;
 - Whether the Workforce plan is informed by, and informs, strategic workforce risk(s) including both identifying as well as providing solutions to these workforce risks;
 - The adequacy and effectiveness of monitoring and assurance arrangements to ensure the delivery of the Workforce plan including relevant reliable and sufficient data to measure success in particular in relation to recruitment and retention.

AUDIT OPINION

6. The Audit Opinion of the level of assurance is as follows:

Level of Assurance		System Adequacy	Controls
Reasonable Assurance		There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Controls are applied frequently but with evidence of non-compliance.

A description of all definitions of assurance and assessment of risks are given in Section 3 of this report.

Development of the Workforce plan based on appropriate evidence in compliance with DL (2022) 09 including validation of the self assessment against the Appendix 1 checklist

7. Angus IJB has a positive history of engaging with workforce planning and we previously commended the development of the first integrated workforce plan in 2018. When DL(2022)09 was issued on 1 April 2022, development of the Angus IJB Workforce Plan was already well underway through the work of the Workforce Steering Group (WSG). Therefore, the Checklist appended to the DL was not used as a template and we have been informed that management used it as a sense check rather than as a working paper. Minutes of the WSG in May 2022 show evidence of this.
8. Following approval of the Workforce plan by the IJB and submission to Scottish Government, Angus IJB received feedback from the Scottish Government Workforce Planning Data, Analytics and Insight Unit, based on the checklist in Appendix 1 of the DL. This feedback was very positive and concluded that *'the quality of the content in the partnership's draft plan is very good overall and effectively covers the areas set out in the guidance.'* This is consistent with the positive results of our own comparison to the checklist and therefore our assessment detailed in this report.
9. The only areas identified for further improvement were that *'the plan may benefit from more detail on diversity and inclusion, and on staff experience'*. The Angus Workforce plan was updated to take this into account before being published on the HSCP website by the end of October 2022.
10. The DL sets out the aim that workforce plans will present an aligned and cohesive picture of health and care workforce need across their geographic areas and stresses the importance of engagement with stakeholders and partners. In line with this guidance, the Angus Workforce plan adopts a whole system approach and covers HSCP staff employed by the two statutory partners (NHS Tayside and Angus Council) as well as the third and independent sectors. NHS Tayside is also required to produce its own Workforce plan. Whilst there is therefore an overlap for HSCP staff who are employed by the health board (who are covered in both the HSCP and the NHS Tayside Workforce plan); both plans also cover a large range of other staff.
11. To reflect and respond to the differing workforce needs of these groups of staff means that there are variances in the Workforce Action plans.

12. Whilst our review of both plans has not identified any conflicts, this aspect should be considered in future updates to ensure coherence of the HSCP plan with the health board plan in line with the letter issued in May 2023 by the Scottish Government Health and Social Care Workforce Planning and Development Division, which requested that HSCPs undertake a collaborative approach with the NHS Boards in their areas by feeding into their workforce plans.
13. Whilst at the time of conducting the fieldwork for this audit we cannot yet comment on this requested collaboration, workforce planning leads from each of the organisations attend respective workforce planning groups to help ensure cohesion and we have been informed that this includes ensuring that actions are aligned and complement each other. A Tayside wide data group is also in place and aims to produce a joint dashboard for workforce planning.
14. Also in relation to the *aligned and cohesive picture of health and care workforce* as required by the DL, the Angus HSCP Workforce Plan acknowledges the existing difficulties in obtaining data for 3rd and independent sector care providers and shows how the organisation has sought solutions to obtain partial data that could be used to inform the current version of the plan. This is acknowledged nationally as an area for development. Whilst acknowledging the limiting factors, we welcome the efforts made and this is also reflected in the feedback letter from Scottish Government.
15. In our opinion, comprehensive granular data and quantitative analysis is the most important area for future development of the Workforce plan. A new Strategic Commissioning Plan for Angus IJB is now in place since the Workforce plan was approved and will rely heavily on transformation including reconfiguration of staffing to make it sustainable. The annual review of the Workforce plan due in October 2023 should further explore how granular data can be used and analysed, linked to the new Strategic Delivery Plan which is to underpin the new Strategic Commissioning Plan.

The Workforce plan is informed by, and informs, strategic workforce risk(s) including both identifying as well as providing solutions to these workforce risks

16. A section on the strategic risk is contained in the Workforce plan and in turn the Workforce plan is the main control to mitigate the Workforce risk. In addition, service specific risks are also clearly set out in the supplementary information to the Workforce plan. We can conclude positively on the link between the Workforce plan and managing the risk of having the right staff with the right skills in the right place to achieve objectives. The setting of priority actions for the Workforce Action plan by the Workforce Planning Group in October 2021 was also based on a review of the strategic risk at that time.
17. However, we note that Workforce is rated as a Priority 1 strategic risk for Angus IJB, reflecting the extreme pressures both now and in the future. The score of 20 (Red) has stayed the same since January 2019. This is reflected in the Board Assurance Framework for the strategic risk which rates the current controls as *Inadequate – No evidence to support the effectiveness of controls*. Additional future mitigating actions to achieve the target risk score of 16 are clearly linked to the implementation of the Workforce plan and the monitoring arrangements for the Workforce Action plan. We comment in the section below on the adequacy and effectiveness of monitoring to deliver the Workforce plan.
18. While reporting of strategic risks is currently the responsibility of the Clinical Care & Professional Governance Group, a recent review resulted in a move to reporting to the relevant operational group for each risk. Whilst we welcome this direction of travel

which should help to embed management of the risk in day to day management activities, we have also previously noted the importance of direct, overt assurance on strategic risks at governance level. An agreed action point to develop assurance reporting was initially due in December 2021. This point is monitored and reported through the audit follow up process with the most recent update showing that the Executive Management Team plans to address this during 2023/24. Given the severity of the workforce risk and its impact on the organisation's ability to achieve its objectives, this action is particularly pertinent for the workforce risk.

Adequacy and effectiveness of monitoring and assurance arrangements to ensure the delivery of the Workforce plan including relevant reliable and sufficient data to measure success in particular in relation to recruitment and retention

19. The Workforce plan is underpinned by a Workforce Action plan, with the primary responsibility for monitoring of the action plan resting with the WSG. The Workforce Action plan links its actions to the priority areas identified in the Workforce plan and each area is monitored by a subgroup which reports progress to the WSG and records updates in an online shared spreadsheet.
20. We reviewed minutes of the WSG up to May 2023, which demonstrated engaged discussion but do not as yet show the measurable impact of actions taken. The description of intended outcomes is narrative and there is no specific target or data being measured. However, this is recognised through the work of the Data subgroup, with the most recent updates showing progress towards the creation of a joint recruitment and retention dashboard. Internal Audit report AN06/22 - Commissioned Service Providers included a finding *'welcoming the wide range of actions taken to help providers attract and retain staff, however there is no monitoring of data showing the effectiveness of actions taken or current gap in the controls'*. An action was agreed to develop Key Performance Indicators (KPIs) and use data to monitor how effectively controls are performing. This principle should be extended to link risk and performance monitoring in general, and the work on controls on the workforce risk in particular, to ensure metrics are in place to enable an assessment for each action on:
 - effectiveness of measures,
 - delivery of measures,
 - impact on risk.
21. Consideration will need to be given to how relevant, reliable and sufficient data can be obtained to support such assessments.
22. Guidance provided to the subgroups on completion of the action spreadsheet shows that some actions were monitored separately through the Angus Care Model which was essentially the organisation's current transformation programme. We have been informed that future monitoring will be through the successor groups reflecting the IJB's new Strategic Commissioning Plan. However, it is important to be able to understand the totality of actions and their impact. The planned annual update on the workforce plan to the IJB should provide the previously recommended direct, overt assurance on the strategic workforce risk and should reflect all work being undertaken. However, given the significance of the risk, consideration should be given to more frequent reporting in line with the risk appetite agreed by the IJB.


ACTION


23. The action plan at Section 2 of this report has been agreed with management to address the identified weaknesses. A follow-up of implementation of the agreed actions will be undertaken in accordance with the audit reporting protocol.

ACKNOWLEDGEMENT

24. We would like to thank all members of staff for the help and co-operation received during the course of the audit.

Jocelyn Lyall BAcc CPFA
Chief Internal Auditor





Action Point Reference 1		
Finding:		
WSG monitoring of progress with the Workforce Action plan is predominately in a narrative format and not linked to measurable targets or any data reported.		
Audit Recommendation:		
To support the monitoring of the Workforce Action plan, we recommend the development of KPIs and the use of data.		
In turn, this then would provide data to monitor how effectively controls against the workforce risk are performing.		
Consideration will need to be given how relevant, reliable and sufficient data can be obtained to support assessments of:		
<ul style="list-style-type: none"> • effectiveness of measures; • delivery of measures; • impact on risk. 		
Assessment of Risk:		
Significant		Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores. Requires action to avoid exposure to significant risks to achieving the objectives for area under review.
Management Response/Action:		
In relation to commissioned services the Care Home/ Care at Home viability dashboards are complete and have gone live. The dashboards contain information in relation to care homes and care at home which includes a RAG status based on staffing levels, care inspectorate grades, details of any investigations or complaints, number of hours being delivered and vacancies. Both are available on SharePoint and the information is starting to be populated. The IJB will ensure that Care Home/Care at Homes dashboards are populated and monitored and that this data and the information contained within it is added to the workforce core dataset to inform our workforce planning and our next Workforce Plan annual update 2024.		
A core dataset for wider workforce planning purposes is now in place and has been used to inform the AHSCP Workforce Plan Annual Update 2023. This will be further developed to include KPIs and further qualitative as well as quantitative data.		
Action by:	Date of expected completion:	
Head of Service (EMcL)	March 2024	

Action Point Reference 2		
Finding:		
<p>We previously recommended that direct, overt assurance on strategic risks should be provided at governance level.(AN03/21 Annual Internal Audit report)</p> <p>Some elements of the Workforce Action plan are monitored separately through the Angus Care Model which is essentially the organisation’s current transformation programme. However, it is important to be able to see the totality of actions and their impact.</p> <p>The IJB is set to receive an annual update on the workforce plan.</p>		
Audit Recommendation:		
<p>The planned annual update on the workforce plan should provide system wide assurance to the IJB covering the totality of work being undertaken.</p> <p>Frequency of reporting should be considered and should be commensurate with the level of risk and in line with the risk appetite agreed by the IJB.</p>		
Assessment of Risk:		
Moderate		<p>Weaknesses in design or implementation of controls which contribute to risk mitigation.</p> <p>Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.</p>
Management Response/Action:		
<p>The AHSCP Workforce Plan Annual Update 2023 has currently been drafted and is undergoing a period of engagement prior to being finalised and presented to the IJB in October 2023. This update includes system wide assurance of the totality of the work being undertaken.</p> <p>We will continue to provide an annual workforce report to the IJB. Workforce reporting will be flexibly commensurate with the risks the IJB is exposed to. We will review the risk at each Workforce Steering Group until we achieve the target score of 16.</p>		
Action by:	Date of expected completion:	
Head of Service (EMcL)	Complete	

Section 3 Definition of Assurance and Recommendation Priorities





Definition of Assurance

To assist management in assessing the overall opinion of the area under review, we have assessed the system adequacy and control application, and categorised the opinion based on the following criteria:

Level of Assurance		System Adequacy	Controls
Substantial Assurance		A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Controls are applied continuously or with only minor lapses.
Reasonable Assurance		There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Controls are applied frequently but with evidence of non-compliance.
Limited Assurance		Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	Controls are applied but with some significant lapses.
No Assurance		Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.	Significant breakdown in the application of controls.

Assessment of Risk

To assist management in assessing each audit finding and recommendation, we have assessed the risk of each of the weaknesses identified and categorised each finding according to the following criteria:

Risk Assessment	Definition	Total
Fundamental	 <p>Non Compliance with key controls or evidence of material loss or error. Action is imperative to ensure that the objectives for the area under review are met.</p>	None
Significant	 <p>Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores. Requires action to avoid exposure to significant risks to achieving the objectives for area under review.</p>	1
Moderate	 <p>Weaknesses in design or implementation of controls which contribute to risk mitigation. Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.</p>	1
Merits attention	 <p>There are generally areas of good practice. Action may be advised to enhance control or improve operational efficiency.</p>	None